

DECLARATION OF COVENANTS AND RESTRICTIONS FOR  
THE LAKES AT ST. LUCIE WEST

THIS DECLARATION OF COVENANTS AND RESTRICTIONS, is made this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by DIVOSTA AND COMPANY, INC., a Florida corporation, ("Developer"), by the THE LAKES AT ST. LUCIE WEST PROPERTY OWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, ("Property Owners Association" or "POA"); by the SUN TERRACE AT THE LAKES HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit ("Sun Terrace Association"); and by the BEDFORD AT THE LAKES HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, ("Bedford Association").

Developer is the owner of the real property described in Exhibit "A" attached to this Declaration, and incorporated into this Declaration by reference. The Developer intends by this Declaration to impose restrictions upon certain properties under a general plan of development to mutually benefit all owners of residential properties within the restricted property. The Developer desires to provide a flexible, manageable, and reasonable procedure for the overall development of the restricted property, and to establish a method for the administration, maintenance, preservation, use, and enjoyment of the restricted property.

Developer declares that the property restricted by this Declaration and any additional property which may be subjected to this Declaration by a subsequent amendment shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property subjected to this Declaration. The easements, covenants, conditions and restrictions found in this Declaration shall be binding on all persons or entities, and their heirs, successors, and assigns, having any right, title, or interest in the property subjected to this Declaration.

ARTICLE I

DEFINITIONS

1. "Articles" shall mean the Articles of Incorporation of the Property Owners Association (hereinafter defined). A true and correct copy of the Articles is attached hereto, made a part hereof, and marked Exhibit "B".

2. "Assessment" means a share of the funds which are required for the payment of POA Expenses (hereinafter defined), which from time to time is assessed against the Members (hereinafter defined) of the Property Owners Association.

3. "Bedford at The Lakes" is the name given to a planned unit development located in Port St. Lucie, Florida. Single family homes constructed in this development shall be referred to as "Bedford Units".

4. "Bedford at The Lakes Homeowners Association, Inc." shall mean that certain entity created to maintain, manage, and control certain portions of The Lakes at St. Lucie West (hereinafter defined). It may also be referred to as the "Bedford Association".

5. "Board" shall mean the Board of Directors of the POA.

6. "By-Laws" shall mean and refer to the By-Laws of the POA, attached hereto, made a part hereof, and marked Exhibit "C".

7. "Common Area" shall mean those areas of real property shown on the plat of The Lakes at St. Lucie West, together with all improvements thereto, which are devoted to the common use and enjoyment of the Members. The term "Common Area" may sometimes be used interchangeably with the term "POA Property" (hereinafter defined). The common area shall consist of:

A. All portions of the Property (hereinafter defined), which are submitted to this Declaration, and are dedicated to the POA;

B. All portions of the Property submitted to this Declaration that are not dedicated to any governmental entity or to the public for a public use, if any.

8. "County" shall mean St. Lucie County, Florida.

9. "Declaration" shall mean the easements, covenants, conditions, restrictions, and all other terms set forth in this document, and as may be amended from time to time.

10. "Developer" shall mean and refer to DiVosta and Company, Inc., a Florida corporation, its successors and assigns.

11. "General Plan of Development" shall mean that portion of the plat of The Lakes at St. Lucie West dedicated to the POA and submitted to this Declaration, initially or by subsequent Amendment (hereinafter defined), as approved by the appropriate governmental agencies, and which shall represent the development plan and general uses of the Property.

12. "Institutional Mortgagee" shall mean any lending institution having a first lien on any property subject to this Declaration, including any of the following institutions: an insurance company or subsidiary thereof, a federal or state savings and loan association, a federal or state building and loan association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a federal or state banking association, the St. Lucie County Housing Authority or similar entity, a real estate investment trust, or any mortgage banking company authorized to do business in the State of Florida.

13. "Member" shall mean a member of the POA. Each Owner (hereinafter defined) shall be a mandatory member of the POA.

14. "Owner" shall mean and refer to one (1) or more Persons (defined below) who hold the record title to any Sun Terrace patio home (hereinafter defined) or Bedford Unit, but excluding any party holding an interest merely as security for the performance of an obligation.

15. "Patio Home" shall mean the structure and underlying real property, for which a certificate of occupancy has been received. Each patio home is located in a structure containing four (4) separate patio homes. Each patio home is designed and intended for use and occupancy solely as a single family residence.

16. "Person" means a natural person, a corporation, a partnership, a trustee, or other legal entity.

17. "POA Expenses" shall mean and include the actual and estimated expenses of operating the Property Owners Association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to the Property Owners Documents (hereinafter defined).

18. "POA Property" shall mean all real and personal property transferred to the POA for the benefit of all Members.

19. "Property" or "Properties" shall mean all of the real and personal property submitted to this Declaration. The real property initially submitted to this Declaration is described in Exhibit A.

20. "Property Owners Association" shall mean and refer to The Lakes at St. Lucie West Property Owners Association, Inc., its successors and assigns.

21. "Property Owners Documents" means in the aggregate this Declaration, the Articles, and the By-Laws of the POA.

22. "Roads" shall mean and refer to any street or thoroughfare which is constructed by Developer within the Common Areas, and which is dedicated to the Property Owners Association, whether same is designated, for example, by way of illustration and not as limitation, as a street, avenue, boulevard, drive, place, court, road, terrace, way, circle, lane, or similar designation.

23. "Rules and Regulations" shall mean the rules, regulations, and policies which are attached hereto, made a part hereof, and marked Exhibit "D", and as may be adopted by the Board from time to time by resolution or motion carried.

24. "St. Lucie West Master Association, Inc." shall mean that Florida not-for-profit corporation provided for in the Declaration of Covenants, Conditions, and Restrictions for St. Lucie West Master Association recorded in Official Record Book 576 at Page 2616, of the Public Records of St. Lucie County, Florida, (and as amended) which declaration shall be known as the "Master Declaration", and which association shall be known as the "Master Association". The purpose of the Master Declaration and the Master Association is to provide for surface water management for the community of St. Lucie West. If the Community Development District is created, then by their own terms, the Master Declaration will be revoked and the Master Association will be dissolved.

25. "Single Family" means one person or a group of two or more persons living together and interrelated by bonds of consanguinity, marriage, or legal adoption, or not more than two persons living together who may or may not be interrelated.

26. "Special Assessment" shall mean and refer to those assessments levied in accordance with the further terms of this Declaration.

27. "Subsequent Amendment" shall mean an amendment to this Declaration which subjects additional property to this Declaration, or which withdraws property previously submitted to this Declaration. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on any land submitted by a Subsequent Amendment to the provisions of this Declaration.

28. "Sun Terrace at The Lakes" is the name given to a planned unit development located in Port St. Lucie, Florida. Patio homes constructed in this development shall be referred to as "Sun Terrace patio homes".

29. "Sun Terrace at The Lakes Homeowners Association, Inc." shall mean that certain entity created to maintain, manage, and control certain portions of The Lakes at St. Lucie West. It shall be referred to as the "Sun Terrace Association".

30. "The Lakes at St. Lucie West" is the name given to a planned unit development located in Port St. Lucie, Florida, which has been platted in the County under the same name.

31. "The Lakes at St. Lucie West Property Owners Association, Inc." shall mean that certain entity created to hold, maintain, manage, and control certain property for the benefit of the Members and other Persons. It shall be referred to as the "Property Owners Association" or "POA".

32. "Transfer Date" shall mean the date that the Developer relinquishes the right to appoint a majority of the Directors to the Board, and conveys legal title to the Common Area to the POA. The transfer date shall occur 120 days after the Developer has closed the sales of all of the Sun Terrace patio homes and Bedford Units to be constructed in The Lakes at St. Lucie West, or after the Developer elects to relinquish its control of the POA, whichever shall first occur.

## ARTICLE II

### PROPERTY SUBJECT TO THIS DECLARATION

1. Initial Property. The Property which is initially subject to the easements, covenants, conditions, and restrictions imposed by this Declaration is described in Exhibit A.

2. Additional Property. The Developer may subject additional property to this Declaration, including without limitation, Common Areas, Roads, and properties of all types, by recording in the public records of the County a Subsequent Amendment to this Declaration setting forth any use restrictions, voting rights, maintenance requirements, user fees, dues, or other provisions pertaining to such additional property. Despite the fact that Developer's submission of additional property to this Declaration may result in an overall increase in the POA Expenses, or may result in an increase in the total number of votes or Members in the POA, the Developer shall not be required to obtain the joinder or consent of the POA, any Owner, any other Person (except for the approval, if required, of municipal authorities for Port St. Lucie, Florida), or any mortgagee. Any property submitted to this Declaration by Subsequent Amendment, shall be included in the term "POA Property". Likewise, the Developer reserves the right to withdraw any portion of the POA Property from the restrictions, covenants, and conditions of this Declaration, including, without limitation, any Roads, Common Areas or other areas that may have been submitted initially by this Declaration or by a Subsequent Amendment. The Developer shall have such rights until the Transfer Date. The Developer's

right to withdraw any portion of the Property shall not be applicable to any portion of the Property that has been conveyed to an Owner.

3. Phasing. It is the intention of the Developer to develop the POA Property in a single phase. Development shall be commenced within 180 days of the recording of this Declaration in the public records of the County. Developer reserves the right to modify the architectural appearance, dimensions, and site plan for the improvements to be constructed on the POA Property. Developer's right to modify the architectural appearance, dimensions, and site plan shall not require the consent of any other person or entity, except for approval, if required, of the municipal authorities.

### ARTICLE III

#### PROPERTY RIGHTS

1. Use of POA Property. Every Owner shall have a right and easement of enjoyment in and to the POA Property, subject to this Declaration as it may be amended from time to time, and subject to any restrictions or limitations contained in any deed conveying such property to the POA. Any Owner may delegate his or her right of enjoyment to the members of his or her family, tenants, and social invitees subject to reasonable regulation by the Board, and in accordance with procedures which it may adopt. An Owner who leases his or her Sun Terrace patio home or Bedford Unit shall be deemed to have delegated all such rights to his or her lessee.

2. Developer Rights. The Developer reserves the right to amend this Declaration unilaterally prior to the Transfer Date, without prior notice and without the consent of any Person, provided such amendment is not unequivocally contrary to the General Plan of Development.

### ARTICLE IV

#### MEMBERSHIP AND VOTING RIGHTS

Each Owner shall become a mandatory member of the Property Owners Association upon acceptance of the special warranty deed to his Sun Terrace patio home or Bedford Unit. As a member of the Property Owners Association, each Owner shall be governed by the Articles of Incorporation and the By-Laws of the Property Owners Association; and shall be entitled to one (1) vote for each Sun Terrace patio home or Bedford Unit owned. The rights and privileges of membership may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration, the Articles of Incorporation, and the By-laws. The membership

rights of a Sun Terrace patio home or Bedford Unit owned by a corporation or partnership shall be exercised by the individual designated by the owner in a written instrument provided to the secretary of the Property Owners Association. Provided, however, the Developer shall retain the right to appoint a majority of the Board of the Property Owners Association until the Transfer Date.

## ARTICLE V

### USE OF PROPERTY

1. Common Areas. The Common Areas and facilities of the POA shall be used solely for the rest, relaxation, and recreation of the Owners.

2. Use Restrictions. The Board shall have the authority to make and enforce standards and restrictions governing the use of the Properties. Such use restrictions, shall be binding upon all Owners and occupants until and unless overruled, canceled or modified in a regular or special meeting of the Property Owners Association.

3. Recreational Facilities. All recreational facilities and playgrounds furnished by the Property Owners Association or erected within the Properties, if any, shall be used at the risk of the user, and the POA shall be held liable to any Person for any claim, damage, or injury occurring thereon or related to use thereof.

4. Rules and Regulations. The Owners shall abide by each and every Rule and Regulation promulgated from time to time by the Board. The Board shall give an Owner in violation of the Rules and Regulations, written notice of the violation by U.S. Certified Mail, return receipt requested, and fifteen (15) days in which to cure the violation. Should the POA be required to seek enforcement of any provision of this Declaration or the Rules and Regulations and prevail in such action, then the offending Owner (for himself or for his family, guests, invitees, or lessees) shall be liable to the POA for all costs incurred in the enforcement action, including reasonable attorneys' fees, whether incurred in trial or appellate proceedings or otherwise.

## ARTICLE VI

### COMMON AREAS

1. Title to Common Area. The Developer shall not be required to convey title to the Common Area or any portion thereof to the Property Owners Association until the Transfer Date. Notwithstanding the manner in which title is held, the POA shall be responsible for the management, maintenance, and

operation of the Common Areas, and for the payment of all real estate taxes and other assessments which are liens against the Common Area, from and after the recording of this Declaration. On or before the Transfer Date, the Developer shall convey the Common Area to the POA by quitclaim deed. The Developer shall not be required to provide any title insurance or other related title documents to the POA in connection with the conveyance of the Common Areas.

2. Annexation of Additional Property. The POA shall have the power and authority to acquire and annex to the Common Areas other interests in real and personal property as it may deem beneficial to the Members. Any property acquired pursuant to this section shall be annexed to the Common Areas by means of an instrument in writing recorded in the public records of the County.

3. Traffic Regulation. The Board shall have the right to post motor vehicle speed limits throughout the Common Areas, and to promulgate other traffic regulations. The Board may also promulgate rules and procedures for the enforcement of the traffic regulations, including, without limitation, the assessment of fines against Owners who violate the traffic regulations and against Owners whose family members, guests, invitees, licensees, employees, or agents violate the traffic regulations. The fines shall be collected as an individual assessment from the Owner who violates the traffic regulations, or from the Owner whose family members, guests, invitees, licensees, employees, or agents violate the traffic regulations. Before any fine shall be effective, the Owner shall be entitled to notice and an opportunity to be heard before the Board.

4. Implied Rights. The POA may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

## ARTICLE VII

### EASEMENTS

1. Easements for Owners. The Developer hereby grants a perpetual non-exclusive easement to the POA and to the Owners, their families, guests, invitees, licensees and lessees upon, over, and across the sidewalks, walkways, rights-of-way and other Common Areas. The Developer hereby grants an additional perpetual non-exclusive easement to the POA over, across, through, and under all portions of the General Plan of Development for the purpose of performing the maintenance and repair requirements of the POA as described in this Declaration.



2. Easements for Utilities. The Developer hereby also grants a perpetual non-exclusive easement to all utility or service companies servicing the Property upon, over, across, through, and under the Common Areas and such other portions of the Property on which utility facilities may be located for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and systems including, but not limited to water, irrigation, sewer, gas, telephone, electricity, television cable or communication lines and systems. It shall be expressly permissible for the Developer or the providing utility or service company to install and maintain facilities and equipment on said property, to excavate for such purposes and to affix and maintain wires, circuits and conduits on, in and under the Common Areas, providing such company restores any disturbed area substantially to the condition existing prior to their activity; provided, however, that no utility service line or system may be installed or relocated within the Common Areas without the consent of the POA.

3. Easements for Encroachments. The Developer hereby grants an easement for encroachment in the event any improvements upon the Common Areas now or hereafter encroaches upon a Sun Terrace patio home or a Bedford Unit, as a result of minor inaccuracies in survey, construction, reconstruction, or due to settlement or movement or otherwise. The encroaching improvements shall remain undisturbed as long as the encroachment exists. This easement for encroachment shall also include an easement for the maintenance and use of the encroaching improvements. Provided, however, that at no time shall there be any encroachment onto the surface water management systems, without the written consent of the South Florida Water Management District.

4. Easement to Master Association. The officers, agents, employees, and independent contractors of the Master Association shall have a nonexclusive easement to enter upon any portion of the Common Areas for the purpose of performing or satisfying the duties and obligations of the Master Association, as set forth in the Master Declaration and in the By-Laws and rules and regulations of the Master Association.

## ARTICLE VIII

### POA MAINTENANCE RESPONSIBILITY

1. Common Areas. The POA shall maintain and keep in good repair the Common Areas. The maintenance of the Common Areas shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all plantings and sodding of Common Area; all Road and perimeter plantings and sod; right-of-way, perimeter, and other

Association irrigation facilities and pumps; perimeter walls; bridges; lakes; water features; drainage easements and other easements; road and identification signage; Common Area security facilities and equipment (if any); drainage facilities and water control structures; water and lake treatment facilities; Association parking facilities; sidewalks; recreation area and swimming pool structures and improvements; sod, landscaping and other flora located on the Common Areas; and other structures and improvements situated upon the Common Area.

2. Cost. The cost to the POA of maintaining the Common Areas shall be assessed equally among the Owners, as part of the POA Expenses pursuant to the provisions of this Declaration.

3. Public Property. The POA may maintain property dedicated to the public, if the Board determines that such public property maintenance is necessary or desirable.

## ARTICLE IX

### ASSESSMENTS

1. Creation of Assessments. There are hereby created assessments for POA Expenses as may from time to time specifically be authorized by the Board to be commenced at the time and in the manner set forth in this Article. There shall be two (2) types of assessments: (a) Assessments to fund POA Expenses for the benefit of all Members of the POA; and (b) Special Assessments as described in paragraph 3 below.

A. Equal Assessments. Assessments shall be levied equally on all Sun Terrace patio homes and Bedford Units. Special Assessments shall be levied as provided in paragraph 3 below. Each Owner, by acceptance of his or her deed is deemed to covenant and agree to pay these assessments. Each Owner shall pay his or her POA assessments through his or her respective homeowners association, i.e. the Sun Terrace Association or the Bedford Association.

B. Certificate of Payment. The POA shall, upon demand at any time, furnish to any Owner liable for any type of assessment a certificate in writing signed by an officer of the POA setting forth whether such assessment has been paid as to any particular patio home or Unit. Such certificate shall be conclusive evidence of payment to the POA of such assessment. The POA may require the advance payment of a nominal processing fee for the issuance of such certificate.

C. Quarterly Payments. Assessments shall be paid in such manner and on such dates as may be fixed by the Board which may include, without limitation, acceleration of the annual

Assessment for delinquent Owners. Unless the Board otherwise provides, the Assessments shall be payable not less frequently than quarter-annually in advance on the first day of January, April, July, and October.

D. No Waiver. No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration and not limitation, by non-use of the POA Property. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution of abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the POA or Board to take some action or perform some function required to be taken or performed by the Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the POA, or from any action taken to comply with any law, ordinance, or with any order or directive of the County or other governmental authority.

E. Developer Obligation. So long as the Developer has the right unilaterally to subject additional property to this Declaration, then on all Sun Terrace patio homes and Bedford Units on which assessments have commenced, and which are subject to this Declaration as of the first day of any fiscal year, the Developer shall be obligated for the difference between the amount of assessments levied on such patio homes and Units, and the amount of actual expenditures required to operate the POA during the fiscal year. This obligation may be satisfied in the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these.

F. Subsidy Contracts. The POA is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services or materials or a combination of services and materials with the Developer or other entities for the payment of some portion of the common expenses.

2. Computation of Assessments. It shall be the duty of the Board, at least sixty (60) days before the beginning of the fiscal year, to prepare a budget covering the estimated costs of operating the POA during the coming year. The budget shall include and shall separately list POA Expenses. The Board shall cause a copy of the budget and the amount of assessments to be levied against each Sun Terrace patio home and Bedford Unit for the following year to be delivered to each Owner at least thirty (30) days prior to the end of the current fiscal year. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in the By-Laws.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

The budget shall include, without limitation, the following listed line items:

A. Taxes. All taxes levied or assessed upon the POA Property, if any, by any and all taxing authorities, including all taxes, charges and assessments, imposition and liens for public improvements, special charges and assessments; and, in general, all taxes on personal property and improvements which are now and which hereinafter may be placed in the Common Area, including any interest penalties and other charges which may accrue on such taxes.

B. Utility Charges. All charges levied for utility services to the POA Property, whether supplied by a private or public firm including, without limitation, all charges for water, gas, electricity, telephone, sewer and any other type of utility or service charge.

C. Insurance. The premiums on any policy or policies of insurance required under this Declaration, together with the costs of such other policies of insurance, as the Board, with the consent of the Members at any meeting thereof, shall determine to be in the best interest of the POA.

D. Insurance Trustee. All expenses necessary to retain and continue to retain a lending institution in the County, having a trust department to act as "Insurance Trustee". The functions of the Insurance Trustee shall include holding all original policies purchased by the POA, being named as loss payee, distributing proceeds of such insurance, assisting in the reconstruction of improvements from insurance premiums and performing such other functions as shall be agreed upon.

E. Maintenance, repair and replacement. All expenses necessary to meet the POA's responsibility to maintain the Common Areas in accordance with the requirements of this Declaration.

F. Master Association. The Association, on behalf of all patio homes or Bedford Units subject to assessment hereunder, may pay assessments to the Master Association as provided in the Master Declaration. All patio home owners or Bedford Unit Owners shall be assessed and shall pay on an equal basis the assessments levied by the Master Association. The Master Association assessments may be paid by the patio home Owners or Bedford Unit Owners to the Association, which shall thereafter remit such assessments to the Master Association.

G. Optional expenses. The costs of administration for the POA, including any secretaries, bookkeepers and other employees necessary to carry out the obligations and covenants of the POA under the Declaration. In addition, the POA may retain a managing company or contractors to assist in the operation of the POA and to perform or assist in the performance of certain obligations hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be part of the POA's Expenses.

H. Indemnification. The costs to the POA to indemnify and save harmless Developer, from and against any and all claims, suits, actions, damages and/or causes of action arising from any personal injury, loss of life and/or damage to property in or about the Common Areas, if any, from and against all costs, counsel fees, expenses, liabilities occurring in and about such claim, the investigation thereof, or the defense at any level of any action or proceeding brought which may enter therein. Included in the foregoing provisions for indemnification are any expenses the Developer may be compelled to incur and bring suit for the purposes of enforcing rights thereunder, or for the purpose of compelling the specific enforcement of the provisions, conditions, covenants and restrictions, contained in this Declaration to be kept and performed by the POA and/or the Owners, including the payment of POA Expenses.

Included also is the cost to the POA to indemnify its officers and members of the Board for all costs and expenses whatsoever incurred in pursuance of their duties, obligations and functions hereunder. Nothing in the provisions of this subparagraph shall require any Institutional Mortgagee to pay the POA Expenses or portion thereof attributable to costs of the POA to indemnify and save harmless Developer in accordance with such paragraph. Any such POA Expense shall be reallocated amongst the Owners and not the Institutional Mortgagees.

I. Reserve funds. The costs to establish an adequate reserve fund for replacement and/or capital refurbishment of the Common Areas in the amounts determined proper and sufficient by the Board, if any. Each Owner acknowledges, understands and consents that the reserve funds are the exclusive property of the POA. The Association shall be responsible for maintaining the reserve funds in a separate reserve account and to use such funds only for capital costs and expenses as aforesaid.

### 3. Special Assessments.

A. Consent of Members. In addition to the assessments authorized in paragraph 1 of this Article, the POA may levy a Special Assessment or Special Assessments; provided, such assessment shall have the affirmative vote or written consent of at least fifty-one (51%) percent of the Members of the POA. Special Assessments shall be payable in such manner and at such

times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

B. Repairs. The POA may levy a Special Assessment to obtain all sums necessary to repair, replace, construct or reconstruct ("repair") any buildings or improvements located in the Common Areas damaged by any casualty to the extent insurance proceeds are insufficient for repair. Any difference between the amount of insurance proceeds received with respect to repair and the actual cost of the repair ("repair sums") shall be a POA Expense for which a Special Assessment shall be levied against all Owners to obtain the funds necessary to pay for such repair sums within ninety (90) days from the date such damage was incurred. The POA shall establish an account with an Institutional Mortgagee located in the County, and deposit into such account all repair sums and all insurance proceeds collected by the Insurance Trustee so that the amounts on deposit will equal the costs of repair. The POA shall proceed so that repairs shall be completed within one (1) year from the date of damage, if possible.

C. Reimbursements. The POA may also levy a Special Assessment against any Member to reimburse the POA for costs incurred in bringing a Member into compliance with the provisions of the Declaration, any amendments thereto, the Articles, By-Laws, and the Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing.

4. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to each Sun Terrace patio home and Bedford Unit at the time that a certificate of occupancy is issued for such patio home or Unit by the appropriate governmental authority. Assessments shall be due and payable in a manner and on a schedule as the Board may provide. The first annual assessment shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence.

5. Subordination of the Lien to First Mortgagees. The lien of assessments, including interest, late charges, and costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Sun Terrace patio home or Bedford Unit. The sale or transfer of any such patio home or Unit shall not affect the assessment lien. However, the sale or transfer of any such patio home or Unit pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such patio home or Unit from lien rights for any assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record or other purchaser

of a patio home or Unit obtains title pursuant to remedies under the Mortgage, its successors and assigns shall not be liable for the share of the POA Expenses or assessments by the POA chargeable to such patio home or Unit which became due prior to the acquisition of title by such acquirer. Such unpaid share of POA Expenses or assessments shall be deemed to be POA Expenses collectible from all Owners, including such acquirer, its successors and assigns.

6. Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from the payment of Assessments and Special Assessments:

A. All Common Areas; and

B. All property dedicated to and accepted by any governmental authority or public utility.

## ARTICLE X

### ESTABLISHMENT AND ENFORCEMENT OF LIENS

1. Lien for Assessments. All assessments, together with interest at a rate not to exceed the highest rate allowed by Florida law as computed from the date the delinquency first occurs, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Sun Terrace patio home or Bedford Unit against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Owner of such patio home or Unit at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first Mortgagee who obtains title pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title. Under no circumstances shall the Board suspend the voting rights of a Member for nonpayment of any assessment.

2. Effective Date of Lien. Said lien shall be effective only from and after the time of recordation amongst the Public Records of the County, of a written, acknowledged statement by the POA setting forth the amount due as of the date the statement is signed. Upon recording, there shall exist a perfected lien for unpaid assessments prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for

value. Upon full payment of all sums secured by that lien and costs and fees accrued, the party making payment shall be entitled to a recordable Satisfaction of Lien.

3. Remedies. In the event any Owner shall fail to pay his or her assessments within (15) days after the same becomes due, the POA, through its Board, shall have all of the following remedies to the extent permitted by law.

A. Late Charge. To impose a late charge not in excess of \$25.00.

B. Acceleration of Assessments. To accelerate the entire amount of any assessments for the remainder of the year notwithstanding any provisions for the payment thereof in installments.

C. Attorneys Fees and Costs. To advance on behalf of the Owner funds to accomplish the needs of the POA and the amount or amounts of money so advanced, including reasonable attorneys' fees and expenses which might have been reasonably incurred because of or in connection with such advance, including costs and expenses of the POA if it must borrow to pay expenses because of said Owner, together with interest at the highest rate allowable by law, may thereupon be collected or enforced by the POA and such advance or loan shall not waive the default.

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

E. Action at Law. To file an action at law to collect said assessments, plus interest at the highest rate allowable by law plus costs and attorneys' fees, without waiving any lien rights or rights of foreclosure by the POA.

4. Rights upon Foreclosure. The POA, acting on behalf of the Owners, shall have the power to bid for the Sun Terrace patio home or Bedford Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which such a patio home or Unit is owned by the POA following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be assessed or levied on it; and (c) each other Owner shall be charged, in addition to his usual assessment, his equal pro rata share of the assessment that would have been charged if such patio home or Unit had not been acquired by the POA as a result of foreclosure. Suit to recover a money judgment for unpaid POA Expenses and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.



ARTICLE XI

INSURANCE

1. Casualty. The POA shall maintain a master policy or policies to insure all POA Property against casualty loss. This coverage shall insure 100% of the current replacement cost of the Common Area improvements, personal property, and supplies. It shall be in such amounts so that the insured will not be a co-insurer except under deductible clauses required to obtain coverages at a reasonable cost.

A. Policy Exclusion. The coverages will EXCLUDE the following:

(i) Land, foundations, excavations or other items that are usually excluded from insurance coverage; and

(ii) Any increase in the value of POA Property as a result of special improvements or alterations.

B. Policy Inclusions. The coverage will INCLUDE the following:

(i) Loss or damage by fire or other hazards covered by a standard extended coverage endorsement;

(ii) All other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement;

(iii) Agreed Amount and Inflation Guard Endorsement, when it can be obtained;

(iv) Demolition Cost Endorsements, Contingent Liability from Operation of Building Laws Endorsement, and Increased Cost of Construction Endorsement;

(v) Steam Boiler Endorsement, if applicable, providing at least \$50,000.00 coverage for each accident at each location;

C. Policy Waivers. When appropriate and possible, the policies shall waive the insurer's right to:

(i) Subrogation against the POA and against Owners, individually and as a group;

(ii) The prorata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk; and

(iii) Avoid liability for a loss that is caused by an act of the Board, or by a member of the Board or by one or more Owners.

D. Other Provisions. In addition, the policy shall provide that:

(i) Any Insurance Trust Agreement will be recognized;

(ii) The policy shall be primary, even if the POA has other insurance that covers the same loss; and

(iii) The named insured shall be the POA. The "loss payable" clause should show said POA or the designated insurance trustee.

2. Reconstruction and Repair after Casualty.

A. Determination. Under ordinary circumstances POA Property which is damaged by casualty shall be reconstructed and repaired. If a dispute arises as to whether the POA Property should be repaired or reconstructed, the Board shall make the determination to repair or reconstruct. All Owners shall be bound by this determination.

B. Plans and Specifications. Any reconstruction and repair must be substantially in accordance with the plans and specifications for the POA Property as originally constructed, or if none, then according to plans and specifications approved by the Board. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair for which the POA is responsible, or if at any time during that work or upon completion of the work the funds available for payment of the costs are insufficient, assessments shall be made by the POA against all Owners in sufficient amounts to provide funds for the payment of those costs.

3. Public Liability Coverage. The POA shall obtain comprehensive general liability coverage insuring the POA against any and all claims and demands made by any person or persons for injuries received in connection with the operation and maintenance of the Common Areas and improvements located thereon, or for any other risk insured against by such policies which the POA, in its sole discretion, determines to insure against. Each policy purchased by the POA shall have limits of not less than \$1,000,000.00 covering all claims for personal injury and property damage arising out of a single occurrence. The liability coverage shall include protection against liability for non-owned and hired automobiles, and liability for hazards related to usage. In addition, the coverage shall include protection against liability that results from actions related to employment contracts in which the POA is a party. All such

policies will name the POA (and the Developer until the Transfer Date), as their respective interests may appear, as insured parties under such policy or policies. The original of each policy shall be held by the Board or in the office of the Insurance Trustee.

4. Fidelity Bond Coverage. The POA shall obtain Fidelity Bonds (or insurance) covering officers, directors, employees and other persons who handle or are responsible for handling POA funds. The Fidelity Bonds (or insurance) shall meet the following requirements.

A. POA as Obligee. All such fidelity insurance or bonds shall name the POA as an obligee; and

B. Amount of Fidelity Insurance. Such fidelity insurance or bonds shall be written in the amount equal to at least 150% of three months operating expenses of the POA, and the amount in reserve as of the end of each fiscal year of the POA; and

C. Waivers. Such fidelity insurance or bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or a similar expression; and

D. Notice of Cancellation. Such insurance or bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least thirty (30) days prior written notice of the servicer or the insured.

5. Flood Insurance. If any POA Property is in a special flood hazard area, as defined by the Federal Emergency Management Agency, the POA shall insure same. The coverage shall be 100% of the current replacement cost of any improvements or buildings and other insurable common property, or the maximum coverage available for such improvements, buildings, or property under the National Flood Insurance Program.

6. Insurer. All insurance shall be issued by a company authorized to do business in the State of Florida.

7. Named Insured. The named insured shall be the POA individually and as trustee for the Owners without naming them. The Board may authorize the Insurance Trustee to maintain the policies and receive any proceeds of such policies.

8. Premiums. Premiums on policies purchased by the POA shall be paid as an POA Expense. The POA will furnish evidence of premium payment to each mortgagee upon request.

9. Insurance Proceeds. All insurance policies purchased by the POA shall be for the benefit of the POA and shall provide that all proceeds covering property losses shall be paid to the POA as trustee or to such institution in Florida with trust powers as may be designated as Insurance Trustee by the Board.

10. First Mortgagees. This Article is additionally for the benefit of first mortgagees of Sun Terrace patio homes or Bedford Units and may not be amended without the consent of all such mortgagees.

11. Policy Cancellation. All insurance policies purchased by the POA shall require the insurer to notify in writing the POA or the designated Insurance Trustee at least 10 days before it cancels or substantially changes the coverage.

12. POA as Agent. The POA is irrevocably appointed agent to adjust all claims arising under insurance policies purchased by the POA and to execute and deliver releases upon the payment of claims.

## ARTICLE XII

### DEVELOPER'S RIGHTS

1. Developer's Transfer Right. Any or all of the special rights and obligations of the Developer may be transferred or assigned to other Persons, provided that the transfer or assignment shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Developer and duly recorded in the Public Records of the County. Nothing in this Declaration shall be construed to require Developer or any successor or assign to develop any property other than the property described in Exhibit "A".

2. Right of Approval. So long as Developer continues to have rights under this Article, no Person shall record any declaration of covenants, conditions and restrictions, or similar instrument affecting any portion of the Properties without Developer's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Developer.

3. Termination of Developer's Rights. This Article may not be amended without the express written consent of the Developer; provided, however, the rights contained in this Article shall terminate upon the Transfer Date.

ARTICLE XIII

MORTGAGEE PROVISIONS

The following provisions are for the benefit of holders of first Mortgages on Sun Terrace patio homes or Bedford Units.

1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provides written request to the POA (such request to state the name and address of such holder, insurer, or guarantor and the Sun Terrace patio home or Bedford Unit number, therefore becoming an "eligible holder"), will be entitled to timely written notice of:

A. Condemnation Loss. Any condemnation loss or any casualty loss which affects a material portion of the Properties;

B. Delinquent Assessments. Any delinquency in the payment of Assessments or charges owed by an Owner of a Sun Terrace patio home or Bedford Unit subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the POA of any default in the performance by an Owner of any obligation under the Property Owners Documents which is not cured within sixty (60) days;

C. Insurance Lapse. Any lapse, cancellation, or material modification of any insurance policy maintained by the POA; or

2. Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least two-thirds (2/3) of the first Mortgagees or Members representing at least two-thirds (2/3) of the total POA vote entitled to be cast thereon consent, the POA shall not:

A. Common Areas. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer all or any portion of the real property comprising the Common Area which the POA owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection).

B. Assessments. Change the method of determining the obligations, assessments, or other charges which may be levied against a Sun Terrace patio home or Bedford Unit.

C. Architectural Regulations. By act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of the Common Area. (The issuance and amendment of procedures, rules and regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this provision.)

D. Insurance Lapse. Fail to maintain insurance, as required by this Declaration.

E. Use of Insurance Proceeds. Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement or reconstruction of such property.

First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of POA policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the POA.

3. No Priority. No provision of the Property Owners Documents gives or shall be construed as giving any Owner or other party priority over any rights of any first Mortgagee of an Owner in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Areas.

4. Notice to POA. Upon request, each Owner shall be obligated to furnish to the POA the name and address of his or her Mortgagee.

5. Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

6. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the POA does not receive a written response from the Mortgagee within thirty (30) days of the date of the POA's request.

7. Financial Statements. Any holder of a first mortgage shall be entitled, upon written request after reasonable notice, to a financial statement of the POA for the immediately preceding fiscal year.

## ARTICLE XIV

### ENFORCEMENT OF DECLARATION

The enforcement of this Declaration may be by proceeding at law for damages or in equity to compel compliance with its terms or to prevent violation or breach of any of the covenants or terms herein. The Developer, the POA, or any Owner may, but shall not be required to, seek enforcement of the Declaration. Any Owner who seeks enforcement of this Declaration shall by his actions be deemed to have indemnified the Developer and the POA from all liabilities resulting from his actions. Should the party seeking enforcement be the prevailing party in any action, then the person against whom enforcement has been sought shall pay all costs and reasonable attorneys' fees at all trial and appellate levels to the prevailing party.

## ARTICLE XV

### AMENDMENTS

1. Amendment Date. Until the closing of the first conveyance of a Sun Terrace patio home or Bedford Unit (whichever occurs first) by Developer to an Owner (Amendment Date), any amendment may be made by Developer with consent of any mortgagee who has advanced funds for construction or who is under contract to advance construction funds, if any.

2. Consent of Mortgagee. With the exception of Subsequent Amendments, which may be made at any time; after the Amendment Date, this Declaration may be amended only by consent of fifty-one percent (51%) of all Owners.

3. Limitation on Amendments. No amendment to the Article entitled "Assessments" or the Article entitled "Enforcement and Establishment of Liens", and no other amendment shall be effective which shall, in a material fashion impair or prejudice the rights or priorities of any Owner, the Developer, or any Institutional Mortgagee under this Declaration without the specific written approval of the Owner, the Developer or Institutional Mortgagee affected thereby. In addition, any amendment which would affect the surface water management system, including the water management portions of the Common Areas, must have the prior approval of the South Florida Water Management District.

4. Scrivener's Errors. Prior to the Transfer Date, the Developer may amend this Declaration in order to correct a scrivener's error or other defect or omission without the consent of the Owners or the Board; provided that such amendment is

reasonable and does not adversely affect in a material manner an Owner's property rights. This amendment shall be signed by the Developer alone and a copy of the amendment shall be furnished to each owner, the POA and all Institutional Mortgagees as soon after recording thereof amongst the public records of the County, as is practicable.

5. Effective Date of Amendments. An amendment to the Declaration shall become effective upon the recordation amongst the Public Records of the County.

## ARTICLE XVI

### TERMINATION

1. Consent to Termination. This Declaration may be terminated upon the affirmative written consent of eighty percent (80%) of all Owners.

2. Termination Documents. If this Declaration is terminated in accordance herewith, it is hereby declared by the Developer, and each and every Owner by acquiring title to his Sun Terrace patio home or Bedford Unit covenants and agrees, that the termination documents shall require all Common Areas shall be owned and held in equal shares by the Owners as tenants in common, and each Owner shall remain obligated to pay his pro rata share of expenses to continually maintain the Common Areas.

3. Limitation on Termination. The Owners and their grantees, successors, and assigns by acquiring title to a Sun Terrace patio home or Bedford Unit covenant and agree that no termination of this Declaration shall be made for a period of twenty-five (25) years from the date of recordation of this Declaration. This Declaration and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the POA Property and inure to the benefit of Developer, the POA, the Owners, Institutional Mortgagees and their respective legal representatives, heirs, successors, and assigns for said period. After this period, the Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such twenty-five (25) year term or any such ten (10) year extension there is recorded amongst the Public Records of the County, an instrument signed by at least eighty percent (80%) of all Institutional Mortgagees holding mortgages encumbering the patio homes and Units agreeing to terminate this Declaration, upon which event this Declaration shall be terminated upon the expiration of twenty-five (25) years or the ten (10) year extension thereof during which the termination instrument is recorded.



4. Water Management System. If the POA is terminated, the property consisting of the surface water management system operated and maintained as part of the Common Areas shall be conveyed to an appropriate agency of local government, and if not accepted thereby, then it must be conveyed to a similar non-profit corporation.

## ARTICLE XVII

### MISCELLANEOUS

1. No Waiver. The failure of the Developer, the POA, or any Owner to object to an Owner's or another person's failure to comply with the Covenants and Restrictions contained herein shall in no event be deemed a waiver of any right to object to same and to seek compliance therewith in accordance with the provisions herein.

2. Headings. Article and paragraph captions inserted throughout this Declaration are intended only as a matter of convenience and for reference only and in no way shall such captions or headings define, limit or in any way affect any of the terms and provisions of this Declaration.

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

4. Severability. In the event any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

5. Partition. The POA may not convey, encumber, abandon, partition or subdivide any of the Common Areas without the approval of all Institutional Mortgagees.

6. Property Owners Documents. The POA is required to make available to Owners, to Institutional Mortgagees, and to holders, insurers or guarantors of any first mortgage, current copies of the Declaration, Articles of Incorporation, By-Laws, Rules and Regulations and other such documents governing the POA, as well as the books, records, and financial statements of the POA. "Available" shall be defined as obtainable for inspection, upon written request after reasonable notice, during normal business hours or under such other reasonable circumstances. Any holder of a first mortgage shall be entitled, upon written request after reasonable notice, to a financial statement of the POA for the immediately preceding fiscal year.

7. Street Lighting. The Common Area street lighting will be obtained by the Developer from Florida Power & Light Company. The Developer shall secure, by a letter of credit or other acceptable financial assurance, the street lighting for a period of not more than one (1) year after the Transfer Date. The POA shall be responsible and liable for any financial assurances required by Florida Power & Light Company at the expiration of said period.

8. Cooperation With St. Lucie West Community Development District. The Association shall have the power and is hereby authorized to contract with an to cooperate with the Community Development District in order to ensure that their respective responsibilities are discharged. The Association is further authorized to act on behalf of its Members to ensure that the level of services provided by the Community Development District is acceptable.

9. Supremacy of Master Declaration. In addition to all of the rights and obligations which have been conferred or imposed upon the Association pursuant to this Declaration, the Articles and the By-Laws of the Association, the Association shall be entitled to exercise any of the rights conferred upon it and shall be subject to all of the obligations imposed upon it pursuant to the Master Declaration, and the Articles of Incorporation and the By-Laws of the Master Association.

IN WITNESS WHEREOF, the Declaration of Covenants and Restrictions for The Lakes at St. Lucie West has been signed by the Developer, by the Sun Terrace Association, by the Bedford Association, and by the Property Owners Association on the day and year first above set forth.

DIVOSTA AND COMPANY, INC.

(Corporate Seal)

By: \_\_\_\_\_  
Otto B. DiVosta, President

SUN TERRACE AT THE LAKES  
HOMEOWNERS ASSOCIATION, INC.

(Corporate Seal)

By: \_\_\_\_\_  
Charles H. Hathaway, President

BEDFORD AT THE LAKES  
HOMEOWNERS ASSOCIATION, INC.

By: \_\_\_\_\_  
Charles H. Hathaway, President

(Corporate Seal)

THE LAKES AT ST. LUCIE WEST  
PROPERTY OWNERS ASSOCIATION, INC.

By: \_\_\_\_\_  
Charles H. Hathaway, President

(Corporate Seal)

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this  
\_\_\_\_ day of \_\_\_\_\_, 19\_\_ by OTTO B. DIVOSTA, President of  
DIVOSTA AND COMPANY, INC., a Florida corporation, on behalf of  
the corporation.

\_\_\_\_\_(SEAL)  
Notary Public  
My Commission expires:

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this  
\_\_\_\_ day of \_\_\_\_\_, 19\_\_ by CHARLES H. HATHAWAY, President of  
SUN TERRACE AT THE LAKES HOMEOWNERS ASSOCIATION, INC., a Florida  
corporation, on behalf of the corporation.

\_\_\_\_\_(SEAL)  
Notary Public  
My Commission expires:

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this  
\_\_\_\_ day of \_\_\_\_\_, 19\_\_ by CHARLES H. HATHAWAY, President of  
BEDFORD AT THE LAKES HOMEOWNERS ASSOCIATION, INC., a Florida  
corporation, on behalf of the corporation.

\_\_\_\_\_(SEAL)  
Notary Public  
My Commission expires:

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_  
day of \_\_\_\_\_, 19\_\_ by CHARLES H. HATHAWAY, President of  
THE LAKES AT ST. LUCIE WEST PROPERTY OWNERS ASSOCIATION, INC., a  
Florida corporation, on behalf of the corporation.

\_\_\_\_\_(SEAL)  
Notary Public  
My Commission expires:

ARTICLES OF INCORPORATION  
OF THE  
THE LAKES AT ST. LUCIE WEST PROPERTY OWNERS ASSOCIATION. INC.  
(A Florida Corporation Not-For-Profit)

In order to form a corporation not-for-profit, under and in accordance with Chapter 617 of the Florida Statutes, we, the undersigned hereby associate ourselves into a corporation not-for-profit, for the purpose and with the powers hereinafter set forth and to that end, we do, by these Articles of Incorporation, certify as follows:

ARTICLE I

NAME

1. Name. The name of this corporation shall be THE LAKES AT ST. LUCIE WEST PROPERTY OWNERS ASSOCIATION, INC. ("POA"). The initial address of the POA shall be 10385 Ironwood Road, Palm Beach Gardens, Florida 33410.

2. Definitions. The words used in these Articles shall have the same meaning as set forth in the Declaration of Covenants and Restrictions for The Lakes at St. Lucie West ("Declaration").

ARTICLE II

PURPOSE

The purpose for which the POA is organized is to engage as a non-profit organization in protecting the value of the property of the Members of the POA, to exercise all the powers and privileges, and to perform all of the duties and obligations of the POA as set forth in the Declaration which is to be recorded in the public records of St. Lucie County, Florida, including, without limitation, the establishment and enforcement of the payment of assessments and other charges contained therein, and to engage in such other lawful activities as may be to the mutual benefit of the Members and their property.

ARTICLE III

POWERS

The POA shall have the following powers which shall be governed by the following provisions:

1. Common Law and Statutory Powers. The POA shall have all of the common law and statutory powers of a corporation not-for-profit, which are not in conflict with the terms of these Articles, the Declaration, or the By-Laws of the POA.

2. Necessary Powers. The POA shall have all of the powers and duties set forth in the Declaration, except as limited by these Articles, and all powers and duties reasonably necessary to operate and administer the Properties pursuant to the Declaration, including but not limited to the following:

A. To make and collect assessments against Members to defray the costs and expenses of the POA property.

B. To use the proceeds of assessments in the exercise of its powers and duties.

C. To own, maintain, repair, replace, operate and convey the property of the POA in accordance with the Declaration, and to maintain and operate the water management system as permitted by the South Florida Water Management District, including all lakes, retention areas, culverts and related appurtenances, if any.

D. To purchase insurance upon the property of the POA and insurance for the protection of the POA and its members, in the amounts required by the Declaration.

E. To dedicate or to transfer all or any part of the POA's property to any public agency, authority, or utility for such purposes and subject to such conditions as may be approved by not less than fifty-one percent (51%) of the Members, and approved by not less than seventy-five percent (75%) of the institutional mortgagees holding mortgages encumbering patio homes or Bedford Units.

F. To reconstruct the improvements to the POA's property after casualty, and to further improve the POA's properties, as provided in the Declaration.

G. To make and amend reasonable rules and regulations regarding the use of the property of the POA in accordance with the requirements set forth in the By-Laws.

H. To contract for the management of the POA property and to delegate to such contractors all powers and duties of the POA except such as are specifically required by the Declaration to have the approval of the Board or the Membership. Any such contract may not exceed one (1) year, and must provide for termination by either party without cause and without payment of a termination fee within ninety (90) days written notice.

I. To employ personnel for reasonable compensation to perform the services required for proper operation and administration of the POA property.

J. To enforce by legal means the provisions of the Declaration, these Articles, the By-Laws, and the Rules and Regulations for the use of the POA's property as same may be promulgated, modified, or amended from time to time by the POA.

K. To pay taxes and assessments, which are liens against any part of the POA's property.

L. To pay the cost of all power, water, sewer, waste collection, and other utility services rendered to the property of the POA.

M. To grant such permits, licenses, and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the common areas.

N. To do such other things as may be necessary in order to perform the duties and to exercise the powers provided for the POA in the Declaration.

3. Funds and Title to Properties. All funds and the titles of all properties acquired by the POA and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration, these Articles, and the By-Laws.

#### ARTICLE IV

##### MEMBERS

1. Members. The members of the POA shall consist of all of the record owners of patio homes in Sun Terrace at The Lakes, and all record owners of single family homes (AKA "Bedford Units") in Bedford at The Lakes.

2. Change of Membership. Change of membership in the POA shall be established by recording in the public records of the County, a deed or other instrument establishing a record title to a patio home at Sun Terrace at The Lakes or a Bedford Unit at Bedford at The Lakes, and the delivery to the POA of a copy of such instrument. The owner designated by such instrument thus becomes a Member of the POA and the membership of the prior owner is terminated as of the date of execution of such instrument.

3. Transfer of Membership. The share of a Member in the funds and assets of the POA cannot be assigned, hypothecated or transferred in any manner except upon transfer of title of his patio home or Bedford Unit, respectively.

4. Voting. The Owner of each patio home and the Owner of each Bedford Unit shall be entitled to one vote as a Member of the POA. The exact number of votes to be cast by Members and the manner of exercising voting rights, shall be determined by the By-Laws; subject, however, to the terms and conditions of the Declaration.

#### ARTICLE V

##### TERM

The term for which this POA is to exist shall be perpetual.

#### ARTICLE VI

##### INCORPORATORS

The names and residences of the Incorporators to these Articles are as follows:

NAME	ADDRESS
Charles H. Hathaway	10385 Ironwood Road Palm Beach Gardens, Fl. 33410
Robert S. Kairalla	10385 Ironwood Road Palm Beach Gardens, Fl. 33410
William E. Shannon	10385 Ironwood Road Palm Beach Gardens, Fl. 33410

#### ARTICLE VII

##### OFFICERS

1. Officers. The affairs of the POA shall be managed by a President, one (1) or several Vice Presidents, a Secretary and a Treasurer and, if elected by the Board, as Assistant Secretary and an Assistant Treasurer, which officers shall be subject to the directions of the Board.

2. Election of Officers. The Board shall elect the President, the Vice President, the Secretary and the Treasurer, and as many other Vice Presidents, Assistant Secretaries and Assistant



Treasurers as the Board shall from time to time determine appropriate. Such officers shall be elected annually by the Board at the first meeting of the Board following the "Annual Members' Meeting" (as described in the By-Laws); provided, however, such officers may be removed by such Board and other persons may be elected by the Board as such officers in the manner provided in the By-Laws. The President shall be a Director of the POA, but no other officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary or Assistant Secretary.

Officers shall be elected by the Board at the first meeting of the Board following each annual meeting of the Members, provided, however, until the Transfer Date the Developer shall have the right to approve all of the officers elected. The following persons shall serve as the initial officers.

President	Charles H. Hathaway
Vice President	Robert S. Kairalla
Secretary	William E. Shannon
Treasurer	William E. Shannon

## ARTICLE VIII

### BOARD OF DIRECTORS

1. Directors. The affairs of the POA will be managed by a Board consisting of three (3) Directors. After the Developer elects to divest itself of control of the POA, Directors must be members of the POA.

2. Term of Directors. After the Transfer Date, members of the Board shall serve for a term of two (2) years; provided, however, that one (1) member of the Board elected on the Transfer Date shall serve for an initial terms of one (1) year and the other two (2) members of the Board elected on the Transfer Date shall serve for initial terms of two (2) years. Thereafter the terms of no more than two (2) Board members will end each year.

3. Election of Directors. Directors of the POA shall be elected at the annual Members' meeting in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board shall be filled in the manner provided by the By-Laws.

4. Transfer Date. The first election of Directors shall not be held until 120 days after the Developer has closed all of the sales of patio homes in Sun Terrace at The Lakes and after the Developer has closed all of the sales of Bedford Units in Bedford at The Lakes, or until the Developer elects to terminate control of the POA, whichever shall first occur. The Directors named as the first Board, including any replacement members, shall serve until the first election of Directors, and any vacancies in their number occurring before the first election shall be filled by the remaining Directors.

5. First Board. The names and addresses of the persons who are to serve as the first Board are as follows:

NAME	ADDRESS
Robert S. Kairalla	10385 Ironwood Road Palm Beach Gardens, Fl. 33410
Charles H. Hathaway	10385 Ironwood Road Palm Beach Gardens, Fl. 33410
William E. Shannon	10385 Ironwood Road Palm Beach Gardens, Fl. 33410

#### ARTICLE IX

##### INDEMNIFICATION

Every Director, Committee member, and officer of the POA (and the Directors, Committee members, and officers as a group) shall be indemnified by the POA against all expenses and liabilities, including counsel fees (at all trial and appellate levels and whether or not suit be instituted) reasonably incurred by or imposed upon him or them in connection with any proceeding, litigation or settlement in which he may become involved by reason of his being or having been a Director, Committee member, or officer of the POA. The foregoing provisions for indemnification shall apply whether or not he is a Director, Committee member, or officer at the time such expenses and/or liabilities are incurred. Notwithstanding the above, in the event of a settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement and authorizes reimbursement for the costs and expenses of the settlement as in the best interest of the POA. In instances where a Director, Committee member, or officer admits or is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of

any and all rights of indemnification to which a Director, Committee member, or officer may be entitled whether by statute or common law.

## ARTICLE X

### BY-LAWS

The By-Laws of the POA may be adopted, amended, altered, or rescinded as provided therein; provided, however, that at no time shall the By-Laws conflict with these Articles or the Declaration, and provided further, that no amendment, alteration, or rescission may be made which adversely affects the rights and privileges of any Institutional Mortgagee, without the prior written consent of the Institutional Mortgagee so affected, and provided further that until the Transfer Date no amendments, alterations or rescissions of the By-Laws shall be effective unless the Developer shall have joined in and consented thereto in writing. Any attempt to amend, alter, or rescind contrary to these prohibitions shall be of no force or effect.

## ARTICLE XI

### AMENDMENTS

1. Amendments Prior to Recording. Prior to the recording of the Declaration amongst the public records of the County, these Articles may be amended only by an instrument in writing signed by all of the Incorporators to these Articles and filed in the Office of the Secretary of State of the State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended, give the exact language of such amendments, and a certified copy of each such amendment shall always be attached to any certified copy of these Articles.

2. Amendments After Recording. After the recording of the Declaration amongst the public records of the County, these Articles may be amended in the following manner:

A. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting (whether of the Board or of the Membership) at which such proposed amendment is to be considered; and

B. A resolution approving the proposed amendment may be first passed by either the Board or the Membership. After such approval of a proposed amendment by one of said bodies, such proposed amendment must be submitted to and approved by the other of said bodies. Approval by the Membership must be by a vote of a majority of the Members present at a meeting of the Members at

which a quorum is present and approval by the Board must be by a majority of the Directors present at any meeting of the Directors at which a quorum is present.

3. Amendment by Reference to Title. No Article shall be revised or amended by reference to its title or number only. Proposals to amend existing Articles shall contain the full text of the Articles to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but instead a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial re-wording of Article. See Article \_\_\_\_\_ for present text." Non-material errors or omissions in the Article amendment process shall not invalidate an otherwise properly promulgated amendment.

4. Institutional Mortgagees. Notwithstanding the foregoing provisions of this Article, there shall be no amendment to these Articles which shall abridge, amend or alter the priority of any Institutional Mortgagee, or the validity of any mortgage held by such Institutional Mortgagee without the prior written consent therefor by such Mortgagee.

5. Developer. Notwithstanding the foregoing provisions of this Article, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of Developer, including the right to designate, to select, or to approve the selection of the Directors as provided in the Declaration and By-Laws, without the prior written consent of the Developer.

IN WITNESS WHEREOF, the Incorporators have hereunto affixed their signatures, this \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Charles H. Hathaway

\_\_\_\_\_  
Robert S. Kairalla

\_\_\_\_\_  
William E. Shannon

STATE OF FLORIDA            )  
                                  :  
COUNTY OF PALM BEACH    )

I HEREBY CERTIFY that on this day, before me a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared CHARLES H. HATHAWAY, ROBERT S. KAIRALLA and WILLIAM E. SHANNON, to me known to be the persons described as Incorporators in and who executed the foregoing Articles of Incorporation and they acknowledged before me that they executed the same for the purposes therein expressed.

IN WITNESS WHEREOF, the Incorporators have hereunto affixed their signatures, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:

CERTIFICATE DESIGNATING A REGISTERED OFFICE AND  
A REGISTERED AGENT FOR THE SERVICE OF PROCESS  
WITHIN THE STATE OF FLORIDA

In pursuance of Chapter 48.091, Florida Statutes, the following is submitted, in compliance with said Act:

THE LAKES AT ST. LUCIE WEST PROPERTY OWNERS ASSOCIATION, INC., desiring to organize under the laws of the State of Florida, with its principal office, as indicated in the Articles of Incorporation, at the City of Palm Beach Gardens, County of Palm Beach, State of Florida, has named CHARLES H. HATHAWAY located at 10385 Ironwood Road, City of Palm Beach Gardens, County of Palm Beach, State of Florida, as its agent to accept service of process within the State of Florida.

ACKNOWLEDGMENT:

Having been named to accept service of process for the above stated corporation, at the place designated in this certificate, I hereby agree to act in this capacity, and agree to comply with the provision of the Act relative to keeping open said office.

BY: \_\_\_\_\_  
Charles H. Hathaway

BY-LAWS  
OF  
THE LAKES AT ST. LUCIE WEST  
PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I

NAME, PRINCIPAL OFFICE, AND DEFINITIONS

1. Name. The name of the Association shall be The Lakes at St. Lucie West Property Owners Association, Inc. ("POA").

2. Principal Office. The initial office of the POA shall be located in Palm Beach County, Florida. The POA may have such other offices, either within or without the State of Florida, as the Board of Directors may determine or as the affairs of the POA may require.

3. Definitions. The words used in these By-Laws shall have the same meaning as set forth in the Declaration of Covenants and Restrictions for The Lakes at St. Lucie West, ("Declaration"), unless the context shall prohibit.

ARTICLE II

ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, AND PROXIES

1. Membership. The qualification of Members, the manner of their admission to membership, and the termination of such membership shall be as set forth in the Articles.

2. Place of Meetings. Meetings of the POA shall be held at the principal office of the POA or at such other suitable place convenient to the Members as may be designated by the Board either within the Property or as convenient thereto as possible and practical.

3. Annual Meetings. The first meeting of the Members, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the POA. Subsequent regular annual meetings shall be set by the Board so as to occur at least thirty (30) but not more than ninety (90) days before the close of the POA's fiscal year on a date and at a time set by the Board.

4. Special Meetings. Special meetings of the Membership shall be held at any place within the County, whenever called by the President or Vice President or by a majority of the Board. In addition, it shall be the duty of the President to call a special meeting upon a petition signed by the Members representing

at least ten (10%) percent of the total votes of the POA. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. If mailed, the notice of the meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the POA. The post office certificate of mailing shall be retained as proof of such mailing. The notice shall be signed by an officer of the POA. In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice.

6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or alternate shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

7. Adjournment of Meetings. If any meeting of the POA cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by alternate, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to



leave less than a quorum, provided that Members or their alternates representing at least twenty (20%) percent of the total votes of the POA remain in attendance.

8. Voting. Each Sun Terrace at The Lakes patio home Owner and each Bedford at The Lakes Unit Owner shall be entitled to one (1) vote on any POA matter requiring a vote of the Members. The vote to which any Sun Terrace patio home or Bedford Unit is entitled shall not be divisible, and shall be cast by the Member designated and entitled to cast the vote according to the terms and provisions of this Section. In no event shall more than one vote be cast with respect to any one Sun Terrace patio home nor more than one vote be cast with respect to any one Bedford Unit. Except as otherwise provided in this Article, each Member who is designated and entitled to cast the vote for any Sun Terrace patio home or Bedford Unit shall be named in a voting certificate signed by all Owners of such Sun Terrace patio home or Bedford Unit and filed with the POA. In the event any such voting certificate is not filed with the POA, the vote to which such Sun Terrace patio home or Bedford Unit is entitled shall not be considered in determining whether a quorum is present, or for any other purpose, and the total number of authorized votes in the POA shall be reduced accordingly until such certificate is filed, except if the Sun Terrace patio home or Bedford Unit is owned jointly by a husband and wife. If the Sun Terrace patio home or Bedford Unit is owned jointly by a husband and wife, the provisions of subsection (D) below shall be applicable. A voting certificate shall be valid until revoked by the Owners of, or until a transfer of title to, the Sun Terrace patio home or Bedford Unit to which the voting certificate pertains.

Voting rights shall be established as follows:

A. In the event an Owner is one person, that person's right to vote shall be established by the recorded title to his Sun Terrace patio home or Bedford Unit.

B. In the event a Sun Terrace patio home or Bedford Unit is owned by more than one person or entity, those persons or entities shall sign a voting certificate designating one of them for the purpose of casting the vote that is appurtenant to their Sun Terrace patio home or Bedford Unit.

C. In the event a Sun Terrace patio home or Bedford Unit is owned by an entity, or an entity is designated as the Owner entitled to cast the vote for the Sun Terrace patio home or Bedford Unit, such entity shall designate a partner, officer, fiduciary, or employee of the entity to cast the vote that is appurtenant to the Sun Terrace patio home or Bedford Unit. The voting certificate for such Sun Terrace patio home or Bedford Unit shall be signed by any duly authorized partner or officer of the entity.

D. Notwithstanding anything to the contrary contained in these Bylaws, in the event a Sun Terrace patio home or Bedford Unit is owned jointly by a husband and wife, the following provisions shall be applicable to the casting of the vote that is appurtenant to their Sun Terrace patio home or Bedford Unit:

(i) The husband and wife may, but shall not be required to, designate one of them as the voting member;

(ii) In the event the husband and wife do not designate either of them as the person entitled to cast the vote that is appurtenant to their Sun Terrace patio home or Bedford Unit, and if both persons are present at any regular or special meeting of the Members and are unable to concur in their decision upon any subject requiring a vote of the Members, such husband and wife shall lose their right to vote on that particular subject at that particular meeting; and

(iii) In the event the husband and wife do not designate as the person entitled to cast the vote appurtenant to their Sun Terrace patio home or Bedford Unit, and only one of them is present at any meeting, the member present may cast the vote to which their Sun Terrace patio home or Bedford Unit is entitled, without establishing the concurrence of the absent member.

9. Proxies. "Proxy" is defined to mean an instrument containing the appointment of a person who is substituted by a Member to vote for him, and in the Member's place and stead. Proxies shall be in writing and shall be valid only for the particular meeting designated in the proxy and any adjournments of such meeting. In no event shall any proxy be valid for a period longer than 90 days after the date of the meeting designated in the proxy. A proxy must be filed with the Secretary before the appointed time of the meeting in order to be effective. Any proxy may be revoked prior to the time a vote is cast according to such proxy.

10. Majority. As used in these By-Laws, the term "Majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty (50%) percent of the total number.

11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person, by alternate, or by proxy of the Members representing one-third (1/3) of the total vote of the POA shall constitute a quorum at all meetings of the POA. Any provision in the Declaration concerning quorums is specifically incorporated herein. If any meeting of the Membership cannot be organized because a quorum is not in attendance, the Members who are present, either in person or by Proxy, may

adjourn the meeting from time to time until a quorum is present. In the case of the meeting being postponed, the notice provisions for the adjournment shall be as determined by the Board.

12. Conduct of Meetings. The President, or his designated alternate, shall preside over all meetings of the POA, and the Secretary, or his designated alternate, shall keep the minutes of the meeting, record in a minute book all resolutions adopted at the meeting, and record all transactions occurring at the meeting. Minutes of all meetings shall be kept in a businesslike manner and shall be available for inspection by the Members and the Board at all reasonable times.

13. Action Without A Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken by written agreement in lieu of a meeting, provided written notice of the matter or matters to be agreed upon is given to the Membership at the addresses and within the time periods set forth herein or duly waived in accordance herewith. The decision of the majority of the Membership (as evidenced by written response to be solicited in the notice) shall be binding on the Membership, provided a quorum of the Membership submits a response. The notice shall set forth a time period during which time a response must be made by a Member.

14. Voting Certificate and Ledger. All voting certificates shall be filed with the Secretary. The Secretary shall keep all voting certificates and shall prepare and maintain a ledger listing, by Sun Terrace patio home or Bedford Unit, each Member who is designated to vote on behalf of such Sun Terrace patio home or Bedford Unit.

15. Secret Ballot. At any time prior to a vote upon any matter at any meeting of Members, any Member may require that a vote be made by secret written ballot.

### ARTICLE III

#### BOARD OF DIRECTORS: NUMBER, POWERS, AND MEETINGS

##### 1. Composition and Selection.

A. Governing Body; Composition. The affairs of the POA shall be governed by a Board of Directors, each of whom shall have one (1) vote. After the Transfer Date, the Directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of an Owner which is a corporation or partner-

ship, the person designated in writing to the secretary of the POA as the representative of such corporation or partnership shall be eligible to serve as a Director.

B. Number of Directors. The number of Directors in the POA shall be three (3). After the Transfer Date, one of the Directorships shall be held by the President of the Sun Terrace at The Lakes Homeowners Association, Inc.; one of Directorships shall be held by the President of the Bedford at The Lakes Homeowners Association, Inc.; and the Member to fill the remaining Directorship shall be elected by the Members in accordance with these By-Laws.

2. Nomination of Director. Nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall be appointed by the Board not less than thirty (30) days prior to each annual Members' meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled. Nominations shall be permitted from the floor. All nominees and candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

3. Election and Term of Office. The provisions of the Articles setting forth the terms of the Directors service is incorporated herein be reference. The Directors shall hold office until their respective successors have been elected by the POA. Directors may be elected to serve any number of consecutive terms.

4. Removal of Directors and Vacancies.

A. The Director elected by the Membership may be removed from office for any reason deemed by the Members to be in the best interests of the POA, upon the affirmative vote or the agreement in writing of a majority of the Members at a special meeting of the Members. A meeting of Members to so remove the Director elected by them shall be held, subject to the notice provisions hereof, upon the written request of ten percent (10%) of the Members. However, before a Director is removed from office, he shall be notified in writing at least two (2) days prior to the meeting at which the motion to remove him will be made, and the Director shall be given an opportunity to be heard at such meeting, should he be present, prior to the vote on his removal.

B. The Members shall elect, at a special meeting or at the Annual Members' Meeting, a Member to fill a vacancy on the Board caused by the removal of a Director elected by the Members.

C. A Director designated by the Developer as provided in the Articles may be removed only by the Developer in its sole discretion and without any need for a meeting or vote. The Developer shall have the unqualified right to name a successor for any Director designated and thereafter removed by it or for any vacancy on the Board as to a Director designated by it, and the Developer shall notify the Board as to any such removal or vacancy and the name of the successor Director and of the commencement date for the term of such successor Director.

D. If the Director elected by the Membership has three consecutive unexcused absences from Board meetings or is delinquent in the payment of any assessment or other charge due the POA for more than thirty (30) days, he may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a Director, a vacancy may be declared by the Board and it may appoint a successor.

## 5. Meetings.

A. Organization Meetings. The first meeting of the Board following each annual meeting of the Membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board. No further notice of the organizational meeting shall be necessary, providing that a quorum shall be present at such organizational meeting.

B. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of the time and place of the meeting shall be communicated to Directors not less than two (2) days prior to the meeting; provided, however, notice of a meeting need not be given to any Director who has signed a waiver or a written consent to holding of the meeting. Notice of any meeting where assessments against Members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

C. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President or Vice President of the POA or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate such

notice promptly to the Director; or (d) by telegram, charges prepaid. All such notices shall be given at the Director's telephone number or sent to the Director's address as shown on the records of the POA. Notices sent by first class mail shall be deposited into a United States mailbox at least two days (2) before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least twenty-four (24) hours before the time set for the meeting.

D. Waiver of Notice. The transactions of any meetings of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

E. Quorum of the Board. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the Directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. The notice provisions for the reconvened meeting shall be as determined by the Board.

F. Compensation. No Director shall receive any compensation from the POA for acting as such unless approved by Members representing a majority of the total vote of the POA at a regular or special meeting of the POA; provided any Director may be reimbursed for expenses incurred on behalf of the POA upon approval of a majority of the other Directors.

G. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board, and all transactions and proceedings occurring at such meetings. Minutes of all Board

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

H. Open Meetings. Except for actions taken without a formal meeting, all meetings of the Board shall be open to all Members, but Members other than Directors may not participate in any discussions or deliberations unless permission to speak is requested on his or her behalf by a Director. In such case, the President may limit the time any Member may speak. In the event a Member not serving as a Director or not otherwise invited by the Directors to participate in the meeting attempts to become more than a mere observer at the meetings or conducts himself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish said Member's expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he is a Member, unless said person has been specifically invited by any of the Directors to participate in such meeting.

I. Action Without a Formal Meeting. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors, and such consent shall have the same force and effect as a unanimous vote.

6. Powers and Duties. The Board shall be responsible for the affairs of the POA and shall have all of the powers and duties necessary for the administration of the POA's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the Members or the Membership generally.

The Board shall delegate to one of the Directors the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board.

In addition to the duties imposed by these By-Laws or by any resolution of the POA that may hereafter be adopted, the Board shall have the power to and shall be responsible for the following, in way of explanation, but not limitation:

A. Preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the Association Expenses;

B. Making assessments to defray the Association Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment; provided, unless otherwise determined by the Board, the annual assessment for each Member's proportionate share of the Association Expenses shall be payable in equal quarterly installments, each such installment to be due and payable in advance on the first day of each quarter for said quarter;

C. Providing for the operation, care, upkeep, and maintenance of all of the Common Areas, and maintaining and operating the surface water management system as permitted by the South Florida Water Management District including all lakes, retention areas, culverts and related appurtenances, if any;

D. Designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the POA, its property, and the Common Areas and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

E. Collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the POA; provided, any reserve fund may be deposited, in the Directors' best business judgment, in depositories other than banks;

F. Making and amending Rules and Regulations;

G. Opening of bank accounts on behalf of the POA and designating the signatories required;

H. Making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Areas in accordance with the other provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;

I. Enforcing by legal means the provisions of the Declaration, these By-Laws, and the Rules and Regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the POA;

J. Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

K. Paying the cost of all services rendered to the POA or its Members;



L. Keeping books with detailed accounts of the receipts and expenditures affecting the POA and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

M. Making available to any prospective purchaser of a Sun Terrace patio home or Bedford Unit, any Owner of a Sun Terrace patio home, any Owner of a Bedford Unit, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Sun Terrace patio home or Bedford Unit, current copies of the Declaration, the Articles of Incorporation, the By-Laws, Rules and Regulations, and all other books, records, and financial statements of the POA; and

N. Permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property.

#### 7. Management Agent.

A. The Board may employ for the POA a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board by these By-Laws, other than the powers set forth above. The Developer, or an affiliate of the Developer, may be employed as managing agent or manager.

B. No management contract may have a term in excess of one (1) year and must permit termination by either party without cause and without termination fee on ninety (90) days' or less written notice.

8. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

A. Accrual accounting, as defined by generally accepted accounting principles, shall be employed;

B. Accounting and controls should conform to the federal income tax basis of accounting;

C. Cash accounts of the POA shall not be commingled with any other accounts;

D. No remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the POA, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the POA;

E. Any financial or other interest which the managing agent may have in any firm providing goods or services to the POA shall be disclosed promptly to the Board;

F. Commencing at the end of the month in which the first Sun Terrace patio home or Bedford Unit (whichever is first constructed) is sold and closed, financial reports shall be prepared for the POA at least quarterly containing:

(i) An income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) A statement reflecting all cash receipts and disbursements for the preceding period;

(iii) A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) A balance sheet as of the last day of the preceding period; and

(v) A delinquency report listing all Owners who are delinquent in paying the quarterly installments of assessments at the time of the report and describing the status of any action to collect such installments which remain delinquent (A quarterly installment of the assessment shall be considered to be delinquent on the fifteenth (15th) day of the first month of each quarter unless otherwise determined by the Board of Directors).

9. Borrowing. The Board shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Common Areas without the approval of the Members. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Member approval in the same manner provided in the Declaration for special assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five (5%) percent of the budgeted gross expenses of the POA for that fiscal year.

10. Rights of the POA. In accordance with the Articles and By-Laws, the POA shall have the right to contract with any person for the performance of various duties and functions. Such agreements shall require the consent of a majority of all the Directors.

11. Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to vote for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder;

provided, however, nothing herein shall authorize the POA or the Board of Directors to limit ingress and egress to or from a Sun Terrace patio home or Bedford Unit or to suspend an Owner's right to vote for nonpayment of assessments. In the event that any occupant of a Sun Terrace patio home or Bedford Unit violates the Declaration, By-Laws, or Rules and Regulations and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the POA. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

A. Notice. Prior to imposition of any sanction hereunder, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than ten (10) days within which the alleged violator may present a written request to the Covenants Committee, if any, or Board of Directors for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed.

B. Hearing. If a hearing is requested in a timely manner, the hearing shall be held by the body seeking to impose the sanction affording the Owner a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or delegate who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board or the Covenants Committee, if any, may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any person.

C. Appeal. Following a hearing before the Covenants Committee, if any, the violator shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the manager, President or Secretary of the POA within thirty (30) days after the hearing before the Covenants Committee, if any.

D. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the POA, acting through the Board, may elect to enforce any provision of the Declaration, these By-Laws, or the Rules and Regulations of the POA by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

#### ARTICLE IV

##### OFFICERS

1. Officers. Executive officers of the POA shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer, a Secretary and, if the Board so determines, an Assistant Secretary and an Assistant Treasurer, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by vote of the Directors at any meeting of the Board. The Board shall, from time to time, elect such other officers and assistant officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the POA. Officers shall not receive compensation for their services. The compensation, if any, of all other employees of the POA shall be fixed by the Board. This provision shall preclude the Board from employing an officer as an employee of the POA or preclude the contracting with an officer for the management of the POA.

A. The President, who shall be a Director, shall be the chief executive officer of the POA. He shall have all of the powers and duties which are usually vested in the office of the President of a corporation not-for-profit including, but not limited to, the power to appoint committees from among the Members at such times as he may, in his discretion, determine appropriate to assist in conducting the affairs of the POA. He shall preside at all meetings of the Board and the Membership.

B. The absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then

they shall be designated "First", "Second", etc. and shall exercise the powers and perform the duties of the Presidency in such order.

C. The Secretary shall cause to be kept the minutes of all meetings of the Board and the Membership, which minutes shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times. He shall have custody of the seal of the POA and shall affix the same to instruments requiring a seal when duly signed. He shall keep the records of the POA, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the POA as may be required by the Board or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary.

D. Treasurer shall have custody of all of the property of the POA, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members; he shall keep the books of the POA in accordance with good accounting practices; and he shall perform all of the duties incident to the office of the Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer whenever the Treasurer is absent and shall otherwise assist the Treasurer.

2. Election, Term of Office, and Vacancies. The officers of the POA shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

3. Removal. Any officer may be removed by the Board whenever in its judgment the best interests of the POA will be served thereby.

4. Resignation. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the POA shall be executed by at least one (1) officer or by such other person or persons as may be designated by resolution of the Board.

## ARTICLE V

### COMMITTEES

1. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board.

2. Covenants Committee. In addition to any other committees which may be established, the Board may appoint a Covenants Committee consisting of at least three (3) and no more than seven (7) members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the POA and shall conduct all hearings pursuant to these By-Laws.

## ARTICLE VI

### MISCELLANEOUS

1. Fiscal Year. The fiscal year of the POA shall be determined by the Board.

2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of POA proceedings when not in conflict with Florida law, the Articles, the Declaration, or these By-Laws.

3. Conflicts. If there are conflicts between the provisions of Florida law, the Articles, the Declaration, and these By-Laws, the provisions of Florida law, the Declaration, the Articles, and the By-Laws (in that order) shall prevail.

4. Books and Records.

A. Inspection by Members and Mortgagees. The Declaration and By-Laws, membership register, books of account, and minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any Mortgagee, Member, or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a Member at the office of the POA or at such other place within the Property as the Board shall prescribe.

B. Rules of Inspection. The Board shall establish reasonable rules with respect to:

(i) Notice to be given to the custodian of the records;

(ii) Hours and days of the week when such an inspection may be made; and

(iii) Payment of the cost of reproducing copies of documents requested.

C. Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the POA and the physical properties owned or controlled by the POA. The right of inspection by a Director includes the right to make extracts and a copy of relevant documents at the expense of the POA.

5. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

A. If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Sun Terrace patio home or Bedford Unit of such Member; or

B. If to the POA, the Board, or the managing agent, at the principal office of the POA or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this paragraph.

6. Amendments.

A. Prior to the conveyance of the first Sun Terrace patio home or Bedford Unit (whichever is first conveyed), Developer may unilaterally amend these By-Laws. After such conveyance, the Developer may unilaterally amend these By-Laws so long as it still owns property submitted to the Declaration for development as part of the Property and so long as the amendment has no material adverse effect upon any right of any Member.

B. Thereafter and otherwise, these By-Laws may be amended only by the affirmative vote (in person or by alternate) or written consent, or any combination thereof, of Members representing a majority of the total votes of the POA. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

C. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but instead a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial re-wording of By-Law. See By-Law \_\_\_\_\_ for present text." Nonmaterial errors or omissions in the By-Law amendment process shall not invalidate an otherwise properly promulgated amendment.

D. No modification or amendment to these By-Laws shall be adopted which would affect or impair the priority of any Mortgagee, the validity of the mortgage held by such Mortgagee, or any of the rights of the Developer, without their prior written consent.

7. Arbitration. Internal disputes arising from the operation of the POA among Owners, the Board, or their agents and assigns may be resolved by voluntary binding arbitration. Any party to such an arbitration may seek enforcement of the final decision of the arbitrator in a court of competent jurisdiction.

8. Captions and Headings. The captions and headings pertaining to the articles and sections of these By-laws are solely used for ease of reference and in no way shall such captions or headings define, limit or in any way affect the substance of any provisions contained in these By-laws.

9. Severability. In the event any of the terms or provisions contained in these By-laws shall be deemed invalid by a court of competent jurisdiction, such term or provision shall be severable from these By-laws and the invalidity or unenforceability of any such term or provision shall not affect or impair any other term or provision contained in these By-laws.

10. Number and Gender. Whenever used in these By-laws, the singular number shall include the plural, the plural number shall include the singular, and the use of any one gender shall be applicable to all genders.

11. Governing Laws. The terms and provisions contained in these By-laws shall be construed in accordance with and governed by the laws of the State of Florida.



THE LAKES AT ST. LUCIE WEST  
PROPERTY OWNERS ASSOCIATION, INC.

(Seal)

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

Attest: \_\_\_\_\_

Re: voting  
2015

**CERTIFICATE OF AMENDMENT**

The Bylaws for The Lakes at St. Lucie West Property Owners Association, Inc. were recorded in the public records of St. Lucie County, Florida at Official Records Book 715, Page 995 et. seq. and subsequently amended at Official Records Book 992, Page 2372. The Lakes at St. Lucie West Property Owners Association, Inc., by its duly authorized officers, hereby certifies that the First Amendment to the Bylaws, a copy to which this is attached hereto, was duly and properly prepared, approved and executed in November 1991.

WITNESSES:

THE LAKES AT ST. LUCIE WEST  
PROPERTY OWNERS ASSOCIATION,  
INC.

Darlene Daugherty  
Printed Name: Darlene Daugherty

By: M. Ann Carabia  
M. Ann Carabia, President

Sherry Frey  
Printed Name: Sherry Frey

By: Olga Rogers  
OLGA ROGERS, Secretary

Jessica Dine  
Printed Name: Jessica Dine

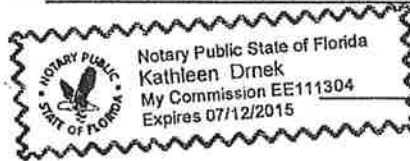
Goedon Foley  
Printed Name: Goedon Foley

**CORPORATE  
SEAL**

STATE OF FLORIDA  
COUNTY OF ST LUCIE

The foregoing instrument was acknowledged before me on 1/23, 2015, by M. Ann Carabia, as President of The Lakes at St. Lucie West Property Owners Association, Inc. [] who is personally known to me, or [] who has produced identification [Type of Identification: \_\_\_\_\_].

Notarial Seal

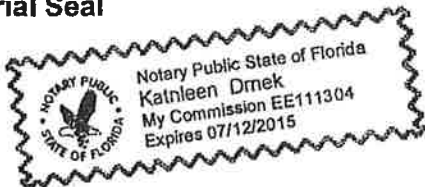


Kathleen Drnek  
Notary Public

STATE OF FLORIDA  
COUNTY OF ST LUCIE

The foregoing instrument was acknowledged before me on 1/23, 2015, by OLGA ROGERS, as Secretary of The Lakes at St. Lucie West Property Owners Association, Inc. [] who is personally known to me, or [] who has produced identification [Type of Identification: \_\_\_\_\_].

Notarial Seal



Kathleen Drnek  
Notary Public

AFFIDAVIT

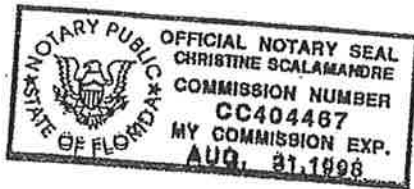
State of Florida  
County of Palm Beach

Before me, the undersigned authority, personally appeared WILLIAM E. SHANNON, ("Affiant"), who, being duly sworn, deposes and says:

1. Affiant is now and was in November, 1991, a Florida licensed attorney, and the General Counsel of DiVosta and Company, Inc., a Florida corporation engaged in the business of the development and sale of residential communities in the State of Florida.
2. Affiant is now and was in November, 1991, one of the developer appointed directors of the Lakes At St. Lucie West Property Owners Association, Inc., a Florida corporation not-for-profit.
3. In affiant's capacity as General Counsel for DiVosta and Company, Inc., and as one of developer appointed directors of the Lakes at St. Lucie West Property Owners Association, Inc., affiant prepared the First Articles of Amendment to the Articles of Incorporation of the Lakes at St. Lucie West Property Owners Association, Inc. and the First Amendment to the By-Laws of the Lakes at St. Lucie West Property Owners Association, Inc.
4. To the best of affiant's recollection both amendments described in Paragraph 3 above were duly approved by the Board of Directors of the Lakes at St. Lucie West Property Owners Association in November, 1991, and were subsequently executed in November, 1991.
5. The First Amendment to the By-Laws of the Lakes at St. Lucie West Property Owners Association, Inc. has apparently been lost, however, a true and correct copy of the First Amendment has been re-prepared from the computer records of the affiant, and is attached hereto and made a part hereof marked Exhibit "A".
6. This affidavit is made to establish that the First Amendment to the By-Laws of the Lakes at St. Lucie West Property Owners Association, Inc. was duly and properly prepared, approved and executed in November, 1991, at a time contemporaneous with the First Articles of Amendment to the Articles of Incorporation of the Lakes at St. Lucie West Property Owners Association, Inc.

William E. Shannon  
Affiant

Sworn to and subscribed before me this 1<sup>st</sup> day of February, 1995, by William E. Shannon, who is personally known to me.



Christine Scalamandre  
Notary Public

Print Name: Christine Scalamandre

My Commission No.: CC 404467

My Commission Expires: Aug 31, 1998

a:affidav

Prepared by and Return to:  
William E. Shannon, Esq.  
4500 PGA Boulevard, Suite 400  
Palm Beach Gardens, Florida 33418

FIRST AMENDMENT TO  
THE BY-LAWS OF THE LAKES AT ST. LUCIE WEST  
PROPERTY OWNERS ASSOCIATION, INC.

THIS FIRST AMENDMENT to the By-Laws of the Lakes at St. Lucie West Homeowners Association, Inc. is made this \_\_\_\_\_ day of November, 1991 by DIVOSTA AND COMPANY, INC., a Florida corporation ("Developer"), and by the LAKES AT ST. LUCIE WEST PROPERTY OWNER ASSOCIATION, INC., a Florida corporation not-for-profit ("Association").

RECITALS

WHEREAS, the Developer and the Association recorded in Official Record Book 715 commencing at Page 995 of the Public Records of St. Lucie County, Florida, the original By-Laws of the Association, and

WHEREAS, the Developer reserved the right to amend the By-Laws in Article VI, Paragraph 6A of the By-Laws, so long as the amendment would have no material effect upon the rights of any member under the By-Laws, and

WHEREAS, the Developer desires to amend the By-Laws to recognize an additional homeowners association, the members of which will likewise be members of this Association,

NOW THEREFORE, the Developer and the Association do hereby make the following amendment to the By-Laws of the LAKES AT ST. LUCIE WEST PROPERTY OWNERS ASSOCIATION, INC.:

1. Article II, Paragraph 8 is hereby revised to include references to the owners of Units within the subdivision of the Lakes at St. Lucie West, which is known as Lakeside at St. Lucie West. All owners of Units within Lakeside at St. Lucie West will, upon receipt of the instrument of conveyance of their respective Units become mandatory members of the Association. The owners of such Units are sometimes referred to as "Lakeside Unit owners". Article II, Paragraph 8 is set forth in full below; additions have been underlined, deletions have been lined through with hyphens.

8. Voting. Each Sun Terrace at The Lakes patio home Owner, and each Bedford at The Lakes Unit Owner, and each Lakeside Unit owner shall be entitled to one (1) vote on any POA matter requiring a vote of the Members. The vote to which any Sun Terrace patio home, or Bedford Unit, or Lakeside Unit is entitled shall not be divisible, and shall be cast by the Member designated and entitled to cast the vote according to the terms and provisions of this Section. In no event shall more than one vote be cast with respect to any one Sun Terrace patio home, nor more than one vote be cast with respect to any one Bedford Unit, nor more than one vote be cast with respect to any one Lakeside Unit. Except as otherwise provided in this Article, each Member who is designated and entitled to cast the vote for any Sun Terrace patio home, or Bedford Unit, or Lakeside Unit shall be named in a voting certificate signed by all Owners of such Sun Terrace patio home, or Bedford Unit, or Lakeside Unit and filed with the POA. In the event any such voting certificate is not filed with the POA, the vote to which such Sun Terrace patio home, or Bedford Unit, or Lakeside Unit is entitled shall not be considered in determining whether a quorum is present, or for any other purpose, and the total number of authorized votes in the POA shall be reduced accordingly until such certificate is filed, except if the Sun Terrace patio home, or Bedford Unit, or Lakeside Unit is owned jointly by a husband and wife. If the Sun Terrace patio home, or Bedford Unit, or Lakeside Unit is owned jointly by a husband and wife, the provisions of subsection (D) below shall be applicable. A voting certificate shall be valid until revoked by the Owners of, or until a transfer of title to, the Sun Terrace patio home, or Bedford Unit, or Lakeside Unit to which the voting certificate pertains.

Voting rights shall be established as follows:

A. In the event an Owner is one person, that person's right to vote shall be established by the recorded title to his Sun Terrace patio home, or Bedford Unit, or Lakeside Unit.

B. In the event a Sun Terrace patio home, or Bedford Unit, or Lakeside Unit is owned by more than one person or entity, those persons

or entities shall sign a voting certificate designating one of them for the purpose of casting the vote that is appurtenant to their Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit.

C. In the event a Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit is owned by an entity, or an entity is designated as the Owner entitled to cast the vote for the Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit, such entity shall designate a partner, officer, fiduciary, or employee of the entity to cast the vote that is appurtenant to the Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit. The voting certificate for such Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit shall be signed by any duly authorized partner or officer of the entity.

D. Notwithstanding anything to the contrary contained in these Bylaws, in the event a Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit is owned jointly by a husband and wife, the following provisions shall be applicable to the casting of the vote that is appurtenant to their Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit:

(i) The husband and wife may, but shall not be required to, designate one of them as the voting member;

(ii) In the event the husband and wife do not designate either of them as the person entitled to cast the vote that is appurtenant to their Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit, and if both persons are present at any regular or special meeting of the Members and are unable to concur in their decision upon any subject requiring a vote of the Members, such husband and wife shall lose their right to vote on that particular subject at that particular meeting; and

(iii) In the event the husband and wife do not designate as the person entitled to cast the vote appurtenant to their Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit, and only one of them is present at any meeting, the member present may cast the vote to which their Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit is entitled, without establishing

the concurrence of the absent member.

2. Article II, Paragraph 14 is hereby revised to require that the Secretary of the Association maintain a ledger listing all Members who own Lakeside Units. Article II, Paragraph 14 is set forth in full below; additions have been underlined, deletions have been lined through with hyphens.

14. Voting Certificate and Ledger. All voting certificates shall be filed with the Secretary. The Secretary shall keep all voting certificates and shall prepare and maintain a ledger listing, by Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit, each Member who is designated to vote on behalf of such Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit.

3. Article III, Paragraph 1B is hereby revised to include the President of the Lakeside at St. Lucie West Homeowners Association, Inc. as mandatory Director of this Association. Article III, Paragraph 1B is set forth in full below; additions have been underlined, deletions have been lined through with hyphens.

B. Number of Directors. The number of Directors in the POA shall be three (3). After the Transfer Date, one of the Directorships shall be held by the President of the Sun Terrace at The Lakes Homeowners Association, Inc.; one of Directorships shall be held by the President of the Bedford at The Lakes Homeowners Association, Inc.; and one of the Directorships shall be held by the President of the Lakeside at St. Lucie West Homeowners Association, Inc. ~~the Member to fill the remaining Directorship shall be elected by the Members in accordance with these By-Laws.~~

4. Article III, Paragraph 6M is hereby revised to require that this Association make available to prospective purchasers of Lakeside Units data which is customarily available to other Unit owners. Article III, Paragraph 6M is set forth in full below; additions have been underlined, deletions have been lined through with hyphens.

M. Making available to any prospective purchaser of a Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit, any Owner of a Sun Terrace patio home, any Owner of a Bedford Unit, any Lakeside Unit owner, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit, current copies of the



Declaration, the Articles of Incorporation, the By-Laws, Rules and Regulations, and all other books, records, and financial statements of the POA; and

5. Article III, Paragraph 11 is hereby revised to apply the to the Lakeside Units the same enforcement powers available to the Board against other Units. Article III, Paragraph 11 is set forth in full below; additions have been underlined, deletions have been lined through with hyphens.

11. Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to vote for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the POA or the Board of Directors to limit ingress and egress to or from a Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit or to suspend an Owner's right to vote for nonpayment of assessments. In the event that any occupant of a Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit violates the Declaration, By-Laws, or Rules and Regulations and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the POA. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

6. Article VI, Paragraph 5A is hereby revised to make notices to Members conform to the terms of this Amendment. Article VI, Paragraph 5A is set forth in full below; additions have been underlined, deletions have been lined through with hyphens.

A. If to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Sun Terrace patio home, ~~or~~ Bedford Unit, or Lakeside Unit of such Member; or

7. This Amendment shall be binding on all persons, their heirs, successors, and assigns having any right, title, or interest in or to the property subject to these By-Laws. All

other terms, conditions, and provisions of the By-Laws of the Lakes at St. Lucie West Property Owners Association, Inc. which are not hereby amended or modified shall be and remain in full force and effect.

IN WITNESS WHEREOF, this First Amendment was executed on the date first above written.

THE LAKES AT ST. LUCIE WEST  
PROPERTY OWNERS ASSOCIATION, INC.

(Seal)

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

Attest: \_\_\_\_\_

(Seal)

DIVOSTA AND COMPANY, INC.

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

Attest: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_ day of November, 1991 by Charles H. Hathaway and William E. Shannon, President and Secretary respectively, of The Lakes at St. Lucie West Property Owners Association, Inc., a Florida corporation not-for-profit, on behalf of the corporation.

My Commission Expires: \_\_\_\_\_ Notary Public

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_ day of November, 1991 by Robert S. Kairalla and Jack B. Owen, Jr., Executive Vice President and Assistant Treasurer respectively, of DiVosta and Company, Inc., a Florida corporation, on behalf of the corporation.

My Commission Expires: \_\_\_\_\_ Notary Public

Rec Fee	)	U
Doc Stamp	\$	
Doc Tax	\$	
Int Tax	\$	
Total \$	<u>19.50</u>	By <i>[Signature]</i> Deputy Clerk

1991

Prepared By and Return To:  
 William E. Shannon, Esq.  
 4500 PGA Boulevard, Ste. 400  
 Palm Beach Gardens, Florida 33418

FIRST AMENDMENT TO  
 THE DECLARATION OF COVENANTS AND RESTRICTIONS  
 FOR THE LAKES AT ST. LUCIE WEST

THIS FIRST AMENDMENT to the Declaration of Covenants and Restrictions for The Lakes at St. Lucie West is made this 21<sup>st</sup> day of November, 1991 by DIVOSTA AND COMPANY, INC., a Florida corporation ("Developer"), and by THE LAKES AT ST. LUCIE WEST PROPERTY OWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, ("Association"), by the SUN TERRACE AT THE LAKES HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit ("Sun Terrace Association"); and by the BEDFORD AT THE LAKES HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit ("Bedford Association").

RECITALS

WHEREAS, the Developer and the Association have recorded in Official Record Book 715, commencing at Page 955, of the public records of St. Lucie County, Florida, the original Declaration of Covenants and Restrictions for The Lakes at St. Lucie West ("Declaration"), which submits all of the following described property to the covenants, conditions, and restrictions of the Declaration:

All of the plat of THE LAKES AT ST. LUCIE WEST, Plat 22, according to the plat thereof, recorded in Plat Book 29, Pages 9, 9A-9H, Public Records of St. Lucie County, Florida, and

All of the plat of THE LAKES AT ST. LUCIE WEST, Plat 23, according to the plat thereof, recorded in Plat Book 29, Pages 10, 10A-10C, Public Records of St. Lucie County, Florida, and

WHEREAS, the Developer as the owner and holder of more than fifty-one percent (51%) of all Sun Terrace patio homes and Bedford Units in The Lakes at St. Lucie West has the right pursuant to Article XV of the Declaration to amend the Declaration,

NOW THEREFORE, the Developer, with the consent and joinder of the Association, does hereby make the following amendment to the Declaration of Covenants and Restrictions for The Lakes at St. Lucie West:

1. Article V, Paragraph 3 of the Declaration is corrected below. Additions are underlined.

"...3. Recreational Facilities. All recreational facilities and playgrounds furnished by the Property Owners Association or erected within the Properties, if any, shall be used at the risk of the user, and the POA shall not be held liable to any Person for any claim, damage, or injury occurring thereon or related to use thereof."

2. This amendment will be binding on all persons, their heirs, successors, and assigns having any right, title, or interest in or to the property previously submitted to the Declaration, and shall inure to the benefit of each Owner (as defined in the Declaration).

3. All terms, conditions, covenants, restrictions, and provisions of the Declaration of Covenants and Restrictions for The Lakes at St. Lucie West, which are not hereby modified shall be and remain in full force and effect.

(Corporate Seal)

DIVOSTA AND COMPANY, INC.  
By: O B Divosta  
Otto B. Divosta, Pres.

(Corporate Seal)

THE LAKES AT ST. LUCIE WEST  
PROPERTY OWNERS ASSOCIATION,  
INC.

By: Charles H. Hathaway, Pres.  
Charles H. Hathaway, Pres.

(Corporate Seal)

SUN TERRACE AT THE LAKES  
HOMEOWNERS ASSOCIATION, INC.

By: Charles H. Hathaway, Pres.  
Charles H. Hathaway, Pres.

(Corporate Seal)

BEDFORD AT THE LAKES  
HOMEOWNERS ASSOCIATION, INC.

By: Charles H. Hathaway, Pres.  
Charles H. Hathaway, Pres.

JOINDER OF MORTGAGEE

SUNBANK/SOUTH FLORIDA, NATIONAL ASSOCIATION hereby joins in the First Amendment to the Declaration of Covenants and Restrictions for The Lakes at St. Lucie West for the purpose of acknowledging and consenting to the specific provisions hereunder relating to The Lakes at St. Lucie West.

IN WITNESS WHEREOF, the undersigned has set its hand and seal this 21<sup>st</sup> day of November, 1991.

SUNBANK/SOUTH FLORIDA,  
NATIONAL ASSOCIATION

By: [Signature]  
E. G. Rogerson

[Signature] James R. Odza  
[Signature] Terry Lysengen

STATE OF FLORIDA  
COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of November, 1991, by Edward G. Rogerson, Junior President of SunBank/South Florida, National Association, on behalf of the association.

[Signature]  
Notary Public  
Judy A. Stamos

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA.  
MY COMMISSION EXPIRES: AUG. 2, 1994.  
BONDED THRU NOTARY PUBLIC UNDERWRITERS.

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FILED AND RECORDED  
DOUGLAS DIXON CLERK  
ST. LUCIE COUNTY, FL