

✓ This Instrument prepared by
and after recording return to:
Michael R. Flann, Esq.
Broad and Cassel
400 Australian Avenue South
Suite 500
West Palm Beach, Florida 33401

**DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
SAND CAY AT IBIS GOLF AND COUNTRY CLUB**

This Declaration of Covenants, Restrictions and Easements ("Declaration") is made and executed this 17 day of AUGUST, 2000, by IBIS WEST PALM PARTNERS L.P., a Delaware limited partnership (hereinafter referred to as the "Developer" or "Declarant"), with its post office address at 9055 Ibis Boulevard, West Palm Beach, Florida 33412.

RECITALS:

- A. The real property described herein on Exhibit "A", attached hereto and made a part hereof (hereinafter referred to as the "Property"), located within Ibis Golf and Country Club, Palm Beach County, Florida (hereinafter referred to as the "Community"), is owned by Declarant.
- B. By executing this Declaration and recording it among the Public Records of Palm Beach County, Florida, Declarant does hereby declare the Property to be subject to and encumbered by this Declaration.
- C. The Property, and any additional lots or portions of land hereafter made subject to the provisions of this Declaration, in the manner hereinafter set forth, shall constitute and be known as "Sand Cay at Ibis Golf and Country Club" (hereinafter referred to as the "Project"), which shall consist of residential dwelling Units (hereinafter defined), common properties and such other improvements constructed or to be constructed thereon.
- D. The Declarant, or any other person, firm or entity as Declarant may choose, will develop the Project and construct residential Units and other facilities upon all or a portion of the Property, in accordance with a general plan of development adopted by Declarant, as may be subsequently modified in the manner set forth herein.
- E. Declarant has deemed it desirable for the efficient preservation of the values and amenities within the Project to create a Florida not-for-profit corporation (hereinafter referred to as the "Association") which will be the homeowners association for the Project and which will be responsible for the ownership, maintenance and administration of the portions of the Project (which may now or hereafter be designated as Common Properties, Common Areas, or otherwise designated herein or by Plat as being the responsibility of the Association for proper purposes, consistent with this Declaration) and for the enforcement and administration of this Declaration and the collection and use of assessments and charges hereinafter authorized.
- F. Declarant has caused the Association to be formed for the purpose of exercising the functions aforesaid. The members of the Association shall be the respective Owners of the Lots in the Project and the Declarant, as long as the Declarant owns any of the Property.
- G. The portion of the land or other property declared, from time to time, to be subject to certain protective covenants, conditions, restrictions, reservations, easements, equitable servitudes, liens and charges, all running with said properties as hereinafter set forth, shall be governed as provided in this Declaration, as the same may hereafter be amended. However, market conditions, circumstances or other factors beyond the

control of Declarant may result in a need or desire to modify or alter the general plan of development. Such modification will be in the best interests of the Project, the Declarant and Owners of Lots. Accordingly, notwithstanding anything contained herein to the contrary, there is no obligation of Declarant to complete the Project as contemplated by the present general plan of development. The Declarant, subject to the terms hereof, hereby reserves the right, at its option and sole discretion, to materially alter and substantially modify the general plan of development, including the size and design of Homes or other Improvements to the extent that this Declaration shall still be and remain legally valid and enforceable. The Declarant or any person or entity developing and selling residential Units in the ordinary course of business to whom the Declarant hereafter conveys any portion of the Project (other than the Common Properties and purchasers of completed Homes), with the prior written consent of Declarant, shall have the right to develop such property either within the scope of the Project (and subject to this Declaration) or outside the scope of this Project, to the extent the same can be accomplished. All or any portion of the Property may be removed from the lien and operation of this Declaration by an amendment executed by the Declarant for such purpose, provided there are no conveyances of Units constructed upon the Property being removed from the lien and operation of this Declaration and further provided that any such removal shall not deprive access to the Lot or Unit constructed upon any portion of the Property. Declarant, subject to the terms set forth in Article II hereof, may, as provided in Article XVII of this Declaration, and, without consent of any other Unit Owner or mortgagee, execute, acknowledge and record Supplemental Declarations or Amendments hereto: (a) adding all or portions of other property to the Project; or (b) removing property from the Project and the lien and operation of this Declaration; or (c) imposing further or amended conditions, covenants and restrictions to the operation, protection and maintenance of all or any portion of the Project, consistent with the common general plan of development of the Project; or (d) to correct scrivener's errors, or to clarify the intent of Declarant in the interpretation of provisions of this Declaration or any amendments hereto. Nothing contained herein or in any Supplemental Declaration of amendment shall limit the Declarant's ability to eliminate, change, modify or increase the amenities contained with the Common Properties, if any, or to otherwise modify or limit the Common Properties.

- H. Declarant hereby declares that the Lots and Units (including their appurtenances) and the Common Properties of the Project shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the easements, restrictions, reservations, covenants, conditions and equitable servitudes and other provisions of this Declaration, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability thereof, in furtherance of a general plan for the development, protection, maintenance, subdivision, improvement and sale of the Project, or any portion thereof. The covenants, conditions, restrictions, reservations, easements, and equitable servitudes set forth herein shall run with the title to the Lots and Units (including their appurtenances) and the Common Properties and shall be binding upon all persons having the right, title or interest therein or any part thereof, their heirs, successors and assigns; shall inure to the benefit of the Lots and Units (including their appurtenances) and the Common Properties and their successors-in-interest, and each Owner and his respective successors-in-interest; and may be enforced by any Owner, and his successors-in-interest, by the Association and by the Declarant and its assigns.

NOW, THEREFORE, Declarant declares that the Property described on Exhibit "A" hereof shall hereafter be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, improved and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges and equitable servitudes as hereinafter set forth, all of which are for the purpose of uniformly enhancing and protecting the value, desirability and attractiveness, and are in furtherance of a general plan for the protection, maintenance and improvement of the Property. The covenants, conditions, restrictions, reservations, easements, equitable servitudes, lien and charges set forth herein shall run with the Property and shall be binding upon and inure to the benefit of Declarant, its successors and assigns, all Owners of dwelling Units or other types of Units, subjected to this Declaration and located within the Project, their families, guests, tenants and invitees; and all persons having any right, title or interest in any part thereof.

ARTICLE I DEFINITIONS

The following terms, as used herein, and in all amendments hereto, shall have the following meanings (unless the context clearly requires otherwise):

Section 1. "Annual Assessment" shall have the meaning for such term set forth in Article VII, Section 2 hereof.

Section 2. "Annual Budget" shall have the meaning for such term set forth in Article VII, Section 9 hereof.

Section 3. "Assessment" shall mean and refer to any annual, special, individual or other assessment established for and levied against each Lot or a particular Lot, as such amount is determined by the Board of Directors of the Association from time to time.

Section 4. "Association" shall mean and refer to Sand Cay at Ibis Homeowners Association, Inc., a Florida not-for-profit corporation, its successors and assigns, which has been established for the purpose of enforcing and carrying out the duties of such association under this Declaration and fulfilling its obligations and purposes hereunder; a copy of the Articles of Incorporation (the "Articles") and Bylaws (the "Bylaws") of the Association are attached hereto and made a part hereof as Exhibits "B" and "C", respectively.

Pursuant to the Ibis Declaration (as defined in Section 13 of this Article I), the Association is a "Sub-Association" and is subject to all terms, conditions, and provisions of the Ibis Declaration. As a Sub-Association, the Association has duties and obligations set forth in the Ibis Declaration, including, but not limited to, such duties and obligations as may be delegated to the Association by the Ibis POA (as defined in Section 14 of this Article I) pursuant to the Ibis Declaration.

Section 5. "Board" or "Board of Directors" shall mean the Board of Directors of the Association.

Section 6. "Common Areas", "Common Property" or "Common Properties" shall mean and refer to all real and personal property intended by Declarant to be devoted to the common use and enjoyment of the Owners and conveyed or to be conveyed to the Association by deed, plat or dedicated to the Association by easement, agreement or on a recorded plat of any real property now or hereafter subject to this Declaration, including, without limitation, all Association or commonly owned recreational facilities, open spaces, off-street parking areas, private streets, entrance features, sidewalks, walls, signage, street lights, drainage easements, drainage tracts, easements, traffic islands, landscaping and landscape irrigation, and other property rights now or hereafter owned or acquired by the Association.

Section 7. "Common Expenses" shall mean and refer to the actual and estimated costs of ownership, maintenance, management, operation, insurance, repair and replacement of the Common Properties of the Association, the cost of any and all commonly metered utilities, such as for water and sewer, for Homes or Common Areas, if applicable, cable or master television systems, if any, master security or security monitoring systems, if any, and other commonly metered charges for the Common Areas; costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other employees or independent contractors or professionals; costs of all utilities, gardening and other services benefiting the Common Areas, and all recreational or other facilities thereon, if any; costs of fire, casualty and liability insurance, workmen's compensation insurance and other insurance covering or connected with the Common Areas and improvements thereon; costs of bonding the members of the Board and the Management Company (as defined in Section 19 of this Article I); taxes paid by the Association, including real property taxes for the Common Areas, if any, and sales or use taxes; amounts paid by the Association for the discharge of any lien or encumbrance levied against the Common Areas, or portions thereof, and costs of any other item or items so designated by, or in accordance with other expenses incurred, or to be borne by the Association for any reason whatsoever in connection with the Common Areas or the proper conduct of the business or affairs of the Association.

Common Expenses shall also mean and refer to the actual and estimated costs of cleaning, maintenance, management, operation, insurance, repair and replacement of any portion of the Property

specifically stated in this Declaration to be so cleaned, maintained, managed, operated, repaired or replaced, even if not part of the Common Properties, including, but not limited to, exterior walls and fences of all Homes, or other Improvements.

The Association shall: (i) maintain, repair and insure the Recreational Facilities, if any (as that term is defined below) that may be constructed on the Common Property which is subject to the provisions of this Declaration; and (ii) maintain, repair and replace all lights, including fixtures and bulbs located on the Common Property and pay for all electricity use thereon, the cost of the foregoing to constitute Common Expenses.

Section 8. "Declaration" shall mean and refer to this instrument and all exhibits hereto, as the same may be amended or supplemented from time to time.

Section 9. "Developer" or "Declarant" shall mean and refer to the entity referred to in the introductory paragraph of this Declaration and its successors and assigns who may have received a specific written assignment from the Developer of all or a portion of the rights of the Developer under this Declaration, which assignment shall become effective when recorded among the Public Records of Palm Beach County, Florida.

Section 10. "Existing Property" shall mean and refer to the real property initially subject to this Declaration described on Exhibit "A" hereof.

Section 11. "Home" or "Unit" shall mean and refer to any single family or other residential dwelling constructed or to be constructed upon the Property or any part thereof, including, but not limited to, detached homes, together with all further improvements and appurtenances thereto.

Section 12. "Ibis ARB" shall have the meaning for such term set forth in Article X, Section I hereof.

Section 13. "Ibis Declaration" shall mean and refer to the declaration referred to in Article III hereof.

Section 14. "Ibis POA" or "Master Association" shall mean and refer to the Ibis Property Owners Association, Inc., a Florida not-for-profit corporation, and its successors or assigns. The Ibis POA is the Master Association of the Ibis Golf and Country Club Community. The Ibis POA is NOT a condominium association under Chapter 718, Florida Statutes.

Section 15. "Improvement(s)" shall mean and refer to all structures of any kind, including, without limitation, any building, home, fence, patio, wall, sign, paving, grading, and addition, alteration, screen enclosure, sewer, drain, disposal system, decorative building, landscaping, or landscaping device or object, or other changes to the natural state of the Property and vegetation existing thereon.

Section 16. "Individual Assessments" shall have the meaning for such term set forth in Article VII, Section 6 hereof.

Section 17. "Institutional First Mortgagee" shall mean and refer to any bank, bank holding company, trust company or subsidiary thereto, savings and loan association, insurance company, union pension fund, mortgage company licensed to do business in Florida, an agency of the United States government, or the Declarant, which holds a first mortgage of public record on any Lot or part thereof, and the holder of any mortgage of public record given or assumed by Declarant, whether a first mortgage or otherwise, and its successors and assigns.

Section 18. "Lot" shall mean and refer to any platted lot, area or land within the Property upon which a Home or Unit has or may be constructed. If an area has been platted into a tract for the future replatting into single family lots upon which homes can be constructed, the tract platted shall not be considered a Lot for the purposes of being subject to assessments hereunder, except as unimproved property.

Section 19. "Management Company" shall mean the person, firm or corporation which may, from time to time, be retained by the Association to assist the Board in fulfilling or carrying out

certain duties, powers or functions of the Association or may be expressly designated by the Association as the Management Company under this Declaration.

Section 20. "Member" shall mean any person or entity holding a membership in the Association as permitted in this Declaration or as permitted by the Articles or Bylaws of the Association, including the Declarant, as long as it is the owner of any of the Property and any person or entity owning fee interest in any Lot or Unit.

Section 21. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including Declarant and sellers of any portion of the Property under executed contracts of sale which have not yet closed, but excluding those having such interests merely as security for performance of an obligation, unless and until such holder of a security interest acquires title pursuant to foreclosure or judicial proceeding or deed-in-lieu of foreclosure. Each Owner shall be a Member of the Association.

Section 22. "Plat" when used herein shall mean and refer to any map of the Property recorded among the Public Records of Palm Beach County, Florida.

Section 23. "Property" or "Properties" shall mean and refer to the Existing Property subject to this Declaration and such additions thereto as may hereafter be brought under the provisions of this Declaration and within the jurisdiction of the Association by the Declarant or its successors or assigns.

Section 24. "Project" shall mean and refer to Sand Cay at Ibis Golf and Country Club, a planned residential community being developed by Declarant on the Existing Property and any additional land hereafter made subject to this Declaration by Declarant.

Section 25. "Recreational Facilities" shall mean those facilities which may be constructed or provided by Developer, if any, upon property designated as Common Area(s) and which may consist of a pool, rest rooms, cabana and pool deck, landscaping, landscape irrigation, fences, walls and any additional amenities, structures or personal property and equipment related thereto and replacements thereof which may hereafter be added to such facilities.

Section 26. "Residential Property" shall mean and refer to all real property located within the Project, which is, by recorded plat or otherwise divided into Lots for residential use, specifically excluding roads, rights-of-way, lakes and Common Areas.

Section 27. "Rules and Regulations" shall have the meaning for such term set forth in Article IX, Section 1 hereof.

Section 28. "Sand Cay at Ibis Architectural Review Board" or "Sand Cay at Ibis ARB" shall mean the committee created pursuant to Article X hereof.

Section 29. "Special Assessments" shall have the meaning for such term set forth in Article VII, Section 5 hereof.

Section 30. "Supplemental Declaration" or "Amendment to Declaration" shall mean any document executed with the formalities of a deed by Declarant which shall be recorded among the Public Records of Palm Beach County, Florida, for the purpose of supplementing or amending this Declaration by adding additional real property to the Property and/or for the purpose of declaring or removing certain portions of the Project as Common Properties or Lots.

Section 31. "Zero Lot Line" shall mean the side or sides of each Lot upon which all or a portion of a wall to a Home may be constructed. If the Declarant does construct any Zero Lot Line Homes on the Property, then the provisions of this Declaration referring to Zero Lot Lines and easements relating to Zero Lot Line Homes shall be operative and shall apply to any Zero Lot Line Homes constructed. If the Declarant does not construct any Zero Lot Line Homes on the Property, then the provisions hereof relating to such Homes shall not be operative or applicable.

The use of any gender is deemed to include all genders; the use of the singular includes the plural and the use of the plural includes the singular as the context so requires. The foregoing

definitions shall be applicable to this Declaration, the Articles, the Bylaws and to any amendments and supplements thereto, unless otherwise expressly provided.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION ADDITIONS THERETO

Section 1. Legal Description and Additional Property. This Declaration shall apply to the Existing Property as described on Exhibit "A" hereof, and such additional real property as the Developer may, from time to time, designate as being subject to this Declaration in a written instrument executed with the formalities of a deed and recorded among the Public Records of Palm Beach County, Florida. Nothing in this Declaration shall, however, obligate Declarant to add to the Project. Notwithstanding the foregoing to the contrary, Declarant may not designate additional real property to be subject to this Declaration without the prior written consent of the Ibis POA. All Owners, by acceptance of their deeds to, or other conveyances of, their Lots or Units thereby automatically consent to any amendment to the land plan for the Project, development order or other similar modification in any governmental approval required for the development of the land which may be added to this Declaration by the Declarant, or its successors or assigns.

Section 2. Withdrawal. Declarant reserves the right to amend this Declaration unilaterally at any time, without prior notice and without the consent of any person or entity, for the purpose of removing any portion of the Property from the Project and the provisions of this Declaration. Notwithstanding the foregoing to the contrary, Declarant may not remove any portion of the Property from the Project without the prior written consent of the Ibis POA.

ARTICLE III ADDITIONAL RESTRICTIONS

In addition to the covenants, restrictions, landscape and architectural controls, setback requirements and other provisions contained in this Declaration, the Property shall be subject to all of the terms, assessments, liens and other provisions contained in: (i) the DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR IBIS GOLF AND COUNTRY CLUB, dated July 24, 1990, recorded July 31, 1990, in Official Records Book 6534, Page 1173, et. seq., of the Public Records of Palm Beach County, Florida, as amended and as the same may hereafter be amended from time to time ("Ibis Declaration"); and (ii) all other matters of Public Record. Notwithstanding anything contained in this Declaration to the contrary, Declarant acknowledges that it is also subject to the terms and obligations set forth in the Ibis Declaration.

ARTICLE IV EASEMENTS AND PROPERTY RIGHTS

Section 1. Owners' Easements. Each Owner shall have a perpetual, non-exclusive easement of ingress and egress and of use, enjoyment in, to and over the Common Areas, including roads, and access tracts (as depicted on any Plat of the Property recorded or to be recorded among the Public Records of Palm Beach County, Florida) within the Project, for pedestrian and vehicular traffic and over and across the improved walkways and rights-of-way from time to time laid out on the Common Areas for use in common with all other such Owners, their tenants, agents and invitees. The portion of the Common Areas not used from time to time as improved walkways or roads shall be for the common use and enjoyment of the Owners, and each Owner shall have a perpetual non-exclusive easement on and across all such portions of such property and for the use of the same as common open space in such manner as may be determined and regulated by the Association. Said easements are subject, however, to the following:

A. The right and duty of the Association to levy and collect Assessments against each Lot for the purpose of maintaining the Common Areas and for Common Expenses;

B. The right of the Association to suspend the voting rights and right to use the Common Areas and facilities (other than for ingress and egress) by an Owner, Owner's family member, lessee, agent and invitee for any period during which an Assessment against the Lot remains unpaid, which suspension shall be for a period not to exceed sixty (60) days for any single infraction of its lawfully adopted rules and regulations, provided that any such suspension of voting and/or use rights shall be made only by the Board after notice and a hearing;

C. The right of the Association to grant permits, licenses and easements over, in, across and under the Common Areas, for such services, utilities, roads and other purposes that are reasonably necessary for the benefit of, and for the proper maintenance or operation of, the Property.

D. An access easement over, in, across, through and under the Property in favor of Owners and/or the providers of any equipment necessary for the provision of utilities and services to or for the benefit of the Property, and their servicemen and repairmen, which easement is necessary for the maintenance, repair and replacement of any such equipment, including but not limited to, electric, gas, light, telephone, cable television, Home security and security monitoring devices, water, sewage, drainage and waste removal.

E. An access and maintenance easement in favor of the Association, which is necessary for the Association to inspect, clean, maintain, repair and replace the Common Areas or to perform its rights under Article V, Section 2 below.

F. Restrictions, easements and matters contained on any Plat, or filed separately with respect to all or any portion of the Property.

G. All of the provisions of this Declaration, the Articles and Bylaws of the Association, and all exhibits thereto, and all rules and regulations adopted by the Association, as the same may be amended from time to time.

H. All of the provisions of the Ibis Declaration, the Articles of Incorporation and Bylaws of the Ibis POA, and all exhibits thereto, and all Rules and Regulations adopted by the Ibis POA as the same may be amended from time to time.

I. The right of the Association to dedicate or transfer all or part of the Common Areas to any public agency, authority or utility for such purposes, and subject to such conditions, as may be approved by the Board of Directors; provided, however, that such dedication or transfer shall be approved by a majority vote of the Owners present at a special meeting called for that purpose and held in accordance with the terms and provisions of the Bylaws and approved in writing by the Declarant and the Ibis POA.

The rights of an Owner to the use and enjoyment of the Common Areas and facilities thereon shall extend to the members of Owner's immediate family (as defined by the Board) who reside with Owner and the approved lessees and guests of such Owner, subject to reasonable regulation from time to time by the Association in accordance with its lawfully adopted rules and regulations.

Section 2. Easements Appurtenant. The easements provided in Article IV hereof to Owners shall be appurtenant to and shall pass with the title to each Lot and may not be separated from such legal title to each Lot, except for easements reserved by Declarant unto itself.

Section 3. Utility Easements. Non-exclusive, perpetual easements, as shown on any recorded Plat of the Project, are hereby reserved by Developer, its successors and assigns, for the installation, maintenance and repair of utilities, cable television and Home security systems. No structure, planting or other material, other than sod, shall be placed upon the easements so reserved (unless installed by the Developer or its assigns, and replacements of same), which may interfere with the installation and maintenance of utilities or drainage. Said easements shall at all times be open to Developer, its designees, successors, assigns and any public service, cable or other corporation approved in writing by Developer which may require the use of said easements. The Developer reserves the right to release and remove any portion of the easements created by this provision which are not actually used for utilities, cable television and/or Home security system purposes, which it may do by executing a release or termination of easement, amendment to this Declaration or other document intended for such purpose and recording same among the Public records of Palm Beach County, Florida. All utility companies charged with the installation and maintenance of underground utility facilities are hereby granted access to all easements within which such underground facilities are located for the purpose of installation, operation, maintenance and replacement thereof in accordance with industry standards.

Section 4. Drainage Easements.

A. Non-exclusive easements for the installation and maintenance of drainage facilities shall exist in favor of the Ibis POA and the Association, as shown, if any, on any recorded Plat of the Property. Within these easement areas, no structure, planting or other material, other than sod, shall be placed or permitted to remain (unless installed by the Developer, its designees, successors or assigns and replacements of the same) which may interfere with such installation and maintenance, or which may obstruct or retard the flow of storm water. Notwithstanding the foregoing, sod and other plantings shall be permitted if the drainage easement is one which covers a buried pipeline, and over which no surface drainage is to be maintained. The Association and the Ibis POA shall have access to all such drainage easements, for the purpose of operation and of maintenance thereof and shall not be held liable for any damage to or removal of any Owner's sod or other plantings caused by such operation and maintenance activities.

B. Each Lot and the Common Areas shall enjoy and shall be subject to a perpetual, non-exclusive cross easement of drainage and flowage in favor of all adjacent Lots and Common Areas and no Owner may construct or permit any Improvement or other structure or condition to exist upon his Lot which will interfere with storm water runoff onto or from his Lot, except if constructed by Developer or its successors or assigns.

C. Each Lot is hereby subject to a non-exclusive drainage easement within five feet (5') of all non-zero lot lines. Within such easements, the Declarant, or its agents, shall have the right, but not the obligation, to install underground drainage pipes if in Declarant's judgment such is necessary or desirable in furtherance of the overall drainage plan for the Project and if so installed, the operation, maintenance and repair of such shall become the duty and obligation of the Association and all costs and expenses relating to such maintenance and repair shall become a Common Expense of the Association. Such drainage easement shall not preclude the construction of a Zero Lot Line Home or other improvements approved in writing by the Ibis ARB and Sand Cay at Ibis ARB.

Section 5. Northern Palm Beach County Improvement District Easement. Non-exclusive easements are hereby granted throughout the Common Areas to the Northern Palm Beach County Improvement District ("District"), which shall automatically terminate and lapse without further act or deed if such District ever abandons the use thereof, it being specifically intended by Declarant that any easement or other property right granted to the District shall not be hereafter sold, transferred, mortgaged or otherwise altered by such District and that if said District ever ceases to have any need for same, it shall automatically terminate (and revert to Declarant for the benefit of the Association), for the purpose of access to any water management easements or roadway easements dedicated to the District on any recorded plat of the Property or separate written document executed by Declarant and recorded among the Public Records of Palm Beach County, Florida, providing such use by said District shall not interfere with residential use of the Property.

Section 6. Easement for Unintentional and Non-Negligent Encroachments. If (a) any portion of the Common Areas or Improvements thereon encroaches upon any other portion of the Property, or (b) any other portion of the Property, or Improvements thereon, encroaches upon the Common Areas, or (c) any encroachment shall hereafter occur pertaining to the Property as the result of (i) construction of any building or Improvement by the Developer, (ii) settling or shifting of a Home or other Improvement constructed by Developer, its successors or assigns, or (iii) any repair to the Common Areas or any other portion of the Property, then, in any such event, a valid non-exclusive easement shall exist for such encroachment and for the maintenance, repair and replacement of same, as long as such structure shall exist.

Section 7. Zero Lot Line Easements. If a Home or Unit is constructed on or within three feet (3') of the side lot line of any Lot, the following easements are hereby created as to such Homes or Units and the Lots adjacent thereto:

A. Subject to the other provisions of this Declaration, a non-exclusive easement is hereby created over, under, across and through the vacant and unimproved portion of each Lot in favor of (i) the Owner of the adjacent Lot; (ii) the Association; and (iii) any utility company providing service to such Lots, the purpose of which easement shall be for maintenance or repair of the Improvements constructed or to be constructed on or near the Zero Lot Line of the adjacent Lot, and for installation, maintenance, service, or repair of any utility equipment or meters attached to any Improvement constructed on or near the Zero Lot Line of the adjacent Lot. The Association and the Owner of an

adjacent Lot, and any utility company, shall have the right, at all reasonable times, to enter upon the easement area of a Lot in order to perform work relating to the maintenance or repair of a Home or related Improvement constructed on the adjacent Lot, or for installation, maintenance, inspection, service or repair of any equipment or meters attached to any Improvement constructed on the adjacent Lot. Nothing shall be placed within the easement area which would block access to the easement area, except as to any Improvement constructed or landscaping installed by the Developer or its assigns, or replacements thereof or Improvements installed pursuant to Subsection D. of this Section 7 and with the approval of the Ibis ARB. The easements provided for herein are appurtenant to, and shall pass with, the title to each Lot, subject to the provisions of this Declaration.

B. The Declarant hereby specifically creates and reserves unto itself, and its successors and assigns, a three foot (3') wide non-exclusive easement for roof overhangs, gutters, drainage and footings along the boundary of each Lot for the encroachment of and/or drainage from any overhanging roof and for any encroachment or footing relating to a wall on or near the boundary of any adjacent Lot.

C. The Declarant hereby specifically creates and reserves unto itself and its successors and assigns a non-exclusive, perpetual easement for any encroachment on a Lot for a wall, screen enclosure, planter or other Improvement, and for fences, gutters and down spouts. This easement shall be a continuous easement and shall cover similar future encroachments which may occur in connection with the repair, maintenance or replacement of the item encroaching on any Lot or Common Areas.

D. Each Lot shall enjoy and be subject to a perpetual limited right to have certain Improvements, including, but not limited to, trellises, barbecues, screen enclosures and decorative water fountains attached to the Home on the Zero Lot Line of that Lot, if any. The Owner of each Lot upon which Declarant has constructed a Zero Lot Line Home shall have the permanent right to install, replace and maintain certain Improvements, including, but not limited to, trellises, barbecues, screen enclosures and decorative water fountains on the Zero Lot side of his Lot and to attach such item to the wall of that Owner's Home and not to any adjoining Homes, provided: (i) the same shall not damage or harm the Home to which they are attached; (ii) Sand Cay at Ibis ARB and the Ibis ARB have given their written approval for same; and (iii) further provided the use, maintenance and/or operation of same shall not be or become a nuisance or source of annoyance to the Owner of the adjoining Homes, either by way of noise, vibration, heat or otherwise, and if any such use does become a nuisance or source of annoyance, it shall be modified in a way that is acceptable to the Owners of the adjoining Homes or it shall be discontinued. The type of Improvement and method of attachment relating to this paragraph shall be subject to the prior written approval of Sand Cay at Ibis ARB and the Ibis ARB; provided, however, no such approval shall be required for any Improvement installed by the Developer, its designees, successors or assigns.

Section 8. Public Service Easements. Fire, police, health and sanitation, and other public service personnel and vehicles shall have a permanent and perpetual non-exclusive easement for ingress and egress over and across the Common Areas, including recreation areas, if any, and streets or rights of way shown on any plat of the Property, for proper purposes.

Section 9. Developer Use of Common Areas. The Developer reserves to itself (and to its contractors, subcontractors, sales agents, customers and representatives) the non-exclusive use of the Common Areas and the facilities thereon, without charge, for sales display, access, construction and ingress and egress purposes for as long as the Developer has legal title to any of the Homes, Lots or Property.

Section 10. Easement for Repair. The Declarant reserves to itself and grants to the Association a non-exclusive, perpetual easement for the right to replace, refinish, repair and maintain any Improvement or condition on the Common Areas, including, but not limited to, the right to replace any destroyed or damaged trees, vegetation, plants, shrubs, sod and ground cover, and to gain access to all portions of the Common Areas for such purposes.

Section 11. Additional Easements.

A. Non-exclusive, perpetual easements are hereby granted over roads, rights-of-way and Common Areas within the Property to the Ibis POA and to the Association, for the purpose of access to all property dedicated to the Ibis POA and the Association on any recorded Plat of the Property or a portion thereof, and to permit the Ibis POA to carry out its duties and obligations under the Ibis Declaration and to permit the Association to carry out its duties and obligations under the Declaration, Articles and Bylaws.

B. Declarant hereby reserves the right for itself and its assigns to hereafter create a non-exclusive easement of use and enjoyment in, to, over and through certain portions of certain Lots in favor of Owners of adjacent Lots. The identification and location of any such easements shall be described on a separate document to be recorded among the Public Records of Palm Beach County, Florida, by the Declarant prior to the time of closing on any of the Lots so affected. Generally, but not always, the easements referred to in this paragraph shall not extend beyond five feet (5') on either side of a platted property line. The easement shall be solely for the benefit of the Lot or Lots identified in such separate easement.

Section 12. Restriction on Easements. No Owner, other than the Declarant, shall grant any easement upon any portion of the Property to any person or entity, without the prior written consent of the Association and the Ibis POA, and any attempt to do so without such consents shall be null and void.

Section 13. Association Rights. The Association is hereby granted a right of entry onto each Lot to perform repairs, maintenance or to make replacements for which the Owner or his family is responsible, but which the Owner has failed or refused to perform, and which failure or refusal has endangered or impaired the use or value of other Lots or Common Areas within the Property, as determined by the Board. Such right of entry shall include the right, but not the obligation, to abate or eliminate any nuisance as deemed necessary by the Board. The Association shall have the right, but not the obligation, to perform such repairs, maintenance or replacements or to abate such nuisances, as set forth in Article V, Section 2.G hereof and to perform repairs as set forth in Article X, Section 3.J hereof. The costs and expenses of any such work shall be charged to the Owner of the Lot involved.

ARTICLE V RIGHTS IN THE COMMON AREAS; MAINTENANCE

Section 1. Ownership. A Plat or Plats of the Property may contain a dedication to the Association by the Developer. The fee simple title to all streets or roadways within the Property shall be conveyed to the Association by the Developer or its successors or assigns at a time to be determined by the Developer in its sole discretion. The Developer shall convey and transfer the fee simple title to the Common Areas, other than streets or roadways, if any, to the Association, upon completion of construction of same and sale of all Lots, or sooner, in the sole discretion of the Developer. The Association shall be responsible for the maintenance of the Common Areas, including the streets and roadways within the Property and Improvements thereon, and shall carry out such duties in a continuous manner, acceptable to the Board. The Association's duty and obligation of maintenance shall apply prior to and after it receives legal title to the Common Areas. The Association shall also be responsible for the payment of all real estate taxes and other charges assessed against the Common Areas and any Improvements thereon, including personal property taxes accruing from and after the date of recording of this Declaration among the Public Records of Palm Beach County, Florida. The Declarant shall have the right, but not the obligation, to maintain the Common Areas for a limited time at its own cost and expense if it so decides, in its sole discretion, but in any event, the Association shall be responsible for Common Area maintenance and expenses from and after the date that the first Home on the Property is sold to an Owner by the Developer, or its successors or assigns.

Section 2. Maintenance by the Association and Owner.

A. The Association shall at all times maintain in good repair, and shall replace as often as necessary, any and all Improvements situated on the Common Areas, including, but not limited to, all Recreational Facilities, if any, landscaping, landscape irrigation, paving, drainage structures, street lighting fixtures and appurtenances, sidewalks and other structures. Maintenance of street lighting fixtures shall include and extend to payment for all of the electricity consumed in their illumination and operation. Owners shall, at all times, maintain, repair and replace the light bulbs on the front of each Home and/or garage, and replacements thereof whether operated by any photoelectric cells or otherwise, as originally installed by the Developer. Owners shall pay the cost of electricity consumed by their illumination. The Association has the authority to adopt Rules and Regulations concerning each Owner's obligations to keep such exterior light lit and operational, and shall do so, even when the Home is not being used by Owner or anyone else.

B. All of the foregoing duties of the Association with respect to the Common Areas shall be carried out as and when needed, as determined by the Board of Directors of the Association. Nothing contained herein shall obligate the Association to make repairs or replacements to Improvements damaged by fire, windstorm, hail, or other casualty; such repairs or replacements to be made by the Owner of the Lot which suffers the damage.

C. All work to be performed or carried out pursuant to this Section by the Association and all expenses of the Association hereunder shall be paid for by the Association through Assessments imposed in accordance with this Declaration and/or through reserves accumulated by the Association, as determined by the Board. No Owner may waive or otherwise escape liability for the Assessments for such maintenance by non-use of the Common Areas or abandonment of his right to use the Common Areas.

D. The Board of Directors of the Master Association has the power, but not the obligation, to adopt minimum maintenance standards in connection with each Lot and Improvements located thereon. Such standards shall be in addition to those obligations of Owners as stated in this Article V and may be changed from time to time by the Board of Directors of the Master Association, in its sole discretion. Any minimum maintenance standards established pursuant to this Article V need not be recorded to be effective.

E. Each Owner, at its expense, shall have the sole responsibility, duty and obligation to maintain its Lot, Home, and any other Improvements on the Lot, including, but not limited to: (i) cleaning driveways; (ii) cleaning and painting the exterior of Homes and any adjoining wall or fences, including painting and pressure cleaning of same; (iii) landscape, lawn, tree and landscape irrigation maintenance; and (iv) maintaining, repairing and replacing the roof of his Home.

F. In the event any Owner fails or refuses to maintain his Lot, Home, and/or any Improvement thereon as required by this Declaration after thirty (30) days written notice from the Board (or such shorter notice period as may be provided in this Declaration), the Association shall have the right, but not the obligation, to undertake such maintenance or repairs for and on behalf of such Owner, and the cost and expense of same, together with reasonable attorneys' fees paid or incurred by the Association in the enforcement of this Declaration, whether suit be brought or not, and interest at the highest rate permitted by law shall be specially assessed against the Owner and the Lot of such Owner, which shall be the subject of a lien on the Lot until paid.

ARTICLE VI INSURANCE

Section 1. Common Properties. The Association shall keep all Improvements located on the Common Properties insured against loss or damage by fire or other casualty for the full insurable replacement value thereof and may obtain insurance against such other hazards and casualties as the Association may deem desirable. The Association may also insure any other property, whether real or personal, owned or maintained by the Association, against loss or damage by fire, and such other hazards as the Association may deem desirable, with the Association as the owner, loss payee and beneficiary of such insurance. Insurance proceeds shall be used by the Association for repair or replacement of the property for which the insurance was carried. Except as expressly otherwise

provided, premiums for all insurance carried by the Association are Common Expenses included in the Assessments made or to be made by the Association, from time to time.

Section 2. Flood Insurance. In the event the Property is located within an area that has been designated a special flood zone, as defined by the Federal Emergency Management Agency, the Association shall purchase and maintain a policy of flood insurance, naming the Association and the Declarant (as long as the Declarant owns any of the Property) insureds, and covering the Common Areas, and any Improvements, buildings, fixtures, personal property, equipment, supplies and materials located on and used in connection with the operation of the Common Areas, and each Owner shall purchase and maintain a similar policy covering his Unit, and shall, at the request of the Association, from time to time, provide proof of such coverage in a manner acceptable to the Association, in its reasonable judgment. The Association coverage shall be in an amount not less than the lesser of the following: (a) the maximum coverage available under the National Flood Insurance Program for all buildings and other Improvements located on any portion of the Common Areas that fall within a designated special flood zone; or (b) one hundred percent (100%) of the current replacement cost of such Improvements, buildings and other insurable property. Any such policy shall provide that it cannot be cancelled or be substantially modified without at least thirty (30) days prior written notice to the Association, Declarant, or Owner, whoever is the insured under such policy.

Section 3. Liability Insurance. The Association shall purchase and maintain a policy of comprehensive general liability insurance, naming the Association and Declarant as insureds. The coverage shall be in an amount not less than One Million Dollars (\$1,000,000.00) for bodily injury, death and property damage arising out of a single occurrence. Coverage shall include liability of the Association and Declarant for bodily injury, death and property damage. Any such policy will provide that it cannot be canceled or substantially modified without at least thirty (30) days prior written notice to the Association and Declarant. An Owner is responsible for purchasing and maintaining a policy of comprehensive general liability insurance providing coverage for his Unit as provided elsewhere in this Article.

Section 4. Waiver of Subrogation. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, the Management Company, Declarant, and the officers, directors, agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Section 5. Fidelity and Other Insurance. The Association shall purchase and maintain a policy of insurance or fidelity bond, naming the Association as the insured or as the obligee, to protect the Association against the wrongful acts or omissions of any officer, director, trustee, agent or employee of the Association and all other persons who handle or are responsible for handling funds or, or funds administered by the Association. Any such policy or bonds shall be in an amount determined by the Board of Directors, but in no event shall the amount of any such policy or bond be less than fifty percent (50%) of the estimated annual operating budget of the Association for the current year during the term of each such policy or bond. Each such policy or bond shall provide that it shall not be canceled or substantially modified without at least thirty (30) days prior written notice to the Association. The Association may also obtain Workmen's Compensation insurance and other liability insurance as it may deem desirable, insuring each Lot Owner and the Association, Board and Management Company, from liability in connection with the Common Properties, the premiums of which shall be Common Expenses and included in the Assessments made against the Owners and the Lots.

Section 6. Distribution of Proceeds: Reconstruction of Buildings and Improvements. The proceeds of any policy of insurance or bond required to be purchased and maintained, or which may be purchased and maintained, pursuant to the terms of this Declaration shall be paid to the Association and Declarant, as their interests may appear, and shall be used as set forth in this Article VI.

A. All proceeds received by the Association and/or Declarant for any loss, damage or destruction of any buildings, Improvement, landscaping, equipment, supplies or materials located on and used in connection with the Common Areas, shall be utilized by the Association and/or Declarant to repair, replace or reconstruct any such building, Improvement, landscaping, equipment, supplies or materials. Any difference between the amount of insurance proceeds received by the Association and/or Declarant and the amount required to complete the repair, replacement or reconstruction shall

be an expense of the Association for which the Association shall levy a Special Assessment against all Owners to obtain said difference within forty five (45) days from the date such loss, damage or destruction occurred.

B. Any repair, replacement or reconstruction that is the responsibility of the Association as provided in this Declaration shall be substantially in accordance with the plan and specifications of the original building or Improvement, or as the building or Improvement was last repaired or reconstructed, and shall be of similar quality and value in the case of equipment, personal property, landscaping, supplies or materials as that previously purchased and maintained by the Association; provided, however, that such repair, replacement or reconstruction shall be modified when necessary to conform with the then current restrictions, ordinances and codes of any governmental entity that has jurisdiction on the use and occupancy of the Property.

C. Nothing contained in this Section 6 shall obligate the Association and/or the Developer to utilize any insurance proceeds to repair, replace or construct any personal property, landscaping, or Improvement which was not originally installed or constructed by the Developer or the Association. The obligation to repair, replace or construct such non-Developer/Association constructed or installed personal property, landscaping or Improvement shall be that of the applicable Owner(s).

Section 7. Estimates for Repair, Replacement or Reconstruction. In the event any loss, damage or destruction occurs that is covered by an insurance policy purchased and maintained by the Association pursuant to the terms of this Declaration, the Association shall, immediately after the occurrence of such loss, damage or destruction, obtain a reliable, detailed estimate of the cost to place the damaged property in as good a condition as existed immediately prior to the loss, damage or destruction. The Association shall establish a separate account with a bank or savings and loan association located in Palm Beach County, Florida, and shall deposit into such account all insurance proceeds and any Special Assessments collected by the Association by virtue of the occurrence of any loss, damage or destruction as provided in this Declaration.

A. Said account shall constitute a repair, replacement and reconstruction fund which shall be disbursed in the manner provided in this Article VI as the required repair, replacement and reconstruction progresses.

B. The Association shall make payments for such repair, replacement or reconstruction upon the written request for a disbursement by the person or entity responsible for the repair, replacement or reconstruction, which in the case of the repair, replacement or reconstruction of a building or other Improvement, shall be accompanied by an appropriate certificate signed by the architect, engineer or contractor in charge of such repair, replacement or reconstruction stating: (a) that the requested payment has either been made or is justly due, and certifying that the payment requested does not exceed the value of the services and materials already in place pursuant to such repair, replacement or reconstruction; (b) that, except for the payment requested, there are no outstanding payments for the repair, replacement or reconstruction being performed which may provide a basis for a vendor's or mechanic's lien; and (c) that the cost of the repair, replacement or reconstruction to be done subsequent to the date of such certificate does not exceed the amount of funds remaining in the repair, replacement and reconstruction fund after the requested payment is made.

C. In the event there is a balance in the repair, replacement and reconstruction fund after the Association has made all payments for any such repair, replacement or reconstruction pursuant to the terms of this Declaration, the Association shall be entitled to retain said balance and add it to the Association's reserve; provided, however, that in the event special assessments were collected and utilized for such repair, replacement or reconstruction, then a majority vote of the Owners, at a special meeting called for that purpose and held in accordance with the terms and provisions of the Bylaws, shall determine whether the balance shall be retained by the Association and added to the Association's reserves, or shall be returned prorata to the Owners who paid such special assessments.

Section 8. Declarant Named as Insured. Whenever the Association is required to purchase and maintain a policy of insurance or bond which shall, according to the terms of this Article VI, name Declarant as an insured, such obligation to name the Declarant as an insured shall cease upon Declarant's conveyance of title to the last Lot owned by the Declarant.

Section 9. Review of Insurance Coverages. The Association shall, at least annually, review the adequacy of the insurance coverages required pursuant to this Declaration and shall make a determination as to the adequacy of the amounts and types of coverage then in effect.

Section 10. Owner's Insurance. EACH OWNER SHALL BE OBLIGATED TO MAINTAIN INSURANCE ON HIS LOT AND ANY IMPROVEMENTS THEREON IN AN AMOUNT EQUAL TO AT LEAST FULL INSURABLE VALUE FOR ANY LOSS OR DAMAGE BY FIRE OR OTHER CASUALTY, AS WELL AS LIABILITY INSURANCE AND INSURANCE INSURING HIS PERSONAL PROPERTY. EACH OWNER SHALL FURNISH PROOF OF SUCH COVERAGE TO THE ASSOCIATION UPON REQUEST WITH A CERTIFICATE REQUIRING THIRTY (30) DAYS WRITTEN NOTICE TO THE ASSOCIATION OF CANCELLATION OR NON-RENEWAL OF SAID INSURANCE COVERAGE.

ARTICLE VII ASSESSMENTS AND LIEN THEREFOR; NON-PAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION

Section 1. Creation of the Lien and Personal Obligation for Assessments. Subject to the provisions of this Declaration, the Developer, as Owner of the Property or portions thereof, hereby covenants, and each Owner of any Lot within the Property, by acceptance of a deed therefor, whether or not so stated therein, covenants and agrees to promptly pay to the Association all Assessments levied or assessed under this Declaration; all such Assessments to be imposed and collected as set forth herein. The obligation of an Owner for Assessments, except as to the Developer, shall automatically commence as to each Lot owned by an Owner upon the date of acquisition of title to that Lot by such Owner.

All Assessments made and levied by the Association, as to each Lot, together with interest, costs and reasonable attorneys' fees for the collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such costs and reasonable attorneys' fees are assessed, and shall also be the personal obligation of the person who was the Owner of such property at the time when the Assessment fell due until paid. Subject to the provisions of this Declaration protecting Institutional First Mortgagees, unless and until such Institutional First Mortgagee acquires title to a Lot pursuant to foreclosure, a judicial proceeding or deed-in-lieu of foreclosure, the personal obligation for delinquent Assessments shall pass to the successors in title of such Owner. The Board shall deposit all monies collected in one or more accounts as the Board deems appropriate, in its sole discretion.

Section 2. Annual Assessments. The Association, through its Board of Directors, shall have the power and authority to levy and collect an annual assessment ("Annual Assessment") from each Owner, except as to the Declarant, as otherwise provided hereinafter. The Annual Assessment shall be paid in four (4) equal, quarter-annual installments or on such other periodic basis as the Board deems appropriate, from time to time, but in any event, no less frequently than annually. The Annual Assessments shall be used in accordance with the annual budget established by the Board of Directors, including, without limiting the generality of the foregoing, for payment of taxes and insurance upon property owned by the Association, the cost of operation and management of the Association, expenses and liabilities incurred by the Association in connection with the enforcement of its rights and duties against any Member of the Association or others, and may be used for the creation of reasonable reserves. Disbursements shall be made by the Board for such purposes as are deemed necessary for the discharge of the Association's responsibilities herein.

Section 3. Due Date of Annual Assessments. Annual Assessments shall be due and payable, quarter-annually, in advance, at the commencement of the Association's fiscal year, or as otherwise determined by the Board, from time to time. The amount of the first Annual Assessment shall be based upon the Developer's estimate of the operating expenses for the year. In the event this Assessment proves insufficient to satisfy such expenses, the Board of Directors may levy one or more supplementary Assessments in the amount of the deficit, which supplementary Assessment shall not require the assent of the Members. The amount of the Annual Assessment may be adjusted from year to year, as deemed necessary or desirable by the Board of Directors.

Section 4. Bases for Annual Assessment. The Annual Assessment shall be levied against each Lot in accordance with the following (except as to Lots owned by the Developer or its successors or assigns, who shall not be subject to Assessments, as hereinafter set forth).

Except as may otherwise be provided for herein, each Lot shall be subject to the same Annual Assessment as every other Lot within the Property, which shall be calculated by dividing the budget by the number of Lots within the Property conveyed to Owners, other than the Declarant or its successors or assigns.

Section 5. Special Assessments. The Association, through its Board of Directors, shall have the power and authority, from time to time, to levy and collect special assessments ("Special Assessments") from each Owner (except as to Lots owned by the Developer or its successors or assigns as provided in Section 10 of this Article) for the following purposes: the acquisition of real or personal property by the Association; payment, in whole or in part, of the cost of construction of capital improvements to the Association property; the cost of construction, reconstruction, unexpected repair or replacement of a capital improvement, including the necessary fixtures and personal property related thereto; the cost of maintenance or repair of any property which the Association is obligated to maintain hereunder, including roads, Common Areas and Recreational Facilities; Common Expenses, if funds are not otherwise available therefor for Assessments or reserves; the expense of indemnification of each director and officer of the Association; and such other purposes deemed appropriate by the Board of Directors. All notices of Special Assessments from the Association to Owners shall designate the amount thereof and the date when due. All Special Assessments shall be levied upon the same basis as Annual Assessments, unless otherwise determined by the Board, and shall be collectible in such manner as the Board of Directors shall determine.

Section 6. Individual Assessments. The Association, through its Board of Directors, shall have the power and authority, from time to time, to fix, levy and collect individual assessments ("Individual Assessments") against an Owner for the cost of repairs or replacements within or without the Property for which the Owner or his family, lessees, guests or invitees are responsible, but which the Owner has failed or refused to perform, and which failure or refusal has endangered or impaired the use or value of other Lots or Common Areas within the Property, as determined by the Board. Individual Assessments shall be collectible in such a manner as the Board of Directors shall determine. The Association may also levy Individual Assessments against any Owners who have caused the Association to incur special expenses due to willful or negligent acts of said Owners or their families, lessees, guests or invitees. The Association shall have the right to file a lien against the Home of any Owner not paying any assessment when due and may foreclose such lien as well as pursue any other remedies available to the Association at law or in equity, including, but not limited to, those available under this Declaration, the Articles and Bylaws.

Section 7. Initial Capital Contribution. All Owners, except the Developer and its successors or assigns (including Home builders, as contrasted with Home buyers) who shall be exempt from the provisions of this Section 7, shall contribute and be charged an initial capital contribution to the Association in an amount equal to three (3) months Assessments [one quarter annual period] based upon the Annual Assessment for each Home or Lot then being purchased, which shall be payable at the time of closing of title. The purpose of the initial capital contribution is to create a fund to assure that the Association will have cash available to meet unforeseen expenditures or for any other purpose deemed necessary or advisable by the Board. This contribution shall be a "one time only" payment per Lot made by Owners who purchase Homes directly from the Developer, its successors, assigns or designees, and shall not apply to successive sales of the same Home to succeeding Owners. This initial capital contribution shall not apply to vacant Lots while owned by Developer, or its successors, assigns or designees. Nothing contained in this Section shall operate to curtail the right of the Board of Directors to levy Special Assessments or Individual Assessments pursuant to Sections 5 and 6 of this Article, respectively. The capital reserve account may be invested by the Board so as to earn interest in a bank or savings account, money market fund or certificate of deposit, fully insured by an agency of the United States government.

Section 8. Date of Commencement of Association's Obligation for Collecting Annual Assessments. The obligation of the Association to collect Annual Assessments applicable to each portion of the Project shall automatically commence on the day of closing of the first Lot to be conveyed by the Developer to any Owner. The amount of the Assessment shall be prorated based upon the day and month of closing within the assessment period.

Section 9. Annual Budget and Balance Sheet Prepared by the Board of Directors. The Board of Directors shall cause a balance sheet and operating statement of the Association to be prepared each fiscal year of the Association, reflecting income and expenditures and shall make copies of same available to Members. The Board of Directors shall prepare a written estimate ("Annual Budget") of the expenses to be incurred by the Association during each fiscal year in performing its functions under this Declaration, which budget may, but need not, include reasonable provision for contingencies and reserves. The Annual Budget, which shall provide for allocation of expenses in such a manner that the obligations imposed by this Declaration shall be met, shall be adopted by a majority vote of the Board of Directors.

Section 10. Liability of Developer. Anything to the contrary herein notwithstanding, the Declarant shall not be liable for any Assessments, whether Annual, Special, Individual or otherwise, imposed upon any Lots of which it is the Owner, as long as the Declarant funds any deficits in operating expenses of the Association. In calculating such deficit, only actual current expenses (other than reserves, initial capital contributions and funds which are chargeable to Owners as Special Assessments) shall be computed. The Declarant may, at any time, and from time to time, be relieved of its obligation to fund deficits by electing, for any Assessment period or periods, or any parts thereof, to pay Assessments imposed upon Lots for which it is the Owner; provided, however, that no Assessments shall be due from the Declarant for any Lot unless and until a certificate of occupancy is issued for a Home or Unit constructed thereon.

Section 11. Effect of Non-Payment of Assessments; Remedies. If any Assessment made and levied hereunder is not paid on the date when due, it shall then become delinquent and shall bear interest at the maximum rate allowed by law, but not to exceed eighteen percent (18%) per annum, from the date when due until paid. The unpaid Assessment, together with interest thereon and the costs of collection thereof, including reasonable attorneys' fees, whether suit be brought or not, shall become a continuing lien on the property against which such Assessment is made. The lien shall bind the property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns, and shall also be the continuing personal obligation of the Owner against whom the Assessment is levied. Any successor in title shall be held to constructive notice of the records of the Association to determine the existence of any delinquency in the payment of Assessments. Such information may be obtained from the Association.

A. The Association shall provide written notice of Assessments to each Owner. If any Assessment or installment thereof shall not be paid within fifteen (15) days of the due date, the Association may declare the entire Assessment immediately due and payable for the year and may, without waiving any other right or remedy to which it may be entitled, file a claim of lien among the Public Records of Palm Beach County, Florida, and, at any time thereafter, bring an action to foreclose the lien against the property and/or a suit on the personal obligation against the Owner, and there shall be added to the amount of the Assessment the cost of preparing and filing a complaint and the claim of lien in such action (including reasonable attorney's fees), and in the event a judgment is obtained, such judgment shall include interest on the Assessment as provided above, and reasonable attorneys' fees to be fixed by the court, together with the costs of the action. The Assessment liens provided for in this Declaration may be foreclosed in the same manner as mortgages are foreclosed, and the Association, through its duly authorized agents, shall have the power, but not the obligation, to bid on any Lot or Unit at the foreclosure sale and to acquire, hold, lease, mortgage and convey the same.

B. Any payments made by an Owner to the Association shall be applied by the Association against the total amount owed by the Owner in the following order: (1) any sums advanced by the Association for taxes and for payments to holders of mortgages, liens or encumbrances on the Owner's Lot in order to protect the Association's interest in the monies owed or its Assessment lien; (2) reasonable attorneys' fees and costs incurred relating to, associated with, or in any way arising out of the Association's collection efforts; (3) interest on Assessments or other monies due to the Association; (4) fines, if any, levied by the Association; and (5) Assessments owed to the Association, with application to earlier Assessments made first.

C. Upon payment in full of the amount secured by a lien filed by the Association against any Lot or Unit, including interest and costs, the Association shall execute and record an appropriate release of lien form among the Public Records of Palm Beach County, Florida, which shall be an expense of the Owner against whose Lot or Unit the lien was filed.

Section 12. Subordination of the Lien of Assessments to Mortgages held by Institutional First Mortgagees. The lien of any Assessments provided for in this Declaration shall be subordinate to the lien of an Institutional First Mortgagee recorded among the Public Records of Palm Beach County, Florida ("Institutional First Mortgage") prior to the recording of the claim of lien as to that Lot or Unit; provided, however, that in the event of a foreclosure, any purchaser at a foreclosure sale (including the holder or owner of an Institutional First Mortgage) and any mortgagee acquiring title by a deed-in-lieu of foreclosure, and all persons claiming by, through or under such purchaser or mortgagee, shall hold title subject to the liability and lien of any Assessment accruing and becoming due after such foreclosure (or conveyance-in-lieu of foreclosure). All unpaid and accrued Assessments becoming due prior to the acquisition of title as a result of foreclosure or deed-in-lieu of foreclosure shall be deemed to be part of the Common Expenses divided equally among and payable by all Owners of Lots subject to Assessments by the Association, including the Lot as to which the foreclosure (or conveyance-in-lieu of foreclosure) took place, in the manner aforesaid, unless such Assessments are secured by a claim of lien recorded prior to the recording of the Institutional First Mortgage.

Section 13. Additional Assessments. The Assessments provided for hereinabove shall be in addition to all other Assessments which may be levied by the Ibis POA, in accordance with the Ibis Declaration and any other association of which the Owner may be a member.

Section 14. Drainage Taxes. Each Owner shall be assessed special drainage taxes levied by the District for the payment of bonds to finance and maintain drainage systems and related facilities throughout the Community. These taxes shall be paid by Owners directly to the Palm Beach County Tax Collector. Such taxes are separate and distinct from the Assessments paid or to be paid to the Association and to the Master Association, and are not governed by the covenants contained herein.

Section 15. Waiver of Use. No Owner may exempt himself or his Lot from personal liability for assessments duly levied by the Association, or release the Lot or Unit owned by his for the liens and charges hereof by waiver of the use and enjoyment of the Common Areas or the facilities thereon, or by abandonment of his property.

ARTICLE VIII TRANSFER OF PROPERTY

The transfer of each Lot or Home within the Property by sale, lease or otherwise is and shall be subject to the prior written approval of the Ibis POA, in accordance with the terms and provisions contained in the Ibis Declaration and the rules and regulations promulgated hereunder. An application and fee is required in connection therewith. No approval or fee is required hereunder for any transfer of a Lot from Ibis to the Declarant or from the Declarant to the purchaser from it of any Lot.

No Owner shall be entitled to a refund of any equity, reserves, Assessments or contributions to the Association upon the transfer, sale, lease or otherwise of such Owner's Lot or Home.

ARTICLE IX GENERAL USE RESTRICTIONS

All real property within the Project shall be held, used and enjoyed subject to the following limitations and restrictions, except as to exemptions applicable to the Declarant, as set forth herein.

Section 1. Regulation of Uses. Notwithstanding anything to the contrary contained herein, the Declarant reserves, until such time as Declarant transfers control of the Association to the Owners, the right to regulate the use of the Property through the establishment and publication, and amendment or revision, of rules and regulations ("Rules and Regulations"). Owners consent to the foregoing and agree to abide by all such Rules and Regulations.

Section 2. Land Use and Building Type. The Lots subject to this Declaration may be used only for single family residential purposes. No business or commercial building may be erected on any Owner's property, and no business may be conducted on any part thereof. Notwithstanding the foregoing to the contrary, an Owner may conduct business activity in his Unit via a computer or other device which is not a nuisance to the other Owners, provided that (a) customers or clients of the Owner shall not visit the Unit; (b) that business associates or employees of the Owner shall not conduct any business activity from the Unit; and (c) that the business activity conducted at the Unit is in

and must not be allowed to run loose or become a nuisance to other Owners by barking or other acts. Pets may be walked only in the yard of the Owner of the pet and not upon the Common Areas unless the Board specifically designates an area for such use in the future. All Owners of pets shall be responsible for cleaning up after their pet. The Board is authorized to promulgate rules and regulations regarding the keeping or maintaining of pets. The Board shall have the right to require any pet to be removed from the Home or Unit which causes an unreasonable source of annoyance to any Owner, or if the Owner violates any provision of this Declaration relating to pets or violates any of the Rules and Regulations now or hereafter existing relating to pets.

Section 12. Vehicles. No vans, except passenger vans [with full permanent seating capacity for at least five (5) passengers, excluding the driver, and having front and rear seat side windows installed] shall be placed or parked upon any Owner's Lot or otherwise kept in the Project. This provision shall not apply during the construction phase of any construction being performed by one utilizing a truck during construction. No trailers or habitable motor vehicles of any nature, motorcycles, service vehicles, trucks or "pick-ups" or vehicles having printing or advertising on exterior surfaces shall be kept, stored, or parked overnight on any part of the Property except within an enclosed garage. No boats, on or off trailers, may be parked on any part of the Property, except in an enclosed garage, nor shall any maintenance or repairs be performed upon any boat or motor vehicle, except within an area totally isolated from public view. No vehicles, including service vehicles, shall be permitted to park on streets overnight or between the hours of 12:01 a.m. and 7:00 a.m.

Section 13. Nuisances. No illegal, immoral, noxious or offensive activity shall be carried on or permitted in any Homes, Units, Improvements, Lots or Common Areas located within the Project, nor shall anything be done therein which may be or become an unreasonable annoyance or nuisance to any Owner or other having lawful use of any portion of the Property. No loud noises or noxious odors shall be permitted in or from any such Homes, Units, Improvements, Lots or on the Common Areas, and the Board of Directors shall have the right to determine if any noise, odor or activity constitutes a nuisance.

Section 14. Recreational Areas. All Recreational Facilities, if any, and Common Areas shall be used only for the intended purpose of furnishing services and facilities for enjoyment of the Owners. The Board is authorized to promulgate and enforce rules and regulations with regard to all aspects of use, operation and maintenance of the Recreational Facilities and Common Areas and may, from time to time, modify, add to or repeal any of such rules and regulations.

Section 15. Tennis Courts and Basketball Hoops. Tennis courts and basketball hoops and/or backboard are not permitted on any Lot or upon the Property.

Section 16. Garages and Garage Doors. Garages shall only be used for the storage of automobiles and other uses authorized herein and shall not, under any circumstances, be permanently enclosed or converted to other uses, including, but not limited to, incorporating the garage space, or any part thereof, into the interior living space of any Home. All garages shall be equipped with fully operational automatic garage door openers activated by a remote control garage door opener, and all garage doors must be closed, except when vehicles are entering or exiting from the garage. Each Owner shall be responsible for maintaining his own garage door opener in good working order at all times as the Owner's sole cost and expense.

Section 17. Garbage and Trash Disposal.

A. No garbage, refuse, trash or rubbish shall be kept or permitted on the Project; provided, however, that the requirements from time to time of the appropriate governmental authorities for disposal or collection shall be complied with by the Owner of each Home and his family, guests, lessees and others using the Home. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and no odor shall be permitted to arise therefrom.

B. All such garbage and trash shall be placed in rubberized garbage receptacles with tops or in such other containers as may hereafter be designated as acceptable by the Board. The garbage and trash shall be placed out on the street for collection the night before pick-up after sunset or on the day of collection on or before 6:00 a.m. All such garbage and trash receptacles shall be promptly picked up by each Owner and returned to such Owner's Home following the garbage and trash disposal pick-up.

Section 18. Insurance Rates. Nothing shall be done or kept in the common areas or Lots which will increase the rate of insurance of any property insured by the Association without the prior written approval of the Board, nor shall anything be done or kept in the buildings, Lots or on the Common Areas which would result in the cancellation of insurance on any property insured by the Association or which would be in violation of any law, rule or regulation of any governmental subdivision or agency.

Section 19. Temporary Structures. No temporary building, outhouse, shed, tent, or trailer of any kind shall be erected, altered, placed or permitted to remain on any Property except as otherwise expressly permitted herein. Nor shall any docks, bulkheads, moorings, pilings, boat houses or boat shelters or any kind be erected on the Property or over waterways of the Property without the prior written consent of the Ibis POA. Temporary structures or trailers may be erected or placed on the Property by the Declarant during a reasonable period of construction for use as a construction office or supply office, but in no event as a residence. Said structures must be approved by the Ibis POA before being placed on the Property. All temporary construction trailers and similar facilities must be removed within ten (10) days after completion of such construction.

Section 20. Service Area. All exterior storage areas, side garage doors leading to service areas, and utility meters are to be screened from view from streets and adjacent properties by an enclosure, fence, wall or mature landscaping material in a manner acceptable to the Ibis POA.

Section 21. Miscellaneous. Children's outdoor play equipment, if any, on any Lot must be screened from view by an Ibis POA approved fence, wall or landscaping. Owners shall maintain the exterior of their Homes and yards in a neat and presentable manner and not permit children's toys, strollers, bicycles and the like to be left in front yards, driveways or in other locations which would detract from the overall appearance of the Project. No flammable material shall be kept or stored within any Home or garage. All window coverings, such as awnings, hurricane or security shutters, sun screening on windows and the like must be approved in writing by the Ibis POA ARB prior to installation.

ARTICLE X ARCHITECTURAL AND LANDSCAPING CONTROLS AND RESTRICTIONS

Section 1. Architectural Control. The Developer acknowledges that the Ibis POA has established an Architectural Review Board ("Ibis ARB") which is responsible for reviewing and approving all plans and specifications for new construction and modifications of existing buildings in the Community. The Board shall have the power to appoint an Architectural Review Board ("Sand Cay at Ibis ARB") for the purpose of architectural control within the Project. Unless and until the Board appoints Sand Cay at Ibis ARB, review and approval of all construction and modifications of buildings in the Project shall be performed by the Ibis ARB. In the event the Board of the Association appoints members to an architectural review board for the Association, the review and approval of plans, specifications and other matters submitted to such board shall be in addition to the Ibis ARB and not in place of it. In the event of any conflict between decisions, procedures or determinations of the Ibis ARB and Sand Cay at Ibis ARB, such decisions, procedures or determinations of the Ibis ARB shall govern and supersede in all instances. The Developer shall be exempt from the provisions of this Article X and from the provisions of Articles IX and XI of this Declaration, but not the provisions of the Ibis ARB and the Ibis Declaration.

Section 2. Sand Cay at Ibis Architectural Review Board. Sand Cay at Ibis ARB shall consist of not less than three (3) nor more than seven (7) members, the initial members of which shall consist of persons designated by the Declarant. Each of said persons shall hold office until all Homes planned for in the Project have been constructed and conveyed to buyers, or sooner, at the option of the Declarant. The Declarant shall have the power and authority to appoint successors to those members of Sand Cay at Ibis ARB originally selected by the Declarant. Sand Cay at Ibis ARB shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph. A majority of Sand Cay at Ibis ARB may take any action Sand Cay at Ibis ARB is empowered to take, may designate a representative to act for Sand Cay at Ibis ARB, and may employ personnel, and consultants to act for it. In the event of death, disability or resignation of any member of Sand Cay at Ibis ARB, the Board of Directors of the Association shall have full authority to designate a successor. The members of Sand Cay at Ibis ARB shall not be entitled to any compensation for services performed pursuant to this Declaration, except if the Board approves a

reasonable fee for any professional engineer, architect, architectural consultant, landscape architect or other professional with special expertise desired by the Board. The Board may defer to the Ibis POA with respect to matters of architectural control. The Board may, at its option, establish, from time to time, a reasonable fee schedule relative to Owners' applications for approval submitted to Sand Cay at Ibis ARB; and, if established, the applicable fee shall be paid to the Association prior to Sand Cay at Ibis ARB considering a particular application.

Section 3. Architectural and Landscaping Standards.

A. **Approval of Improvements.** No building, wall, fence or other structure or Improvement of any nature shall be erected, placed or altered on any of the Properties until the construction plans, specifications and a plan showing the location of the structure and landscaping have been approved in writing by Sand Cay at Ibis ARB and the Ibis ARB. Each building, wall, fence or other structure or Improvement of any nature, together with landscaping, shall be erected, placed or altered upon the Property only in accordance with the plans and specifications and plot plan so approved. Refusal of approval, including refusal on purely aesthetic grounds, shall be at the sole and absolute discretion of Sand Cay at Ibis ARB and the Ibis ARB. Any change in the exterior appearance of any building, wall, fence or other structure or Improvement and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval.

B. Exterior Appearances and Landscaping, The paint, stain and other exterior finishing colors and materials on all buildings constructed on the Lots shall be maintained as that which was originally installed by the original builder, unless there is written approval to make a change by the Ibis ARB. Glass and screening on all buildings may be maintained as originally installed, without prior approval of the Ibis ARB, but prior approval by the Ibis ARB shall be necessary before such is changed. Landscaping shall not be added to or modified by any Owner unless the prior approval for any such change is obtained from the Ibis ARB. No aluminum foil or material of similar appearance may be placed on or near windows or glass doors. All interior window coverings, drapes and shades shall be white, beige or other neutral colors or lined in such colors so that a uniform appearance is maintained from the outside of every Home on the Property. No exterior changes to a Home may be made without written approval of the Ibis ARB, including the installation of screen doors, shutters, security bars and the like.

C. Time for Completion. All construction of a Home shall proceed diligently and shall be completed within one (1) year from the date of issuance of the building permit therefor, or the date of commencement of construction thereof, whichever is sooner. Once construction is commenced, such construction shall be performed in a diligent, continuous and uninterrupted manner. All construction shall be carried out by a general contractor licensed to do business in the State of Florida and in Palm Beach County.

D. Size of Residences. No Homes shall be permitted to have a basement. The first floor elevation of any Home shall be a minimum of 18 inches and a maximum of 30 inches above the crown of the road contiguous to such Home. The minimum living area shall not be less than 2,700 square feet for a one-story Home and 1,600 square feet for the ground floor of a two-story Home, with a minimum of 2,700 square feet for both floors combined, exclusive of garage, covered walks, and open or screened porches, patios or terraces. No Home shall be greater than two (2) stories in height. All roofs shall have a minimum pitch of 5":12" (the amount of vertical height over a one foot distance) unless said requirement is waived by the Ibis ARB. Asphalt shingles and tar and gravel roofs are specifically prohibited except over porches. All vents and chimney caps are to be painted the color of the roof or medium bronze, unless otherwise directed by the Ibis ARB. All roof overhangs shall be approved by the Ibis ARB. No substantial changes in the elevations of the Lot shall be made nor any fill used to extend the Owner's property beyond his property line or beyond any lake, canal or golf course maintenance easement line.

E. Driveways. Driveway materials and colors shall be approved by the Ibis ARB. No circular drive or parking areas or oversize driveways will be permitted without the written approval of the Ibis ARB, except if constructed by Declarant.

F. Conformity with Style of Home. Each exterior Improvement or addition to an existing Home must conform to and be compatible in architectural style with exterior construction materials used in the principal Home on the Property.

G. Exterior Colors. The Developer has predetermined the exterior colors and finishes of all Homes and no changes in such colors or finishes may be made without written approval of the Developer, as long as it owns any of the Lots within the Project. As to subsequent changes, if any, colors, materials and finishes are to be coordinated on all exterior elevations of the Home to achieve design consistency to the satisfaction of the Board and the Ibis ARB. All external surfaces that are stained or painted shall be retained or repainted at sufficient intervals so as to prevent the structure from detracting from the beauty of the Project.

H. Landscaping. The landscape and landscape irrigation plan for each Owner's property must be submitted to and approved by the Ibis ARB at the same time the architectural and construction plans are approved, except as to construction by the Developer. Full sod is required for all front, rear and side yards and shall be full and complete to cover all areas of the Lot to be grassed and shall be extended to the street pavement line wherever any Owner's property is bordered by a street, regardless of whether or not such area is owned by the Owner. The area, if any, between the Owner's rear property line and the water's edge of any lake or other water body within the Property shall be landscaped and or sodded and maintained by the Owner. No artificial grass, plants, or other artificial vegetation shall be placed or maintained upon the exterior portion of any Property. Rock gardens or other similar stone landscaping will be permitted as long as it constitutes no more than fifteen percent (15%) of the front landscaped area. Notwithstanding the foregoing, the Developer has the right, at its option, not to sod side yards and to install in such areas rock or rock features or ground cover if Developer deems such to be appropriate in areas where grass may not receive sufficient sunlight to grow in a manner which will be satisfactory from an aesthetic point of view. Any such installation by Developer, or as otherwise approved by the Ibis ARB, shall be permitted by this Declaration.

I. Irrigation. An underground sprinkler system of sufficient size and capacity to irrigate all sodded or landscaped areas shall be installed and maintained in good order on all Property. Each Owner of a Lot adjacent to a lake or waterway within the Project shall be obligated to irrigate, at his expense, the land lying between the property line of the Owner's Lot and the lake or other waterway notwithstanding that the Owner may not have ownership of such land because the land may be Common Property. Property Owners are prohibited from drilling and installing wells and no individual water supply system or individual sewage disposal system shall be installed, maintained or used on any Lot.

J. Repair of Damage. In the event any Home or other Improvement on a Lot is damaged or destroyed, in whole or in part, the Owner of such property shall take action deemed necessary by the Board to correct any unsightly or dangerous condition resulting from such damage or destruction. The Owner of the property so damaged or destroyed shall promptly take corrective action to either restore or remove the conditions, which work shall be completed within six (6) months after the date of the damage or destruction. The Owner shall undertake such corrective action as soon as is practicable in order to avoid an unsightly or dangerous condition. In the event the Owner of a Home or other improvement on a Lot fails or refuses to take the required corrective action, as deemed appropriate by the Board, the Association shall have the right, but not the obligation, to go upon the property, without liability, and remove or correct the damaged or destroyed property, in whole or in part, which shall be accomplished at the sole cost and expense of the Owner of the property, in which event, the Association shall have the right to place a lien on the Lot for the full amount of the corrective work, together with attorneys' fees and costs, if any, which lien shall be enforceable in the same manner as other liens created or provided under this Declaration.

K. Screening and Patios. No rear or side yard patios may be added to any Home and no covered patio may be screened or fence-enclosed without prior written approval of the Ibis ARB and the Ibis POA. No Owner shall cause or permit the screening or other enclosure of a patio, porch or other exterior area on his Lot, except a screen installed by Declarant, and except that a roof overhang of a Home may be screen enclosed, subject to prior written approval of the Ibis ARB and the Ibis POA as to color, configuration, materials, method of attachment to the Home and shape of the enclosure.

L. Non-Waiver of Future Approvals. The approval of Sand Cay at Ibis ARB or the Ibis ARB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of Sand Cay at Ibis ARB or the Ibis ARB shall not be deemed to be, or constitute, a waiver of any right to withhold approval as to any similar proposals, plans and specifications or matter subsequently or additionally submitted for approval.

ARTICLE XI SETBACKS AND BUILDING LINES



Section 1. Setbacks for Homes.

- A. Front setback to Home - fifteen feet (15'), except twenty feet (20') for Homes with front entry garages; If a Home has side entry garage with an extension for a golf cart, where the golf cart entry faces the road fronting such Home, the front setback to such garage, including the portion for a golf cart, shall be fifteen feet (15');
- B. Rear setback (excluding pool, patio and screening) - ten feet (10');
- C. Side setback on the non-Zero Lot Line side, if applicable - eight feet (8'); and
- D. Corner Lot - side setback - fifteen feet (15').

The foregoing restrictions shall apply in addition to any additional or more stringent requirements or restrictions of the City of West Palm Beach, Florida.

Section 2. Garages. Garages must be for at least two (2) cars and must be attached to the Home. Garages may not have entrances facing the street unless set back from the front property line twenty feet (20') or more, unless approved by Sand Cay at Ibis ARB and the Ibis POA, except for the golf cart portion of any garage, which may be set back not less than fifteen feet (15') from the road right of way, as set forth above in Section 1. A of this Article. Side entry garages shall have a fifteen feet (15') set back.

Section 3. Swimming Pools.

A. The setbacks for rear and sides for pools shall be as required by the Sand Cay at Ibis ARB and the Ibis POA, but shall not be less than the setback requirements mandated by the City of West Palm Beach relative to the Project.

B. All swimming pools must be approved in writing by the Ibis ARB, as well as Sand Cay at Ibis ARB, before they are constructed, whether or not the pools are adjacent to golf course property or otherwise. In-ground hot tubs or spas may be permitted in the rear of Lots, subject to the prior written approval of the Sand Cay at Ibis ARB and the Ibis POA as to size, location and landscaping requirements.

C. No above ground swimming pools shall be placed or constructed on any Lot. In-ground spas or hot tubs may, however, be placed or constructed partially above ground, subject to the prior written approval of Sand Cay at Ibis ARB and the Ibis ARB.

D. No swimming pools shall be permitted in any front yard without prior approval of the Sand Cay at Ibis ARB and the Ibis ARB, nor shall any swimming pools be permitted in the rear of any Lots abutting any portion of any golf courses in the Community, unless installed by the Developer or approved in writing by Sand Cay at Ibis ARB and the Ibis ARB.

Section 4. Walls and Fences. Walls, fences, and hedges must be approved by the Ibis ARB before installation or construction. No walls or fences of any kind on any Lot, excluding the walls of a Home, shall be in excess of six feet (6') in height above grade and no hedges shall be in excess of seven feet (7') above grade.

Section 5. Screen Enclosures. The setbacks for rear and sides for screening shall be as required by the Sand Cay at Ibis ARB and the Ibis ARB, but shall not be less than the setback requirements mandated by the City of West Palm Beach relative to the Project.

ARTICLE XII ACKNOWLEDGMENT

The purchaser(s) of each Lot and his heirs, legal representatives, family members, successors and assigns acknowledge and agree to the following:

Section 1. Private Clubs.

A. All purchasers of Lots must apply, purchase and become "charter" members of the Ibis Golf and Country Club upon acquiring title to a Lot, in accordance with the terms and provisions set forth in the membership plan for the club facilities, as amended from time to time (the "Plan"). Each purchaser acknowledges its receipt of a complete copy of the Plan and fully understands its mandatory "charter" membership obligation, before entering into a purchase contract for the Lot.

B. That neither the purchaser nor any of his heirs, legal representatives, family members, successors or assigns has or will have: (i) any right of use or membership in the Ibis Golf and Country Club, Ibis Golf and Country Club Golf Courses, Ibis Bath and Tennis, or any other private clubs or facilities within the Community solely by virtue of his ownership of property within Ibis Golf and Country Club or otherwise, without first satisfying the "charter" membership requirements of the club facilities; or (ii) any right to bring or take any action to prevent or seek any remedy against Declarant or the owner of the club facilities, or its or their officers, directors, partners, affiliates, agents, employees, successors or assigns in the event any of the foregoing clubs or facilities are converted to an equity type membership in the future where rights to use such facilities are dependent upon the purchase and sale of an ownership interest, which shall be in the sole judgment of the owner of such facilities. The purchaser of each Lot specifically waives and disclaims any interest in the foregoing clubs, golf courses and facilities, other than any interest acquired upon becoming a member therein.

Section 2. Non-interference with Development and Maintenance. That neither any purchaser of a Lot or other Improvement nor his contractors, subcontractors, nor his or their employees or agents shall restrict, interrupt, harass or in any manner interfere with the development, construction, sale or operation of any property or activity within or related to Ibis Golf and Country Club, including, but not limited to, the operation and maintenance of all golf courses at Ibis Golf and Country Club, and the implementation of any development in or relating to the master plan for the Community, as the same may be amended from time to time.

Section 3. Fill and Grade. That no fill shall be removed from any Lot nor shall the Owner of any Lot do anything to change or interfere with the drainage of storm water; no change shall be made with respect to the original grade and contour of swales unless first approved in writing by the Association and the Ibis ARB.

Section 4. Unauthorized Sales Practices. That no auctions or similar sales practices shall be conducted with respect to any Lots on or adjacent to such Lots.

Section 5. Board of POA. That Ibis (as successor to the declarant in the Ibis Declaration) retains the right to name or appoint all members of the Board of Directors of the Ibis POA until December 31, 2010 or until it may sooner elect, in its sole discretion, to relinquish such control.

ARTICLE XIII RIGHTS OF DEVELOPER

Section 1. Developer's Exceptions in General. Developer and its assigns will have the right to undertake the work of constructing Lots, Homes, Units and Improvements relating thereto. The completion of that work and the sale, rental and other disposal of Lots is essential to the establishment and welfare of the Project as a community. As used in this Declaration, the words "its successors and assigns" specifically do not include purchasers of completed Lots. In order that said work may be completed and the Project established as a fully occupied community as rapidly as possible, no Owner, nor the Association shall do anything to interfere with Developer's activities, including activities of the Developer relating to construction, sales, marketing, promotional activities, land use, platting, governmental approvals and management. Without limiting the generality of the foregoing, nothing in this Declaration shall be understood or construed to:

A. Prevent or delay Developer, its successors or assigns, its or their contractors or subcontractors, from doing whatever they determine to be necessary or advisable in connection with the completion of said work on any property owned or controlled by any of them or upon the Project, including, without limitation, the alteration of its construction plans and designs as Developer deems advisable in the course of development (all models or sketches showing plans for future development of the Project may be modified by the Developer, its successors, assigns or designees, at any time and from time to time, without notice and without the approval of any Owner or the Association); or

B. Prevent or delay Developer, its successors or assigns, or its or their contractors, subcontractors or representatives, from erecting, constructing and maintaining on any property owned or controlled by them or upon the Project, such structures as may be reasonably necessary for the conduct of its or their business of completing said work and establishing the Project as a community and disposing of the same by sale, lease or otherwise; or

C. Prevent or delay Developer, its successors or assigns, or its or their contractors or subcontractors, from conducting, on any property owned or controlled by any of them or upon the Project, its or their business of developing, subdividing, grading and constructing Improvements in the Project and of disposing of Lots therein by sale, lease or otherwise; or

D. Prevent or delay Developer, its successors or assigns, from determining in its sole discretion the nature of any type of Improvements to be initially constructed as part of the Project, consistent with the overall plan of development; or

E. Prevent or delay Developer, its successors or assigns, or its or their contractors or subcontractors, from maintaining such sales offices and sign or signs on any Property owned or controlled by any of them or upon the Project as may be necessary in connection with the sale, lease or other marketing of Lots in the Project or any other project being developed by Developer, or otherwise from taking such other actions deemed appropriate, subject to prior written approval of the Ibis POA.

In general, the Developer shall be exempt from all restrictions set forth in this Declaration to the extent such restrictions interfere in any manner with Developer's plans for construction, development, use and sale of the Project.

Section 2. Developer's Exemptions from Architectural Control. Developer shall be exempt from the provisions of Articles IX, X and XI hereof except with respect to the Ibis ARB and the Ibis POA.

ARTICLE XIV OWNERSHIP; VOTING RIGHTS; DUTIES AND POWERS OF THE ASSOCIATION

Section 1. Membership. Membership in the Association shall be as set forth in the Articles of the Association, as the same may be amended from time to time.

Section 2. Owner Voting Rights. Each Lot shall be allocated and entitled to one (1) vote in any Association matter requiring a vote of the Members of the Association. When any Lot is owned by more than one person or entity, all such persons or entities shall be Members of the Association, but in no event shall more than one (1) vote be cast with respect to any one Lot. When a Lot is owned by more than one person or entity, those persons or entities shall designate one of them for the purpose of casting the vote that is appurtenant to their Lot. When a Lot is owned by an entity, the entity shall designate a partner, officer, employee or agent to act for such entity for the purpose of casting the vote that is appurtenant to the entity's Lot. All such designations shall be made in accordance with the terms and provisions of the Bylaws. The rights of Owners to exercise voting rights hereunder shall be subject to Developer's voting rights as provided in Section 3 of this Article.

Section 3. Developer Voting Rights. Except as may otherwise be required by applicable law, the Developer, or its assigns shall be entitled to vote one hundred percent (100%) of the voting rights of the Association until the Turnover Date (hereinafter defined).

Section 4. Duties and Powers. The Association, acting through its Board of Directors, shall have all the powers conferred upon it by this Declaration, its Articles, Bylaws and otherwise available

under the law. The Association shall have the duty to carry out all of the obligations placed upon it by this Declaration and for which it was created, as set forth herein and in its Articles, including, but not limited to, the duty to maintain the Common Areas, maintain such policies of insurance the Board deems appropriate, levy and collect assessments and file and foreclose liens when appropriate, pay bills, taxes and expenses related to the Common Areas and Improvements thereon and Common Expenses.

ARTICLE XV FINES

Section 1. Compliance. Every Lot Owner and his family, tenants, guests, invitees and agents shall comply with all provisions of this Declaration, the Articles and Bylaws and all rules and regulations of the Association, as the same now exists or may hereafter be adopted by the Board of Directors.

Section 2. Enforcement. Failure to comply with the provisions of this Declaration, the Articles, the Bylaws or the Rules and Regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums of money for damages, injunctive relief or any combination thereof. The Board of Directors shall have the right to suspend voting rights and use of the Common Areas and Recreational Facilities in addition thereto, except as to ingress and egress to an Owner's Home or Lot.

Section 3. Fines. In addition to all other remedies, and in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon a Lot Owner for failure or refusal of a Lot Owner, his family, lessees, guests, invitees or agents to comply herewith or with any rule or regulation, provided the following procedures are followed:

A. **Notice.** The Board of Directors shall notify the Lot Owner of the infraction or infractions. Included in the Notice shall be the date and time of a special meeting of the Board of Directors at which time the Lot Owner may present reasons why penalties should not be imposed. At least six (6) days' written notice of such meeting shall be given.

B. **Hearing.** The facts on non-compliance or violation shall be presented to the Board of Directors after which the Board shall hear reasons why penalties should not be imposed, if any. A written decision of the Board of Directors shall be delivered to the Lot Owner not later than thirty (30) days after the hearing.

C. **Penalties.** The Board of Directors may, in addition to all other rights and remedies, impose a Special Assessment or Assessments against the Lot owned by an Owner for violations of the provisions of this Declaration by such Owner or his family, lessee or guest, as follows:

(1) First non-compliance or violation - a fine not in excess of Twenty-five Dollars (\$25.00);

(2) Second non-compliance or violation - a fine not in excess of Fifty Dollars (\$50.00);

(3) Third and subsequent non-compliance or violation or violations which are of a continuing or frequent nature - a fine not in excess of One Hundred Dollars (\$100.00).

D. **Payment of Penalties.** Fines shall be paid not later than five (5) days after notice of the imposition of same.

E. **Collection of Fines.** Fines shall be treated as an Assessment.

F. **Non-Exclusive Remedy.** The fines provided for herein shall not be construed to be an exclusive remedy of the Association, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Lot Owner shall be deducted from or offset against any damage which the Association may otherwise be entitled to recover by law.

B. Any duly adopted amendment to this Declaration shall run with and bind the Property for the same period, and to the same extent, as do the covenants and restrictions set forth herein.

C. Notwithstanding anything to the contrary in the foregoing, the Declaration may not be amended prior to the Turnover Date without the prior written approval of the Ibis POA.

D. Notwithstanding anything to the contrary hereinabove set forth, no amendment of this Declaration shall abridge, modify, eliminate, prejudice, limit, amend or alter the rights of the Declarant as set forth in this Declaration without the prior written consent of the Declarant which may be withheld in the sole discretion of the Declarant.

Section 2. Enforcement. Enforcement of these covenants, restrictions and easements shall be by a proceeding at law or in equity against any person or persons violating or attempting to violate any covenant, easement or restriction, either to restrain violation, to seek compliance and/or to recover damages, and against the real property to enforce any lien authorized by these covenants. Enforcement of the provisions of this Declaration and of the Rules and Regulations may be by the Declarant and/or the Association. In addition, the Ibis POA and any Member of the Association, shall have the right, but not the duty and obligation, to enforce the provisions hereof at law or in equity. No remedy herein conferred upon the Association is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by the Association of any right, power or remedy hereunder shall preclude any other or further exercise thereof. In the event the Declarant or the Association fails to enforce any violation or attempted violation, then any Owner may do so. The failure of the Declarant, the Association or any Owner to enforce any covenant, easement or restriction herein shall in no event be deemed a waiver of the right to do so thereafter, either as to the same violation or as to any similar violation. In the event any litigation occurs with respect to the enforcement of this Declaration or to recover damages or enforce any lien created or resulting herefrom, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees, including those relating to any appellate proceedings.

Section 3. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of the Members as hereinafter provided. The Association shall prepare a budget of the total estimated cost of the litigation which shall be submitted to the Members for a vote along with the estimate of the total cost of the litigation made by the attorney being retained by the Association for the litigation. The Association shall assess all Owners (other than the Declarant) by Special Assessment for the total estimated costs and fees of the proposed litigation and no funds from Common Assessments or capital contributions may be used for such purpose. Both the proposed litigation, the budget and the Assessment for litigation must be approved by a vote of the Members representing seventy-five percent (75%) of the total votes of the Association. This Section shall not apply, however, to (a) actions brought by the Declarant (including, without limitation, the foreclosure of liens) or, (b) actions involving imposition and collection of assessments as provided herein, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Declarant or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 4. Severability. Invalidation of any one or more of these covenants, restrictions or easements, in whole or in part, by judgment or court order shall, in no way, affect any other provisions hereof which shall remain in full force and effect.

ARTICLE XVIII

DEVELOPER'S TRANSFER OF CONTROL OF THE ASSOCIATION

Except as may otherwise be required by applicable law, the Developer shall transfer control of the Association to the Owners upon the earlier to occur of the following events or dates ("Turnover Date"):

A. Three (3) months after the date ninety percent (90%) of all Lots within the Property have been conveyed by Developer to Members, other than Developer; or

B. Such earlier date as Developer may, at Developer's option, determine.

For purposes of this Article, "Members, other than Developer" shall not include builders, contractors, or others who purchase a Lot for the purpose of constructing Improvements thereon for resale. On the Turnover Date, Members, other than Developer, are entitled to elect at least a majority of the Members of the Board of Directors of the Association. After the Turnover date, the Developer may exercise the same rights as any other Member of the Association unless prohibited by law.

ARTICLE XIX MISCELLANEOUS

Section 1. Sales Agency and Signs. Notwithstanding anything to the contrary contained herein, or contained in any other Declaration of Covenants and Restrictions affecting the Property, the Declarant may construct and maintain a sales agency office and/or model Home(s), together with a sign or signs on lots of its choosing, or upon Common Areas within the Property, so long as the Declarant owns any property subject to this Declaration and has approval from the Fbis POA.

Section 2. Notices. Any notice required to be sent or given to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when hand delivered or mailed, postage prepaid, to the last known address of the person who appears as an Owner or Member on the records of the Association at the time of such mailing.

Section 3. Duration. All of the covenants and restrictions contained herein shall run with and bind the Property, and shall inure to the benefit of, and be enforceable by, the Declarant, the Association and Owners, for a term of fifty (50) years from the date of recordation of this Declaration among the Public Records of Palm Beach County, Florida, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by eighty percent (80%) of the then Owners, and by all Institutional First Mortgagees of record has been recorded, agreeing to change said covenants and restrictions, in whole or in part.

Section 4. Captions and Headings. The captions and headings pertaining to the articles and paragraphs contained in this Declaration are solely for the convenience of reference and in no way shall such captions or headings define, limit or in any way affect the substance of the provisions contained in this Declaration.

Section 5. Conflicting Provisions. In the event there is any conflict between the Articles and Bylaws of the Association, the terms and provisions of the Articles shall control, and in the event there is any conflict between this Declaration and either the Articles or the Bylaws of the Association, the terms and provisions of this Declaration shall control.

Section 6. Grantee of Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, or due to merger if the Declarant reserves an easement unto itself, then any such grant or easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally to have been granted the benefit of such easement and the Owners shall upon reasonable request by the Declarant execute any instrument as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

Section 7. Governing Law. The terms, covenants and conditions of this Declaration shall be construed, governed and enforced in accordance with the laws of the State of Florida.

Section 8. Gender and Plurality. Whenever the context so requires, the use of the masculine gender shall include the feminine and neuter gender, the use of the singular shall include the plural, and the use of the plural shall include the singular.

ARTICLE XX
ASSIGNMENT BY THE DECLARANT

All rights which are specified in this Declaration to be rights of the Declarant are mortgageable, pledgeable, assignable or transferable by the Declarant, either in whole or in part. Upon any exercise of rights by the holder of said mortgage, pledge, assignment or transfer by reason of a default thereunder, any one or more of such holders, its nominees or designees, any party appointed pursuant to a mortgage, pledge, assignment or transfer and any successor or assign by foreclosure or deed-in-lieu of foreclosure, or otherwise, shall, from time to time, hold or be entitled to exercise the rights of Declarant hereunder as fully as if named as such party herein. No party exercising rights as Declarant hereunder shall have or incur any liability for the acts of any other party who previously exercised or subsequently shall exercise such rights.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed in its name the day and year first above written.

Signed, sealed and delivered
in the presence of:

Declarant:

IBIS WEST PALM PARTNERS L.P.,
a Delaware limited partnership

By: BREI/IBIS INC.,
a Delaware corporation,
Its General Partner

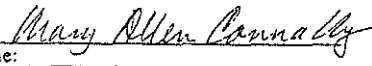
By: 
Name: Steven E. Orbuch
Title: Vice President MRF

Post Office Address:
c/o Blackstone Real Estate Advisors L.P.
345 Park Avenue, 31st Floor
New York, NY 10154

(Corporate Seal)

STATE OF NEW YORK
COUNTY OF NEW YORK

The foregoing instrument was acknowledged before me this 7th day of August, 2000 by Steven E. Orbuch, as Vice President of BREI/IBIS INC., a Delaware corporation, general partner of IBIS WEST PALM PARTNERS L.P., a Delaware limited partnership, for and on behalf of the corporation and limited partnership, who is personally known to me or has produced his New York driver's license as identification.


Name: _____
Notary Public
My Commission Expires: _____

[Notary Seal]

MARY ALLEN CONNALLY
Notary Public, State of New York
No. 01CO6037222
Qualified in New York County
Commission Expires 7/14/2002



JOINDER BY G.W. PURUCKER HOMES, J.V.

The undersigned hereby joins in and approves the foregoing Declaration of Covenants, Restrictions and Easements for Sand Cay at Ibis Golf and Country Club.

IN WITNESS WHEREOF, we have executed this Joinder this 17 day of AUGUST, 2000.

Signed, sealed and delivered
in the presence of:

G.W. PURUCKER HOMES, J.V.,
a Florida joint venture

By: G.W. PURUCKER HOMES, INC.,
a Florida corporation, Its Partner

Print Name: Nick Job

By: Gary W. Purucker

Michael R. Flam
Print Name: Michael R. Flam

Name: Gary W. Purucker
Title: President

Post Office Address:
5608 PGA Boulevard, Suite 208
Palm Beach Gardens, Florida 33418

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 17 day of AUGUST, 2000 by Gary W. Purucker, as President of G.W. PURUCKER HOMES, INC., a Florida corporation, as Partner of G.W. PURUCKER HOMES, J.V., a Florida joint venture, for and on behalf of the joint venture, who is personally known to me or has produced his Florida driver's license as identification.

Michael R. Flam

Name: _____

Notary Public

My Commission Expires: _____

[Notary Seal]

OFFICIAL NOTARY SEAL
MICHAEL R. FLAM
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC751102
MY COMMISSION EXP. JUNE 27, 2002

JOINDER BY IBIS PROPERTY OWNERS ASSOCIATION, INC.

The undersigned hereby joins in and approves the foregoing Declaration of Covenants, Restrictions and Easements for Sand Cay at Ibis Golf and Country Club for the sole purpose of agreeing to perform its obligations that are expressly contained therein.

IN WITNESS WHEREOF, we have executed this Joinder this 17 day of AUGUST, 2000

Signed, sealed and delivered in the presence of

Print Name: Ng Bolz

Michael R. Flam
Print Name: Michael R. Flam

IBIS PROPERTY OWNERS ASSOCIATION, INC., a Florida not-for-profit corporation

By: CGW
Name: Clifford G. Wilson
Title: Vice President

Post Office Address:
9055 Ibis Boulevard
West Palm Beach, Florida 33412

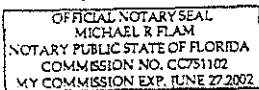
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 17 day of AUGUST, 2000 by Clifford G. Wilson, as Vice President of IBIS PROPERTY OWNERS ASSOCIATION, INC., a Florida not-for-profit corporation, for and on behalf of the corporation, who is personally known to me or has produced his Florida driver's license as identification.

Michael R. Flam
Name: _____
Notary Public
My Commission Expires: _____

[Notary Seal]



JOINDER BY SAND CAY AT IBIS HOMEOWNERS ASSOCIATION, INC.

The undersigned hereby joins in and approves the foregoing Declaration of Covenants, Restrictions and Easements for Sand Cay at Ibis Golf and Country Club for the sole purpose of agreeing to perform its obligations that are expressly contained therein.

IN WITNESS WHEREOF, we have executed this Joinder this 17 day of AUGUST, 2000.

Signed, sealed and delivered
in the presence of

Print Name: Ken Boltz

Michael R. Flam
Print Name: Michael R. Flam

SAND CAY AT IBIS HOMEOWNERS
ASSOCIATION, INC.,
a Florida not-for-profit corporation

By: CCGWS
Name: Clifford G. Wilson
Title: Vice President

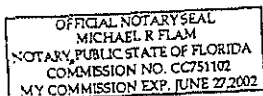
Post Office Address:
9055 Ibis Boulevard
West Palm Beach, Florida 33412

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 17 day of AUGUST, 2000, by Clifford G. Wilson, as Vice President of SAND CAY AT IBIS HOMEOWNERS ASSOCIATION, INC., a Florida not-for-profit corporation, for and on behalf of the corporation, who is personally known to me or has produced his Florida driver's license as identification.

Michael R. Flam
Name: _____
Notary Public
My Commission Expires: _____

[Notary Seal]



JOINDER BY MORTGAGEE

The undersigned, as the holder of a mortgage and security agreement on the Property, dated May 25, 1999 and recorded on May 26, 1999 in Official Records Book 11133, at Page 2000, of the Public Records of Palm Beach County, Florida, as may be amended from time to time, hereby joins in the execution of the foregoing Declaration of Covenants, Restrictions and Easements for Sand Cay at this Golf and Country Club and agrees that the lien of its mortgage and any other security or financing agreements held by said mortgagee on the Property, are hereby subject, subordinate and inferior to said Declaration, as may be amended from time to time.

IN WITNESS WHEREOF, we have executed this Joinder this 16th day of August, 2000.

Signed, sealed and delivered
in the presence of:

SUNTRUST BANK, F/K/A SUNTRUST
BANK, SOUTH FLORIDA, N.A.

Michael R. Flam
Print Name: Michael R. Flam

By: Joseph C. Erwin FVP
Name: Joseph C. Erwin
Title: First Vice President

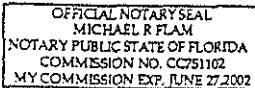
Jana M. Mammone
Print Name: Jana M. Mammone

Post Office Address:
501 South Flagler Drive, Second Floor
West Palm Beach, FL 33401

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was executed before me this 16 day of AUGUST, 2000 by Joseph C. Erwin, as First Vice President, of SUNTRUST BANK, F/K/A SUNTRUST BANK, SOUTH FLORIDA, N.A., for and on behalf of the entity, who is personally known to me or has produced his Florida driver's license as identification.



[Notary Seal]

Michael R. Flam
Name: _____
Notary Public
My Commission Expires: _____

JOINDER BY MORTGAGEE

The undersigned, as the holder of a mortgage on the Property, dated August 17, 2000, which shall be recorded in the Public Records of Palm Beach County, Florida, simultaneously with the Declaration described below, as such mortgage may be amended from time to time, hereby joins in the execution of the foregoing Declaration of Covenants, Restrictions and Easements for Sand Cay at Ibis Golf and Country Club and agrees that the lien of its mortgage and any other security or financing agreements held by said mortgagee on the Property, are hereby subject, subordinate and inferior to said Declaration, as may be amended from time to time.

IN WITNESS WHEREOF, we have executed this Joinder this 17 day of Aug, 2000.

Signed, sealed and delivered
in the presence of:

COMMUNITY SAVINGS, F.A.,
a federal savings and loan association

[Signature]
Print Name: LAWRENCE C. GRIFFIN

By: [Signature]
Name: Carly Allen
Title: Vice President

[Signature]
Print Name: Michael R. Flam

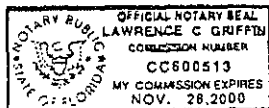
Post Office Address:
P.O. Box 14547
North Palm Beach, FL 33408-0547

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was executed before me this 17 day of Aug, 2000 by Carly Allen, as Vice-President of COMMUNITY SAVINGS, F.A., a federal savings and loan association, for and on behalf of the entity, who is personally known to me or has produced his Florida driver's license as identification.

[Notary Seal]



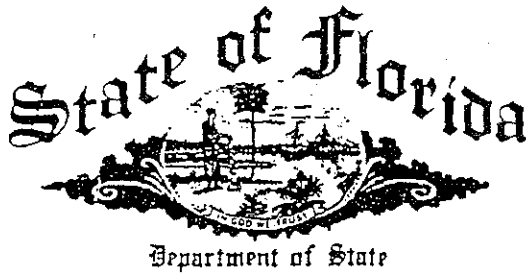
[Signature]
Name: LAWRENCE C. GRIFFIN
Notary Public
My Commission Expires: 11-28-2000

Exhibit "A"
to
Declaration of Covenants, Restrictions and Easements for Sand Cay at
Ibis Golf and Country Club

(Legal Description)

All of IBIS GOLF AND COUNTRY CLUB PLAT NO. 25, according to the Plat thereof, as recorded in Plat Book 88, at Page 100, of the Public Records of Palm Beach County, Florida.

EXHIBIT " B "



I certify the attached is a true and correct copy of the Articles of Incorporation of SAND CAY AT IBIS HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on August 7, 2000, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H00000041274. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N00000005129.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Eighth day of August, 2000

Authentication Code: 200A00042505-080700-N00000005129-1/1



CR2E022 (1-95)

Katherine Harris
Katherine Harris
Secretary of State

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ARTICLES OF INCORPORATION
OF
SAND CAY AT IBIS HOMEOWNERS ASSOCIATION, INC.

In compliance with the requirements of Florida Statutes, Chapter 617, the "Florida Not For Profit Corporation Act", the undersigned subscriber to these Articles, hereby adopts the following Articles of Incorporation for the purpose of forming a corporation not for profit and does hereby certify:

ARTICLE I
NAME

The name of the corporation is SAND CAY AT IBIS HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Corporation" or "Association", whose corporate mailing address is 9055 Ibis Boulevard, West Palm Beach, Florida 33412. The Association is NOT a condominium association under Chapter 718, Florida Statutes.

ARTICLE II
DURATION

The Association shall exist perpetually unless sooner dissolved as provided by law.

ARTICLE III
DEFINITIONS

The terms used in these Articles shall have the same definitions and meanings as those set forth in that certain Declaration of Covenants, Restrictions and Easements for Sand Cay at Ibis Golf and Country Club (the "Declaration") executed by Ibis West Palm Partners L.P., a Delaware limited partnership ("Declaration"), to be recorded among the Public Records of Palm Beach County, Florida, as the same may be amended from time to time, unless the context otherwise requires.

ARTICLE IV
COMMENCEMENT OF CORPORATE EXISTENCE

The corporate existence of the Association shall commence at the time these Articles of Incorporation are filed with the Department of State of the State of Florida.

ARTICLE V
PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purpose for which it is formed is to provide for the maintenance, preservation and architectural control, to the extent set forth in the Declaration, of the Lots and Common Areas within that certain property referred to as Sand Cay at Ibis Golf and Country Club, legally described on Exhibit "A" attached hereto (the "Property"), and any additional real property within Ibis Golf and Country Club in West Palm Beach, Florida, which may hereafter be brought under the provisions of the Declaration, and for this purpose to:

A. Exercise all of the powers and privileges and perform all of the duties and obligations of the Association, as set forth in the Declaration, including, but not limited to, making and establishing rules and regulations (the "Rules and Regulations"), as are necessary or desirable to govern the use of the Property; and

B. Fix, establish, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration, the Articles and Bylaws; pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association; and

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C. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, repair, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property, buildings, improvements, fixtures, in connection with the affairs of the Association; and

D. Borrow money and with the assent of two-thirds (2/3) of Members, mortgage, pledge, deed in trust, or hypothecate any or all of the real or personal property owned by the Association, as security for money borrowed or debts incurred by the Association, and to execute promissory notes and other loan documents related to any such borrowing; and

E. Dedicate, sell or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors, except that no such dedication or transfer shall be effective before the Turnover Date without obtaining the prior written consent from the Ibis Property Owners Association, Inc. (the "Ibis POA") and the Declarant; and

F. Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional real property to the Project pursuant to the terms and provisions of the Declaration; and

G. Have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Florida by law may now or hereafter have or exercise, or which may be necessary or incidental to the powers so conferred; and

H. Grant easements on, under or through the Common Areas or any portion thereof subject to the terms and provisions of the Ibis Declaration, and to grant waivers or variances for encroachments into set-back lines or requirements and other matters, for good cause shown, in the discretion of the Board; and

I. Promulgate or enforce rules, regulations, bylaws, covenants, restrictions or agreements to effectuate the purposes for which the Association is organized; and

J. Contract for the management of the Association and delegate in such contract all or any of the powers and duties of the Association, and contract for services to be provided to Owners such but not limited to, utilities services; and

K. Purchase insurance upon the Project or any part thereof and insurance for protection of the Association, its officers, directors, employees and Owners subject to the terms and provisions of the Ibis Declaration; and

L. Employ personnel to perform the services required for the proper operation of the Association.

The foregoing clauses shall be construed both as purposes and powers, and the enumeration of specific purposes and powers shall not be construed to limit or restrict in any way the purposes and powers of the Association that may be granted by applicable laws and any amendments thereto.

ARTICLE VI MEMBERSHIP AND VOTING

A. Membership

1. The Association shall issue no shares of stock of any kind or nature. Every person or entity, including the Declarant, who is or becomes a record Owner of a fee or undivided fee interest in any Lot shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest in land merely as security for the performance of an obligation unless and until such holder of a security interest acquires title pursuant to foreclosure or judicial proceeding or deed-in-lieu of foreclosure. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association under the Declaration. Membership shall be subject to the Declaration, and shall be restricted to the categories provided for therein and no other Members shall be admitted. Each Owner of a Lot within the Property shall become a Member of the Association upon title to the Lot being conveyed by deed to such Owner and upon the recording of said deed among the Public Records of Palm Beach County, Florida, or upon a transfer of title by operation of law. Transfer of membership shall be established by the recording among the Public Records of Palm

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Beach County, Florida, of a warranty deed or other instrument establishing a record title to a Lot, the Owner or Owners designated by such instrument as grantees thereby becoming a Member or Members of the Association, and the membership of the prior Owner or Owners shall thereupon be terminated.

2. The interest of any Member in any part of the funds or assets of the Association cannot be conveyed, assigned, mortgaged, hypothecated or transferred in any manner by a Member except as an appurtenance to the said Lot owned by such Member. The Directors of the Association may, after affording the Member an opportunity to be heard, suspend any person from voting and use of all or a portion of the facilities of the Association (except ingress and egress to such Member's Lot) during any period of time when there exists a violation by such Member of any provisions of the Declaration (including, but not limited to, the failure to make any payment of assessments, or otherwise, to the Association, when such payments are due and payable).

B. Voting. All votes shall be cast by the designated Members in accordance with Article XIV of the Declaration and Article III of the Bylaws, as the same may be amended from time to time.

ARTICLE VII REGISTERED OFFICE AND REGISTERED AGENT

The street address of the registered office is 201 South Biscayne Boulevard, Suite 3000, Miami, Florida 33131, and the name of the initial registered agent at such address is B & C Corporate Services, Inc.

ARTICLE VIII DIRECTORS

A. Numbers and qualifications. The affairs of this Association shall be managed by a board of not less than three (3) nor more than nine (9) directors (the "Board"), who need not be Members of the Association. The first Board shall be comprised of three (3) persons. The number of Directors within the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection or election of their successors are:

Clifford G. Wilson	9055 Ibis Boulevard West Palm Beach, Florida 33412
Patricia A. Erdman	9055 Ibis Boulevard West Palm Beach, Florida 33412
George G. Speer	9055 Ibis Boulevard West Palm Beach, Florida 33412

B. Duties and Powers. All of the duties and powers of the Association existing under the Declaration, these Articles and the Bylaws shall be exercised exclusively by the Board, its agents, contractors or employees, subject only to approval by Members when such approval is specifically required.

C. Election Removal. Directors of the Association shall be elected at the Annual Meeting of the Members in the manner determined by and subject to the qualifications set forth in the Bylaws. Directors may be removed and vacancies of the Board shall be filled in the manner provided for in the Bylaws.

D. Term of Initial Directors. The Declarant shall appoint the members of the first Board and their replacements, for so long as Declarant is entitled to exercise all voting rights as set forth in the Declaration, unless such control is sooner relinquished by the Declarant, in its sole discretion, who shall hold office for the periods described in the Bylaws.

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**ARTICLE IX
OFFICERS AND TERMS**

A. The affairs of the Association are to be managed by the following officers: President; one or more Vice Presidents; a Secretary; a Treasurer; and any assistants to such officers as the Board may deem appropriate from time to time.

B. Officers shall be elected for one year terms at each annual meeting of the Board and shall hold office at the pleasure of the Board. Any officer may be removed at any meeting by the affirmative vote of a majority of the members of the Board, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof or by unanimous written consent of the Board in the absence of a meeting.

C. The names of the officers who are to serve in the office indicated until the first election or appointment of their successors are:

Sydney W. Kitson	President
Clifford G. Wilson	Vice President
Patricia A. Erdman	Secretary
George G. Speer	Treasurer

**ARTICLE X
NAME AND ADDRESS OF SUBSCRIBER**

The name and address of the sole subscriber to these Articles is GWD Management Company of Florida, Inc., 9055 Ibis Boulevard, West Palm Beach, Florida 33412.

**ARTICLE XI
AMENDMENTS TO ARTICLES OF INCORPORATION**

Amendments to these Articles shall be proposed in the following manner:

A. Proposal. Notice of the subject matter for the proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.

B. Adoption. The resolution for the adoption of a proposed amendment may be proposed by either a majority of the Board or by not less than two-thirds (2/3) of the Members of the Association. The approvals must be by not less than a majority of the votes of all the Members of the Association, in person or by proxy, represented at a meeting at which a quorum thereof has been attained.

C. Limitation. No amendment shall make any changes in the qualifications for membership, nor in the voting rights or property rights of Members, nor any changes in Article V or Article XIV of these Articles, entitled "Purpose and Powers of the Association" and "Indemnification", respectively, without the approval in writing of all Members. No amendment shall be made that is in conflict with the Declaration or Bylaws, nor shall any amendment make changes which would in any way affect the rights, privileges, powers or options herein provided in favor of or reserved to the Declarant, or an affiliate of the Declarant, unless the Declarant shall join in the execution of the amendment. No amendment to this Paragraph C. of Article XI shall be effective without the joinder or written consent of the Declarant, as long as the Declarant owns any real property encumbered by the Declaration. No amendment to any of these Articles shall be effective without the prior written consent of the Ibis POA.

D. Declarant Amendment. Notwithstanding anything to the contrary contained herein, the Declarant may unilaterally amend these Articles, without the consent of other Members or Mortgagees, in the same manner and for such term as the Declarant could amend the Declaration.

E. Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded among the Public Records of Palm Beach County, Florida.

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ARTICLE XII BYLAWS

The first bylaws of the Association shall be adopted by the Board and may be altered, amended or rescinded in the manner provided in the Bylaws and the Declaration.

ARTICLE XIII ASSESSMENTS

The Board shall have the power of levy and assessment upon the fee simple interests in Lots and other real property which are included within the Property. All unpaid assessments thus levied by the Board shall be and remain a lien upon and against said Lots and property, until paid, provided such liens shall not be effective against any person, firm, corporation or other entity contracting, purchasing, extending credit upon or otherwise dealing with the Lot or other property, unless and until notice of such lien is recorded among the Public Records of Palm Beach County, Florida. The cost of recording and of enforcement, including reasonable attorneys' fees, shall be added to the lien. In addition, said lien shall be subordinated to the lien of an Institutional First Mortgagee, as defined in the Declaration, provided that the lien of such Institutional First Mortgagee is recorded among the Public Records of Palm Beach County, Florida, prior to the recording of a claim of lien by the Association.

ARTICLE XIV INDEMNIFICATION

A. Indemnity. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer or agent of the Association, against expenses (including reasonable attorneys' fees at all judicial levels), judgments, fines and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding, unless: (a) a court of competent jurisdiction determines, in good faith, not in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe this conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, have reasonable cause to believe that his conduct was unlawful.

B. Expenses. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Paragraph A of this Article XIV, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith. Any costs or expenses incurred by the Association in implementing any of the provisions of this Article XIV shall be fully assessable against Owners as Common Expenses of the Association.

C. Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon the receipt of any undertaking by or on behalf of the affected director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this Article XIV.

D. Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of Members or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

E. Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was

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serving, at the request of the Association, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

F. Amendment. Anything to the contrary herein notwithstanding, the provisions of this Article XIV may not be amended without the prior written consent of all persons whose interest would be adversely affected by such amendment.

ARTICLE XV SELF DEALING, VALIDITY OF AGREEMENT AND WAIVER OF CLAIMS

A. No contract, agreement or undertaking of any sort between or among the Association, this POA (or any of the preceding directors, employees or officers), the Members or the Declarant shall be invalidated or affected by reason that any of them hold the same or similar positions with another condominium, homeowners or property owners association within the Property or Community, as the same are defined in the Ibis Declaration, or that they are financially interested in the transaction or that they are employed by the Declarant or its affiliate, or any of their partners or shareholders.

B. No contract, agreement or undertaking of any sort between the Association and any entity or individual shall be invalidated or affected by reason that the Association, its directors, officers, Members, the Declarant, its agents or employees hold a financial interest in or with the individual or entity.

C. By acquisition of a Lot or Unit, any interest therein, within the Property, each and every individual or entity, of whatsoever kind or nature, thereby waives any claim for damages or other relief grounded in tort, contract or equity arising out of the negotiation, execution, performance and enforcement of contracts, agreements or undertakings described above, that may accrue at the time of purchase or thereafter against the Association, its directors, officers, Members, the Declarant, its agents and employees.

ARTICLE XVI DISSOLUTION

The Association may be dissolved by a unanimous vote of Members at any regular or special meeting; provided, however, that the proposed action is specifically set forth in the notice of any such meeting, and that so long as the Declarant owns at least one (1) Lot in the Project, the Declarant's written consent to the dissolution of the Association must first be obtained.

IN WITNESS WHEREOF, the undersigned, constituting the Incorporator of this Association has executed these Articles of Incorporation, for the purpose of forming this Corporation under the laws of the State of Florida, this 4th day of August, 2000.

GWD MANAGEMENT COMPANY
OF FLORIDA, INC., a Florida corporation

By: [Signature]
Clifford G. Wilson, Vice President

Post Office Address:
9055 Ibis Boulevard
West Palm Beach, Florida 33412

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 4th day of August, 2000, by Clifford G. Wilson, as Vice President of GWD MANAGEMENT COMPANY OF FLORIDA, INC., a Florida corporation, for and on behalf of the corporation, who is personally known to me or who has produced his Florida driver's license as identification.

Linda H. Wilcox
Name: Linda H. Wilcox
Notary Public
Commission No.:
My Commission Expires: June 11, 2004

(Notary Seal)

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CERTIFICATE OF DESIGNATION
OF
REGISTERED AGENT AND REGISTERED OFFICE

Pursuant to the provisions of Section 617.0501, Florida Statutes, as amended, the corporation named below, organized under the laws of the State of Florida, submits the following statement in designating the registered office/ registered agent, in the State of Florida, as follows:

1. The name of the Corporation is: Sand Cay at DIs Homeowners Association, Inc.
2. The name and address of the registered agent and registered office of the Corporation for service of process within the State of Florida are: B & C Corporate Services, Inc., 201 South Biscayne Boulevard, Suite 3000, Miami, Florida 33131.

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, THE UNDERSIGNED HEREBY ACCEPTS THE APPOINTMENT AS REGISTERED AGENT AND AGREES TO ACT IN SUCH CAPACITY. THE UNDERSIGNED FURTHER AGREES TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF THE DUTIES OF THE UNDERSIGNED RELATING TO THE DESIGNATION HEREIN, AND THE UNDERSIGNED IS FAMILIAR WITH AND ACCEPTS THE OBLIGATIONS OF ITS POSITION AS REGISTERED AGENT.

B & C Corporate Services, Inc.

By: Anna Salgado
Name: Anna Salgado
Title: Vice President

Post Office Address:
201 South Biscayne Boulevard, Suite 3000,
Miami, Florida 33131

(Corporate Seal)

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EXHIBIT "A"
to
Articles of Incorporation
of
Sand Cay at Ibis Homeowners Association, Inc.

All of IBIS GOLF AND COUNTRY CLUB PLAT NO. 25, according to the Plat thereof, as recorded in Plat Book 88, at Page 100, of the Public Records of Palm Beach County, Florida.

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EXHIBIT "C"

BYLAWS
OF
SAND CAY AT IBIS HOMEOWNERS ASSOCIATION, INC.
A FLORIDA NOT-FOR-PROFIT CORPORATION

ARTICLE I
IDENTITY

A. The name of this Corporation is Sand Cay at Ibis Homeowners Association, Inc., a Florida not-for-profit corporation (hereinafter referred to as the "Corporation" or "Association").

B. The initial principal office of the Association is 9055 Ibis Boulevard, West Palm Beach, Florida 33412.

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

ARTICLE II
PURPOSES

The Association has been incorporated for the purposes set forth in its Articles of Incorporation, including, but not limited to, the general purpose of administering, managing, operating, maintaining and preserving a residential community known as Sand Cay at Ibis Golf and Country Club, situated in Palm Beach County, Florida, and governed by that certain Declaration of Covenants, Restrictions and Easements for Sand Cay at Ibis Golf and Country Club (the "Declaration"), which has been or will be recorded among the Public Records of Palm Beach County, Florida, and as may be amended from time to time. Any terms defined in the Declaration shall have the same meaning when used herein unless a contrary intent is clearly set forth or indicated herein.

ARTICLE III
MEMBERSHIP AND VOTING

A. Membership. Every person or entity, including the Declarant, who is or becomes a record owner of a fee or undivided fee interest in any Lot which is or becomes subject, by the Declaration, to assessment shall be a Member of the Association. Membership shall continue until such time as the Member transfers or conveys said interest of record, or said interest is transferred and conveyed by operation of law, at which time membership, with respect to the property conveyed, shall automatically be conferred upon the transferee. Membership shall be appurtenant to, and may not be separated from, ownership of property subject to the Declaration. Notwithstanding anything to the contrary contained herein, persons or entities who hold an interest in property within the Property only as security for the performance of an obligation, such as mortgagees, shall not be Members of the Association, unless and until such holder of a security interest acquires title pursuant to foreclosure, judicial proceeding or deed-in-lieu of foreclosure.

B. Voting. The Association shall have one (1) class of voting membership. Each Lot shall be allocated and entitled to one (1) vote for any Association matter requiring a vote of the Members of the Association. When more than one (1) person or entity holds the ownership interest in a Lot, all such persons and entities shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine and shall be cast by the Member designated and entitled to cast the vote according to the terms and provisions of this Article III. In no event shall more than one (1) vote be cast with respect to each Lot. Except as otherwise provided in this Article III, each Member of the Association who is designated and entitled to cast the vote for any Lot shall be named in a voting certificate signed by all Owners of such Lot and filed with the Association. In the event any such voting certificate is not filed with the Association, the vote to which such Lot 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 Association shall be reduced accordingly until such certificate is filed, except if the Lot is owned jointly by a husband

and wife, the provisions of Section 4. of this Article, shall be applicable. A voting certificate shall be valid until revoked by the Owners of, or until a transfer of a title to, the Lot to which the voting certificate pertains.

1. In the event an Owner is one (1) person, that person's right to vote shall be established by the recorded title to the Lot.

2. In the event a Lot is owned by more than one (1) person or entity, those persons or entities shall sign a voting certificate designating one (1) of them for the purpose of casting the vote which is appurtenant to their Lot.

3. In the event a Lot is owned by an entity, or an entity is designated as the Owner entitled to cast the vote for a Lot, such entity shall designate a partner, officer, fiduciary, employee or agent to cast the vote that is appurtenant to the subject Lot. The voting certificate for such Lot shall be signed by any duly authorized partner or officer of the entity.

4. Notwithstanding anything to the contrary contained in these Bylaws, in the event a Lot is owned jointly by a husband and a wife, the following provisions shall be applicable to the casting of the vote which is appurtenant to their Lot:

a) The husband and wife may, but shall not be required to, designate one (1) of them as the voting Member;

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

c) In the event the husband and wife do not designate one (1) of them as the person entitled to cast the vote appurtenant to their Lot, and only one (1) of them is present at any meeting, the Member present may cast the vote to which their Lot is entitled, without establishing the concurrence of the absent Member.

The voting rights granted to the Members of the Association pursuant to this Paragraph B shall be subject to the Association's right to suspend such voting rights as provided in Article IV, Section 1B, of the Declaration and further subject to Declarant's voting rights as set forth in Paragraph E of this Article.

C. 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 Lot, each Member who is designated to vote on behalf of such Lot.

D. Delinquent Owners. No Member shall have any vested right, interest or privilege in or to the assets, functions, affairs, or franchises of the Association, or any right, interest or privilege which may be transferable, or which shall continue after his Membership ceases, or while he is not in good standing. A Member shall be considered delinquent when any assessment or portion thereof imposed against the Member remains unpaid for fifteen (15) days after the date due and payable, or if he is in violation of any provision of the Declaration or of the Ibis Declaration, or if he is in violation of any rule or regulation promulgated by the Association. While so delinquent or in violation, the Member shall not be entitled to vote or exercise any other right or privilege of a Member of the Association.

E. Developer Voting Rights. The Developer shall be entitled to vote according to the terms and provisions set forth in the Declaration, as the same may be amended from time to time.

ARTICLE IV MEETING OF MEMBERS

A. Annual Meeting. There shall be an annual meeting of the Members of the Association in year between the months of October and May, on such date and at such time and place in Palm Beach County, Florida, as may be designated by the Board of Directors, from time to time. The purpose of the meeting shall be the transaction of such business as may come before the Membership, which, after the Developer no longer is entitled to control of the Association, shall include the election of persons to serve on the Board of Directors of the Association.

B. Special Meeting. Special meetings of the Members of the Association shall be held whenever called by a majority of the Board of Directors, or by a petition signed by at least a majority of the Members of the Association.

C. Quorum. A quorum for the transaction of business at the annual meeting or any special meeting shall consist of the attendance by designated voting Members holding thirty percent (30%) of all of the votes eligible to be cast by the Members of the Association, present either in person or by proxy; provided, however, that the Members present at any meeting, although less than a quorum, may adjourn the meeting to a future date. Any business which might have been transacted at a meeting as originally called may be transacted at any, adjourned or continued meeting thereof.

When a quorum is present at any meeting, a majority of the Members of the Association present either in person or by proxy (if not otherwise prohibited by law) shall decide any question brought before the meeting, unless the Declaration, the Articles, these Bylaws or any applicable statute provides otherwise. The Declaration, Articles, Bylaws and any Rules or Regulations promulgated by the Association are hereinafter sometimes collectively referred to as the "HOA Documents."

D. Proxies. Votes may be cast in person or by proxy (unless restricted by law or the HOA Documents). Proxies must be filed with the Secretary of the Association at or before the commencement of the Annual Meeting. Unless otherwise limited by the proxy, law or the HOA Documents, a proxy shall be valid and entitle the holder thereof to vote for any matter arising at the meeting for which the proxy is given or any adjourned or continued meeting thereof. Any proxy may be revoked by the person executing it prior to the time a vote is cast pursuant to such proxy. The Board may, in its discretion, prescribe a form for written proxies.

E. Secret Ballots. At any time prior to a vote upon any matter at any meeting of the Members of the Association, any Member may require that a vote be made by secret written ballot. In the event secret written ballots are used, the Chairman of the meeting shall call for nominations and for the election of two (2) or more inspectors or elections (unless, without objection from the Members present, the Chairman makes an appointment of persons to be inspectors of the election) to collect and tally such secret written ballots. Such inspectors of elections shall be nominated by a Member or Members of the Association and chosen by a majority vote of the Membership.

F. Notice of Meetings. A written notice of the date, time, place and purpose of all annual and special meetings of the Members of the Association shall be given to each Member of the Association, either personally or by mail at the Member's last known address that appears on the books and records of the Association. Any such notice shall be given to the Members not less than five (5) days and not more than sixty (60) days before the meeting to which the notice pertains. If notice is given by mail, it shall be deemed delivered when deposited in the United States Mail, postage prepaid. In the event any Member desires that notice be mailed to an address other than the address that appears on the books and records of the Association, such Member shall file a written request with the Secretary that notices intended for that Member shall be mailed to some other address, in which case notices shall be mailed to the address designated in such request. Additionally, the Secretary of the Association shall cause one (1) or more copies of any such written notice to be posted in a conspicuous place or places on the Property at least five (5) days prior to the meeting for which the notice pertains.

G. Waiver of Notice. Notwithstanding anything to the contrary contained in the HOA Documents, notice of any regular or special meeting of the Members of the Association may be waived by any Member before, during or after any such meeting, which waiver shall be in writing and shall be deemed to be that Member's receipt of notice of such meeting.

H. Adjourned Meeting. If any proposed meeting cannot be organized because a quorum has not been obtained, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for giving of notice of a meeting. Except as required above, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than a new date of the meeting.

I. Action Without Meeting. The Members of the Association who are entitled to vote may, with the approval of the Board, act by written agreement in lieu of any regular or special meeting of the Members; provided, however, that written notice of the specific matter or matters to be determined is given to all Members as set forth in Paragraph F of this Article and includes a time period during which a response must be made by the Members who are entitled to vote.

J. Action Without a Vote. Whenever the vote of the Members is required or permitted by any provision of the Articles, Declaration or these Bylaws to be taken at any meeting of the Members, the vote of the Members may be dispensed with if not less than the required percentage of Members to vote upon the action consent in writing to such action being taken; provided, however, unless all Members entitled to vote shall approve such action, notice of such action shall be given to all Members.

K. Minutes of Meetings. The minutes of all meetings of Owners shall be kept in a book available for inspection by Owners or their authorized representatives and Directors, at reasonable times.

ARTICLE V BOARD OF DIRECTORS

A. Number, Term and Qualifications of Directors. The affairs of the Association shall be managed by a Board of Directors which shall consist of not less than three (3) nor more than nine (9) members, who need not be Members of the Association. The initial Board shall consist of the individuals named in the Articles of Incorporation of the Association, who shall serve until the first annual meeting after the Developer has terminated control of the Association. Upon the expiration of the terms of the initial members of the Board, the Board shall be composed of those individuals who are elected by the Members of the Association, at the Annual Members meeting. Commencing at such Annual Meeting, the Directors of the Association shall have staggered terms. The Directors shall be elected at such Annual Meeting, as follows: one-third shall serve a one (1) year term; one-third shall serve a two (2) year term; and one-third shall serve a three (3) year term. The members of the Board shall serve without compensation, but shall be reimbursed for travel or other necessary and Board-approved expenses.

B. Nomination and Election of Directors. Until such time as the Developer transfers control of the Association to the Owners as provided in Article XVIII of the Declaration, the Developer may, in its sole discretion, elect, appoint, designate and remove any member of the Board, at any time, with or without cause. At such time as the Members of the Association are permitted to elect Directors, the nomination and election of Directors shall be conducted as follows:

1. Nomination. Nominations shall be made by Members of the Association at each annual meeting of the Members. Nominations may also be made by any Member of the Association by submitting a written nomination to the Secretary of the Association prior to the date of the annual meeting of the Members. Thereafter, all nominations shall be submitted to a nominating committee which shall consist of a Chairman, who shall be a member of the Board, and two (2) or more Members of the Association. The nominating committee shall be appointed by the Board at least sixty (60) days prior to each annual meeting of the Members to serve until the close of that annual meeting.

2. Election. The Directors who shall serve on the Board of Directors shall be elected by a majority of votes cast at the annual meeting of the Members, provided a quorum of the Members entitled to vote is present either in person or by proxy. One vote per Lot may be cast with respect to each vacancy on the Board of Directors. The nominees receiving the largest number of votes shall be elected Directors. There shall be no cumulative voting.

C. Organizational Meeting. Within ten (10) days after each annual election of the Board of Directors, the newly elected Directors shall meet for the purpose of organization, the election of Officers, and the conduct of other business that may be transacted by the Board of Directors. The organizational

meeting shall be held on such date and at such time and place as shall be fixed by the Board of Directors at the meeting at which they were elected and no further notice of the organizational meeting shall be necessary, provided all Directors are present at the meeting at which they were elected. In the event all Directors are not so present, notice of the organizational meeting shall be given as provided in Paragraph I of this Article V. If all Directors are present at the meeting at which they were elected, they may conduct the organizational meeting immediately following adjournment of the Annual Meeting of Members.

D. Resignations. Any director may resign from his service on the Board at any time by giving written notice of such resignation to the Board of Directors. Such resignation shall take effect upon receipt thereof by the President or Secretary of the Association or at any later time as may be specified in the notice.

E. Removal. Any director may be removed from his service on the Board of Directors for any nefariousness, malfeasance, misfeasance or conduct detrimental to the best interest of the Association, by the affirmative vote of a majority of the Members of the Association at a special meeting of the Members called for that purpose, and a successor director shall then and there be elected to fill the vacancy thus created. In the event the Members fail to elect a successor director, then the Board of Directors may fill the vacancy thus created as provided in Paragraph F of this Article V. Notwithstanding anything contained to the contrary herein, until a majority of the directors are elected by the Members other than the Developer, neither the first Directors of the Association nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by Members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.

F. Vacancies. In the event the office of any Director becomes vacant by reason of death, resignation, disqualification or otherwise, or in the event a majority of the Members fail to replace a removed Director, a majority of the remaining Directors, though less than a quorum, shall choose a successor Director to fill such vacancy. Any successor director shall serve on the Board of Directors for the balance of the unexpired term of the office he/she was chosen to fill. The Board of Directors may elect successor Directors at any regular meeting of the Board of Directors or at any special meeting of the Board called for that purpose, or by unanimous written consent of the remaining members of the Board.

G. Regular Meetings. The Board of Directors shall, at each organizational meeting, establish a schedule of regular meetings to be held during the period of time between such organizational meeting and the next annual meeting of the Members of the Association. All meetings of the Board of Directors other than those established as regular meetings shall be special meetings.

H. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any Director.

I. Notice of Meetings. Except as otherwise provided in these Bylaws, notice of the date, time and place of meetings of the Board of Directors, or adjournments thereof, shall be given to each Director by personal delivery, by ordinary mail at a Director's usual place of business or residence, or by telephone, telecopier or telegraph, not less than two (2) days prior to the date of such meeting. If mailed, such notice shall be deemed delivered when deposited in the United States Mail, postage prepaid. If given by telegram, such notice shall be deemed delivered when delivered to the telegraph company, with fees paid for sending. The notice for any special meeting of the Board of Directors shall state the purpose of such special meeting; provided, however, that in the event all Directors are present at any special meeting, notice of a specific purpose shall be deemed waived and any business may be transacted by the Board at such special meeting. Meetings of the Board of Directors shall be open to all Owners and notice of such meeting shall be posted conspicuously on the Property at least forty eight (48) hours in advance for the attention of the Members of the Association, except in the event of an emergency, provided that Owners shall not be permitted to participate and need not be recognized at any such meeting.

J. Waiver of Notice. Any Director may waive notice of any meeting of the Board of Directors for which notice is required to be given pursuant to the terms and provisions of these Bylaws by signing a written Waiver of Notice before, during or after any such meeting of the Board of Directors. Attendance by any Director at any regular or special meeting of the Board of Directors shall be deemed to constitute that Director's waiver of notice of such meeting.

K. Chairman. The President shall preside as Chairman at all regular and special meetings of the Board of Directors. In the President's absence, the Directors present at any such meeting shall choose a Chairman to preside over the meeting.

L. Quorum. A quorum of the Board of Directors shall consist of a majority of the total number of directors serving on the Board of Directors, either present in person or by telephone with speaker or by conference call. In the event less than a quorum is present at any meeting of the Board of Directors, the majority of the Directors present may adjourn the meeting from time to time until a quorum is present. Any business which might have been transacted at any meeting of the Board of Directors as originally called may be transacted at any adjourned meeting thereof.

M. Voting. Each Director is entitled to cast one (1) vote on any matters of business properly before the Board of Directors at any regular or special meeting of the Board of Directors. Each and every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

N. Action Without a Meeting. The Board of Directors may act without a meeting if a consent in writing setting forth the action so taken is signed by all of the Directors and is filed with the minutes of the meetings of the Board of Directors. Such consent shall have the same effect as unanimous vote of the Board of Directors and a resolution thereof.

O. Minutes of Meetings. The Chairman shall, at each regular and special meeting of the Board of Directors, appoint a Director or representative of a management company retained by the Association, if any, to record the minutes of the meeting. Minutes of all meetings of the Board of Directors shall be kept in a businesslike manner and shall include all matters of business brought before the Board of Directors, and all motions, votes, acts and resolutions by the Board of Directors. The minutes of all meetings of the Board of Directors shall be made available to any Director, Officer or Member of the Association at the office of the Association during reasonable times and upon reasonable notice by the person requesting to inspect the minutes.

P. Compensation and Expense. No Director shall receive any compensation or salary for his service as a Director on the Board of Directors; provided, however, that the Association may reimburse any Director for actual expenses incurred in the performance of a Director's duties, and contract with and compensate a Director for the rendition of unusual or exceptional services to the Association in an amount appropriate to the value of such services.

Q. Emergency Meetings. Any member of the Board or the President may call a meeting of the Board of Directors, without notice, for the purpose of considering any matter to be an emergency.

R. Telephone Meetings. Any meeting of the Board may be held by a telephone conference call, at which each member must be able to hear and be heard by all other members constituting a quorum.

S. Annual Report. Within one hundred fifty (150) days after the close of the fiscal year of the Association, the Board of Directors shall submit to the Members a written report as to the condition of the Association, including an account of the financial transactions during the preceding fiscal year.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

The Association shall have all the powers granted to it by law, the Declaration, the Articles of Incorporation and these Bylaws, all of which powers and duties shall be exercised by its Board of Directors unless the exercise thereof is otherwise restricted by law, the Declaration, the Articles of Incorporation or these Bylaws. The powers and duties shall include, but not be limited to, the following:

- A. All of the powers and duties specifically provided in the Declaration.
- B. The power to fix, set, levy and collect General, Special and Individual Assessments.

- C. The power to expend monies collected for the purpose of paying the expenses of the Association.
- D. The power to purchase equipment, supplies and material required for the maintenance and payment of the Association's property.
- E. The power to insure the buildings and Improvements of the Association.
- F. The power to pay utility bills for utilities serving the Association's property.
- G. The power to make reasonable rules and regulations and to amend them from time to time.
- H. The power to improve the Association's property subject to the limitations of the Declaration.
- I. The power to enforce, by any legal means, the provisions of the Articles of Incorporation, the Bylaws, the Declaration and the Rules and Regulations promulgated by the Association.
- J. The power to file and record liens and collect delinquent Assessments by lawsuit or otherwise, to abate nuisances and to enjoin or seek damages from any property Owner for violation of the provisions of the Declaration, the Articles of Incorporation, these Bylaws or the Rules and Regulations.
- K. The power to pay all taxes and assessments against the Association's property or income.
- L. The power to select depositories for the Association's funds and to determine the manner of receiving, depositing and disbursing such funds.
- M. The power to contract with any person, firm, corporation or real estate management agent, in order to provide for the maintenance, operation and repair of the Association's property. Such contract may provide that the managing agent shall be paid, from time to time, a reasonable fee, stated as either a fixed fee or as a percentage of the total costs of maintenance, operation and repair or of the total funds of the Association handled and managed by the managing agent. Such fee, if any, shall be a management cost to be borne by the Association, unless the contract provides to the contrary.
- N. All other powers necessary to implement, enforce and carry into effect the powers described above, including the power to acquire, hold, own, mortgage, convey and deal in real and personal property of every kind and description.

ARTICLE VII

OFFICERS

- A. **Elective Officers.** The Officers of the Association shall be as follows:
1. **President.** The President shall be the chief executive officer of the Association and shall:
 - a) act as the presiding officer at all meetings of the Members of the Association and of the Board of Directors;
 - b) sign, together with the Treasurer, if the Board of Directors so requires, all checks, contracts, promissory notes, deeds and other instruments on behalf of the Association, except those which the Board of Directors specifies may be signed by other persons;
 - c) faithfully implement all policies, orders and resolutions of the Board of Directors; and
 - d) act as ex-officio member of all committees.
 2. **Vice President.** In the absence or disability of the President, the Vice President

shall exercise the powers and perform the duties of the President. He shall assist the President generally, and exercise such other powers and perform such other duties as may be prescribed by the Board of Directors or the President.

3. Treasurer. The Treasurer shall have the following powers and duties:

- a) receive such monies as shall be paid into the Association and disburse funds as may be ordered by the Board of Directors, taking proper vouchers for such disbursements. He shall be the custodian of all funds, securities, contracts, leases and other important documents of the Association;
- b) supervise the keeping of the accounts of all financial transactions of the Association. He shall prepare and distribute to all of the members of the Board of Directors, whenever requested, a summary of the financial transactions and condition of the Association. He shall make a full and accurate report of the financial matters to the Members of the Association at the annual meeting and shall make all reports required by law; and
- c) may have the assistance of an accountant or auditor, who shall be employed by the Board of Directors. In the event the Association enters into a management agreement, it shall be proper to delegate such of the Treasurer's functions to the management agent as is deemed appropriate by the Board.

4. Secretary. The Secretary shall have the following powers and duties:

- a) attend all regular and special meetings of the Members of the Association and of the Board of Directors and keep all records and minutes of proceedings thereof or cause the same to be done;
- b) have custody of the corporate seal and affix the same to documents and other instruments when required;
- c) attend to all correspondence on behalf of the Association, the Board of Directors or the President;
- d) have custody of the minute book of the meetings of the Members of the Association, the Board of Directors and all committees; and
- e) perform such other duties as may be assigned by the Board of Directors or by the President. In the event the Association enters into a management agreement, it shall be proper to delegate such of the Secretary's functions to the management agent as is deemed appropriate by the Board.

B. Appointive Officers. The Board of Directors may appoint Assistant Vice Presidents, Assistant Secretaries, Assistant Treasurers, and such other Officers as the Board of Directors deems necessary to administer the business and affairs of the Association.

C. Terms and Qualifications of Officers. The initial officers of the Association shall be those individuals named in the Articles of Incorporation who shall serve until the first annual meeting of the Members of the Association following termination of control by the Developer. Upon the expiration of the term of the initial officers, the officers shall be elected by a majority vote of the Board of Directors at the annual meeting of the Board. Officers shall be elected from the Members of the Association but need not be members of the Board of Directors. Each Officer of the Association shall serve as an Officer until his successor has been duly elected and qualified, or until he resigns, is disqualified or is removed from office as provided in these Bylaws.

In the event the Board of Directors appoints other Officers to serve the Association, such Officers shall perform the duties and have the authority determined by the Board of Directors. Any Assistant Vice President, Assistant Secretary or Assistant Treasurer shall perform the duties of the Vice President, Secretary and Treasurer, respectively, when such Officers are absent or when they are not able or refuse to act.

D. Resignations. Any Officer of the Association may resign from his service in such office at any time by giving written notice to the Board of Directors. Such resignation shall take effect upon receipt thereof by the Chairman of the Board of Directors or at any later time as may be specified in the written notice.

E. Removal. Any Officer may be removed with or without cause from his service in such office at any time by the Board of Directors. Any Officer who is to be removed from office shall be entitled to at least five (5) days written notice of the Board of Directors meeting at which such removal shall be considered by the Board of Directors, and shall be entitled to appear before and be heard by the Board of Directors at such meeting.

F. Vacancies. In the event any office of the Association becomes vacant by reason of an Officer's death, resignation, removal, disqualification or otherwise, the Board of Directors may elect an Officer to fill such vacancy at any regular meeting of the Board of Directors or at a special meeting of the Board of Directors called for that purpose. Any Officer so elected shall serve as an Officer of the Association for the unexpired portion of the term of office he was elected to fill.

G. Compensation and Expenses. Officers shall not receive any compensation for their services as Officers of the Association. The Board of Directors may, in its discretion, reimburse any Officer for actual expenses incurred in the performance of that Officer's duties, and contract with and compensate an Officer for the rendition of unusual or exceptional services to the Association in an amount appropriate to the value of such services. The fact that any Director is an Officer shall not preclude that Director from voting in favor of such contract and compensation or from receiving such compensation.

ARTICLE VIII EXECUTIVE AND ADVISORY COMMITTEES

A. Designation of Executive and Advisory Committees. The Board of Directors may, in its discretion, designate one (1) or more executive or advisory committees for the purpose of effecting any of the business and affairs of the Association as may be authorized and delegated by the Board of Directors, or for the purpose of conducting studies and making reports to, and for consideration by, the Board of Directors with regard to any particular business matter or affair of the Association. Any such executive or advisory committee shall have a chairman and two (2) or more committee members, who must be appointed by the Board of Directors, who need not be Members of the Association, and who may be Directors.

B. Standing Committees. The Board of Directors may establish such standing committees as the Board determines to serve the interests of the Association.

C. Committee Rules and Regulations. Each committee may adopt rules and regulations for its own government: provided, however, that such rules and regulations are not inconsistent with the terms of the resolution of the Board of Directors designating the committee, with these Bylaws or with the terms and provisions of the Articles of Incorporation of the Association and the Declaration.

D. Compensation and Expenses. The persons serving on any executive or advisory committee shall not receive any compensation for their services on any such committee. The Board of Directors may, in its discretion, reimburse any such person for actual expenses incurred in the performance of his duties, and contract with and compensate any such person for the rendition of unusual or exceptional services to the Association in an amount appropriate to the value of the services. The fact that any Director is an Officer of the Association or a member of any executive or advisory committee shall not preclude that Director from voting in favor of such contract and compensation or from receiving such compensation. The Board of Directors may, in its discretion, authorize such committees to expend a specific amount of funds for a specific purpose, which funds and purpose are deemed necessary by the Board of Directors to enable the committee to fulfill its duties to the Association and to the Board of Directors. The Board of Directors may reimburse, in whole or in part, any committee for funds expended by the committee, which funds were necessary for the committee's exercise of its authorized duties.

ARTICLE IX ASSESSMENTS AND LIEN THEREFOR

A. Annual Assessment. The Association, through its Board of Directors, shall have the power and authority to levy and collect an Annual Assessment from each Owner, except as otherwise provided hereinafter. The Annual Assessment shall be used in accordance with the annual budget adopted by the Board of Directors, including, without limitation, payment of taxes and insurance upon property owned by the Association or upon Common Properties which the Association is obligated to maintain under the provisions of the Declaration; the cost of operation and management of the Association; expenses and liabilities incurred by the Association in connection with the enforcement of its rights and duties against Members or others; and the creation of reasonable reserves.

B. Due Date of Annual Assessments. The Annual Assessment shall be due and payable quarter-annually in advance, at the commencement of the Association's fiscal year, or, as otherwise provided by the Board from time to time. The first Annual Assessment shall be based upon an estimate of the operating expenses for the year. In the event this Assessment proves insufficient to satisfy such expenses, the Board of Directors may levy a supplementary Assessment in the amount of the deficit, which supplementary Assessment shall not require the assent of the Members. The amount of the Annual Assessment may be adjusted from year to year as deemed necessary or desirable by the Board of Directors.

C. Special Assessments. The Association, through its Board of Directors, shall have the power and authority to levy and collect Special Assessments from each Owner (except as to Lots owned by the Developer as provided in Article VII of the Declaration) for the following purposes: the acquisition of real or personal property by the Association, by purchase, lease or otherwise; payment, in whole or in part, of the cost of construction of capital improvements to Association property; the cost of construction, reconstruction, unexpected repair or replacement of a capital improvement, including the necessary fixtures and personal property related thereto; the cost of maintenance or repairs of any property which the Association is obligated to maintain under the Declaration, including roads, Common Areas and Recreational Facilities; Common Expenses if funds are not otherwise available therefor from Assessments or reserves; the expense of indemnification of each Director and Officer of the Association and such other provisions deemed appropriate by the Board of Directors. All notices of Special Assessments from the Association to the Owner shall designate the date when due. All Special Assessments shall be levied upon the same basis as Annual Assessments, unless otherwise determined by the Board, and shall be collectible in such manner as the Board of Directors shall determine.

D. Individual Assessments. The Association, through its Board of Directors, shall have the power and authority, from time to time, to fix, levy and collect Individual Assessments against an Owner for the cost of repairs or replacements within or without the Property for which the Owner, his family, lessees, guests or invitees are responsible, but which the Owner has failed or refused to pay or perform, and which failure or refusal has endangered or impaired the use or value of other Lots or Common Areas within the Property, as determined by the Board. Individual Assessments shall be collectible in such a manner as the Board of Directors shall determine. The Association may also levy Individual Assessments against any Owners who have caused the Association to incur special expenses due to willful or negligent acts of such Owners, their families, lessees, guests or invitees. The Association shall have the right to file a lien against the Lot or Unit of any Owner not paying any Assessment when due and may foreclose such lien as well as pursue any other remedies available to the Association at law or in equity, including, but not limited to, those available under the Declaration, Articles of Incorporation and Bylaws.

E. Effect of Non-Payment of Assessments; Remedies. If any Assessment made and levied hereunder is not paid on the date when due, it shall then become delinquent and shall bear interest at the maximum rate allowed by law, but not to exceed eighteen percent (18%) per annum, from the date when due until paid. The unpaid Assessment, together with interest thereon and the costs of collection thereof, including reasonable attorneys' fees, shall become a continuing lien on the property and Lot against which such Assessment is made. The lien shall bind the property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns, and shall also be the continuing personal obligation of the Owner against whom the Assessment is levied. Any successor in title shall be held to constructive notice of the records of the Association to determine the existence of any delinquency in the payment of Assessments. Such information may be obtained from the Association upon request therefor.

1. The Association shall provide written notice of Assessments to each Owner. If any

Assessment or installment thereof shall not be paid within fifteen (15) days of the due date, the Association may declare the entire Assessment immediately due and payable and may, without waiving any other right or remedy to which it may be entitled, file a claim of lien among the Public Records of Palm Beach County, Florida, and, at any time thereafter, bring an action to foreclose the lien against the property and/or a suit on the personal obligations against the Owner, and there shall be added to the amount of the Assessment the cost of preparing and filing a complaint and the claim of lien in such action (including reasonable attorneys' fees), and, in the event a judgment is obtained, such judgment shall include interest on the Assessment as provided above and reasonable attorneys' fees to be fixed by the court, together with the costs of the action. The Assessment liens provided for in the Declaration may be foreclosed in the same manner as mortgages are foreclosed, and the Association, through its duly authorized agents, shall have the power, but not the obligation, to bid on any Lot or Unit at the foreclosure sale and to acquire, hold, lease, mortgage and convey the same.

2. Upon payment in full of the amount secured by a lien filed by the Association against any Lot or Unit, including interest, attorneys' fees and costs, the Association shall execute and record an appropriate release of lien form among the Public Records of Palm Beach County, Florida, which shall be an expense of the Owner against whose Lot or Unit the lien was filed.

F. Additional Assessments. The Assessments provided for hereinabove shall be in addition to all other Assessments which may be levied by the Ibis POA in accordance with the Ibis Declaration and any other association of which the Owner may be a member by virtue of his ownership of a Lot or Unit.

G. Drainage Taxes. Each Owner shall be assessed special drainage taxes levied by the Northern Palm Beach County Improvement District (the "District") for the payment of principal and interest on bonds issued by the District to finance and maintain drainage systems and related facilities and throughout Ibis Golf and Country Club. These taxes shall be paid directly to the Palm Beach County Tax Collector and are billed by the Tax Collector at the same time as the County bills for annual ad valorem real estate taxes. Such taxes are separate and distinct from any Assessments paid to the Association and to the Ibis POA and are not governed by the covenants contained in the Declaration. The due dates for such taxes are established by the District as being the same for the collection of annual ad valorem taxes by the County.

ARTICLE X SELF DEALING, VALIDITY OF AGREEMENT AND WAIVER OF CLAIMS

No contract, agreement or undertaking of any sort between or among the Association, Ibis, Ibis POA (or any of the preceding directors, employees or officers), Members or the Declarant shall be invalidated or affected by reason that any of them may hold the same or similar positions with another owner, property owner or condominium association within Ibis Golf and Country Club, or elsewhere, or that they may be financially interested in the transaction or that they are employed by the Declarant or any entity which may be regarded as an affiliate of the Declarant.

No contract, agreement or undertaking of any sort between the Ibis POA and any entity or individual shall be invalidated or affected by reason that the Ibis POA, its directors, officers, members, the Developer, its agents or employees hold a financial interest in or with the individual or entity.

By acquisition of a Lot or any interest therein at Ibis Golf and Country Club, each and every individual or entity, of whatsoever kind or nature, thereby waives any claim for damages or other relief grounded in tort, contract or equity arising out of the negotiation, execution, performance and enforcement of contracts, agreements or undertakings described above, that may accrue at the time of purchase of their Lot or Unit or thereafter against the Ibis POA, its directors, officers, members, or the Developer and its agents or employees.

ARTICLE XI FISCAL MANAGEMENT

A. Fiscal Year. The fiscal year of the Association shall begin on the first day of January of each year, or on such other date as may hereafter be adopted by the Board of Directors.

B. Depositories. The funds of the Association shall be deposited in a bank or banks in the State of Florida, in one or more accounts for the Association under resolutions approved by the Board of Directors from time to time and such funds shall be withdrawn only over the signature of the Treasurer, the President or such other persons as the Board may authorize. The Board may require more than one (1) signature on checks and bank drafts.

C. Fidelity Bonds. Fidelity Bonds may be required by the Board of Directors from Officers and employees of the Association and from any contractor or agent handling or responsible for Association funds. The premiums for such bonds shall be paid by the Association.

D. Records. The Association shall maintain accounting records according to generally accepted accounting principles. Such records shall include a record of receipts and expenditures for each Member, which shall designate the name and address of the Member, the amount of each assessment, the due dates, the amounts paid upon the account and the balance due.

E. Accounts. The receipts and expenditures of the Association shall be created and charged to such accounts as the Board of Directors shall deem appropriate.

F. Budget. The Board of Directors shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the expenses and to provide and maintain funds for each account and reserves in accordance with good accounting practices and decisions of the Board.

ARTICLE XII AMENDMENT

These Bylaws may be amended by a resolution adopted by the Board of Directors of the Association during the time that the Declarant has the right to appoint or designate a majority of the members of the Board of Directors. Thereafter, these Bylaws may be amended by a vote of not less than a majority of the Members entitled to vote in person or by proxy at any annual or special meeting of the Members of the Association at which a quorum is present; provided, however, that a full statement of the proposed amendment is set forth in the notice of such meeting, and that no amendment shall conflict with the terms and provisions of the Articles and the Declaration. Notwithstanding anything to the contrary contained in these Bylaws, so long as the Developer owns one (1) or more Lots, Developer's written consent to any amendment to these Bylaws must first be obtained, before any amendment shall be effective.

Notwithstanding anything to the contrary in the foregoing paragraph, these Bylaws may not be amended without the prior written consent of the Ibis POA.

ARTICLE XIII ENFORCEMENT

The Association, by direction of the Board of Directors, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, covenants, reservations and liens now or hereafter imposed by the Association under the Declaration, these Bylaws or the Rules and Regulations of the Association.

ARTICLE XIV VALIDITY

If any Bylaw, Rule or Regulation shall be judged invalid, such invalidity shall not affect the validity of any other Bylaw, Rule or Regulation.

ARTICLE XV PROCEDURE

Roberts Rules of Order (latest edition) shall govern the conduct of all meetings of the Members and/or the Board of Directors.

ARTICLE XVI DISSOLUTION

The Association may be dissolved by a unanimous vote of the Members entitled to vote at any regular or special meeting; provided, however, that the proposed action is specifically set forth in the notice of any such meeting, and that so long as Declarant owns at least one (1) Lot in the Project, the Declarant's written consent to the dissolution of the Association must first be obtained.

ARTICLE XVII

RULES AND REGULATIONS

Declarant, until the Declarant transfers control of the Association to the Owners, and thereafter, the Board of Directors, may establish Rules and Regulations for the use and occupancy of the Property, in accordance with the terms and provisions of the Declaration. The Rules and Regulations of the Declarant for the Property shall be deemed to be the Rules and Regulations of the Association and shall be deemed to be approved by the Board of Directors, with or without a specific resolution to that effect.

ARTICLE XVIII

FINES

A. Compliance. Every Lot Owner and his family, lessees, guests, invitees and agents shall comply with any and all Rules and Regulations for the Property, as the same now or hereafter may exist, including modifications which may be adopted by the Board of Directors in the future.

B. Enforcement. Failure to comply with such Rules and Regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums of money for damages, injunctive relief or any combination thereof. The Board of Directors shall have the right to suspend voting rights and use of the Common Areas (except as to ingress and egress to each Owner's Lot or Unit) and Recreational Facilities in addition thereto.

C. Fines. In addition to all other remedies, and in the sole discretion of the Board of Directors of the Association, a fine or fines may be imposed upon a Lot Owner for failure of a Lot Owner, his family, lessees, guests, invitees or agents to comply herewith or with any provision of the Declaration or rule or regulation, provided the following procedures are substantially followed:

1. Notice. The Board of Directors shall notify the Lot Owner in writing (the "Notice") of the infraction or infractions. Included in the Notice shall be the date, time and location in Palm Beach County, Florida, of a special meeting or regular meeting of the Board of Directors, at which the Lot Owner may present reasons why penalties, including a fine or fines, should not be imposed. The Lot Owner may be present in person or through an agent, or may give a written statement of Owner's position of the charges referred to in the Notice.

2. Hearing. The facts on non-compliance or violation shall be presented to the Board of Directors after which the Board shall hear reasons why penalties or fines should not be imposed. A written decision of the Board of Directors shall be delivered or mailed to the Lot Owner not later than thirty (30) days after the hearing.

3. Penalties. The Board of Directors may, in addition to all other rights and remedies and not in lieu or in place thereof, impose a Special Assessment or Assessments against the Lot and the Owner of same, for violations of the provisions of the Declaration, the Articles of Incorporation, these Bylaws or the Rules and Regulations by the Owner, his family, tenants, guests, invitees or agents as follows:

- a) First non-compliance or violation - a fine not in excess of Twenty-five Dollars (\$25.00);
- b) Second non-compliance or violation - a fine not in excess of Fifty Dollars

(\$50.00); and

c) Third and subsequent non-compliance(s) or violations which are of a continuing or regular nature, a fine not in excess of One Hundred Dollars (\$100.00).

4. Payment of Penalties. Fines shall be paid by the Owner of the Lot or Unit against which they are assessed not later than five (5) days after notice of the imposition of same.

5. Collection of Fines. Fines shall be treated as an Assessment and a lien may be filed against the Lot or Unit by the Board in connection therewith. Such liens may be foreclosed or the Association may bring an action at law to collect such fines, together with reasonable attorneys' fees and costs and interest from the due date until paid.

6. Non-Exclusive Remedy. The fines provided for herein are not intended to be, and shall not be construed as, an exclusive remedy of the Association, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Lot Owner shall be deducted from or offset against any damage which the Association may otherwise be entitled to recover.

ARTICLE XIX MISCELLANEOUS

A. Bylaws Subject to Other Documents. The provisions of these Bylaws are expressly subject to the terms, provisions and conditions contained in the Declaration, Articles of Incorporation and Bylaws of the Ibis POA and are also subject to the terms, provisions and conditions contained in the Ibis Declaration, which have been recorded among the Public Records of Palm Beach County, Florida, as the same may be amended from time to time.

B. Captions and Headings. The captions and headings pertaining to the articles and paragraphs contained in these Bylaws are solely for the convenience of the reader and in no way shall such captions or headings define, limit or in any way affect the substance or interpretation of the provisions contained herein.

C. Number and Gender. Whenever used in these Bylaws, 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.

D. Severability. Should any of the covenants or provisions imposed herein be void or become unenforceable at law or in equity, for any reason, the remaining provisions hereof shall, nevertheless, be and remain in full force and effect.

E. Conflicting Provisions. In the event there is any conflict between the Articles and these Bylaws, the terms and provisions of the Articles shall control; and, in the event there is any conflict between the Declaration and these Bylaws, or between the Declaration and the Articles, the terms and provisions of the Declaration shall control.

F. Governing Law and Venue. The terms and provisions contained in these Bylaws shall be construed, governed and enforced in accordance with the laws of the State of Florida, without regard to its principles of conflicts of laws, and in any litigation relating to these Bylaws, venue shall be exclusively in Palm Beach County, Florida.

G. Management Company. The Association may employ a Management Company or companies to perform any or all of the Association's functions, except for those functions which may be non-delegable pursuant to applicable law. Except with respect to such authority that may be non-delegable pursuant to applicable law, the Board of Directors and/or the Officers of the Association may delegate to a Management Company or manager such authority as is deemed appropriate, from time to time, by the Board.

The foregoing were adopted as the Bylaws of Sand Cay at Ibis Homeowners Association, Inc., a Florida not-for-profit corporation, on the 16th day of AUGUST, 2000, and in witness whereof, the undersigned, being all of the members of the Board of Directors of such Association, have executed these Bylaws on such date.

SAND CAY AT IBIS HOMEOWNERS ASSOCIATION
INC., a Florida not-for-profit corporation

By: CGW
Name: Clifford G. Wilson, Director

By: Patricia A. Erdman
Name: Patricia A. Erdman, Director

By: George G. Speer
Name: George G. Speer, Director