

This document is not an official version of the Declaration of Restrictions for Poinciana Place Town Homes. This document is a consolidated version of the Declaration of Restrictions for Poinciana Place Town Homes that incorporates all approved amendments as of March 23, 2020. Please refer to the original recorded copies of the Association's governing documents and all subsequent approved amendments to review the original language and how such language may have been amended.

DECLARATION OF RESTRICTIONS

FOR

POINCIANA PLACE TOWN HOMES

THIS DECLARATION, made by POINCIANA VILLAGE, INC., a Florida corporation, hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Palm Beach County, Florida, more particularly described in EXHIBIT A affixed hereto and made a part hereof, and is desirous of subjecting such real property to the covenants, conditions and restrictions hereinafter set forth, each and all of which are for the benefit of such property and each present and future owner and shall apply to and bind every present and future owner of said property and their heirs, successors and assigns; and,

NOW, THEREFORE, Declarant hereby declares that the real property described in EXHIBIT A is and shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions and restrictions hereinafter set forth:

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to POINCIANA PLACE TOWN HOMES, INC., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any unit including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property described in EXHIBIT A affixed hereto and made a part hereof, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (and interests therein and improvements thereon) and personal property owned or leased by or dedicated to the Association for the common use and enjoyment of the owners.

Section 5. "Unit" shall mean that portion of a platted unit as shown upon a Plat of the Properties recorded in the Public Records of Palm Beach County, Florida, upon which a single family, residential dwelling is constructed by Declarant and conveyed by recorded deed to a purchaser thereof (unless otherwise specifically stated to the contrary in the conveyance). Once a Unit is so created, no further

resubdivision shall be permitted, and no alienation, transfer, demise, sale or lease of a portion of a Unit shall be permitted. Any such alienation, transfer, demise, sale or lease must be of an entire Unit.

Section 6. "Declarant" shall mean and refer to Poinciana Village, Inc., its specific successors and assigns as set forth in ARTICLE XI hereof.

Section 7. "Articles and By-Laws". It is intended that Articles of Incorporation for the Association be filed with the Florida Secretary of State, substantially in the form attached hereto as EXHIBIT B, and By-Laws for the Association be adopted substantially in the form attached hereto as EXHIBIT C.

ARTICLE II

SALES, LEASING, CONVEYANCES AND OCCUPANCY

The Poinciana Place community is a community of permanent, long term, residents. In an effort to avoid the transient environment that results when Units are purchased for investment and leasing, Units may not be leased until the Owner has held title for a minimum of two (2) years. Following two (2) years of ownership, an Owner may lease his Unit subject to the restrictions contained in the Association's governing documents, as may be amended from time to time, with the approval of the Association; provided, however, that an Owner that inherits a Unit or acquires title to a Unit by intestacy shall not be obligated to hold title to a Unit for a minimum of two (2) years prior to leasing the Unit. The date of ownership of a Unit shall be established by the date appearing on the deed or another instrument evidencing the Owner's title that is recorded in the Public Records of Palm Beach County, Florida. A Unit shall not be leased for a term of less than twelve (12) months and not more than once during any twelve (12) month period. For purposes of determining when the foregoing twelve (12) month period begins, the first day that a lessee or renter occupies a Unit pursuant to a lease shall be the first day of the twelve (12) month period. Only entire Units may be leased. No individual rooms within a Unit may be leased. No Owner may transfer any interest in a Unit by sale, lease, transfer, conveyance, gift or any other manner without the prior written consent of the Association through its Board of Directors. Approval shall not be unreasonably withheld. The consent of the Association that is required for the sale, lease, transfer, conveyance, gift or conveyance of a Unit by any other manner shall be obtained in the following manner:

a) An Owner intending to sell, lease, transfer, convey, gift or renew a lease to his Unit, or any interest in it, shall send by registered or certified mail, return receipt requested, to the Association at its principal place of doing business written notice of such intention, together with such information concerning the intended purchasers and all occupants as the Association may reasonably require. In the event the application is for a sale, such notice, at the Owner's option, may include a demand by the Owner that the Association furnish a purchaser of the Unit if the proposed purchaser is not approved. If such demand is made, the notice shall be accompanied by a fully executed copy of the proposed contract to sell the Unit. In the event the application is for a lease, such notice shall be accompanied by a fully-executed copy of the lease. Guests and other individuals who have not been approved by the Association shall not be permitted to occupy or reside in a Unit for more than thirty (30) days. An Owner or a renter/lessee who desires to permit a guest to occupy or reside in the Unit for longer than thirty (30) days shall notify the Association in writing, shall provide the Association with such guest's name, address, telephone number, vehicle information and such other information as may be reasonably requested by the Association's Board of Directors and shall obtain the Association's approval prior to such occupancy. The Association may process an application for occupancy by a guest who intends to occupy a Unit for more than thirty (30) days in the same manner as a lease as provided in this Article XIX.

b) An Owner who has obtained title to a Unit by devise, inheritance, intestacy or by any other manner not previously considered, shall send by registered or certified mail, return receipt requested, to the

Association at its principal place of doing business, notice of the acquisition of its title together with such information concerning the Owner and all occupants as the Association may reasonably require, including a certified copy of the instrument evidencing the Owner's title.

c) Within thirty (30) days after receipt of the requisite notice and all information concerning the proposed purchaser, the Owner and/or all occupants/lessees that the Association may request and, after an interview, if required by the Board or committee, the transaction shall be approved or disapproved. The Association may conduct criminal and credit background verification research concerning the intended purchaser(s), any and all Owners, any and all lessees and any and all proposed occupants of a Lot. The decision shall be provided to the Owner in writing.

d) If the proposed purchaser of a Unit is a corporation, the approval of ownership by the corporation will be conditioned upon occupancy of the Unit being limited to one Officer or Director of the corporation and his or her immediate family (limited to sons, daughters, parents, spouse and parents of spouse) and guests. If the proposed purchaser of a Unit is a business entity other than a corporation, the approval of ownership by any such other business entity will be conditioned upon the occupancy of the Unit being limited to one principal of such other business entity and his immediate family (limited to sons, daughters, parents, spouse and parents of spouse) and guests. No guest may occupy the Unit unless the identified officer, director, principal or one of the listed family members is also present at the same time. A corporation or other business entity that owns a Unit in the Association's community shall provide to the Association a written certificate designating that officer, director or principal who will occupy the Unit and designating the immediate family members of such officer, director or principal who will occupy the Unit. The corporation or other business entity may amend such designation of the Unit occupant only with the prior written approval of the Association and no more frequently than annually.

e) The Association may charge a reasonable fee determined by the Board of Directors for processing the request for approval that is required herein. Said fee shall be no less than \$100.00 and no higher than that which is allowed by Florida law.

f) The following circumstances shall be considered violations of the Association's governing documents which disqualify one from occupying a Unit. The Association may disapprove any sale, transfer, conveyance, lease, lease renewal, gift, devise, acquisition or occupancy of a Unit where any of the following circumstances exist:

1. There are any unresolved violations of Association's governing documents by the Owner of the Unit to which the notice and/or application relates or by any of the Unit's lessees, tenants, residents, occupants, guests, licensees or invitees;

2. The notice and/or application reflects (or the Association otherwise discovers) that the prospective purchaser, Owner, lessee, tenant or occupant would, upon acquiring title to or occupancy of the Unit, be in violation of a provision of the covenants and restrictions contained in Association's governing documents;

3. The Owner, lessee, tenant, resident, occupant or a guest, licensee or invitee is delinquent in the payment of any sums owed the Association, whether said sums are in the form of delinquent assessments, fines or whether said sums are owed in the form of a final judgment or any other claim by the Association against the Owner, lessee, tenant, resident, occupant, guest, licensee or invitee;

4. Any prospective purchaser, Owner, lessee, tenant, resident, occupant or guest of the subject Unit is listed on the Florida Department of Law Enforcement's Sexual Predator List or is listed on another similar such list;

5. Any prospective purchaser, Owner, lessee, tenant, resident, occupant or guest of the subject Unit has been convicted of a felony that involved violence or the use of a deadly weapon within ten (10) years of the date of the application to the Association or within ten (10) years of the date of his or her acquisition of title to the subject Unit;

6. A prospective purchaser, Owner, lessee, tenant, resident, occupant or guest fails to submit to an interview with the Board of Directors or its agent;

7. A prospective purchaser, Owner, lessee or tenant has a credit score which is considered less than "good" as described by major U.S. credit scoring agencies (Equifax, TransUnion, and Experian, for example and without limitation). In the event of any ambiguity in the definitions provided by any particular credit reporting agency or in the event that there is inconsistency among scores from more than one agency for the applicant, the Board of Directors shall be the final arbiter as to whether the score is "good" or whether the applicant has a score the Board considers "good" for purposes of this section.

Notwithstanding anything contained herein to the contrary, the Association shall have no obligation to provide a substitute purchaser in the event that the proposed sale, transfer notice or application reflects that the prospective purchaser or any occupant would, upon acquiring title to or occupying a Unit, be in violation of a provision contained in the Association's governing documents or rules and regulations, including, but not limited to, a violation of the covenants identified in paragraphs (f)(1) through (f)(7), inclusive, above. The same shall apply in the event that the Association discovers that the prospective purchaser or any occupant would be in violation of a provision contained in the Association's governing documents or rules and regulations, including, but not limited to, a violation of the covenants identified in paragraphs (f)(1) through (f)(7), inclusive, above, notwithstanding whether the violation is indicated in the transfer notice or application. The Board of Directors may, in its sole discretion, require the removal of Owners, purchasers, lessees, tenants, residents, occupants and guests who occupy a Unit prior to obtaining the Association's approval pursuant to the provisions of this Declaration, who occupy a Unit in violation of the covenants contained in Association's governing documents, as may be amended, from time to time, including, but not limited to, the covenants contained in paragraphs (f)(1) through (f)(7), inclusive, above, who fail to submit all necessary materials to the Association or who fail to submit to an interview. The Association shall have no obligation to provide any substitute lessee in the event that a proposed lease notice or application is disapproved.

ARTICLE III

(This Article III is deleted in its entirety)

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Unit shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit.

Section 2. The Association shall have one class of voting membership who shall be Members of the Association.

Members shall be all Owners and shall be entitled to one vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Unit.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. Payment of Assessments. The Declarant hereby covenants, creates and establishes, and each Owner of a Unit, by acceptance of a deed or instrument of conveyance for the acquisition of title in any manner, shall hereafter be deemed to have covenanted and agreed to pay to the Association the following dues, fees, charges and assessments, subject to the provisions of Section 3 of this ARTICLE V:

- (a) Any annual assessment or charge for the purpose of operating the Association and accompanying any and all of its purposes. Such assessments shall be in equal amounts against the Owners of each Unit.
- (b) Any special assessments for capital improvements, emergencies, or non-recurring expenses; such assessments shall be in equal amounts against the Owners of each Unit.
- (c) Charges incurred in connection with the enforcement of any of the terms and conditions hereof, including, but not limited to, fines and reasonable attorney's fees and costs, notwithstanding whether the Association has filed any litigation to enforce the terms and conditions hereof.
- (d) Fees or charges that may be established for the use of facilities or for any other purpose deemed appropriate by the Board of Directors of the Association.
- (e) Assessments of any kind for the creation of reasonable reserves for any of the aforesaid purposes. Such assessments shall be in equal amounts against the Owners of each Unit.

Section 2. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Unit owned within the Properties hereby covenants, and each Owner of any Unit by acceptance of a deed or instrument of conveyance for the acquisition of title in any manner, whether or not it shall be so expressed in such deed or instrument, is deemed to covenant and agree that the annual and special assessments, or other charges and fees set forth in Section 1 hereof, together with interest, administrative late fees, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Unit against which each such assessment is made. Each such assessment, together with interest, administrative late fees, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due, as well as his heirs, devisees, personal representatives, successors and/or assigns.

Section 3. Commencement of First Assessment. Assessments provided herein shall first commence as to each Unit on the first day of the month following the conveyance of title of each Unit by Declarant (unless otherwise specifically set forth by Declarant in such conveyance to the contrary). The annual assessments in effect at that time shall be adjusted according to the number of months remaining in the calendar year after such date.

Section 4. Establishment of Assessments. The Board of Directors of the Association shall approve and establish all sums which shall be payable by the members of the Association in accordance with the following procedures:

- (a) Annual assessments against the Owners of all of the Units shall be established after the adoption of an operating budget each year not later than November 30 preceding the fiscal year for which the budget is made, and written notice of the amount and date of commencement thereof shall be

given to each Owner not less than thirty (30) days in advance of the date thereof. Annual assessments shall be payable at such time or times as the Board of Directors shall direct.

(b) Special Assessments against the Owners and all other fees, dues and charges, including assessments for the creation of reasonable reserves, may be established by the Board of Directors at any regular or special meeting thereof, and shall be payable at such time or times as the Board of Directors shall direct.

(c) The Board of Directors may, from time to time, establish by a resolution, rule or regulation, or may delegate to an officer or agent, the power and authority to establish specific fees, dues or charges to be paid by Owners of Units for any special or personal use of facilities, or to reimburse the Association for the expenses incurred in connection with the enforcement of any of the terms of this Declaration. Such sums shall be payable by the affected member at such time or times as shall be established by the resolution, rule or regulation of the officer or agent.

(d) The Association shall prepare a roster of the Units and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. The Association shall, upon demand, furnish an Owner liable for said assessment, a certificate in writing signed by an officer of the Association, setting forth whether the assessment has been paid and/or the amount which is due as of any date. As to parties without knowledge of error, who rely thereon, such certificates shall be conclusive evidence of payment or partial payment of any assessment therein stated having been paid or partially paid.

(e) The Association, acting through the Board of Directors, can enter into agreements and to acquire memberships, ownership and other possessory or use interest in lands or facilities, such as country clubs, golf courses and other recreational facilities, including the Poinciana Country Club and golf course facilities. The association may join with other Poinciana Community Associations in the establishment of a Corporate Entity to own and manage such recreation facilities. The cost of purchasing the facilities and membership fees shall be common expenses.

Section 5. Effect of Nonpayment of Assessments; Remedies of the Association. If any assessment is not paid within ten (10) days after the due date, the Association may charge an administrative late fee not to exceed the greater of \$25.00 or five percent (5%) of the amount of the installment that is paid past the due date for each month the assessment is unpaid. The Association may at any time thereafter bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the property. The Association shall not be required to bring such an action if it believes that the best interests of the Association would not be served by doing so. There shall be added to the assessment all costs and expenses, including attorneys' fees, required to collect same. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Unit.

Section 6. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any bona fide first mortgage excluding purchase money mortgages to persons or entities other than Declarant. Sale or transfer of any Unit shall not affect the assessment lien. Notwithstanding any language contained herein which may be construed to the contrary and notwithstanding that the Association's lien for assessments may be subordinate to the recorded lien of any first mortgage as described above, an Owner's obligation for assessments shall be governed by the provisions contained in Florida Statutes §720.3085 (2019) and solely those subsequent amendments to Florida Statutes that may authorize the Association to collect amounts greater than the amounts currently authorized by Florida Statutes §720.3085 (2019). Only the holder of a first mortgage as described above, or its successor or assignee as a subsequent holder of a first mortgage by virtue of an assignment of

mortgage that is duly recorded in the Public Records of Palm Beach County, Florida, that acquires title to a Unit by foreclosure or by deed in lieu of foreclosure may be excused from paying a portion of the unpaid assessments which came due prior to its acquisition of title as provided in Florida Statutes §720.3085 (2019) and any subsequent amendments to Florida Statutes that authorize the Association to collect amounts greater than the amounts currently authorized by Florida Statutes §720.3085 (2019). All other Owners that acquire title to Units by any manner whatsoever, including, but not limited to, by purchase at a foreclosure sale in the context of a first mortgage foreclosure action, shall be liable for all unpaid assessments as provided in Florida Statutes §720.3085 (2019). An Owner other than the holder of a first mortgage as described above, or its successor or assignee as a subsequent holder of a first mortgage by virtue of an assignment of mortgage that is duly recorded in the Public Records of Palm Beach County, Florida, that acquires title to a Unit by any manner whatsoever shall also be obligated to pay any interest, administrative late fees and the attorney's fees and costs incurred in collection which may have been incurred prior to the acquisition of title. If Florida Statutes §720.3085 (2019) is amended to increase the amount of a first mortgage holder's liability, the first mortgage holder shall be liable for that increased amount. No amendment to Florida Statutes that decreases a first mortgagee's liability shall be effective to alter the effect of this section. No sale or transfer shall relieve such new Unit or Unit Owner from liability for any assessments thereafter becoming due or from the lien thereof. Nothing herein contained shall be construed as releasing the party liable for such delinquent assessments from the payment thereof or the enforcement of collection by means other than foreclosure.

ARTICLE VI

MAINTENANCE OBLIGATION OF ASSOCIATION

Section 1. Dwellings and Lots. The Association shall maintain the following elements of each dwelling and Lot. Any maintenance obligation of the Association not explicitly defined in this section shall be the responsibility of the Lot Owner as defined in Article VII below.

(a) Roofs. The Association shall maintain, repair and replace as a common expense as part of the annual assessment the plywood sheathing of the roofs of each dwelling in addition to any and all portions of the roof and roof materials that are located above the plywood sheathing, including, but not limited to, the shingles, fasteners and waterproof membrane or other barrier, consistent with the architectural criteria and standards as originally constructed by the developer or the architectural criteria, guidelines and standards concerning roofs as may be published by the Board of Directors, from time to time. The foregoing roof maintenance, repair and replacement obligation shall include solely those portions of the roofs where the plywood sheathing is supported by the roof trusses. Notwithstanding any language contained herein to the contrary, the Association shall not be responsible for the maintenance, repair or replacement of any other portion of the roofs, including, but not limited to, any portion of the roof below the plywood sheathing, any roof trusses or other support, any roof extensions, any portion of the roofs where the plywood sheathing is not supported by the roof trusses, solar tubes, skylights or any other modification to the roof that has been made by any Owner. No personal property shall be stored upon any roofs.

(b) Exterior surfaces other than roofs. The Association shall maintain, repair, repaint and/or re-stain, as may be applicable and necessary, the exterior surfaces of the Units in addition to the entire gutters, leaders, soffits, stucco, siding and fascia boards consistent with the architectural criteria and standards as originally constructed by the developer or the architectural criteria, guidelines and standards as may be published by the Board of Directors, from time to time. The Association is not responsible for maintaining, repairing, replacing, repainting or re-staining, as may be applicable, any improvements beneath the Units' exterior surfaces (other than the entire gutters, leaders, soffits, stucco, siding and fascia boards) and any doors, garage doors, door frames, garage door frames, windows and window frames which shall be the responsibility of the Owners; provided, however, that the Association shall have the right to and may, in

the sole discretion of the Board of Directors, elect to maintain, repair, repaint and restrain, as may be applicable, any doors, garage doors, door frames, garage door frames, windows and window frames upon written notice to the Owner(s) notwithstanding any other language contained herein to the contrary.

(c) Lawns, Landscaping and Shrubbery. The Association shall be responsible for mowing, trimming, fertilizing and otherwise maintaining all of the lawns, sod, shrubs, hedges, trees and other exterior landscaping within the community as a common expense as part of the annual assessment notwithstanding whether such landscaping is located on an Owner's Unit or the Common Areas. Such maintenance obligation shall include the removal, replacement and/or relocation of any landscaping improvements, including, but not limited to, any trees, hedges, shrubs and undesirable species, in the sole discretion of the Association's Board of Directors.

(d) Irrigation system. The Association shall operate, maintain, repair and replace the entire irrigation system that is used to irrigate the landscaping in the Association's community as a common expense as part of the annual assessment. The irrigation system for each dwelling is defined as the piping and sprinkler heads necessary to apply water, provided by the Association, to the lawns and shrubbery surrounding each dwelling on each lot. The irrigation system for each dwelling shall be a part of, and connected to, the common irrigation system for the common elements of the Association. The Association is responsible for the maintenance, repair and replacement of the irrigation system for each dwelling except when repair or replacement is needed because of an action of a Lot Owner.

Section 2. Right of Entry by Association. Whenever it is necessary to enter a dwelling or a Unit for the purpose of inspection, including inspection to ascertain an Owner's compliance with the provisions of this Declaration, or for performance of any maintenance, alteration or repair to any portion of the dwelling or improvements upon the Unit, the Owner thereof shall permit an authorized agent of the Association to enter such dwellings, or go upon the Unit, provided that such entry shall be made only at reasonable times. In the case of emergency such as, but not limited to, fire or hurricane, entry may be made at any time. Each Owner does hereby appoint the Association as its agent for the purposes herein provided and agrees that the Association shall not be liable for any alleged property damage or theft caused or occurring on account of any entry.

Section 3. Common Areas and Roadways. The Association shall maintain, repair and replace all improvements on the Association's Common Area as a common expense as part of the annual assessment, including, but not limited to, any and all landscaping, pools, pool house, irrigation, parking areas, roadways and other paved surfaces.

ARTICLE VII

MAINTENANCE OBLIGATION OF UNIT OWNERS

Section 1. Owner's Responsibility. Each Unit Owner shall repair, maintain and/or replace at his expense all portions of the Units, dwellings and other improvements constructed on the Units which are not to be maintained by the Association or Master Association as hereinabove provided, including, but not limited to, the doors, garage doors, door frames, garage door frames, windows and window frames, privacy screens and fences, skylights, solar tubes, those portions of the roofs that are not to be maintained, repaired or replaced by the Association and those portions of the buildings beneath the exterior surfaces of the Units that are not to be maintained, repaired or replaced by the Association. Accordingly, each Owner shall maintain at his expense the interior of the dwelling, including, but not limited to, all doors, windows, glass, screens, electric panels, electric wiring, electric outlets and fixtures, heaters, hot water heaters, refrigerators, dishwashers and other appliances, drains, plumbing fixtures and connections and all air conditioning equipment. Further, each Owner shall maintain at his expense the roof (except as otherwise provided in

ARTICLE VI hereof), any solar panels and solar tubes installed on the roof and all structural, electrical, mechanical and plumbing elements thereof and shall be responsible for removing and replacing any solar panels and solar tubes as may be necessary and when necessary for the Association to comply with its roof maintenance, repair and replacement obligations contained in Article VI hereof. Owner is strictly prohibited from performing any maintenance duties of the Association or Master Association without prior consent from the applicable Board of Directors thereof, including the painting, cleaning, repair or replacement of the exterior surfaces, the roofs or existing fences located on a Unit and is prohibited from planting of any additional landscaping.

Section 2. Owner Liability. Owners shall be responsible and liable for the acts of their tenants, lessees, residents and occupants residing in their units and their guests, licensees and invitees. Should any Owner, tenant, lessee, resident or occupant, or their guest, licensee or invitee, as may be applicable, do any of the following:

- (a) Fail to perform the responsibilities as set forth in Section 1 of this ARTICLE VII; or,
- (b) Cause any damage to any portion of the Common Area or other improvement which the Association or Master Association has the responsibility to maintain, repair and/or replace; or,
- (c) Undertake unauthorized modifications, alterations, changes, improvements or additions to his dwelling or to any other portion of his Unit which violated ARTICLE VI or ARTICLE VII, or the provisions of ARTICLE IX.

The applicable Association, after approval of two-thirds (2/3rds) vote of the Board of Directors and ten (10) days prior written notice, shall have the right, through its agents and employees, to enter upon said Unit, cause the required repairs or maintenance to be performed and/or remove the unauthorized modifications or additions, as may be applicable. The cost thereof, plus reasonable overhead costs to the Association, shall be added to and become a part of the assessment to which the Owner's Unit is subject and shall be secured by the Association's lien which may be foreclosed in the same manner as a lien for delinquent assessments as provided in Article V hereof. The Association may evict or otherwise require the removal of any tenant, lessee, resident or occupant from a Unit who violates the restrictions contained in the Association's governing documents and/or rules and regulations, as may be amended, from time to time.

ARTICLE VIII

EASEMENT FOR ENCROACHMENTS

In the event that any dwelling or other improvement upon a Unit shall encroach upon any other Unit or improvement thereon, for any reason, then an easement appurtenant to such shall exist for so long as such encroachment shall naturally exist.

ARTICLE IX

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Approval Necessary. No building, outbuilding, garage, fence, wall, retaining wall, or other structure of any kind shall be erected, constructed, placed or maintained on the Property, nor shall any alteration, addition, changing, repairing, remodeling, or adding to the exterior thereof or to the landscaping (except for the privacy area) be made, unless prior to the commencement of any construction, excavation, or other work, two complete plans and specifications therefor, including front, side and rear elevations and floor plans and two plot plans indicating and fixing the exact location of such structures or

such altered structure on the Unit with reference to the street and side lines thereof shall have been first submitted in writing for approval and approved in writing by an Architectural Committee. The Board of Directors may publish architectural guidelines and standards that identify the architectural guidelines, standards and criteria that are permissible within the community, including, but not limited to, any guidelines, standards and criteria concerning the appearance and type of landscaping that may be installed upon an Owner's unit and/or parcel, the external appearance of the buildings and Units in the community, fixtures that may be attached to the exterior of buildings and Units in the community and the exterior colors and materials of the buildings, doors, garage doors, door frames, garage door frames, driveways, privacy screens and fences to the extent permitted herein, Hurricane/Storm Protection, roofs and other improvements in the community.

Section 2. Membership to Committee. The members of the Association's Board of Directors shall serve on the Architectural Committee unless the Board of Directors resolves, in its sole discretion, to appoint different members to the Architectural Committee.

In the event of the resignation, failure, refusal or inability of any member of the Architectural Committee to act or for any other reason whatsoever, the Board of Directors may remove such member and select and fill any such vacancy by appointment for a term as determined by the Board.

Section 3. Endorsement of Plans. Approval of plans, specifications and location of buildings by the Architectural Committee shall be endorsed on both sets of said plans and specifications, and one set shall forthwith be returned by the Architectural Committee to the person submitting the same. The approval of the Architectural Committee of plans or specifications submitted for approval, as herein specified, shall not be deemed to be a waiver by the Architectural Committee of the right to object to any of the features or elements embodied in such plans or specifications if and when the same features and elements are embodied in any subsequent plans and specifications submitted for approval for use on other Units.

Section 4. Construction to be in Conformance with Plans. After such plans and specifications and other data submitted have been approved by the Architectural Committee, no building, outbuilding, garage, fence, wall, retaining wall, or other structure of any kind shall be erected, constructed, placed, altered or maintained upon the Properties unless the same shall be erected, constructed or altered in conformity with the plans and specifications and plot plans theretofore approved by the Architectural Committee.

Section 5. (Section 5 is deleted in its entirety)

Section 6. Right of Entry. Any agent or member of the Architectural Committee may at any reasonable time enter and inspect any building or property subject to the jurisdiction of the Architectural Committee under construction or on or in which the agent or member may believe that a violation of the covenants, restrictions, reservations, servitudes or easements is occurring or has occurred.

Section 7. Declarant Exempt. The Declarant and Units owned by Declarant shall be exempt from the application of this ARTICLE IX and Declarant therefore is not obligated to comply with the provisions hereof.

ARTICLE X

RIGHTS OF DECLARANT

Section 1. Sales Office. For so long as the Declarant owns any property affected by this Declaration or the Master Restrictions, the Declarant shall have the right to transact any business necessary

to consummate sales of any said property or other properties owned by Declarant, including but not limited to, the right to maintain model dwellings, have signs on any portion of the Properties, employees in the offices, use the Common Area and Recreational Properties, employees in the dwellings. Sales Office signs and all items pertaining to sales shall remain the property of the Declarant.

Section 2. Easements. For a period of ten (10) years, commencing upon the recordation of this Declaration, Declarant reserves the right to grant, in its sole discretion, easements for ingress and egress, for drainage, utilities service and other similar purposes over, upon and across the Properties and Recreational Properties, so long as any said easements do not run under any residences on the Units nor interfere with the intended uses of any portion of the Properties or Recreational Properties.

ARTICLE XI

ASSIGNMENT OF POWERS

All or any part of the rights and powers and reservations of the Declarant herein contained may be deeded, conveyed, or assigned to other persons or entities by any instrument in writing duly executed, acknowledged and recorded in the Public Records of Palm Beach County, Florida.

ARTICLE XII

PROHIBITED USES

Section 1. All garbage cans, trash containers, recycling bins, bicycles and other personal property shall be kept, stored and placed indoors or in an area not visible from outside the dwelling; provided, however, that garbage cans, trash containers and recycling bins may be left outside in the appropriate location for collection not earlier than 5:00 p.m. the day before scheduled pick-up and must be removed not later than 8:00 p.m. on the day of scheduled pick-up. No trash bags shall be left outside for pick-up. Trash bags shall be placed in appropriate garbage cans and/or trash bins for scheduled pick-up. All food/organic waste shall be placed in trash bags which shall be kept in garbage cans and trash containers.

Section 2. No temporary or permanent utility or storage shed, building, tent, structure or improvement shall be constructed, erected or maintained without the prior approval of the Architectural Committee.

Section 3. No horses, hogs, cattle, cows, goats, sheep, livestock, poultry, primates, exotic animals, exotic pets, reptiles or any other pets and animals shall be kept, raised or maintained on or within any Unit or any other real property within the Association's community; PROVIDED, HOWEVER, that Owners may keep two (2) dogs or cats, or a combination thereof not to exceed two (2) of such animals total, in their dwellings in addition to birds and fish. All pets shall be kept on a leash when not confined within the Owner's dwelling and shall be walked only on areas designated for pets by the Board of Directors, if any. Household pets may not be kept for commercial purposes. Owners, tenants, lessees, residents and occupants who desire to keep animals or pets in their dwellings in the Association's community may be required to attend a screening interview with the Board of Directors prior to keeping or replacing any animal or pet. Owners, tenants, lessees, residents and occupants who desire to keep animals or pets in their homes shall provide the Association with a recent photo of the animal(s) or pet(s) along with a copy of the most recent veterinarian report that confirms that the animal(s) or pet(s) has/have received all necessary medical treatment, shots and vaccines as may be required by Florida law and any and all codes and ordinances of any governmental entities. Owners, tenants, lessees, residents and occupants and their guests, licensees and invitees are responsible for removing and disposing all animal and pet excrement and other waste from any property located within the community. Owners, tenants, lessees, residents and occupants and their guests,

licensees and invitees shall keep their animals and pets within the community in a manner that does not cause a nuisance or other unreasonable annoyance, inconvenience or disturbance to other Owners, tenants, lessees, residents, occupants and their guests, licensees and invitees. Animals and pets that are offensive and threatening shall be considered a nuisance and are prohibited within the Association's community. Animals and pets that display or exhibit any threatening, offensive, vicious or violent behavior shall be considered a nuisance and are prohibited within the Association's community. Animals and pets that endanger the health or safety of Owners, tenants, lessees, residents, occupants or their guests, licensees and invitees shall be considered a nuisance and are prohibited within the Association's community. The Association's Board of Directors shall, in its sole discretion, be the final arbiter as to whether any animal or pet is or has caused a nuisance or other unreasonable annoyance, inconvenience or disturbance, whether any animal or pet is offensive or threatening, whether any animal or pet has displayed or exhibited any threatening, offensive, vicious or violent behavior and whether any animal or pet endangers the health or safety of Owners, tenants, lessees, residents, occupants or their guests, licensees and invitees. The Association's Board of Directors may require the immediate and permanent removal of any animal or pet from the community that is or has caused a nuisance or other unreasonable annoyance, inconvenience or disturbance, any animal or pet that is offensive or threatening, any animal or pet that has displayed or exhibited threatening, offensive, vicious or violent behavior and any animal or pet that endangers the health or safety of Owners, tenants, lessees, residents, occupants or their guests, licensees and invitees. Owners shall, along with any tenants, lessees, residents, occupants, guests, licensees and invitees, be responsible for any attorney's fees and costs that may be incurred by the Association concerning a violation of the restrictions contained in this Section 12. The Association may report any inhumane treatment or unsanitary conditions concerning the manner in which animals and pets are kept to the proper authorities and may, in the Board's sole discretion, prohibit an Owner from keeping animals and pets within a dwelling if the Owner has subjected the animal or pet to inhumane treatment or dwelling is considered unsanitary.

Section 4. No stable, livery stable or barn shall be erected, constructed, permitted or maintained on any Unit.

Section 5. No swimming pool, hot tub, spa, appurtenant pump house or pump shall be constructed, erected, installed or maintained on or within any Unit or parcel.

Section 6. No recreational vehicles, boats, trailers, business vehicles, commercial vehicles, vehicles that have the outward appearance of being a commercial vehicle (including, but not limited to, vehicles that contain visible work equipment and accessories other than a toolbox in a pickup truck), vehicles with commercial and/or business logos or signs, non-passenger vehicles, inoperable vehicles, unregistered vehicles, vehicles that are used to store an abundance of personal property, trucks and vans (without full-seating capacity and side windows installed) shall be parked on the Properties. No vehicles of any nature shall be parked on any street, lawn, landscaping or any other portion of the Properties, Unit, or Recreational Properties within the community except on the surfaced parking area thereof; provided, however, that the Board of Directors may, in its sole discretion, authorize parking of permitted vehicles on one side of the streets located within the Properties during such times in and such places as may be designated by the Board of Directors, from time to time. No vehicle repairs or maintenance shall be permitted within the community. Notwithstanding the foregoing, prohibited vehicles shall not include any vehicles owned, leased or operated by the Association or its agents and managers, any vehicles owned or operated by a municipality for purposes of law enforcement, fire safety and/or emergency medical services, motorcycles, pick-up trucks that are not commercial vehicles and that do not have the outward appearance of being a commercial vehicle and vehicles that furnish goods and services within the community; provided, however, that any prohibited vehicles that furnish goods and services within the community shall be permitted to park temporarily within the community solely for that period of time necessary for the furnishing of goods and services within the community. The Board of Directors, in its sole discretion, shall be the final arbiter as to whether a specific vehicle or any manner of parking may be prohibited within the

community. Vehicles that are prohibited or parked in a manner that is inconsistent with the restrictions contained herein shall be subject to towing at the vehicle owner's expense. An Owner, lessee/renter or other occupant of a Unit that has a valid license to operate a motor vehicle may park a maximum of one (1) motor vehicle in the community; provided, however, that such resident otherwise complies with the vehicle and parking restrictions contained herein. Owners, lessees/renters and other occupants that do not have a valid license to operate a motor vehicle shall not keep any motor vehicle within the Association's community. The Board of Directors, in its sole discretion, may adopt parking rules and regulations, including, but not limited to, rules and regulations that implement a parking decal program that may be used to identify permitted vehicles.

Section 7. No outdoor clothes drying shall be allowed.

Section 8. No signs, except small name signs approved by the Architectural Committee, shall be placed, erected or displayed on any Unit. An area within the recreation building shall be provided for posting such notices. Notwithstanding the restrictions contained in this Section 8, an Owner intending to sell his Unit may temporarily install a "For Sale" sign consistent with the appearance and such location as may be approved by the Architectural Criteria to advertise the sale of the Unit. Any such "For Sale" sign must be removed at the earlier of the execution of a contract for the same of the Unit or ninety (90) days after such sign is installed.

Section 9. No trade or business shall be conducted upon or within, nor any commercial use made of, any residential Unit; provided, however, that the use of a portion of the Unit for a home office which does not generate any additional vehicular traffic within the community is permitted if the same does not violate any zoning restriction or ordinance.

Section 10. All Units shall be kept in a clean and sanitary manner and no rubbish, refuse or garbage allowed to accumulate, or any fire hazard allowed to exist. All Units shall be maintained in first class condition with well kept lawn and well maintained landscaping.

Section 11. No nuisance shall be allowed upon any Unit or any use or practice that is a source of annoyance to other Unit Owners or interferes with the peaceful possession and proper use of the Units by the residents thereof.

Section 12. No immoral, improper, offensive or unlawful use shall be made of any Unit and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be strictly observed.

Section 13. No television or radio masts, towers, poles, antennas, aerials, or appurtenances may be erected, constructed, or maintained.

Section 14. Each Unit is restricted to residential use as a single family residence by the Owner or Owners thereof, their immediate families, guests and invitees, or their lessees.

Section 15. No person shall use the Unit or any parts, thereof, in any manner contrary to this Declaration.

Section 16. No fence may be erected, installed or maintained within the Association's community; provided, however, that the foregoing restriction shall not apply to those fences that exist as of the date of the recording of this amendment, shall not apply to those fences as may be required by any law, code or ordinance and shall not apply to those privacy screens and fences as may be approved by the

Architectural Committee and which are consistent with the criteria set forth in any published architectural guidelines and standards.

Section 17. As used herein, "Hurricane/Storm Protection" shall mean Accordion Shutters, Roll-Ups, Roll-Downs and other hurricane/storm panels and/or protection that are bolted to the exterior of the home or installed in a track and are not designed to be opened and closed without removing and installing the panels. Hurricane/Storm Protection may only be installed and/or closed following the issuance of a storm "watch" for Palm Beach County as such is defined by the National Oceanic and Atmospheric Administration's National Weather Service. A watch is used when the risk of a hazardous weather or hydrologic event has increased significantly, but its occurrence, location, and/or timing is still uncertain. Hurricane/Storm Protection may only remain installed and/or closed while a watch or a more severe weather condition is in effect. Hurricane/Storm Protection may not be left up/closed absent the existence of currently effective watch or more severe weather storm condition alert. If an Owner or other resident is leaving the Unit for vacation or other extended period, arrangements must be made to have the Hurricane/Storm Protection installed and/or closed, as may be required, should a warning be issued while the Owner or other resident is away. Units may not be shuttered in advance of the watch. Hurricane/Storm Protection must be opened/removed not later than five (5) days after the watch or more severe storm weather condition alert has been lifted for Palm Beach County. Removable and other non-permanent panels must be stored out of sight when not in use. Installation of any and all Hurricane/Storm Protection must be performed by appropriately licensed and insured contractors. All Hurricane/Storm Protection must meet or exceed Palm Beach County Code requirements. Notwithstanding the foregoing, the Board of Directors, in its sole discretion, may adopt guidelines from time to time that authorize Owners to close their Hurricane/Storm Protection for additional periods of time.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In any such suit the prevailing party shall also be entitled to recovery of all costs and expenses including court costs and attorneys' fees.

In addition to the remedies identified herein and not in lieu thereof, the Association may levy fines against those Owners, lessees, tenants, residents and their guests, licensees and invitees who violate or breach any covenant, condition or restriction contained in the Association's governing documents and rules and regulations, as may be amended, from time to time in an amount. A fine may not exceed one hundred dollars (\$100.00) per violation and may be levied by the Board of Directors for each day of a continuing violation with a single notice and opportunity for hearing, with no aggregate limitation on the amount of fines that may be levied notwithstanding any limitation contained in Florida Statutes. Fines shall be considered assessments against the applicable Owner's parcel pursuant to Article V of this Declaration which shall be secured by the Association's lien and which may be foreclosed in the same manner as lien for delinquent annual assessments as provided in Article V of this Declaration. In any action to recover fines, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party.

The Association may suspend the right of an Owner, lessee, tenant, resident and their guests, licensees and invitees to use common areas and facilities for their failure to comply with the restrictions contained in the Association's governing documents and rules and regulations, as may be amended, from

time to time. This paragraph or any suspension imposed pursuant to this paragraph does not apply to that portion of common areas and facilities that are necessary to provide access or utility services to the Owner's parcel/Unit and does not apply to prohibit vehicular and pedestrian ingress to and egress from the parcel/Unit or the right to park vehicles that are not prohibited by the restrictions contained in this Declaration.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by the approval of a majority of the total voting interests of the Association.

Section 4. Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing.

ARTICLE XIV

ROOF MAINTENANCE OR REPLACEMENT

Section 1. It is contemplated that the roof of the dwellings constructed upon the Units will extend over two or more Units and shall be a common roof. In the event that a portion of a roof requires repair or replacement, and such is not the obligation of the Association pursuant to the provisions of Article VI hereof, then the cost thereof in excess of insurance proceeds, if any, shall be shared prorata by the Owners of the Units over which that portion of the roof to be repaired or replaced is situated; provided, however, that in the event that damage or destruction is confined to the roof area wholly within the dimensions of a single Unit, cost of repair and replacement thereof which is in excess of insurance proceeds, if any, shall be paid by the Owner of said single Unit. If the damage or destruction of adjacent roof areas is caused by the negligence or willful misconduct of any one Owner, such negligent Owner shall bear the entire cost of repair or replacement. If any Owner shall neglect or refuse to pay his share, or all of such cost in case of negligence or willful misconduct, any other affected Owner may have such roof repaired or replaced and shall be entitled to file in the Public Records a lien on the Unit of the other Owner so failing to pay for the amount of such defaulting Owner's share of the repair or replacement cost plus attorneys' fees and costs, which may be foreclosed in the same manner as a lien of a mortgage. If an Owner shall give, or shall have given a mortgage or mortgages upon his property, then the mortgagee shall have the full right at his option to exercise the rights of his mortgagor as an Owner hereunder and, in addition, the right to add to the outstanding balance of such mortgage any amounts paid by the mortgagee for repairs hereunder and not reimbursed to said mortgagee by the Owners.

Section 2. Arbitration. In the event of any dispute arising under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators and shall be binding.

ARTICLE XV

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the dwellings (including fences, if any) upon the Properties and placed on the dividing line between the Units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared equally by the Owners of the Units abutting same.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner of an adjoining Unit may restore it, and in the event the cost thereof is in excess of the insurance proceeds, the Owners of the other adjoining Unit shall contribute equally to pay such excess without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Rights to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title. If any Owner shall neglect or refuse to pay his share under the provisions of this Article, any other affected Owner is entitled to file a lien in the Public Records on the Unit of the defaulting Owner in the amount of such share plus attorneys' fees and costs, which may be foreclosed in the same manner as a lien of a mortgage.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators and shall be binding.

Section 7. Alterations. The Owner of any Unit sharing a party wall with an adjoining Unit shall not possess the right to cut windows or other openings in the party wall, nor make any alterations, additions or structural changes in the party wall.

Section 8. Perpetual Use. Each common wall to be constructed on the dividing line between the Units is to be and remain a party wall for the perpetual use and benefit of the respective owners thereof, their heirs, assigns, successors and grantees, said Units being conveyed subject to this condition and this condition shall be construed to be a covenant running with the land in perpetuity.

Section 9. Mortgagees Protections. So long as there shall be a mortgage or mortgages upon any Units, the provisions of this ARTICLE XV shall not be modified, abandoned, or extinguished as to that Unit without the consent of such mortgagee. If a Unit Owner shall give or shall have given, a mortgage or mortgages upon his Unit, then the Mortgagee shall have the full right at his option to exercise the rights of his mortgagor as an Owner hereunder and in addition, the right to add to the outstanding balance of such mortgage any amounts paid by the mortgagee for repair hereunder and not reimbursed to said mortgagee by the Unit Owner.

Section 10. Right of Access. In the event repairs or reconstruction shall be necessary, all necessary entries on the adjacent Units shall not be deemed a trespass so long as the repairs and reconstruction shall be done in a workmanlike manner and consent is hereby given to enter on the adjacent Unit to effect necessary repairs and reconstruction.

Section 11. Location of Reconstruction. Whenever a party wall or any part thereof shall be rebuilt, it shall be erected in the same manner and at the same location where it shall initially be constructed and shall be the same size and of the same or similar materials and of like quality.

ARTICLE XVI

HOUSING FOR OLDER PERSONS

The Poinciana Place Town Homes, Inc. community is intended and operated to provide housing for older persons who are fifty-five (55) years of age or older. No unit shall be occupied by any individual who is under fifty-five (55) years of age unless such unit is also occupied by an individual who is a permanent resident and who is fifty-five (55) years of age or older; provided, however, that an occupant of a Unit who had been previously approved by the Association and who is between eighteen (18) and fifty-five (55) years of age may continue to reside in the Unit by himself/herself after the death of the occupant who is fifty-five (55) years of age or more. No unit shall be occupied on a permanent basis by any person who is under eighteen (18) years of age; provided, however, that persons who are under eighteen (18) years of age may visit and occupy a Unit on a temporary basis for no more than a total of ninety (90) days in any given calendar year.

ARTICLE XVII

MANAGEMENT AGREEMENT

Section 1. The Association, by and through its Board of Directors, may enter into a contract with any firm, person or corporation, in contracting for the management, maintenance and repair or the Properties which are the obligations of the Association. Said Board of Directors is authorized to delegate to any such firm, person or corporation all of the powers and duties of the Association as are contained in any such agreement between said parties.

ARTICLE XVIII

INSURANCE

The Association shall provide and purchase insurance, as set forth in this Article and in Article XIV of the By-Laws, for the benefit of the Association, the Owners and their respective Mortgagees, as their interests may appear, and shall provide for issuance of Certificates of Insurance and Mortgagee Endorsements to Owners and any or all of the holders of institutional first mortgages. The Association shall pay the costs of obtaining said insurance and any other fees or expenses incurred which may be necessary or incidental to carry out the provisions regarding insurance and as contained in the By-Laws attached hereto. The coverages to be maintained by the Association shall include the following: (a) coverage on all dwelling structures and other insurable improvements as originally constructed and equipped by Declarant upon the Units and any Common Areas, including, but not limited to, any and all fixtures, partitions, appliances, cabinetry and personal property owned by the Association, and all Association-approved alterations or additions made to the dwelling structures, Units and Common Areas; (b) comprehensive general public liability and property damage insurance in the amount as set forth in the By-Laws; (c) workmen's compensation policies to meet the requirements of the law; and (d) such other

insurance as the Board of Directors of the Association may determine from time to time. Notwithstanding any language contained in the Association's governing documents that may be construed to the contrary, the Association's insurance obligations and coverage shall exclude all of the Owner's personal property located within or outside of the Owner's residential dwelling, floor coverings, wall coverings, ceiling coverings, electrical fixtures, appliances, water heaters, water filters, cabinets and countertops, window treatments (including, but not limited to, curtains, drapes, blinds, hardware and similar window treatment components) and replacements of any of the foregoing which are located within the boundaries of a residential dwelling and which serve only such unit. Each Owner shall obtain insurance coverage, at his own expense, upon such property and improvements that are excluded from the Association's insurance obligations and coverage as provided herein. The proceeds payable under the Association's insurance policies shall be paid and held as provided in the Association's Bylaws. There may be special assessments in the event insurance proceeds are insufficient, as set forth in the By-Laws. The proceeds of insurance collected shall be disbursed from time to time as more fully set forth in the By-Laws. Notwithstanding any language contained in any of the Association's governing documents that may be construed to the contrary, including, but not limited to, the maintenance provisions contained in Articles VI, VII and XIV hereof, any portion of the Properties that must be insured by the Association and which is damaged by an insurable event, including, for example and without limitation, fire and windstorm, shall be reconstructed, repaired, or replaced, as may be applicable and necessary, by the Association. The cost of such reconstruction, repairs or replacements, including, but not limited to, any deductibles and costs in excess of any insurance coverage, shall be a common expense. Owners shall reconstruct, repair and replace, as may be applicable, those improvements that are damaged by an insurable event for which the Owners are obligated to carry insurance. In the absence of an insurable event, the Association and the Owners shall be responsible for any reconstruction, repairs, replacements and the costs thereof pursuant to the provisions contained in the Association's governing documents, as may be amended, from time to time.