

This First Amendment to Declaration of Restrictions and Protective Covenants for Imperial Isle (the "First Amendment") is made as of the 24th day of October, 1997 by KENCO CONSTRUCTION, LTD., a Florida limited partnership ("Developer").

A. Developer is the "Developer" under that certain Declaration of Restrictions and Protective Covenants for Imperial Isle dated September 6, 1996 and recorded in Official Records Book 9443, Page 842 of the Public Records of Palm Beach County, Florida (the "Declaration").

B. Article X, Section 5 of the Declaration provides that so long as at least one (1) Lot comprising a portion of The Properties has not been sold and conveyed to a third party end-user (as opposed to a builder), Developer may unilaterally amend the Declaration.

C. At least one (1) Lot comprising a portion of The Properties has not been conveyed to a third party end-user (as opposed to a builder).

D. Developer now desires to ~~amend~~ the Declaration as hereinafter set forth.

NOW THEREFORE, in consideration of Developer's authority under the Declaration as stated above, it is hereby declared:

All the capitalized terms used herein shall have the same meaning ascribed to such terms in the Declaration, unless specifically defined herein.

(a) Section 1 of Article IV of the Declaration is hereby restated in its entirety as follows:

"SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION FOR THE ASSESSMENTS.

Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual assessments for general expenses of the Association provided for in this Declaration, and special assessments as provided in Section 4 hereof, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which such assessment is made and shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due."

as follows: Section 2 of Article IV of the Declaration is hereby restated in its entirety

"SECTION 2. PURPOSE OF ASSESSMENTS; COMPUTATION OF ANNUAL ASSESSMENT.

The annual assessments levied by the Association shall be used exclusively for the general expenses of the Association. General expenses are any and all charges for the administration, maintenance, repair or replacement of the Common Areas and other amounts necessary or appropriate in the determination of the Board of Directors for the performance of the obligations of the Association pursuant to this Declaration, including, without limitation, reasonable reserves deemed necessary by the Board of Directors for repair, replacement or addition to the Common Areas and the operation of the Association and the performance by it of its obligations under this Declaration and any other documents or agreements to which it is a party or is otherwise bound by. Notwithstanding the foregoing, the Board of Directors is not obligated to create a reserve for repair, replacement or addition to the Common Areas. By a majority vote of the Board of Directors, the Board shall adopt an annual budget for the subsequent fiscal year which shall provide for allocation of expenses in such a manner that the obligations imposed by this Declaration are met. Except for the initial budget, the Association's budget shall be adopted by the Board of Directors not less than sixty (60) days prior to the fiscal year in which the same is to be operative. Should the Board of Directors fail to adopt a budget as aforesaid, Members shall continue to pay assessments based on the prior year's budget, until the new budget has been adopted by the Board of Directors. The budget in effect for the immediately preceding year shall continue for the current year, provided, however, that upon the adoption of a new budget the same shall be deemed retroactive to the beginning of the then current budget year and each Owner shall pay the increase, if any, in the annual assessment from the beginning of such year at the time the next assessment payment is due.

Because the Developer has caused a portion of The Properties to be replatted and such replatting occurred after four (4) Lots in The Properties had been sold to individuals, the annual assessment shall be calculated as follows with respect to the each Lot within The Properties: (i) for each of Lots 1,5,16 and 24 as shown on the plat of Wycliffe Tract "I", recorded in Plat Book 77, Pages 124 and 125 of the Public Records of Palm Beach County, Florida, the annual assessment shall be calculated by dividing the total budgeted general expenses of the Association for the fiscal year in question by eighty-three (83); and (ii) for each other Lot

comprising The Properties, the annual assessment shall be calculated by dividing the total budgeted general expenses of the Association for the year in question, less the aggregate amount of the annual assessments to be paid by the Owners of Lots 1,5,16 and 24 referred to above as calculated according to this Section, by sixty-eight (68)."

3. CONFLICT OF DOCUMENTS

In the event of any conflict or ambiguity between this Amendment and the Declaration, then the terms and provisions of this Amendment shall prevail. Except as specifically amended by this First Amendment, the Declaration shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, this First Amendment has been duly executed as of the date first above written.

WITNESSES

Signed, sealed and delivered
in the presence of:

KENCO CONSTRUCTION, LTD.,
a Florida limited partnership

By: Kenco Construction Corp., a Florida
corporation, as General Partner thereof

By:

Name: Richard Finkelshtein
Title: Vice President

Print Name: Karin Telarou

Address:

1000 Clint Moore Rd.
Suite 110
Boca Raton, FL 33487

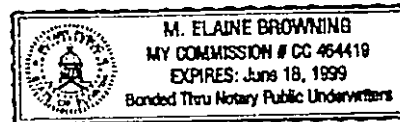
Print Name: M. Elaine Browning

STATE OF FLORIDA)
) SS
COUNTY OF PALM BEACH)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Richard Finkelstein as Vice President of KENCO CONSTRUCTION CORP., a Florida corporation, as General Partner of KENCO CONSTRUCTION, LTD., a Florida limited partnership, personally known to me to be the person described in and who executed the above instrument on behalf of the limited partnership or produced na as identification and acknowledged before me that he executed the same for the purpose therein expressed.

WITNESS my hand and official seal in the County and state aforesaid this 24th day of October, 1997.

M. Elaine Browning
NOTARY PUBLIC
Print Name: M. ELAINE BROWNING
My Commission Expires:



This is not a certified copy

JOINDER OF ASSOCIATION

The undersigned hereby joins in this First Amendment to Declaration of Restrictions and Protective Covenants for Imperial Isle this 24th day of October, 1997.

WITNESSES

Signed, sealed and delivered
in the presence of:

Karin Telaroli
Print Name: Karin Telaroli

M. Elaine Browning
Print Name: M. ELAINE BROWNING

IMPERIAL ISLE PROPERTY OWNERS'
ASSOCIATION, INC.,
a Florida corporation not-for-profit

By: Tom Bruner
Name: TOM Bruner
Title: President

Address: 450 Wycliffe Country Club
BLVD.
LAKE WORTH, FL 33467

STATE OF FLORIDA

COUNTY OF PALM BEACH

I HEREBY CERTIFY that on this day before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Tom Bruner, as President of IMPERIAL ISLE PROPERTY OWNERS' ASSOCIATION, INC., a Florida not-for-profit corporation, personally known to me to be the person described in and who executed the above instrument on behalf of the corporation or produced n/a as identification and acknowledged before me that he executed the same for the purpose therein expressed.

WITNESS my hand and official seal in the County and state aforesaid this 24th day of October, 1997.

M. Elaine Browning
NOTARY PUBLIC
Print Name: M. ELAINE BROWNING
My Commission Expires:

