

**NORMANDY ISLES
HOMEOWNERS
ASSOCIATION**

**ARTICLES OF INCORPORATION
AND
DECLARATION OF COVENANTS**

AND

**OLIVE TREE
MASTER ASSN**

**MASTER DECLARATION OF
PROTECTIVE COVENANTS,
CONDITIONS & RESTRICTIONS**

ARTICLES OF INCORPORATION

OF

NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC.
(A Corporation Not For Profit)

9307030 AM 8:28

STATE
PALM BEACH COUNTY, FLORIDA

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

ARTICLE I

The name of the corporation is NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC., hereinafter called the "Association".

ARTICLE II

The street address of the Registered Office of the Association is 1645 Palm Beach Lakes Boulevard, Suite 1200, West Palm Beach, Florida 33401, and the name of the Registered Agent is M. Richard Sapir, Esq.

ARTICLE III

All definitions in the Declaration of Restrictions for Normandy Isles ("Declaration"), as recorded in the Public Records of Palm Beach County, Florida, are incorporated herein by reference and made a part hereof.

ARTICLE IV

PURPOSE OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to carry out its obligations and duties pursuant to the terms of the Declaration, including but not limited to providing for the operation, maintenance and architectural control of the Lots and Common Area, and improvements thereon, within that certain real property (and any additions thereto) described on EXHIBIT "A" attached to the Declaration and to promote the health, safety and welfare of the members of the Association.

ARTICLE V

POWERS OF THE ASSOCIATION

The Association shall have all the powers and duties reasonably necessary to operate and maintain the Association, including, but not limited to, the following:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration, Bylaws of the Association and in the Master Declaration of Protective Covenants, Conditions and Restrictions for Olive Tree, as recorded in the Public Records of Palm Beach County, Florida, (hereinafter referred to as "Master Declaration"), and as the same may be amended from time to time as therein provided;

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Master Declaration, the Declaration or By-Laws of the Association; to 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;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer or otherwise dispose of real or personal property in connection with the affairs of the Association, and as to real property, only with the assent of two-thirds (2/3rds) of the members at a duly called meeting of the Association;

(d) Borrow money with the assent of a majority vote of the Board of Directors; and with the assent of two-thirds (2/3rds) of the members at a duly called meeting of the Association, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) Participate in mergers and consolidations with other non-profit corporations organized for similar purposes or annex additional residential property, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3rds) of the members at a duly called meeting of the Association, except as otherwise provided in ARTICLE II of the Declaration;

(f) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer (except for utility easements for operation of the Properties) shall be effective without obtaining consent of two-thirds (2/3rds) of the members to such dedication, sale or transfer in writing or by vote at a duly called meeting of the Association, and unless prior written consent of Declarant is obtained for so long as Declarant owns a Lot;

(g) To promulgate or enforce rules, regulations, by-laws, covenants, restrictions or agreements to effectuate all of the purposes for which the Association is organized;

(h) To have and to exercise any and all powers, rights and privileges which a non-profit corporation organized under the laws of the State of Florida may now or hereafter have or exercise;

(i) To contract for management of the Association and to delegate in such contract all or any part of the powers and duties of the Association, and to contract for services to be provided the Owners such as, but not limited to, garbage pick-up and other utilities and master antenna or cable television and/or radio system.

PROVISO. Annexation of additional properties (other than the Uncommitted Lands), mergers and consolidations, mortgaging or Common Area, dissolution and amendment of the Articles, requires prior approval of HUD/VA as long as there is a Class B membership and HUD/VA has approved the Project and is insuring and guaranteeing any mortgage thereon.

ARTICLE VI

MEMBERSHIP AND QUORUM

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

2. The presence at any meeting of members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of the Association shall constitute a quorum for any action.

ARTICLE VII

VOTING RIGHTS

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

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant, and shall be entitled to two thousand (2,000) votes. The Class B membership shall cease on the happening of one of the following events, whichever occurs earlier:

(a) Four (4) months after 75% of the Lots that will be ultimately operated by the Association have been conveyed to Lot purchasers; or,

(b) Five (5) years following conveyance of the first Lot in the Properties to a Lot purchaser; or,

(c) Such earlier date as Declarant may determine.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors consisting of not less than three (3) nor more than seven (7) persons who need not be members of the Association. The first Board shall consist of three (3) members. Upon the first election of the Directors and thereafter, the number of Directors shall be increased, as provided in the By-Laws, up to the maximum of seven (7).

The first election of Directors, after the initial board named herein, shall be held within thirty (30) days from the termination of the Class B membership as provided in ARTICLE VII hereof, at a meeting of the members called for that purpose. Seven (7) Directors shall be elected at this first election, two (2) for a term of one (1) year, two (2) for a term of two (2) years, and three (3) for a term of three (3) years. At the first election, the three Directors receiving the most votes shall serve for three (3) years, the two Directors receiving the fourth and fifth most votes shall serve for two (2) years, and the two Directors receiving the sixth and seventh most votes shall serve for one (1) year. At each annual meeting thereafter a number of Directors equal to those whose terms have expired shall be elected for the term of three (3) years. At the expiration of any term of three (3) years, any Director may be re-elected.

The Directors named in these Articles shall serve until the first election of Directors, and any vacancies in their number occurring before the first election shall be filled by the remaining Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

NAME	ADDRESS
Leonard Davis	P.O. Box 6199 Lake Worth, FL 33463
Melvin Rauch	P.O. Box 6199 Lake Worth, FL 33463
Leonard Weinberg	P.O. Box 6199 Lake Worth, FL 33463

Upon the resignation of a Director who has been designated, appointed or elected by Declarant, or the resignation of an officer of the Association who was elected by the First Board, the Association shall remise, release, acquit, and forever discharge such Director or officer of and from any and all manner of action(s), cause(s) of action, suits, debts, dues, claims, bonds, bills, covenants, contracts, controversy, agreements, promises, variances, trespasses, damages (except to the extent any such damages are covered by insurance), judgments, executions, claims and demands whatsoever, in law or in equity which the Association or Members had, now have, or will have; or which any personal representative, successor, heir or assign of the Association or Members hereafter may have against such Director or officer by reason of his having been a Director or officer of the Association.

ARTICLE IX

DURATION

The corporation shall exist perpetually.

ARTICLE X

AMENDMENTS

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

1. Proposal. Amendments to these Articles may be proposed upon a vote of the majority of the entire Board adopting a resolution setting forth the proposed amendment to these Articles, directing that it be submitted to a vote at a special or annual meeting of members; or amendments may be proposed by petition signed by twenty-five (25%) percent of the Members of the Association, and delivered to the Secretary.

2. Call for Meeting. Upon the adoption of a resolution proposing any amendment or amendments to these Articles by said Board or upon presentation of a petition as hereinabove provided, such proposed amendment or amendments shall be transmitted to the President of the Association, or other officer of the Association in absence of the President, who shall thereupon call a special meeting of the membership, unless it is to be considered at an annual meeting. It shall be the duty of the Secretary to give each member written notice stating the purpose of the meeting, place, day and hour of the meeting, and setting forth the proposed amendment or a summary of the changes to be effected thereby. Notice shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by first class mail. If the notice is mailed with postage thereon prepaid, at least thirty (30) days before the date of meeting, it may be done by a class of United States mail addressed to the member at his address as it last appears on the membership books.

3. Vote Necessary. In order for such amendment or amendments to become effective, the same must be approved at a duly called meeting, by an affirmative vote of seventy-five percent (75%) of the votes of the entire membership.

4. By Written Statement. If all the directors and all the members eligible to vote sign a written statement manifesting their intention that an amendment to these Articles be adopted, then the amendment shall thereby be adopted as though subsections 1., 2., and 3. above have been satisfied.

5. Filing. The Articles of Amendment containing said approved amendment or amendments shall be executed by the corporation by its President or Vice President and by its Secretary or Assistant Secretary and acknowledged by one of the officers signing such Articles. The Articles of Amendment shall set forth:

- (a) The name of the corporation.
- (b) The amendments so adopted.
- (c) The date of the adoption of the amendment by the members.

Such Articles of Amendment shall be filed, along with the appropriate filing fees with the office of the Secretary of State, State of Florida, for approval and will be effective upon such filing.

Notwithstanding the foregoing provisions of this Article XI so long as the Declarant holds Lots for sale in the ordinary course of business, no amendment to these Articles may be adopted or become effective without the prior written consent of Declarant if in the sole opinion of Declarant, which shall be binding, such amendment affects the rights of Declarant or affects the Declarant's ability to sell or lease Lots in the Project.

ARTICLE XI

SUBSCRIBERS

The name and address of the Subscriber of these Articles of Incorporation are as follows:

<u>Name</u>	<u>Address</u>
Normandy Isles, Ltd., a Florida Limited Partnership	1645 Palm Beach Lakes Blvd. Suite 1200 West Palm Beach, FL 33401

ARTICLE XII

OFFICERS

The Board of Directors shall elect the President, Secretary, Treasurer, and as many Vice-Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall from time to time determine.

The names and addresses of the Officers who shall serve until their successors are designated by the Board of Directors are as follows:

President:	Leonard Davis
Vice-President:	Leonard Davis
Secretary/Treasurer	Leonard Davis

ARTICLE XIII

The original By-Laws of the Association shall be adopted by a majority vote of the Directors. Thereafter, the By-Laws of the Association may be amended, altered or rescinded at a regular or special meeting of the members, by members entitled to cast fifty percent (50%) of all of the votes of the members of the Association.

ARTICLE XIV

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Board Member and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including court costs and attorneys' fees through all trial and appellate levels, reasonably incurred by or imposed upon him in connection with any proceeding, arbitration, or settlement to which he may be a party, or in which he may become involved, by reason of his being or having been a Board Member or officer of the

Association, whether or not he is a Board Member or officer at the time such expenses are incurred. Provided, however, such indemnification shall be authorized only if the Board Member or officer acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Notwithstanding the foregoing, in the event of a settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement in accordance with the provisions set forth in Chapter 607 Florida Statutes. Notwithstanding anything contained herein to the contrary, and in instances where the Board Member or officer admits or is adjudged guilty of willful malfeasance in the performance of his duties, or his actions or omissions to act constitute a violation of the criminal law or a transaction from which the Board Member or officer derived an improper personal benefit or such other act or omission to act under Section 607.1645 Florida Statutes, the indemnification provisions contained herein shall not apply. The foregoing right of indemnification shall be in addition to and not exclusive of any and all right of indemnification to which such Board Member or officer may be entitled by common law or statute.

ARTICLE XV

TRANSACTIONS IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

No contract or transaction between the Association and one (1) or more of its Directors or Officers, or between the Association and any other corporation, partnership, association, or other organization in which one (1) or more of its officers or directors are Officers or Directors of this Association shall be invalid, void or voidable solely for this reason, or solely because the Officer or Director is present at, or participates in, meetings of the Board or Committee thereof which authorized the contract or transaction, or solely because said Officers' or Directors' votes are counted for such purpose. No Director or Officer of the Association shall incur liability by reason of the fact that said Director or Officer may be interested in any such contract or transaction.

Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a Committee which authorized the contract or transaction.

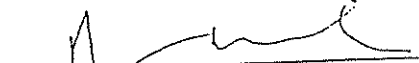
ARTICLE XVI DISSOLUTION

In the event of the dissolution of the Association, other than incident to a merger or consolidation, the assets shall be dedicated to a public body, or conveyed to a non-profit organization with similar purposes.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the Laws of the State of Florida, the undersigned, constituting the subscriber of this Association, has executed these Articles of Incorporation this 16th day of Dec, 1993.

NORMANDY ISLES, LTD., a Florida
Florida Limited Partnership

By: Normandy Isles, Inc., a Florida
corporation, its General Partner

By: 
Norman Rauch, President

The undersigned hereby accepts the designation of Registered Agent of Normandy Isles Homeowners' Association, Inc. as set forth in Article II of these Articles.

M. Richard Sapir
M. RICHARD SAPIR, ESQ.

STATE OF Florida)
COUNTY OF Holmes) ss:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to administer oaths and take acknowledgments, personally appeared Norman Rauch, President of Normandy Isles, Inc., a Florida corporation, General Partner of Normandy Isles, Ltd., a Florida Limited Partnership, known to me to be the General Partner of Normandy Isles, Ltd., a Florida Limited Partnership, the limited partnership in whose name the foregoing instrument was executed, and that he acknowledged executing the same for such limited partnership, freely and voluntarily, under authority duly vested in them by said limited partnership that he is personally known to me or that I relied upon the following form of identification of the above-named person: personally known.

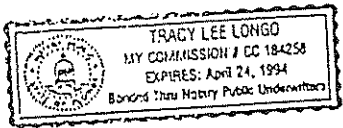
WITNESS my hand and official seal in the County and State last aforesaid this 16 day of December, 1993.

Tracy Lee Longo
NOTARY PUBLIC

Tracy Lee Longo
Printed Notary Signature

My Commission Expires:

(SEAL)



93 DEC 20 AM 8:28
FBI
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

BY-LAWS
OF
NORMANDY ISLES
HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 1645 Palm Beach Lakes Boulevard, Suite 1200, West Palm Beach, Florida 33401, but meetings of members and Directors may be held at such places within the State of Florida, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The definitions of words as defined in the Declaration of Restrictions for Normandy Isles, as recorded in the Public Records of Palm Beach County, Florida, are incorporated herein by reference and made a part hereof.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members shall be held at least once each calendar year on a date and at a time to be determined by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary, or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days and not more than sixty (60) days before such meeting (provided, however, in the case of an emergency, two (2) days' notice will be deemed sufficient) to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-third (1/3) of the votes of the Association shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If a quorum has been attained, the vote of a majority present in person or by proxy shall be binding upon all members for all purposes, except as otherwise provided by law, the Declaration, the Articles of Incorporation or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting, from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy, as permitted by Section 617.306 of the Florida Corporation Not-For-Profit Act.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors consisting of not less than three (3) nor more than seven (7) persons who shall be members of the Association; however, the first Board shall consist of three (3) persons who need not be members of the Association. Upon the first election of the Directors and thereafter, the number of Directors shall be increased up to the maximum of seven (7).

Section 2. Term of Office. The first election of Directors, after the initial board named herein, shall be held within thirty (30) days from the termination of the Class B membership as provided in ARTICLE V of the Declaration, at a meeting of the members called for that purpose. Seven (7) Directors shall be elected at this first election, two (2) for a term of one (1) year, two (2) for a term of two (2) years, and three (3) for a term of three (3) years. At the first election, the three Directors receiving the most votes shall serve for three (3) years, the two Directors receiving the fourth and fifth most votes shall serve for two (2) years, and the two Directors receiving the sixth and seventh most votes shall serve for one (1) year. At each annual meeting thereafter a number of Directors equal to those whose terms have expired shall be elected for the term of three (3) years. At the expiration of any term of three (3) years, any Director may be re-elected.

Section 3. Removal. At such time as the members of the Association are permitted to elect Directors, any Director may be removed from the Board with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor. Notwithstanding anything contained herein to the contrary, Declarant shall have the absolute right, at any time until the first election of Directors, in its sole discretion, to remove any members of the Board designated by Declarant and replace any such person with another person to serve on the Board. Notice of such action shall be given to the Association.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association in such capacity. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

The nomination and election of Directors shall be conducted as follows:

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting of the members to serve until the close of that annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot, unless unanimously waived by all members present. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted. The first election of Directors, after the initial board named herein, shall be held as set forth in Section 2 of this Article IV.

ARTICLE VI

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times, at such place and hour as may be fixed, from time to time, by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) Directors after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors then in office shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Notice. Notice of Board meetings shall comply with Section 617.303 of the Florida Corporations Not-for-Profit Act.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the powers reasonably necessary to operate and maintain the Association, including, but not limited to, the following:

(a) Adopt and publish rules and regulations governing the use of the Common Areas and facilities, and the personal conduct of the members and their guests thereon, and to establish procedures for the imposition of penalties, including fines for the infraction thereof;


(b) Suspend the voting rights and right of use of any Common Area of a member and such member's family, guests and tenants, during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for each infraction of published rules and regulations, provided, however, that an owner may not be denied access, ingress or egress to his Lot;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to the Association, including all powers, which may be exercised by corporations not-for-profit pursuant to Chapter 617, Florida Statutes, and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration;

(d) Declare the office of a member of the Board of Directors (except the first Board) to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary, prescribe their duties and delegate any or all of the delegable duties and functions of the Association and/or its officers.

Section 2. Duties. It shall be the duty of the Board of Directors to cause the Association to perform the purposes for which it was formed, including, but not limited to, the following:

 (a) Cause to be kept a record of its acts and corporate affairs, as required by Section 617.303, Florida Corporation Not-for-Profit Act, and to present a report or reports thereof to the members at the annual meeting of the members, including a financial report;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided in the Declaration, to determine the amount of the various assessments against each Lot and send notice to every Owner as set forth in the Declaration;

(d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not an assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) Procure and maintain such insurance as required by the Declaration, and such other insurance as deemed appropriate or necessary;

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as required by the Declaration;

(g) Perform all other duties and responsibilities as provided in the Declaration, the Articles of Incorporation or these By-Laws;

(h) To perform all duties and obligations required pursuant to the Master Documents.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the

President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

PRESIDENT

The President shall preside at all meetings of the members and Board of Directors; shall have all the powers and duties which are usually vested in the office of the President of a corporation not-for-profit and shall see that orders and resolutions of the Board are carried out.

VICE-PRESIDENT

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

SECRETARY

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

TREASURER

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks, and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

Section 9. Compensation. No officer shall receive compensation for any service he may render to the Association in such capacity. However, any officer may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE IX

COMMITTEES

The Board of Directors shall fill any vacancies on the Architectural Control Committee for a term as the Board determines, as provided in the Declaration, and appoint a Nominating Committee and Covenants Enforcement Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as it deems appropriate in carrying out its purposes.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be available for reasonable inspection by any member, as permitted or required under Florida law. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased, by such member, at a reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made.

ARTICLE XII

FINES

In the event of a violation (other than the non-payment of an assessment) by an Owner of any of the provisions of the Declaration, the Articles or these By-Laws, or the Rules and Regulations adopted pursuant to any of same, as the same may be amended or added from time to time, and in addition to the means for enforcement provided elsewhere herein, the Association shall have the right to assess fines against an Owner or its lessees, in the manner provided herein, and such fines shall be collectible as any other assessment, so that the Association shall have a lien against each Lot for the purpose of enforcing and collecting such fines, as provided in the Declaration.

(a) The Board of Directors shall appoint a Covenants Enforcement Committee which shall be charged with determining whether there is probable cause that any of the provisions of the Declaration, the Articles of Incorporation, these By-Laws, and the Rules and Regulations of the Association, governing the use of the Common Areas and facilities, and the personal conduct of the members and their guests and lessees are being or have been violated. In the event that the Covenants Enforcement Committee determines an instance of such probable cause, it shall report same to the Board of Directors. The Board of Directors shall thereupon provide written notice to the person alleged to be in violation, and to the Owner of the Lot which that person occupies if that person is not the Owner, of the specific nature of the alleged violation and of the opportunity for a hearing before the Board of Directors upon a request therefor made within fifteen (15) days of the sending of the notice. The notice shall also specify, and it is hereby provided, that each recurrence of the alleged violation or each day during which it continues shall be deemed a separate offense, subject to a separate fine not to exceed Fifty (\$50.00) Dollars for each offense. Unless the alleged violation is repetitive of a previously cited violation, the notice shall further specify, and it is hereby provided, that in lieu of requesting a hearing, the alleged violator or Owner may respond to the notice, within fifteen (15) days, acknowledging in writing that the violation occurred as alleged and promising that it will henceforth cease and will not recur, and that such acknowledgment and promise, and performance in accordance therewith, shall terminate further enforcement activity of the Association with regard to the violation.

(b) If a hearing is timely requested, the Board of Directors shall hold same, and shall hear any defense to the charges of the Covenants Enforcement Committee, including any witnesses that

the alleged violator, the Owner, or the Covenants Enforcement Committee may produce. Any party at the hearing may be represented by counsel.

(c) Subsequent to any hearing, or if no hearing is timely requested, and if applicable, no acknowledgment and promise is timely made, the Board of Directors shall determine whether there is sufficient evidence of the alleged violation. If the Board so determines, it may levy a fine for each separate offense in an amount not to exceed Fifty (\$50.00) Dollars.

(d) A fine pursuant to this section shall be assessed against the Lot which the violator occupied at the time of the violation, whether or not the violator is an Owner thereof, and shall be collectible in the same manner as any other assessment, including by the Association's lien rights as provided in the Declaration. If the fine is not paid within thirty (30) days after the due date, a late fee of up to Fifteen (\$15.00) Dollars, beginning from the due date, may be levied by the Board of Directors for each month the fine remains unpaid. The person obligated to pay the fine may also be charged costs and reasonable attorney's fees incurred by the Association in connection with collection and/or appeal, which shall be added to the amount of such fine. Nothing herein shall be construed to interfere with any right that an Owner may have to obtain from a violator occupying his Lot payment in the amount of any fines so assessed.

(e) Nothing herein shall be construed as a prohibition of or a limitation on the right of the Board of Directors to pursue other means to enforce the provisions of the Declaration, Articles of Incorporation, these By-Laws and Rules and Regulations, including but not limited to legal action for damages or injunctive relief.

ARTICLE XIII

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC., a Corporation Not For Profit, 19__.

ARTICLE XIV

AMENDMENTS

Section 1. Until such time as Class B membership ceases, these By-Laws may be amended, altered or rescinded by a majority vote of the Board of Directors; and thereafter at a regular or special meeting of the members, by members entitled to vote fifty percent (50%) of all the votes of the members of the Association.

PROVISO: Any amendment to these By-Laws requires prior approval of HUD/VA as long as there is a Class B Membership and HUD/VA has approved the project and is insuring and guaranteeing any mortgage thereon.

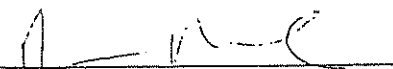
Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV

MISCELLANEOUS

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

IN WITNESS WHEREOF, the foregoing were adopted as the By-Laws
of NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC. this 27 day
of Dec., 1993.


Secretary

This Instrument was prepared
 by and should be returned to:
 JEFFREY D. KNEEN, ESQUIRE
 LEVY, KNEEN, BOYES, WIENER,
 GOLDSTEIN & KORNFELD, P.A.
 Suite 1000
 1400 Centrepark Boulevard
 West Palm Beach, Florida 33401
 Telephone: (407) 478-4700

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DECLARATION OF RESTRICTIONS

FOR

NORMANDY ISLES

THIS DECLARATION, made by Normandy Isles, Ltd., a Florida limited partnership, hereinafter referred to as "Declarant";

W I T N E S S E T H :

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

WHEREAS, the real property described in Exhibit "A" is also subject to that certain Master Declaration of Protective Covenants, Conditions and Restrictions for Olive Tree, as more specifically set forth in Article XV hereof, and this Declaration of Restrictions for Normandy Isles constitutes a Phase Declaration as contemplated under said Master Declaration.

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

ARTICLE I

DEFINITIONS

Section 1. "Articles and By-Laws" shall mean and refer to the Articles of Incorporation for the Association filed with the Secretary of State, State of Florida, and the By-Laws for the Association adopted by the Board of Directors of the Association.

Section 2. "Association" shall mean and refer to NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC., its successors and assigns.

Section 3. "Common Area" shall mean all real property (and interests therein and improvements thereon) and personal property owned or leased by or dedicated to the Association for the common use and enjoyment of the Owners, including but not limited to Tract A (the access tract) and drainage easements, as depicted upon and dedicated to the Association, pursuant to the "Plat" as hereinafter defined.

Section 4. "Declarant" shall mean and refer to NORMANDY ISLES, LTD., a Florida limited partnership, its specific successors and assigns as set forth in ARTICLE X hereof.

Section 5. "Institutional Mortgagee" shall mean a state or federal bank, savings and loan association or service company, a

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mortgage corporation, insurance company, real estate investment trust, union pension fund or an agency of the United States Government, F.N.M.A., HUD/VA or any other lender generally recognized as an institutional-type lender, or Declarant and any related entity or person to Declarant, holding a mortgage on a Lot.

Section 6. "Lot" shall mean a platted, residential Lot shown upon a Plat of the Properties recorded in the Public Records of Palm Beach County, Florida, together with all structures and improvements thereon.

Section 7. "Master Declaration" shall refer to the "Master Declaration of Protective Covenants, Conditions and Restrictions for Olive Tree", as recorded in the Public Records.

Section 8. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 9. "Plat" shall mean and refer collectively to those certain Plats entitled "Olive Tree P.U.D. Parcel 6A", as recorded in Plat Book 71, Pages 197 through 201, of the Public Records, and "Olive Tree P.U.D. Parcel 6B", as recorded in Plat Book 72, Pages 1 through 7, of the Public Records, and any other Plat of all or a portion of property which is submitted to the force and effect hereof, as executed by Declarant (or other party to whom Declarant has specifically assigned such right in writing).

Section 10. "Project" shall mean the multi-phased community defined as "Olive Tree" in the Master Declaration.

Section 11. "Properties" shall mean and refer to that certain real property described in EXHIBIT "A" affixed hereto and made a part hereof, sometimes referred to as "Normandy Isles", the Common Area and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 12. "Public Records" shall mean the Public Records of Palm Beach County, Florida, as recorded in the Clerk of the Circuit Court's office thereof.

Section 13. "Normandy Isles" shall mean the Properties, which includes the Lots and the Common Area as herein defined.

Section 14. "Olive Tree Property Owners Association Inc." or "Master Association" shall mean and refer to the property owner's association of which the Association is a member by virtue of the Master Declaration. Such Master Association is responsible for operation and maintenance of facilities and other matters which are common to all Owners in the property committed to the Master Declaration, of which the Properties are a portion.

Section 15. "Uncommitted Lands" shall mean and refer to those portions of the Project which are other than the Properties.

ARTICLE II

ANNEXATION, WITHDRAWAL, AND DISSOLUTION

Section 1. Annexation of Declarant. For a period of ten (10) years from the date of recordation of this Declaration, the Declarant shall be entitled to add additional residential property and/or Common Area to the Properties. Except for applicable governmental approvals, no consent from any other party, including Class A members, or any mortgagees of any Lots shall be required. Such annexed lands shall be brought within the scheme of this Declaration by the recording of a short form Notice of Declaration that shall be executed by Declarant in the Public Records. The short form Notice of Declaration shall refer to this Declaration and

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shall, unless specifically otherwise provided, incorporate by reference all the terms, protective covenants and conditions of this Declaration, thereby subjecting said annexed lands to such terms, covenants, conditions and restrictions as fully as though said annexed lands were described herein as a portion of the Properties. Such Notice of Declaration may contain such additions or modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added land and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such a Notice of Declaration revoke, modify or add to the covenants established by this Declaration as to the Properties previously subjected to this Declaration.

Section 2. Annexation by Members. Additional lands may be annexed by Members with the consent of two-thirds (2/3) of the vote of the membership in the Association, and the procurement of applicable governmental approvals.

Section 3. Withdrawal. For a period of ten (10) years from the date of recordation of this Declaration, the Declarant shall be entitled to withdraw any portion of the Properties which are described in EXHIBIT "A" affixed hereto (or any additions thereto which may be annexed in accordance with the provisions of Section 1 of this ARTICLE II) from the provisions and applicability of this Declaration and the Articles and By-Laws attached hereto, by recording a notice thereof in the Public Records of Palm Beach County, Florida; provided, however, that this right of Declarant to withdraw shall not apply to any portions of the Properties which have been conveyed by Declarant unless the transferee of such conveyance agrees to such withdrawal. The withdrawal of any portion of the Properties as hereinabove stated shall not require the consent or joinder of any other party, including any Owner, the Association, or any Mortgagee of the Properties, provided applicable governmental approvals are obtained. Further, said withdrawal shall not be construed to prevent the Declarant from developing other forms of residential units on the same property, at a later time.

Section 4. Dissolution. In the event of the dissolution of the Association, other than incident to a merger or consolidation, the Association's assets shall be dedicated to a public body, or conveyed to a non-profit organization with similar purposes.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area for its intended purpose, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to suspend the voting rights and right to use all or a portion of the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations, provided, however, that an Owner may not be denied access, ingress or egress to his Lot. In the event of such suspension, an Owner shall not be entitled to any abatement or reduction in assessments due the Association.

(b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer (except as permitted in subsection (d) of this Section 1.) shall be effective without consent of two-thirds (2/3) of the votes of the Association, and without prior written consent of Declarant, for so long as the Declarant owns a Lot.

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(c) Rules and regulations adopted by the Association governing use and enjoyment of the Common Area.

(d) The right of the Association to grant permits, licenses, and easements over the Common Area for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Properties.

Section 2. Delegation of Use. Any Owner may delegate by written instrument to the Association his right of enjoyment to the Common Area to specified members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. HUD/VA Proviso. Absolute liability shall not be imposed upon any Owner for damage to Common Area or Lots within the Properties. The Common Area located within the Properties shall be conveyed to the Association free and clear of all encumbrances before HUD insures the first mortgage encumbering a Lot in the Properties. The Common Area cannot be mortgaged or conveyed without consent of at least two thirds of the Owners (excluding the Declarant). Annexation of additional properties (other than the Uncommitted Lands), dedication of additional Common Area not within the Project, withdrawal of any lots comprising the Properties from the provisions hereof, and amendments to this Declaration, requires HUD/VA approval as long as there is a Class B membership and HUD/VA has approved this Project and is insuring or guaranteeing any mortgages on any Lots.

Section 4. Ingress and Egress. Any conveyance or encumbrance upon that portion of the Common Area providing ingress and egress to each Lot is subject to every owner's right and easement of ingress and egress of such area.

ARTICLE IV

EASEMENTS

Section 1. Zero Lot Line Easement. For the purposes hereof, "Zero Lot Line Boundary", "Burdened Lot", "Dominant Lot" and "Zero Lot Line Easement" shall have the following meanings.

(a) Zero Lot Line Boundary shall mean and refer to that certain boundary line of a Lot which abuts and is contiguous to a wall of a residential dwelling constructed upon a Dominant Lot.

(b) Dominant Lot shall mean and refer to the Lot which is benefited by a Zero Lot Line Easement, as hereinafter provided in subsection (d) of this Section 1.

(c) Burdened Lot shall mean and refer to the Lot which abuts and shares a Zero Lot Line Boundary with a Dominant Lot and is encumbered and subject to a Zero Lot Line Easement, as hereinafter provided in Subsection (d) of this Section 1.

(d) Zero Lot Line Easement shall mean and refer to a seven (7) foot easement which is hereby established upon each Burdened Lot, which easement shall run parallel to the Zero Lot Boundary Line of an abutting Dominant Lot for use and benefit of the owner of the Dominant Lot, the Association and Declarant, for purposes of incidental encroachments of the structure, including an overhang and gutter, drainage, plumbing clean outs, air conditioning drains, maintenance, repair or replacement of the wall of the dwelling on the Dominant Lot, access for other lawful purposes and for the benefit of providers of utilities for the provision and maintenance of utilities to the Dominant Lot. Such easement shall become effective upon the commencement of construction of the dwelling on the Dominant Lot.

Section 2. Permits, Licenses and Easements. The Association shall have the right to grant permits, licenses and easements over, upon, across, under and through the Lots and Common Areas for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance and operation of the Properties, as so

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reasonably determined by the Board of Directors of the Association, provided such easements are not located under or through approved structures and do not unreasonably interfere with the intended use of said property.

Section 3. Easement for Encroachments. In the event that any dwelling or other improvements upon a Lot, as originally constructed by the Declarant, shall encroach upon any other Lot or improvement thereon, for any reason, then an easement appurtenant to such shall exist for so long as such encroachment shall naturally exist.

ARTICLE V

MEMBERSHIP, VOTING RIGHTS AND OLIVE TREE

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

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners (with the exception of the Declarant during such time Declarant is the Class B Member but thereafter, Declarant may also be a Class A member if Declarant is an Owner), and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B members shall be the Declarant and shall be entitled to Two Thousand (2,000) votes. The Class B membership shall cease on the happening of one of the following events, whichever occurs earlier:

(a) Seventy Five Percent (75%) of the Lots in Normandy Isles have been conveyed to Lot purchasers; or,

(b) Five (5) years following conveyance of the first Lot in Normandy Isles to a Lot purchaser; or,

(c) Such earlier date as Declarant may determine.

Section 3. Each Owner is subject to that certain Master Declaration of Restrictive Covenants for Olive Tree recorded in the Public Records. All rights, privileges, benefits, liabilities and obligations set forth in said Master Declaration are incorporated herein by reference and each Owner shall be bound thereby in all respects.

ARTICLE VI

COVENANT FOR ASSESSMENTS

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

(a) Any assessment or charges for the purpose of operating the Association and accomplishing any and all of its purposes. At such time that there are improvements on any Common Area for which the Association is responsible to maintain, repair and replace, the Association may include a "Reserve for Replacement" in the annual assessment in order to establish and maintain an adequate reserve fund for the periodic maintenance, repair and

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replacement of improvements to the Common Area. Such assessments shall be in equal amounts against the Owners of each Lot.

(b) Any special assessments for capital improvements, emergencies, or non-recurring expenses; such assessments shall be in equal amounts against the Owners of each Lot.

(c) Charges incurred in connection with the enforcement of any of the terms and conditions hereof against the Lot or Owner thereof, including reasonable attorney fees and costs.

(d) Fees or charges that may be established for any special or personal use of Common Area facilities or for any other purpose deemed appropriate by the Board of Directors of the Association.

(e) Assessments of any kind for the creation of reasonable reserves for any of the aforesaid purposes. Such assessments shall be in equal amounts against the Owners of each Lot.

(f) Assessments required under the terms and provisions of the Master Declaration, the Articles of Incorporation and By-Laws of the Olive Tree Property Owners Association (hereinafter collectively referred to as the "Master Documents").

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

Section 3. Commencement of Assessments as to Owners. Assessments to Owners other than Declarant shall commence on the day of the conveyance of title of each Lot by Declarant (unless otherwise specifically set forth by Declarant in such conveyance to the contrary). The assessments in effect at that time shall be adjusted according to the number of months remaining in the fiscal year after such date. Lots owned by Declarant are subject to Assessments pursuant to the provisions of Section 8 hereof.

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

(a) Assessments against the Owners of all of the Lots shall be established after the adoption of an annual operating budget, and written notice of the amount and date of commencement thereof shall be given to each Owner not less than thirty (30) days in advance of the initial due date thereof. Annual assessments shall be payable at such time or times as the Board of Directors shall direct which shall be monthly until otherwise directed. Assessments may include an amount for reserves so as to enable the Association to establish and maintain an adequate reserve fund for periodic maintenance, repair and replacement of improvements to the Common Areas.

(b) Special Assessments against the Owners and all other fees, dues and charges, including assessments for the creation of reasonable reserves, may be established by the Board of Directors

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at any regular or special meeting thereof, and shall be payable at such time or times as the Board of Directors shall direct.

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

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

(e) Declarant may establish a Start Up Fund for the initial months of operation of the Association, which may be collected by the Declarant from each Lot Purchaser at the time of conveyance of each Lot to such Purchaser in an amount equal to two months' installments of the annual assessment for each Lot. Each Lot's share of the Start Up Fund may be collected and transferred to the Association at the time of closing of the sale of each Lot and maintained in a segregated account for the use and benefit of the Association. The purpose of this fund is to assure that the Association's Board of Directors will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Board of Directors. Amounts paid into the fund are not to be considered as advance payment of regular assessments.

(f) No Board shall be required to anticipate revenue from Assessments, or expend funds to pay for expenses of operating the Association respectively, not budgeted or which shall exceed budgeted items, and no Board is required to engage in deficit spending. Should there exist any deficiency which results from there being greater expenses of operating the Association than monies from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of an adjustment to the applicable assessment (e.g., annual assessment or special assessment).

Section 5. Effect of Non-payment of Assessments; Remedies of the Association. If any assessment is not paid within fifteen (15) days after the due date, a late fee of \$25.00, beginning from the due date until paid in full, may be levied by the Board of Directors for each month the assessment is unpaid. The Association may at any time thereafter bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the property. The Association shall not be required to bring such an action if it believes that the best interests of the Association would not be served by doing so. There shall be added to the assessment all costs and expenses, including attorneys' fees, required to collect same, whether or not suit is filed. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 6. Subordination of the Lien to Mortgages. As hereinabove provided in Section 2, the lien of the Association for assessments and other charges of the Association becomes effective from and after recording of a Claim of Lien in the Public Records. This lien of the Association shall be subordinate to a bona fide first mortgage on any Lot, which mortgage is recorded in the public records prior to any said Claim of Lien against the same Lot being

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recorded in the Public Records. A lien for assessments shall not be affected by any sale or transfer of a Lot; provided, however, that in the event of a sale or transfer pursuant to a foreclosure of a bona fide first mortgage, a foreclosure of a first mortgage held by an Institutional Mortgagee, or deed in lieu of foreclosure to a first mortgagee, the acquirer of title, his successors and assigns, shall not be liable for assessments pertaining to the Lot or chargeable to the former owner of the Lot which became due prior to such sale or transfer. However, any such unpaid assessments for which such acquirer of title is not liable, may be reallocated and assessed to all Lots (including such acquirer of title) as an Association expense. Any such sale or transfer pursuant to a foreclosure shall not relieve the Purchaser or Transferee of a Lot from liability for, nor the Lot from the lien of; any assessments made thereafter. Nothing herein contained shall be construed as releasing the party liable for any delinquent assessments from the payment thereof, or the enforcement of collection by means other than foreclosure.

Section 7. HUD/VA Proviso. Notwithstanding anything to the contrary set forth in this Article VI, or in any mortgage encumbering a Lot, mortgagees are not required to collect assessments, and failure to pay assessments does not constitute a default under a mortgage insured by HUD/VA, unless so provided in said mortgage.

Section 8. Assessments During Class B Membership. Notwithstanding anything to the contrary contained in this Article VI, until such time that Declarant's Class B Membership in the Association terminates, in accordance with the provisions of Article V hereof, the following provisions shall apply with respect to all assessments under this Article VI:

(a) At Declarant's option, assessments shall be determined in accordance with the above terms and provisions of Article VI hereof, however, in lieu of payment by Declarant of any assessments attributable to Lots owned by Declarant, Declarant shall be responsible only for the payment of that portion of actual expenses of this Association, during the effective period of Declarant's election of the option under this subsection (a), which exceeds the amount paid during that period by Owners other than Declarant; or

(b) At Declarant's option, the annual operating budget shall be established based upon the estimated number of Lots which could ultimately be under the jurisdiction of the Association; and if all Common Area anticipated to be ultimately conveyed to the Association were completed and conveyed, and if the Association had assumed all the duties and obligations anticipated to be ultimately assumed by it. In this event, and in lieu of the payment by Declarant of any assessments attributable to Lots owned by Declarant, Declarant shall be responsible only for the payment of that portion of the actual expenses of this Association, during the effective period of Declarant's election of the option under this subsection (b) which exceeds the amount paid during that period by Owners other than Declarant; or

(c) At Developer's option, Developer may provide a subsidy to the Association, from time to time, in which event the assessment per Lot would be determined by deducting the subsidy from the amount of the budget and dividing the balance by the number of Lots as set forth in said budget. In this event, and in lieu of the payment by Declarant of any assessments attributable to Lots owned by Declarant, Declarant shall be responsible only for the payment of that portion of the actual expenses of this Association, during the effective period of Declarant's election of the option under this subsection (c) which exceeds the amount paid during that period by Owners other than Declarant; or

(d) At Declarant's option, in addition to, or instead of, any option of Declarant hereinabove set forth, in the event that the Association does not have sufficient cash available

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to meet its expenses, the Board of Directors of the Association is authorized to borrow money from Declarant who may, in its sole discretion, loan money to the Association for such purposes. In the event of such a loan, the Association shall repay such loans to the Declarant at such time as the cash flow of the Association so permits. In the event of such a loan, it may be evidenced by a promissory note executed by the Association, bearing a reasonable interest rate, and other terms as mutually agreed by Declarant and Association.

(e) In the event that Declarant elects any option as hereinabove set forth in this Section 8, Declarant may, at any time and at Declarant's sole discretion, elect to terminate the effectiveness of such option, unless Declarant otherwise agrees by written agreement.

ARTICLE VII

MAINTENANCE OBLIGATION OF ASSOCIATION

Section 1. Common Area. The Association shall at all times maintain, repair and replace at its expense all Common Areas, including all improvements placed thereon, in good condition and repair.

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

Section 3. Others. As so directed by Declarant, the Association shall also maintain the vegetation, landscaping and sprinkler system upon areas which are not within the Properties but abut same and are owned by a utility or governmental or quasi-governmental entity, so as to enhance the appearance of the Properties, or upon areas for which the maintenance responsibilities have been delegated by the Master Association to the Association, such as swale areas or median areas within the right of way of abutting public streets, roads and areas within drainage canal rights of ways or other abutting waterways. The Master Association reserves the right to plant, regrade or otherwise modify the swale areas as it may determine in its sole discretion and without the consent of the Association or of any Owner.

ARTICLE VIII

MAINTENANCE OBLIGATION OF LOT OWNERS

Section 1. Owner's Responsibility. Each Owner shall be responsible for: the repair, maintenance and/or replacement, at his sole cost and expense, of all portions of any dwelling, including but not limited to exterior walls of all dwellings, all plumbing and electrical components thereof, all other improvements and/or fences located within or upon his Lot; and all grass areas of said Lots, including but not limited to, any required edging or maintenance of landscaping located thereon, together with the sprinkler system and all of its component parts located thereon.

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No Owner may connect the sprinkler system installed within his Lot to any water body or well located within the Project.

Except as herein specifically set forth each Owner is strictly prohibited from placing any fence upon its Lot, or changing the color of exterior paint thereof or of the dwelling on its Lot, without the prior consent of the Architectural Control Committee pursuant to the provisions of Article IX hereof. If the Owner fails to complete its obligations hereunder, the Association, at the Owner's sole cost and expense, shall have the right to: repair, maintain and/or replace all portions of any dwelling, including but not limited to exterior walls of all dwellings, all plumbing and electrical components thereof, all other improvements and/or fence constructed on his Lot; and the grass areas, landscaping, and the sprinkler system and all of its component parts located within a Lot. Declarant herein creates an easement across each Lot in favor of the NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC. and its authorized agent, for the purposes of performing any act necessary to ensure compliance with the provisions hereof.

Section 2. Owner Liability. Should any Owner do any of the following:

(a) Fail to perform the responsibilities as set forth in Section 1 of this ARTICLE VIII; or,

(b) Cause any damage to any improvement which the Association has the responsibility to maintain, repair and/or replace; or,

(c) Undertake unauthorized improvements or modifications to his dwelling or to any other portion of his Lot or to the Common Area, or erection of unauthorized structures or signs, as set forth in this Declaration;

the Association, after approval of seventy-five percent (75%) vote of the Board of Directors and ten days prior written notice, shall have the right, through its agents and employees, to enter upon said Lot and cause the required repairs or maintenance to be performed, or as the case may be, remove unauthorized improvements or modifications, and the same shall not constitute a trespass or otherwise be actionable. The cost thereof, plus reasonable overhead costs to the Association, and attorneys' fees and court costs at all levels of proceedings, whether or not suit is filed, shall be added to and become a part of the assessment to which the Lot is subject.

ARTICLE IX

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Approval Necessary. No building, outbuilding, garage, fence, wall, retaining wall, pool, spa, porch, or other structure or improvement of any kind shall be erected, constructed, placed or maintained on the Properties, nor after construction of a dwelling or other exterior improvements upon said Lot, shall any landscaping, dwelling or other improvements on each Lot or color scheme thereof, be altered, changed, repaired or modified unless the same shall be approved in writing by the Architectural Control Committee. The Architectural Control Committee hereby adopts the SUMMARY OF PROCEDURE AND DESIGN REQUIREMENTS FOR NORMANDY ISLES which is available at the Association's offices. The foregoing prior approval is intended to specifically apply to the painting of the exterior of a dwelling, the installation of a pool or spa, or any other maintenance or repair which changes the exterior appearance of a dwelling or other improvements on a Lot.

Section 2. Membership to Committee. Initially, the Architectural Control Committee shall be appointed by Declarant; and until such time as the Declarant has sold its last Lot in the Properties, in the event of the resignation, failure, refusal or inability of any member of the Architectural Control Committee to act, Declarant shall have the right to appoint a person to fill

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such vacancy; however, in the event Declarant fails to fill such vacancy within thirty (30) days of such occurrence, or upon Declarant's sale of its last Lot in the Properties, the Board of Directors shall select and fill any such vacancy by appointment for a term as determined by the Board.

Section 3. Endorsement of Plans. Approval of plans, specifications and location of improvements by the Architectural Control Committee shall be as set forth in said SUMMARY OF PROCEDURE AND DESIGN REQUIREMENTS. The approval of the Architectural Control Committee of plans or specifications submitted for approval, as herein specified, shall not be deemed to be a waiver by the Architectural Control Committee of the right to object to any of the features or elements embodied in such plans or specifications if and when the same features and elements are embodied in any subsequent plans and specifications submitted for approval for use on other Lots.

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

Section 5. Deemed Approval.

(a) After the expiration of one year from the date of completion of any structure or alteration, such structure or alteration shall be deemed to comply with all of the provisions of this ARTICLE IX unless notice to the contrary shall have been recorded in the office of the Clerk of the Circuit Court, in and for Palm Beach County, Florida, or legal proceedings shall have been instituted to enforce such compliance.

(b) In the event that the Architectural Control Committee shall fail, for a period of thirty (30) days to approve or disapprove any plans, specifications, or plot plans, submitted to it for approval, the same shall be deemed to have been approved.

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

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

Section 8. Enforcement. The proper parties as set forth in Section 1 of Article XIII hereof shall have the right to enforce the provisions of this ARTICLE IX by injunctive relief or any other remedy which may be available and, if any such suit is successful, the party defendant shall pay all costs of such suit, including but not limited to, court costs and reasonable attorneys fees at all levels of proceedings whether or not suit is filed.

Section 9. Master Declaration. Notwithstanding anything contained in this Article IX to the contrary, any landscaping, improvements, alterations, changes, modifications or repairs of any type as set forth herein shall be subject to and require the additional approval of the Master Association in the manner set forth in Article 4 of the Master Declaration. In the event the Architectural Control Committee disapproves any landscaping,

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improvements, alterations, changes, modifications or repairs in accordance with this Article IX said landscaping, improvements, alterations, changes, modifications or repairs shall be deemed automatically disapproved under Article 4 of the Master Declaration without any further actions whatsoever.

ARTICLE X

RIGHTS OF DECLARANT

Section 1. Sales Office. For so long as the Declarant owns any property affected by this Declaration, the Declarant shall have the right to transact any business necessary to consummate sales of any said property or other properties owned by Declarant, including but not limited to, the right to maintain model dwellings, sales office, have signs on any portion of the Properties, employees in the offices, use the Common Area and show dwellings. Sales Office signs and all items pertaining to sales shall remain the property of the Declarant.

Section 2. Easements. For a period of twenty (20) years, commencing upon the recordation of this Declaration, Declarant reserves the right to grant, in its sole discretion, easements for ingress and egress, for drainage, utilities service, cable T.V. and other similar purposes over, upon and across the Properties so long as any said easements do not run under any dwellings on the Lots nor interfere with the Declarant's intended uses of any portion of the Properties.

Section 3. Right to Alter. Declarant reserves the right to alter the boundaries of all Lots so long as Declarant owns the Lots so altered. Said alteration may be accomplished by Declarant as permitted by applicable governmental authorities.

Section 4. Declarant's Inaction. Neither the execution nor recordation of this Declaration shall obligate or require Declarant to (i) grant any right, power, duty, or privilege of any nature or kind to the Association or to any other entity, or (ii) perform any act permitted and/or required by this declaration or by any other recorded instrument, or to enforce any covenant, condition, restriction, or other provision hereof or thereof, or to do anything which it does not, in its sole discretion, elect to do. Declarant shall not in any way or manner be held liable or responsible for any violation of this Declaration by any person other than itself.

Section 5. Indemnification. The Association covenants and agrees that it will indemnify, defend and hold harmless Declarant, and any related partners, corporations, or other entities, parent corporations and their employees from and against any and all claims, suits, actions, causes of action and/or damages arising from any personal injury, loss of life and/or damage to property sustained on or about Committed or Uncommitted Property or other property serving the Association, or resulting or arising out of the operation of the Association and improvements thereof and thereon, or resulting from or arising out of activities or operation of the Association, and from and against all costs, expenses, counsel fees (including, but not limited to, all trial and appellate levels and whether or not suit be instituted), expenses and liabilities incurred by Declarant arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders, judgments and/or decrees which may be entered thereon. The costs and expense of fulfilling this covenant of indemnification set forth in this paragraph shall be an Association Expense to the extent such matters are not covered by the Association's insurance.

ARTICLE XI

ASSIGNMENT OF POWERS

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

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ARTICLE XII

PROHIBITED USES

Section 1. Except on pick-up day, all garbage cans, trash containers, bicycles, and other personal property shall be kept, stored and placed in an area not visible from outside the dwelling. Each Owner shall be responsible for properly depositing his garbage and trash in garbage cans and trash containers sufficient for pick-up by the appropriate authorities.

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

Section 3. No horses, hogs, cattle, cows, goats, sheep, poultry or other animals, birds or reptiles, shall be kept, raised or maintained on any Lot; PROVIDED, HOWEVER, that dogs, cats and other household pets may be kept in reasonable numbers in the dwelling if their presence causes no disturbance to others. All pets shall be kept on a leash when not on the Owner's Lot and the Owner shall be responsible to clean up after its pet.

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

Section 5. No swimming pool, jacuzzi or similar structure or appurtenant equipment shall be constructed, erected or maintained on any Lot, without prior approval of the Architectural Control Committee.

Section 6. No vehicles of any nature shall be parked on any portion of the Properties or a Lot except on the hard-surfaced parking area thereof. No vehicle which cannot operate under its own power shall be kept on the Properties for a period more than twenty-four (24) hours except if located within a fully enclosed garage. No vehicle repairs or maintenance shall be allowed within the Properties, except in a garage, unless the Association designates a specific area for such purpose. Only automobiles, vans, recreational or sports vehicles constructed as private passenger vehicles with permanent rear seats and side windows, and other vehicles manufactured and used as private passenger vehicles, may be parked on any portion of the Properties or a Lot overnight, without prior written consent of the Association, unless kept within a garage; provided, however, commercial vehicles, including trucks rated one ton or less, used by an occupant of a dwelling for transportation to and from such occupant's place of employment may be parked outside of the garage overnight. All other vehicles, boats, trailers, motorcycles, recreational vehicles, or the like, shall be either be kept inside a garage, or stored on the Lot to the rear of the front building line of a dwelling on the condition that the storage of such vehicles comply with all governmental requirements and such area is properly screened from the street and adjoining properties by minimum of a six foot opaque fence approved by the Architectural Control Committee and applicable governmental authorities. The foregoing restrictions shall not be deemed to prohibit the temporary parking of commercial vehicles while making delivery to or from, or while used in connection with providing services to the Properties. The Association is specifically prohibited from amending these restrictions which would entirely prohibit the parking of motorcycles, vans or pickup trucks rated one ton or less upon the Properties.

Section 7. No "for sale" or "for rent" signs or other displays or advertising shall be maintained or permitted on any part of the Common Area or any Lot, except in such locations and in accordance with the size requirements, as approved by the Architectural Control Committee. The right is reserved to the Declarant to place "for sale" or "for rent" signs in connection with any unsold Lot it may from time to time own. The same right is reserved to the Association as to any Lot which it may own.

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Section 8. Each Lot is restricted to residential use. No trade or business shall be conducted on, nor any commercial use made of any Lot or of the Properties, including but not limited to "garage sales" or like activities.

Section 9. All Lots shall be kept in a clean and sanitary manner and no rubbish, refuse or garbage allowed to accumulate, or any fire hazard allowed to exist.

Section 10. No nuisance shall be allowed upon any Lot or any use or practice that is a source of annoyance to other Owners or interferes with the peaceful possession and proper use of the Lots by the Owners thereof.

Section 11. No immoral, improper, offensive or unlawful use shall be made of any Lot and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be strictly observed.

Section 12. No television or radio masts, towers, poles, antennas, aerials, or appurtenances may be erected, constructed, or maintained without first obtaining the prior consent of the Architectural Control Committee.

Section 13. No person shall use the Lot or any parts, thereof, in any manner contrary to this Declaration.

Section 14. No garage shall be converted into living area.

Section 15. Should any Owner fail to abide by any of the restrictions set forth in this Article XII, the Association, after approval of 75 percent (75%) vote of the Board of Directors and ten days prior written notice, shall have the right, through its agents and employees, to enter upon said Lot and take such action to correct the violation, including, but not limited to removal of unauthorized improvements, structures or fixtures, and towing of vehicles. The cost thereof, plus reasonable overhead costs to the Association, and attorneys' fees and court costs at all levels of the proceedings, shall be added to and become a part of the assessment to which the Lot is subject. This right of the Association is in addition to all other rights of enforcement herein set forth.

Section 16. No individual water supply system shall be permitted on any Lot including drawing water from any lakes or a well. No individual sewage disposal system, including septic tanks, shall be permitted on any Lot.

Section 17. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines, and connecting them at points 25 feet from the intersection of the street property lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. Notwithstanding anything to the contrary herein, all sight distances at intersections shall comply with applicable governmental regulations.

Section 18. No chain link, wire or concrete fences shall be installed, constructed or erected upon any portion of a Lot, except that chain link fences approved by the Architectural Control Committee and applicable governmental authority shall be permitted along the rear Lot lines. Wooden fences may be installed only after having obtained the prior written consent of the Architectural Control Committee.

Section 19. The Owners, the Architectural Control Committee, the Association, its agents or assigns, shall not interfere with the Declarant's preparation, marketing, sale or use of any Lots.

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Section 20. The above restrictions set forth in this ARTICLE XII shall not apply to Declarant or its agents, employees, designated successors or assigns during the period of construction and sales of the Properties.

ARTICLE XIII

GENERAL PROVISIONS

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

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

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended at any time, and from time to time by one of the following methods:

(a) By approval of at least two-thirds of the Owners at a duly called meeting of the members as evidenced by a certification thereof by the Secretary of the Association and recorded in the Public Records; or

(b) By the execution and recordation in the Public Records of an instrument executed by at least two-thirds of the Owners; or

(c) Prior to termination of the Class B membership in the Association pursuant to the provisions of Article V hereof, by the approval of a majority of the Board of Directors at a duly called meeting thereof, evidenced by a certification thereof by the Secretary of the Association, together with written approval of HUD/VA as set forth in the paragraph immediately below.

Notwithstanding any of the above, an amendment to this Declaration requires HUD/VA prior approval as long as there is a Class B membership and HUD/VA has approved the Project and is insuring or guaranteeing any mortgage.

Notwithstanding any of the above, for such time that Declarant owns one or more Lots, Declarant's written consent must first be obtained to any amendment. The Declarant shall have the right at any time within five (5) years from the date hereof to amend this Declaration to correct scrivener's errors or to clarify any ambiguities determined to exist herein. No amendment shall alter the subordination provisions of this Declaration without the prior approval of any mortgagee enjoying such protection.

Notwithstanding anything contained herein to the contrary, the prior written approval of the South Florida Water Management District is required for any amendments to this Declaration that could affect the surface water management system.

Notwithstanding anything contained herein to the contrary, the prior written approval of Olive Tree Corporation, Declarant under the Master Documents, is required for so long as

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said Declarant controls the Master Association as its Class B Member; thereafter the prior written approval of the Board of Directors of the Master Association shall also be required provided, however, that such approval shall not be unreasonably withheld.

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

Section 5. Leasing of Lots. In the event an Owner leases his Lot, such lease shall contain a covenant that the Lessee acknowledges that the Lot is subject to this Declaration of Restrictions and is familiar with the provisions hereof, and the uses and restrictions contained herein, and agrees to abide by all such provisions. In the event a lease of a Lot does not contain language to the effect of the foregoing, it is hereby deemed to be included therein, and further, the Association may declare the lease void and take such further action as the Association deems applicable, including a "removal action" against the tenant and the Lot Owner. All costs and expenses of the foregoing, including court costs and attorneys' fees at all levels of proceedings whether or not suit is filed, shall be the cost and expense of such Lot Owner. The Owner shall be liable and fully responsible for all acts of his Lessee and responsible for the compliance of the Lessee with all provisions of this Declaration.

Section 6. Approval of Association Lawsuits by Owners. Notwithstanding anything contained herein to the contrary, after termination of Class B membership in the Association pursuant to Article V hereof, the Association shall be required to obtain the approval of eighty-five percent (85%) of all Owners (at a duly called meeting of the Owners at which a quorum is present) prior to engaging an attorney or other expert to represent them and prior to the payment of legal or other fees to persons or entities engaged by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

- (a) the collection of Assessments;
- (b) the collection of other charges which Owners are obligated to pay pursuant to this Declaration, the Article or By-Laws of the Association and/or the Master Association Documents;
- (c) the enforcement of the use and occupancy restrictions contained in this Declaration, the Article or By-Laws of the Association and/or the Master Documents, including but not limited to those against tenants; or
- (d) in an emergency where waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to Normandy Isles or any portion thereof;
- (e) defending a lawsuit instituted against the Association.

ARTICLE XIV

INFORMATION TO LENDERS

Section 1. The Association shall make available to holders, insurers, or guarantors of any first mortgage on any Lot, current copies of the Master Declaration, this Declaration of Restrictions, the Articles of Incorporation or By-Laws of the Association, other rules concerning Normandy Isles Homeowners' Association and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

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Section 2. Any holder of a first mortgage upon a Lot shall be entitled, upon written request, accompanied with a copy of said recorded mortgage, to a financial statement of the Association for the immediately preceding fiscal year.

Section 3. Upon written request to the Association by a holder, insurer, or guarantor of any first mortgage of a Lot (hereinafter referred to as "Lender"), which written request shall identify the name and address of the Lender and the Lot number and address thereof, the Lender will be entitled to timely written notice of:

(a) Any condemnation loss or casualty loss which affects a material portion of the Properties, or any Lot on which there is a first mortgage held by the Lender;

(b) Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a first mortgage held by the Lender, which remains uncured for a period of sixty (60) days;

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

(d) Any proposed action which would require the consent of a specified percentage of mortgage holders.

Failure of the Association to comply with the provisions of this Section 3 shall not interfere or be deemed to impair any rights of the Association hereunder.

Section 4. As determined by Declarant, there may be incorporated as part of this Declaration, and, where applicable, the Articles and Bylaws of the Association, any and all provisions which now or hereafter may be required under the regulations or guidelines of FNMA, FHLMC, GNMA, and HUD/VA so as to make any first mortgage encumbering a Lot eligible for purchase by FNMA, FHLMC or GNMA, and eligible under HUD/VA, and such provisions shall supersede any conflicting matters contained in this Declaration, the Articles or Bylaws, except to the extent compliance with any regulation or guideline is waived by FNMA, FHLMC, GNMA, or HUD/VA. Should FNMA, FHLMC, GNMA, or HUD/VA require an amendment to this Declaration, the Articles or Bylaws, then such amendment may be made and filed by the Declarant or Association without regard to any other provisions herein contained regarding amendments, and without any requirement of securing the consent of any Lot Owner, Master Association or Declarant of the Master Declaration.

ARTICLE XV

MASTER ASSOCIATION; MASTER DECLARATION

Section 1. Obligations to the Master Association. The Association shall be a member of the Master Association and shall be bound by and enjoy all the privileges of its membership. Each Owner is subject to the terms and provisions of the Master Declaration and shall be bound by and enjoy all of the privileges therein set forth. The Association and each Owner shall be obligated to pay all assessments of the Master Association pursuant to the terms and provisions of the Master Declaration.

Section 2. Master Association Common Areas. The Master Association Common Areas are the common areas of the Master Association and are those areas which are specifically owned by or dedicated to the Master Association. The Common Areas owned by or dedicated to Normandy Isles Homeowners' Association, Inc. shall not be construed to also be Master Association common areas and, therefore, are not subject to the provisions in the Master Declaration concerning common areas of the Master Association.

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Section 3. In the event of a conflict between any provisions of this instrument and exhibits hereto and a similar provision of the Master Declaration and exhibits thereto, the provisions of the Master Declaration and exhibits thereto shall govern.

Section 4. This is a "Phase Declaration" as that term is defined in the Master Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant hereunder, has hereunto set its hand and seal this 16th day of December, 1993.

Witness:

Signed, sealed and delivered in the presence of:

[Signature]
Print Name: M. Richard Sapi
[Signature]
Print Name: Tracy Lee Longo

DECLARANT:

NORMANDY ISLES, LTD., a Florida limited partnership

By: NORMANDY ISLES, INC., a Florida corporation, its general partner

By: *[Signature]*
Norman Rauch, Its President

STATE OF Florida)
COUNTY OF Volusia) SS:

(CORPORATE SEAL)



The foregoing instrument was acknowledged before me this 16th day of December, 1993, by Norman Rauch as President of Normandy Isles, Inc., a Florida corporation, as General Partner of NORMANDY ISLES, LTD., a Florida limited partnership, for and on behalf of the limited partnership. He or she is personally known to me or has produced identification and set out on oath.

Commission Number: CC-184788
My Commission Expires: 4/24/94



[Signature]
NOTARY PUBLIC
Print Name: Tracy Lee Longo
(NOTARIAL SEAL)

By execution hereof, the Association does hereby join in, consent to and confirm and ratify the provisions hereof.

NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC.

By: *[Signature]*
Print name: Norman Rauch
Its President

(CORPORATE SEAL)

STATE OF Florida)
) ss: ORB 8065 Pg 1527
COUNTY OF Polk)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to administer oaths and take acknowledgments, personally appeared Normandy Home known to me to be the President of NORMANDY ISLES HOMEOWNERS' ASSOCIATION, INC., the corporation in whose name the foregoing instrument was executed, and that they severally acknowledged executing the same for such corporation, freely and voluntarily, under authority duly vested in him by said corporation, and that the seal affixed thereto is the true corporate seal of said corporation, that he is personally known to me or that I relied upon the following form of identification of the above-named person: personally known.

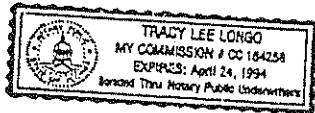
WITNESS my hand and official seal in the County and State last aforesaid this 16 day of December, 1993.

Tracy Lee Longo
NOTARY PUBLIC

Tracy Lee Longo
Printed Notary Signature

My Commission Expires:

(SEAL)



ORB 8065 P3 1528
RECORD VERIFIED DOROTHY H WILKEN
CLERK OF THE COURT - PB COUNTY, FL


EXHIBIT "A"

LEGAL DESCRIPTION OF NORMANDY ISLES

Lots 1 through 124, inclusive, of "Olive Tree P.U.D. Parcel 6A" in accordance with the Plat thereof recorded in Plat Book 71, Pages 197-201 of the Public Records of Palm Beach County, Florida.

and

Lots 1 through 146, inclusive, of "Olive Tree P.U.D. Parcel 6B" in accordance with the Plat thereof recorded in Plat Book 72, Pages 1-7, of the Public Records of Palm Beach County, Florida.

JUL-29-1994 3:41pm 94-260895
 ORB 8366 Pg 1377


Prepared by/Return to:
 M. Richard Sapir, Esq.
 Nason, Gildan, Yeager,
 Gerson & White, P.A.
 1645 Palm Beach Lakes Blvd.
 Suite 1200
 West Palm Beach, FL 33401

AMENDMENT TO DECLARATION OF RESTRICTIONS
 FOR NORMANDY ISLES

This instrument is made this 28th day of July, 1994, by Normandy Isles, Ltd., a Florida limited partnership ("Declarant"), the owner and developer of Lots 1 through 24, inclusive, of Olive Tree P.U.D. Parcel 6-A, in accordance with the Plat thereof recorded in Plat Book 71, Page 197, Public Records of Palm Beach County, Florida, and Lots 1 through 146, inclusive, Olive Tree P.U.D. Parcel 6-B, in accordance with the Plat thereof recorded in Plat Book 72, Page 1, Public Records of Palm Beach County, Florida.

Declarant has caused to be recorded in the Public Records of Palm Beach County, in Official Record Book 8065, Page 1509, the Declaration of Restrictions for Normandy Isles (hereinafter being sometimes referred to as the "Declaration").

1. Declarant hereby exercises its right to amend the aforesaid Declaration to clarify ambiguities determined to exist therein, as reserved to Declarant in Article XIII of said Declaration by amending Article XII, Section 6 of said Declaration, as follows (Note: new language to be added is underlined - example):

ARTICLE XII.

Section 6. No vehicles of any nature shall be parked on any portion of the Properties or a Lot except on the hard-surfaced parking area thereof. No vehicle which cannot operate under its own power shall be kept on the Properties for a period more than twenty-four (24) hours except if located within a fully enclosed garage. No vehicle repairs or maintenance shall be allowed within the Properties, except in a garage, unless the Association designates a specific area for such purpose. Only automobiles, vans, recreational or sports vehicles constructed as private passenger vehicles with permanent rear seats and side windows, and other vehicles manufactured and used as private passenger vehicles, may be parked on any portion of the Properties or a Lot overnight, without prior written consent of the Association, unless kept within a garage; provided, however, commercial vehicles, including trucks rated one ton or less, used by an occupant of a dwelling for transportation to and from such occupant's place of employment may be parked outside of the garage

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overnight. All other vehicles, boats, trailers, motorcycles, recreational vehicles, or the like, shall be either kept inside a garage, or stored on the Lot to the rear of the front building line of a dwelling on the condition that the storage of such vehicles comply with all governmental requirements and such area is properly screened from the street and adjoining properties by minimum of a six foot opaque fence or other screening materials so long as such opaque fence or other screening materials are of sufficient height to fully conceal the subject vehicle or vessel from the street and adjoining properties, approved by the Architectural Control Committee and applicable governmental authorities. The foregoing restrictions shall not be deemed to prohibit the temporary parking of commercial vehicles while making delivery to or from, or while used in connection with providing services to the Properties. The Association is specifically prohibited from amending these restrictions in a manner which would entirely prohibit the parking of motorcycles, vans or pickup trucks rated one ton or less upon the Properties.

2. Further, Declarant as the owner of all Properties subject to the Declaration and in accordance therewith, hereby amends Article VII, Section 1, of the Declaration, as follows (Note: new language to be added is underlined - example):

ARTICLE VII.

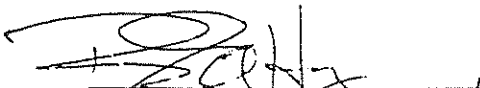
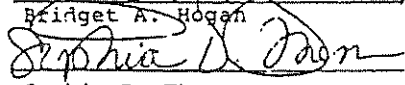
Section 1. Common Area. The Association shall at all times maintain, repair and replace at its expense all Common Areas, including all improvements placed thereon, in good condition and repair. The foregoing shall include the maintenance of any entrance gate or guardhouse serving the Properties, which may, at the discretion of the Association, be manned with appropriate security personnel, or unmanned.

This instrument and the foregoing amendments have received the prior written consent of Olive Tree Corporation, the Declarant under the Master Declaration, and will take effect upon its recordation in the Public Records of Palm Beach County, Florida. The approval of HUD/VA to this amendment is not required since those entities are not presently insuring or guaranteeing any mortgages on the Properties. From and after the recordation hereof, Declarant intends that all references to the "Declaration" before, now or hereafter made in any other instruments recorded in the Public Records of Palm Beach County, Florida, relative to Normandy Isles, or in the Articles of Incorporation, Bylaws or other corporate documents of the Association, shall include and refer to said Declaration, as amended by this instrument, and said Declaration remains in full force and effect according to its terms.

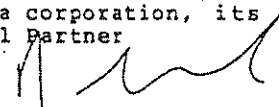
IN WITNESS WHEREOF, the undersigned Declarant has executed this instrument this 28th day of July, 1994.

WITNESSES:

NORMANDY ISLES, LTD., a Florida limited partnership


Bridget A. Hogan

Sophia D. Thomas

By: NORMANDY ISLES, INC., a Florida corporation, its General Partner


By: Norman Rauch, Its President

ORB 8366 Pg 1379
DOROTHY H WILKEN
CLERK OF THE COURT - PB COUNTY, FL

The undersigned hereby consents to the foregoing amendments.

Constance B. Robinson
CONSTANCE B. ROBINSON

OLIVE TREE CORPORATION, a Florida corporation

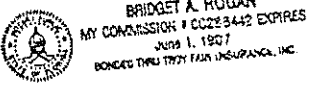
Maureen R. Franklin
MAUREEN R. FRANKLIN

By: Ivan M. Chosnek
Ivan M. Chosnek Its: Vice President

STATE OF FLORIDA
COUNTY OF PALM BEACH

SWORN TO AND SUBSCRIBED before me this 28th day of July, 1994, by Norman Rauch, the _____ President of Normandy Isles, Ltd., a Florida limited partnership, on behalf of the limited partnership, who is personally known to me OR who produced personally known to me as identification and who did _____ take an oath.

[Signature]
Notary Signature
Bridget A. Hogan
Print Notary Name

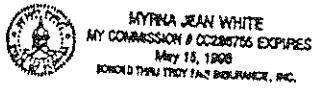


NOTARY PUBLIC
State of Florida at Large
My Commission Expires:

STATE OF FLORIDA
COUNTY OF PALM BEACH

SWORN TO AND SUBSCRIBED before me this 9th day of July, 1994, by Ivan M. Chosnek, the then President of Olive Tree Corporation, a Florida corporation, on behalf of the corporation, who is personally known to me OR who produced _____ as identification and who did X take an oath.

[Signature]
Notary Signature
Myrna Jean White
Print Notary Name



NOTARY PUBLIC
State of Florida at Large
My Commission Expires:

w/c#16

FEB-05-1995 11:28am 95-034440
 DBE 8306 Pg 1377

Prepared by/Return to:
 M. Richard Sapir, Esq.
 Nason, Gildan, Yeager,
 Gerson & White, P.A.
 1645 Palm Beach Lakes Blvd.
 Suite 1200
 West Palm Beach, FL 33401

AMENDMENT TO DECLARATION OF RESTRICTIONS
 FOR NORMANDY ISLES

This instrument is made this 20 day of Dec., 1994,
 by Normandy Isles, Ltd., a Florida limited partnership
 ("Declarant"), the developer of Lots 1 through 128, inclusive, of
 Olive Tree P.U.D. Parcel 6-A, in accordance with the Plat thereof
 recorded in Plat Book 71, Page 197, Public Records of Palm Beach
 County, Florida, and Lots 1 through 146, inclusive, Olive Tree
 P.U.D. Parcel 6-B, in accordance with the Plat thereof recorded in
 Plat Book 72, Page 1, Public Records of Palm Beach County, Florida.

Declarant has caused to be recorded in the Public Records of
 Palm Beach County, in Official Record Book 8065, Page 1509, the
 Declaration of Restrictions for Normandy Isles and amendment
 thereto recorded in Official Record Book 8366, Page 1377
 (hereinafter being sometimes referred to as the "Declaration").

1. Declarant hereby exercises its right to amend the
 aforesaid Declaration to correct a scrivener's error determined to
 exist therein, as reserved to Declarant in Article XIII of said
 Declaration by amending Article XII, Section 6 of said Declaration,
 as follows (Note: existing language to be deleted is stricken
 through - example and new language to be added is underlined -
 (example):

ARTICLE XII.

Section 18. ~~No chain-link, wire or wooden concrete or other~~
 fences shall be installed, constructed or erected upon any portion
 of a lot, except that chain link fences approved by the
 Architectural Control Committee and applicable governmental
 authority shall be permitted ~~only if they are installed and~~
~~maintained in conjunction with the planting and maintenance of~~
~~shrubbery of sufficient size to substantially hide or cover such~~
~~fencing from the streets and other properties. Any gates existing~~
~~in such an approved chain link fence shall contain plastic or other~~
~~design material designated by the Association along the rear lot~~
~~lines. Wooden fences may be installed only after having obtained~~
~~the prior written consent of the Architectural Control Committee.~~

This instrument and the foregoing amendments have received the
 prior written consent of Olive Tree Corporation, the Declarant
 under the Master Declaration, and will take effect upon its
 recordation in the Public Records of Palm Beach County, Florida.
 The approval of HUD/VA to this amendment is not required since
 those entities are not presently insuring or guaranteeing any
 mortgages on the Properties. From and after the recordation

RECORDERS MEMO: Legibility of document
 unsatisfactory when received.

8606 1900

hereof, Declarant intends that all references to the "Declaration" before, now or hereafter made in any other instruments recorded in the Public Records of Palm Beach County, Florida, relative to Normandy Isles, or in the Articles of Incorporation, Bylaws or other corporate documents of the Association, shall include and refer to said Declaration, as amended by this instrument, and said Declaration remains in full force and effect according to its terms.

IN WITNESS WHEREOF, the undersigned Declarant has executed this instrument this 20 day of DEC, 1994.

WITNESSES:

NORMANDY ISLES, LTD., a Florida limited partnership

By: NORMANDY ISLES, INC., a Florida corporation, its General Partner

[Handwritten signature]

Bridget A. Hogan

[Handwritten signature]
Johanna L. Reeves

By: *[Handwritten signature]*
Norman Rauch, Its President

STATE OF FLORIDA

COUNTY OF PALM BEACH

SWORN TO AND SUBSCRIBED before me this 20th day of December 1995, by Norman Rauch, the President of Normandy Isles, Ltd., a Florida limited partnership, on behalf of the limited partnership, who is personally known to me OR who produced Personally known to me. as identification and who did take an oath.

[Handwritten signature]
Notary Signature
BRIDGET A. HOGAN
Print Notary Name



BRIDGET A. HOGAN
MY COMMISSION # 0228542 EXPIRES
June 1, 1997
BONDED THROUGH TROY FARM INSURANCE, INC.

NOTARY PUBLIC
State of Florida at Large

My Commission Expires: