

This instrument prepared by:  
David A. Core, Esquire  
Will Call Box 110  
ST. JOHN, CORE, FIORE & LEMME, P.A.  
500 Australian Avenue So., Suite 600  
West Palm Beach, Florida 33401  
(561) 655-8994

01/25/2002 15:51:39 20020045933  
OR BK 13347 PG 0760  
Palm Beach County, Florida  
Dorothy H. Wilken, Clerk

**CERTIFICATE OF AMENDMENT TO THE  
DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR WATERFORD AT ABERDEEN ASSOCIATION, INC.**

**I HEREBY CERTIFY** that the Amended and Restated Declaration of Covenants and Restrictions attached as Exhibit "1" to this Certificate were duly adopted by the members as amendments to the Declaration of Covenants and Restrictions for Waterford at Aberdeen Association, Inc., by written consent in lieu of a meeting pursuant to §617.0701(4)(a), Florida Statutes. The original Declaration of Covenants and Restrictions is recorded in Official Records Book 5860, Page 1078, et seq., of the Public Records of Palm Beach County, Florida.

**DATED** this 24<sup>th</sup> day of JANUARY, 2002.

As to witnesses:

WATERFORD AT ABERDEEN ASSOCIATION, INC.

M. Ida Danzig  
Witness

By: Daniel Issenberg  
Daniel Issenberg, President

Denise DeLeon  
Witness

Attest: J. [Signature]  
TREASURER

STATE OF FLORIDA

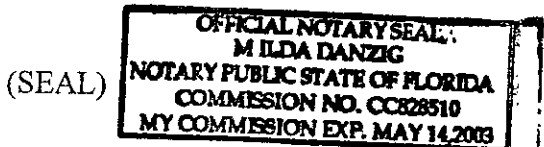
(Seal)

COUNTY OF PALM BEACH

)  
)ss Raynton Beas  
)

BEFORE ME personally appeared Daniel Issenberg, the President and DAVID BERGMAN on behalf of Waterford at Aberdeen Association, Inc., who (produced DRIVER'S LICENSE and \_\_\_\_\_ as identification or) are personally known to me to be the individuals who executed the foregoing instrument and acknowledged to and before me that they executed such instrument as officers of the Association with due and regular corporate authority, and that said instrument is the free act and deed of the Association.

WITNESS my hand and official seal this 24<sup>th</sup> day of January, 2002.



M. Ida Danzig  
NOTARY PUBLIC  
State of Florida at Large.  
My Commission Expires:

This instrument should be returned to:  
David A. Core, Esq.  
St. John, Core, Fiore & Lemme, P.A.  
500 Australian Avenue South, Suite 600  
West Palm Beach, Florida 33401  
Will Call Box 110



01/25/2002 15:51:39 20020045934  
OR BK 13347 PG 0761  
Palm Beach County, Florida

AMENDED AND RESTATED  
DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR  
WATERFORD AT ABERDEEN

THIS DECLARATION OF COVENANTS AND RESTRICTIONS, made and executed this 4th day of January, 2002, by WATERFORD HOMEOWNERS ASSOCIATION ("Waterford HOA").

WITNESSETH:

WHEREAS, Waterford HOA wishes to provide for the preservation and enhancement of property values, amenities and opportunities within the Property in order to contribute to the personal and general health, safety and welfare of the property owners and residents therein, and to maintain the land and improvements therein, and to this end wishes to subject the Property to the covenants, restrictions, easements, reservations, Assessments, charges, liens, and other provisions hereinafter set forth.

NOW, THEREFORE, Waterford HOA hereby declares that the Property is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, reservations, Assessments, charges, liens and other provisions hereinafter set forth in this Declaration of Covenants and Restrictions.

ARTICLE 1

DEFINITIONS

The following terms as used in this Declaration, shall have the following meanings:

- 1.1 "Aberdeen" shall mean and refer to all real property subject to the Aberdeen Planned Unit Development, formerly known as Parkwalk Planned Unit Development, created pursuant to County Resolutions Numbers R-73-811, R-80-1242 and R-800-1243, within which the Property is located.
- 1.2 "Architectural Review Board" or "A.R.B." shall mean and refer to that permanent community of the Master Association, created for the purpose of establishing and enforcing criteria for the construction of Improvements within the Property and other properties subject to the control of the Master Association.
- 1.3 "Assessments" shall mean and refer to those charges made by the Association from time to time, against each Lot within the Property, for the purposes and subject to the terms set forth herein.
- 1.4 "Association" shall mean and refer to WATERFORD AT ABERDEEN ASSOCIATION, INC., a Florida corporation not for profit, and its successors and assigns.
- 1.5 "Club" shall mean and refer to Aberdeen Golf and Country Club.
- 1.6 "Club Facilities" shall mean and refer to the golf course and such other properties, improvements and related amenities located in Aberdeen P.U.D. (as defined in the Master Declaration) and Aberdeen P.C.D. (as defined in the Master Declaration) and owned by the Club Owner.

1.7 "Club Owner" shall mean and refer to Aberdeen Golf and Country Club, Inc., a Florida not for profit corporation, its successors and assigns.

1.8 "Common Expenses" shall mean and refer to all expenses incurred by the Association in connection with its ownership, maintenance and other obligations set forth herein.

1.9 "Common Property" shall mean and refer to all portions of the Property which are intended for the common use and enjoyment of the Owners, and which are identified and dedicated or reserved to the Association on the recorded subdivision plats of the Property, or conveyed to the Association by deed, and any personal property acquired by the Association.

1.10 "County" shall mean and refer to Palm Beach County, Florida.

1.11 "Declaration" shall mean and refer to this instrument and all exhibits hereto, as may be amended from time to time.

1.12 "Improvements" shall mean and refer to all structures of any kind including, without limitation, any building, fence, wall, sign, paving, grating, parking or building addition, alteration, screen enclosure, sewer, drain, disposal system, decorative building, pool, tennis court, patio, landscaping, or landscape device or object.

1.13 "Limited Common Property" shall mean and refer to such portions of the Common Property as are intended for the exclusive use (subject to the rights of the County and the public) of the Owners of specific Lots, and shall specifically include the mailbox structure serving the Lot which may be located on the Common Property, as designated by the Developer. Unless otherwise provided, specifically to the contrary, reference to the Common Property shall include the Limited Common Property.

1.14 "Lot" shall mean and refer to a tract of real property designated as a residential building lot on any plat of the Property, whether improved or unimproved.

1.15 "Master Association" shall mean and refer to ABERDEEN PROPERTY OWNERS ASSOCIATION, INC., a Florida corporation not for profit, its successors and assigns.

1.16 "Master Declaration" shall mean and refer to that certain Declaration of Covenants and Restrictions For Aberdeen Planned Unit Development and Aberdeen Planned Commercial Development, dated June 17, 1983, and recorded in Official Record Book 3970, page 573, under the name of Parkwalk Planned Unit Development and Parkwalk Planned Unit Commercial Development, Public Records of Palm Beach County, Florida, and any amendments thereto recorded or to be recorded in the Public Records of Palm Beach County, Florida.

1.17 "Master Plan" shall mean and refer to that certain Revised Master Plan for Aberdeen, which is filed under the name Parkwalk and marked Exhibit No. 26 in the Official Zoning File of ABERDEEN, in the Office of the County Department of Planning, Zoning and building, approved July 13, 1982 and as amended from time to time.

1.18 "Member" shall mean and refer to a member of the Association and used throughout this Declaration as synonymous with the term "Owner" and said terms are used herein interchangeably.

1.19 "Mortgagee" shall mean and refer to any lending institution having a first mortgage lien upon a Lot or any portion of the Property, including any of the following institutions: (a) a federal or state savings and loan association or commercial bank doing business in the State of Florida, (b) a federal or state building and loan association doing business in the State of Florida, © an insurance company or subsidiary thereof doing business in the State of Florida which is approved

by the Insurance Commissioner of the State of Florida, (d) a real estate investment trust or mortgage banking company licensed to do business in the State of Florida, (e) the Federal National Mortgage Association, (f) a pension or profit sharing fund qualified under the United States Internal Revenue Code, (g) any subsidiary of the foregoing licensed or qualified to make mortgage loans in the State of Florida, (h) any agency of the United States Government, (I) or Developer.

1.20 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, excluding, however, any Mortgagee unless and until such Mortgagee has acquired title pursuant to foreclosure or any proceeding or deed in lieu of foreclosure and is used throughout this Declaration, the term "Owner" is synonymous with the term "Member" and said terms are used herein interchangeably.

1.21 "Property" shall mean and refer to that real property legally described in Exhibit "A" attached hereto and made a part hereof, and any other real property which may from time to time be made subject to this Declaration in the manner provided in Article 2 hereof.

1.22 "Street" shall mean and refer to any street, highway or other thoroughfare within Waterford at Aberdeen and which is a part of the Common Property, whether same is designated as a street, avenue, boulevard, drive, place, court, road, terrace, way, circle, lane, walk, or other similar designation.

1.23 "Traffic Regulations" shall mean and refer to the speed limits and traffic regulations which may be promulgated by the Association for use on the Streets and the "no parking" signs which may be posted by the Association throughout Waterford at Aberdeen pursuant to Section 4.5 of this Declaration.

1.24 "Annual Meeting" shall mean and refer to the special meeting of the Members for the purpose of electing officers and directors pursuant to Section 3.3 hereof.

1.25 "Unit" shall mean and refer to a residential dwelling construction on a Lot, for which a Certificate of Occupancy or Completion has been issued, and shall include the garage and courtyard attached to the dwelling.

## ARTICLE 2

### PROPERTY SUBJECT TO THIS DECLARATION

Existing Property. The initial Property subject to this Declaration upon the recordation hereof in the County Public Records, is the Property described in Exhibit "A" attached hereto.

## ARTICLE 3

### WATERFORD AT ABERDEEN ASSOCIATION, INC.

3.1 Formation. The Association to be formed by the filing of the Articles of Incorporation therefor in the office of the Secretary of State of Florida. The Association is formed to own, operate and maintain the Common Property; enforce the covenants, conditions, restrictions and other provisions set forth in this Declaration and to have such other specific rights, obligations, duties and functions as set forth in this Declaration and in the Articles of Incorporation and the By-Laws of the Association. Subject to the additional limitations provided herein and in the Articles of Incorporation and the By-laws, the Association shall have all of the powers and be subject to the limitations of a not-for-profit corporation as contained in Florida Statutes, Chapter 617, Part I (1988) and Chapter 720 (Corporations Not-For-Profit).

3.2 Membership. A person or entity shall automatically become a Member of the Association upon acquisition of fee simple title to any Lot and filing a deed therefor in the public records of the County. Membership shall continue until such time as the Member transfers or conveys his interest of record or the interest is transferred and conveyed by operation of law, at which time membership, with respect to the Lot conveyed, shall automatically be conferred upon the transferee. Membership shall be appurtenant to, and may not be separated from, ownership of a Lot subject to this Declaration. No person or entity holding an interest of any type or nature whatsoever in a Lot only as security for the performance of an obligation shall be a Member.

3.3 Voting. The Association shall have one class of voting membership:

Members shall all be Owners. Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote of such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot. With respect to each Lot owned by other than a natural person or persons, the Owner shall file with the Secretary of the Association a notice designating the name of an individual who shall be authorized to cast the vote of such Owner. In the absence of such designation, the Owner shall not be entitled to vote on any matters coming before the membership.

3.4 Administration of the Association. The affairs of the Association shall be administered by the Board of Directors in accordance with this Declaration, the Articles of Incorporation and the By-Laws of the Association. The Articles of Incorporation and By-Laws may be amended in the manner set forth therein; provided, however, that no such amendment shall conflict with the terms of this Declaration and provided further, that no amendment, alteration or rescission may be made



which affects the rights or privileges of any Mortgagee without the prior written approval of the Mortgagee so affected, and any attempt to amend, alter or rescind contrary to this prohibition shall be of no force or effect.

3.5 Suspension of Membership Rights. No Member shall have any vested right, interest or privilege in or to the assets, functions, affairs or franchises of the Association, or any right, interest or privilege which may be transferable, or which shall continue after his membership ceases, or while he is not in good standing. A Member shall be considered "not in good standing" during any period of time in which he is delinquent in the payment of any Assessment, or in violation of any provision of this Declaration or of any rules or regulations or Traffic Regulations promulgated by the Association. While not in good standing, the Member shall not be entitled to vote or exercise any other right or privilege of a Member of the Association.

#### ARTICLE 4

##### COMMON PROPERTY

4.1. Title to Common Property. Title to the Common Property shall remain vested in the Waterford HOA. Notwithstanding the manner in which fee simple title is held, the Association shall be responsible for the management, maintenance, and operation of the Common Property from and after the date of recordation of this Declaration. Anything herein contained to the contrary notwithstanding, certain portions of the Common Property may be reserved as Limited Common Property for the exclusive benefit and use of specific Owners.

4.2 Acquisition and Conveyance of Property. The Association shall have the power and authority to acquire and convey such interest in real and personal property as it may deem beneficial to its Members. Such interest may include fee simple or other absolute ownership interests,

leaseholds or such other possessory use interests as the Association may determine to be appropriate. —

Any property acquired pursuant to this section shall be Common Property.

4.3 Maintenance of Property. The Association shall, either by virtue of the appointment of a real estate management agent or through its own personnel, be responsible for the maintenance and repair of the Common Property, including without limitation that certain swimming pool and cabana which may be located on the Property and which is for the exclusive use and benefit of Members of the Association, their tenants, family and guests (the "Waterford at Aberdeen Pool and Cabana"), that portion of the Lots outside the Units, as hereinafter set forth, and the exterior of the Units as hereinafter set forth. In addition, pursuant to a maintenance agreement entered or to be entered into with the Master Association (the "Lake Maintenance Agreement") the Association shall maintain the twenty (20) or twenty-five (25) foot perimeter areas (the "Lake Easements"), around the lakes within the Property, which area is identified as a Water Management Maintenance Easement and is dedicated or reserved to the Master Association on any of the recorded plats of the Property. Specifically, the property the Association shall maintain and be responsible for shall include, but not be limited to the following:

- 4.3.1 All roads within the Property which are dedicated or reserved to the Association on any plat of any portion of the Property or conveyed by deed to the Association.
- 4.3.2 All parking lots and guest parking spaces within the Property.
- 4.3.3 All landscaping of the Common Property, including without limitation, all sodding, irrigation and the planting and care of trees and shrubbery.
- 4.3.4 That portion of the Lots outside of the Units and the exterior of the Units, as hereinafter set forth.

4.3.5 The Waterford at Aberdeen Pool and Cabana.

4.3.6 The Lake Easements.

4.3.7 The gate house and entry gate located on the Common Property.

4.4 Rules and Regulations Governing Use of Property. The Association, through its Board of Directors, shall regulate the use of the Property by Owners and may from time to time promulgate rules and regulations consistent with this Declaration governing the use thereof as it may deem to be in the best interest of its Members. No rules or regulations may be adopted which would adversely affect the rights of any Mortgagee without the prior written consent of such mortgagee. A copy of all rules and regulations established hereunder and any amendments thereto shall be made available to all Members at the Association office. Such rules and regulations may be enforced by legal or equitable action.

4.5 Traffic Regulations. The Association, through its Board of Directors, shall have the right to post and promulgate Traffic Regulations throughout Waterford at Aberdeen for use of the Streets. A copy of all Traffic Regulations established hereunder and any amendments thereto shall be made available to all Members for inspection at the office of the Association. The Association, through its Board of Directors, shall also have the right to establish enforcement mechanisms for violations of the Traffic Regulations, including without limitation, the levy of fines for non-compliance, which shall be levied and collected pursuant to Article 6 of this Declaration, the removal of vehicles from the Property, and the suspensions of Owners' rights and easements of enjoyment provided herein. Upon request, but in no event later than thirty (30) days after the imposition of any remedy for violation of a Traffic Regulation, those who violate the Traffic Regulations shall be

entitled to a hearing before the Board of Directors and forty-eight (48) hours notice prior to the date\_\_\_\_\_ of such hearing.

4.6 Owners' Easement of Enjoyment. Subject to the provisions hereinbelow, each Owner shall have a right and easement of enjoyment in and to the Common Property which shall be appurtenant to, and shall pass with the title to each Lot.

4.7 Extent of Owners' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

- 4.7.1 The right of the Association to borrow money for the purpose of improving the Common Property and in connection therewith, to mortgage the Common Property.
- 4.7.2 The right of the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure.
- 4.7.3. The right of the Association to suspend the enjoyment rights and easements of any Owner for any period during which an Assessment remains unpaid by that Owner, and for any period during which such Owner is in violation of this Declaration or any of the rules and regulations or the Traffic Regulations.
- 4.7.4 The right of the Association to maintain the Common property and other property described in Paragraph 4.3 of this Declaration.
- 4.7.5 The rules and regulations governing the use and enjoyment of the Property and the Traffic Regulations, as promulgated by the Association.
- 4.7.6 The right of the Association to dedicate or transfer all or any part of the Common Property to any governmental or quasi-governmental agency, authority, utility, water management or water control district.

4.7.7 Restrictions, dedications and easements contained on any plat, or filed separately, with respect to all or any portion of the Property.

4.7.8 All of the provisions of this Declaration, and the Articles of Incorporation and By-Laws of the Association, and all rules and regulations and Traffic Regulations adopted by the Association, as same may be amended from time to time.

4.7.9 All of the provisions of the Master Declaration, and the Articles of Incorporation and By-Laws of the Master Association and all rules and regulations and traffic regulations adopted by the Master Association, as same may be amended from time to time.

4.8 Continual Maintenance. In the event of a permanent dissolution of the Association, the Members shall immediately thereupon hold title to the Common Property as tenants in common and shall collectively provide for the continued maintenance and upkeep thereof. In no event shall the County be obligated to accept any dedication offered to it by the Association or the Members pursuant to this section, but the County may accept such a dedication and any such acceptance must be made by formal resolution of the then empowered Board of County Commissioners. In the event of a dissolution of the Association, for whatever reason, any Owner may petition the circuit court of the 15th Judicial Circuit of the State of Florida for the appointment of a receiver to manage the affairs of the dissolved Association and the Common Property in place and instead of the Association, and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association and the Common Property.

4.9 Plat. Any plat or replat of the Property subject to this Declaration must conform with the Master Plan as approved by the Board of County Commissioners of Palm Beach County as well as the applicable site plan as approved by the Site Plan Review Committee of the County.

## ARTICLE T

### EASEMENTS

5.1 Easement Grants. The following easements are hereby granted and reserved over, across and through the Property:

5.1.1 Easements for the installation and maintenance of utilities are granted as shown on the recorded subdivision plats of the Property. Within these easement areas, no structure, planting or other material, other than sod, shall be placed or permitted to remain (unless installed by Developer), which may interfere with the installation and maintenance of underground utility facilities. The Association (or such other entity as indicated on the plats) is hereby granted access to all easements within which such underground facilities are located for the purpose of operation, maintenance and replacement thereof.

5.1.2 Easements for the installation and maintenance of drainage facilities are granted to the Association and other entitles as shown on the recorded subdivision plats of the Property. Within these easements areas, no structure, planting or other material, other than sod shall be placed or permitted to remain (unless installed by Developer), which may interfere with such installation and maintenance, or which may obstruct or retard the flow of water through drainage channels. The Association and the Master

Association (and any other entity indicated on the plat) shall have access to all such \_\_\_\_\_ drainage easements for the purpose of operation and maintenance thereof.

- 5.1.3 The Common Property is hereby declared to be subject to a perpetual non-exclusive easement in favor of the Association, the Master Association, employees and agents of the Association and the Master Association, and of any management or maintenance entity contracted by the Association or the Master Association, in order that such employees, agents or management or maintenance entity may carry out their duties (including, without limitation, maintenance of property and the provision of security services) and may have reasonable access to all property dedicated to the Association or the Master on the recorded plat(s) of the Property or conveyed to the Association or the Master Association by deed.
- 5.1.4 An easement is hereby granted to each Mortgagee for the purpose of access to the property subject to its mortgage.
- 5.1.5 As to all Lots upon which a "party wall", as defined in Section 10.1 hereof, is located, an easement is hereby granted upon the Lot for errors in construction of the party wall, minor inaccuracies in survey, and for movement of the party wall due to settling of the Improvements or otherwise.
- 5.1.6 An easement is hereby granted to members of the Club and their guests, and to the Club Owner and its officers, agents and employees, to permit the doing of every act necessary and incident to the playing of golf on the golf course located within Aberdeen and to permit the doing of every act necessary and incident to maintaining the Club Facilities. These acts shall include, but not be limited to, the recovery of golf

balls from Lots, the flight of golf balls over and upon the Lots, the creation of the usual and common noise level associated with the playing of the game of golf, the creation of the usual and common noise level associated with maintaining Club Facilities, together with all such other common and usual activities associated with the game of golf and with all the common and usual activities with the maintenance and operation of the Club Facilities.

5.2 Additional Easements. The Association and the Master Association shall have the right to grant additional easements, permits and licenses throughout the Property for utilities, cable television services, roads and for such other purposes as the Association and the Master Association may deem to be in the best interests of the Owners, or reasonably necessary or useful for the property maintenance or operation of the Property.

5.3 Restriction on Owner Easements. No Owner shall grant any easement upon any portion of the Property to any person or entity, without the prior written consent of the Association.

## ARTICLE 6

### ASSESSMENTS AND LIEN

6.1 Authority of Association. The Association, through its Board of Directors, shall have the power and authority to collect Assessments as hereinafter set forth. All Assessments made by the Association shall be collected by the Association or such agent as shall be designated by the Association for collection of Assessments.

6.2 General Assessments. General Assessments shall be determined annually for the purpose of maintenance and management of the Association, the Common Property and the Lake Easements, maintenance of that portion of the Lots outside of the Units and the exterior of the Units,



as hereinafter set forth, payment of amounts assessed by the Master Association, and for the purpose of promoting the safety and welfare of the Owners. Without limiting the foregoing, general Assessments shall be used for payment of: operation, maintenance and management of the Association and the Common Property; payment of amounts assessed by the Master Association; property taxes and assessments against and insurance coverage for the Common Property; legal and accounting fees; maintenance of any streets dedicated or reserved to the Association; maintenance and repair of the Waterford at Aberdeen Pool and Cabana; management fees; normal repairs and replacements; charges for utilities used upon the Common Property; cleaning services; maintenance of the reserve account required pursuant to the By-Laws of the Association; expenses and liabilities incurred by the Association in the enforcement of its rights and duties against the Members or others; maintenance of vacant property; maintenance of that portion of the Lots outside of the Units and the exterior of the Units, as hereinafter set forth; maintenance of the Lake Easements; the creation of reasonable reserves (the Association shall be required to establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of Improvements to the Common Property. The reserve fund shall be maintained from the General Assessments for Common Expenses, collected by the Association); and all other expenses deemed by the Board of Directors of the Association to be necessary and proper for management, maintenance, repair, operation, enforcement and for the promotion of the safety and welfare of the Owners.

6.3 Basis and Collection of General Assessments. The Association shall annually estimate the Common Expenses it expects to incur and the periodic time involved therein and shall assess its Members sufficient monies to meet this estimate. All Lots shall be assessed at a uniform rate to be determined by the Association, so that all Lots subject to a general Assessment shall be assessed

equally. Should the Association at any time determine that the Assessments made are insufficient to pay the Common Expenses, the Board of Directors shall have authority to levy additional general Assessments to meet such needs. General Assessments shall be payable in advance on a monthly basis.

6.4 Special Assessments. The Association shall have the power and authority to levy and collect a special Assessment from each Member for payment of the following: the acquisition of property by the Association; the cost of construction of capital Improvements to the Common Property; the cost of construction, reconstruction, unexpected repair or replacement of the Common Property including the Waterford at Aberdeen Pool and Cabana or any capital Improvement, and including the necessary fixtures and personal property related thereto; including, without limitation, such costs resulting from an Act of God, hurricane, flood or freeze damage; the expense of indemnification of each Director and Officer of the Association; and any other expenses included in the budget adopted annually by the Association. All Lots shall be assessed at a uniform rate. A special Assessment shall be collected in such manner as the Board of Directors shall determine. If a special Assessment shall exceed FIVE HUNDRED DOLLARS (\$500.00) per Lot, it shall require the approval of the Members of the Association, to be obtained at a duly convened regular or special meeting at which a quorum exists and which is called at least in part to secure this approval. Approval shall be by an affirmative vote of at least fifty-one percent (51%) of the votes present in person or by proxy.

6.5 Emergency Special Assessments. The Association may levy an emergency special Assessment when, in the sole determination of the Board of Directors, there is potential danger of damage to persons or property. Emergency special Assessments may be utilized to pay for

preventative, protective or remedial construction, reconstruction, Improvements, repairs or replacements. Events justifying emergency special Assessments include, but are not limited to, hurricanes, floods and fires. Emergency special Assessments shall be collected in such manner as the Board of Directors shall determine.

6.6 Individual Assessments. The Association shall have the power and authority to levy and collect an individual Assessment against a particular Lot for the cost of maintenance, repairs or replacements to the Common Property, or any other property to be maintained by the Association, necessitated by the negligent or willful acts of an Owner or his invitees, licensees, family or guests, or for the cost of maintenance, repairs or replacements within or without the Lot, which the owner thereof has failed or refused to perform. The Association shall have the right to enter onto each Lot to perform necessary maintenance, repairs and replacements, including the right to abate or eliminate any nuisance. The individual Assessment may include an administrative fee charged by the Association in an amount to be determined by the Board of Directors in its discretion from time to time. All individual Assessments shall be collected in such manner as the Board of Directors shall determine.

6.7 Fines for Non-Compliance. In addition to all other remedies provided in this Declaration, the Board of Directors, in accordance with the provisions set forth herein and Florida law, may levy a fines against an Owner for the failure of the Owner, his family, guests, invitees, or employees, to comply with any provision of this Declaration, or the Articles, By-Laws, rules and regulations or Traffic Regulations of the Association, provided that the following procedures are complied with:

6.7.1 Notice. The Association shall notify the Owner of the infraction or infractions.

Included in the Notice shall be the a date and time of a Meeting of the Compliance Committee of the Association, at which the Owner shall have the opportunity to present testimony, documentation or other information as to why the fine should not be imposed.

6.7.2 Hearing. The alleged non-compliance shall be presented to the Board of Directors Compliance Committee of the Association at the time and place provided in the Notice, at which meeting a hearing shall be conducted for the purposes of determining whether a violation has in fact occurred, and, if so, whether a fine should be imposed. No fine shall be imposed without notice of at least fourteen (14) days to the person sought to be fined of the opportunity for a hearing before the Compliance Committee.

6.7.3 Amount of Fine. The Board of Directors may impose the following Special Assessment fines against the Owner in the event the Compliance Committee determines, by majority vote, that a violation is found and the imposition of a fine is appropriate: No fine shall exceed \$100.00 per violation. Fines may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for a hearing. No fine shall exceed \$1,000.00, per violation, in the aggregate.

6.7.4 Due Date of Fine. A fine as provided in this Article shall be due and owing not later than thirty (30) days after the written decision of the Board of Directors is provided to the Owner. A written decision of the Board shall be submitted to the Owner not later than twenty-one (21) days after the hearing.

6.7.5 Compliance Committee. The Compliance Committee of the Association shall consist

of at least 3 members appointed by the Board of Directors who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director or employee.

6.7.6 Collection of Fines. The Association shall be entitled to enforce collection of fines from Owners in the same manner as the collection of delinquent assessments as provided in this Declaration, the Articles or the By-Laws. If any fine is not paid on the date when due, it shall become delinquent and shall bear interest at the maximum rate allowed by law. The Association shall have the right to record a lien against the Lot to secure payment of the fine, together with interest, and the costs of collection thereof, including reasonable attorney fees and late fees. The Association shall have the right to foreclose said lien as provided for by this Declaration.

6.8 Effect of Non-Payment of Assessment. All notices of Assessments from the Association to the Members shall designate when the Assessment is due and payable. If an Assessment is not paid on the date when due, it shall then become delinquent and shall bear interest at the maximum rate allowed by law (and in the absence of such law, at such interest rate as the Board of Directors of the Association may decide from time to time) from the date when due until paid. The Assessment, together with interest thereon and the costs of collection thereof, including attorneys' fees and late fees, shall be a continuing lien against the Lot owned by the Member against whom the Assessment is made and shall also be the continuing personal obligation of the Owner thereof; provided however, that such personal obligation shall not pass to a successor in title to a Lot unless assumed by such successor in title. The Association shall also record a claim of lien in the

Public Records of the County setting forth the amount of the unpaid Assessment, the rate of interest due thereon and the costs of collection thereof. If any Assessment or any installment thereof shall not be paid within thirty (30) days following the due date, the Association may impose a monthly, cumulative late fee of fifty dollars (\$50.00) against the Lot, beginning from the due date, for each month that the Assessment installment is not paid. This late fee shall be in addition to interest, costs, and attorneys' fees authorized by the Declaration or the By-Laws. In addition to the late fee, the Association may declare the entire annual unpaid Assessment immediately due and payable. The Association may at any time thereafter bring an action to foreclose the lien against the Lot assessed in the manner in which mortgages on real property are foreclosed and a suit on the personal obligation of the Owner. A suit to collect unpaid Assessments may be prosecuted by the Association without waiving the lien securing said unpaid Assessments, costs and attorneys' fees. There shall be added to the amount of the Assessment the cost of such action, including attorneys' fees and late fees and in the event a judgment is obtained, such judgment shall include interest on the Assessment as above provided and costs, including attorneys' fees, incurred by the Association. Any successor in title to a Lot shall be held to constructive notice of the records of the Association to determine the existence of any delinquency in the payment of Assessments.

6.9 Additional Assessments. The Assessments provided for herein shall be in addition to any other Assessments or charges which may be levied by the Master Association.

6.10 Certificate of Assessments. The Association shall prepare a roster of the Members, their respective Lots and Assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by all Members at reasonable business hours. At the request of an Owner, the Board of Directors shall prepare a Certificate of Assessments signed by an

officer of the Association, setting forth whether the Owner's Assessments have been paid and the amount which is due as of the date of the Certificate. As to parties without knowledge of error who rely thereon, such Certificate shall be presumptive evidence of payment or partial payment of any Assessment therein stated as having been paid or partially paid.

6.11 Subordination of Lien of Mortgages. Regardless of the effective date of the lien of any Assessment made by the Association, such Assessment lien shall be subordinate and inferior to the lien of the mortgage or any Mortgagee. Such subordination shall, however, apply only to the Assessments which have become due and payable prior to a final sale or transfer of the mortgaged Lot pursuant to a decree of foreclosure or in any other proceeding or conveyance in lieu of foreclosure of the mortgage. No sale or other transfer shall relieve any Lot from liability for any Assessment becoming due thereafter, nor from the lien of any such subsequent Assessment. Any delinquent Assessments which are eliminated against a Lot pursuant to a sale or transfer in connection with the foreclosure of a mortgage, or any proceeding or deed in lieu of foreclosure, may be reallocated and assessed to all Owners as a Common Expense. The written opinion of the Association that the Assessment lien is subordinate to a mortgage lien shall determine any question of subordination.

6.12. Exempt Property. The following property shall be permanently exempt from the payment of all Assessments by the Association:

6.12.1 All property dedicated or reserved to or owned by the Association and the Master Association.

6.12.2 All property dedicated to or owned by the water management district, water control district or other party responsible for maintenance of the water management system within Aberdeen.

6.12.3 Any portion of the Property dedicated to the County.

6.12.4 Any portion of the Property exempted from and valorem taxation by the laws of the State of Florida.

6.13. Submission of Financial Report. The Association shall furnish all Mortgagees with copies of the financial statements of the Association, upon written request therefor to the Association.

6.14 Initial Capital Contribution. In addition to all of the foregoing Assessments, Owners shall also be required to pay, at the time of the closing of their Lots, a sum equal to two (2) months general Assessments, assessed against a Lot by the Association, which sum shall be paid to the Association as an initial contribution to the working capital of the Association. This initial contribution shall not relieve Owner of Owner's responsibility to pay all prepaid monthly installments of the general Assessments assessed against Owner's Lot, as well as all subsequent Assessments. The contribution is a one-time contribution to be made by the initial purchasers of Lots from Developer. This contribution shall not be refundable to purchasers in the event of a sale or transfer of a Lot. All capital contributions received by the Association shall be maintained in an account for the use and benefit of the Association and the Owners.

## ARTICLE 7

### MAINTENANCE OF PROPERTY

7.1 Association Responsibilities. The Association shall be responsible for maintenance of the Common Property, including without limitation, the Waterford at Aberdeen Pool and Cabana and other areas as set forth below.

7.1.1 The exterior of each Unit, including the roof and exterior walls of the dwelling and attached garage, the painting of the exterior surfaces, and the maintenance of the



landscaping on each Lot, (provided such landscaping was installed by the Developer), but not including doors, windows, screens, exterior fixtures, and mailboxes, which shall be maintained by the Owners.

7.1.2 In the event that any Owner fails to properly maintain any portion that the Owner is required to maintain, the Association shall have the right to make any repairs or replacements it deems necessary. In such event, the Association shall have the right to individually assess the Owner involved for all costs incurred in making such repairs or replacements.

7.1.3 The Lake Easements, which are to be maintained by the Association, in accordance with the provisions of this Declaration.

7.1.4 Notwithstanding any contrary provisions in this Declaration or in other governing documents of Waterford at Aberdeen, the responsibility for the pressure cleaning of the driveway of each Lot shall be the responsibility of the Association. The responsibility for all other maintenance, repair and replacement of the driveway or portion of the driveway shall be the responsibility of the Owner of each Lot. The Association Board will have sole discretion to determine when any driveway will be pressure cleaned.

7.2 Owner Responsibilities. The Owner of each Lot shall be responsible for maintenance of the interior areas of the Unit, including the garage, driveway, and the doors, windows, screens and exterior fixtures of the Unit, and the mailbox. The Owners of each Lot shall be responsible for the maintenance of any landscaping placed by the Owner on the Lot; provided, however, that no landscaping whatsoever may be installed by an Owner on a Lot without the approval of the

Association, as set forth in Section 9.1.17 hereof. The expense of any maintenance, repair or construction of any portion of the Common Property or the exterior of any Unit necessitated by the negligent or willful acts of an Owner or his invitees, licensees, family or guests shall be borne solely by such Owner and his Lot shall be subject to an individual Assessment for such expense. Extraordinary repairs or replacements beyond the normal maintenance performed by the Association, but not resulting for a casualty covered by insurance, shall be timely performed by the individual Owner at his own expense, subject to the Association's satisfaction with such repairs or replacement restrictions contained in Articles 8 and 9 hereof. The Board of Directors of the Association shall determine in its sole discretion, which repairs and replacements are "normal" and performed by the Association, and which are extraordinary and performed by an Owner. In the event the Owner fails to perform its responsibilities, as aforesaid, the Association shall have the right, but not the obligation, to perform such maintenance and to assess the costs thereof against such Owner and his Lot as an individual Assessment, pursuant to Article 6 of this Declaration. The Association and its agents and employees shall have an irrevocable right of access to all Lots to make emergency repairs, to do maintenance and repair work required to be performed by the Association pursuant to the terms hereof, and to do such other work reasonably necessary for the proper maintenance and operation of the Property.

## ARTICLE 8

### ARCHITECTURAL CONTROLS

It is the intent of the Association to maintain within the Property a residential community of high quality and harmonious improvements. Accordingly, no Improvements shall be commenced, erected, placed or maintained within the Property nor shall any addition, change or alteration be made

to any Improvements unless and until the plans, specifications and location of same shall have been submitted to and approved in writing by the Architectural Review Board of the Master Association. The procedures to be followed by the A.R.B. shall be set forth in the Master Declaration and in the rules, regulations and standards as may be adopted by the A.R.B. from time to time.

Amendment to create Architectural Review Committees (ARC's) in the Aberdeen Sub-Associations:

Architectural Review Committee - The Architectural Review Committee ("ARC") shall be a permanent committee of the Association, composed of not less than three (3) persons who must be members of the Association. The Board of Directors shall appoint all committee members and shall designate one of the committee members as the Chairperson.

Duties - All documents required to be submitted to the Architectural Review Board ("ARB") of the Aberdeen Property Owners Association, Inc. (the "POA"), pursuant to the Declaration of Covenants and Restrictions for Aberdeen Planned Unit Development and Aberdeen Planned Commercial Development ("POA Declaration") shall first be filed with the ARC. The ARC shall review the documents and application by the owner, and shall note thereon its approval, disapproval, comments and/or recommendations. The application, with all documents, shall be forwarded to the ARB, except where jurisdiction is reserved by the Declaration to the ARC.

Notice - If the Board of Directors intends substantial changes or modifications to the Association property, to the Association's governing documents, rules and regulations, architectural standards or architectural review process, that affect the appearance and welfare of the community as a whole, the Board shall notify each unit owner in writing of the intended change not less than 30 days prior to the effective date of such change.

Approval and Appeal Procedure - The ARC has the power to approve or disapprove applications for improvements, modifications, or changes as set forth in Article 8 of the POA Declaration. The ARC shall follow the same guidelines and procedures as those established for the ARB. A unit owner whose application is disapproved by the ARC shall have a right to appeal to the Board of Directors. The owner shall notify the Board of Directors of his/her appeal in writing, by certified mail, return receipt requested, within 10 days after the date of decision by the ARC. The Board of Directors shall convene a hearing on the owner's appeal not later than 30 days after receipt of owner's written notice of appeal. The Board will provide the owner with a written decision on the appeal not later than 10 days after the hearing date. The owner shall have a right of appeal to the Advisory Committee of the POA or to the ARB only as to those matters set forth in Article 8 of the POA Declaration. The owner must provide written notice of such appeal to the POA by certified mail, return receipt requested, within 10 days from the date of the final decision of the ARC or the Board of Directors under this section.

## ARTICLE 9

### USE RESTRICTIONS

#### 9.1 Restrictions on Use of Lots and Common Property.

9.1.1 Residential Use. All Lots shall be used only as single family, private, residential dwellings and for no other purpose. "Single Family" shall mean and refer to either a single person occupying a Unit and maintaining a household, including not more than one authorized tenant; or two (2) or more persons related by blood, marriage, or adoption occupying a Unit and living together and maintaining a common household,

including not more than one authorized tenant; or not more than four (4) unrelated persons occupying a unit as distinguished from a group occupying a boarding or lodging house, hotel, club or similar dwelling for group use.

9.1.2 No Commercial Activities. No Lot shall be used or occupied for any purpose other than as a residential dwelling by a Single Family, its household and guests. No business or commercial activity shall be permitted on any Lot, nor shall any business be conducted on any part thereof, except as permitted at the sole discretion of the Board.

9.1.3 Pets. Owners may keep no more than three (3) "Domestic Pets", provided that no such pets are kept, bred or maintained for any commercial purpose. For purposes hereof, the term "Domestic Pets" shall refer to dogs, cats, tropical fish and birds and shall specifically exclude all other types of animals or pets. All dogs must be on a leash or carried when on the Property; however, no pets shall be permitted within any recreational areas, including, without limitation the Waterford at Aberdeen Pool and Cabana, under any circumstances. It shall be the pet owner's obligation to remove the pet's waste material from all property maintained by the Association. The Board of Directors of the Association shall have the right to order the removal of any pet which is considered, in the Board's sole discretion, a nuisance. In such event, the Board of Directors shall give written notice thereof to the pet owner, and the pet shall immediately thereafter be permanently removed from the Property.

9.1.4 Boats. Boat mooring facilities on any lake shall be limited only to facilities which may be provided by Master Association. No one other than the Master Association shall

be permitted to install docks, moorings or similar structures or to keep or moor boats on the lakes. In no event shall motor powered boats be permitted, nor shall any boats be permitted to be stored or kept on boat trailers, on any lawn or driveway or on Common Property adjacent to the lakes. Boats may be stored in garages, provided they are not visible to outside view.

9.1.5 Temporary Structures. No temporary buildings, structures or tents, either with or without living, sleeping or eating accommodations, shall be placed, located, kept or maintained within the Property.

9.1.6 Insurance. No owners or occupants of a Lot shall permit or suffer anything to be done or kept within his or their Lot or to make any use of the Common Property, which will increase the rate of insurance on any portion of the Property.

9.1.7 Nuisances. No use or practice which is, in the sole opinion of the Board of Directors of the Association, either an annoyance to the Owners or an interference with the peaceful possession and proper use of the Property by Owners, shall be allowed. No Owner and no occupants of a Lot shall commit or permit any nuisance or illegal activity in or about the Property.

9.1.8 Outside Displays. No Owner and no occupants of a Lot shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of his or their Lot, including reflective film, nor place any furniture or equipment outside the Improvements on his Lot except with the prior written consent of the Association.

- 9.1.9 Antennae. No radio, television or other electronic antennae, aerial or satellite receiving dish, or other reception or transmission device may be erected or maintained anywhere on the Common Property (unless installed by the Association) or the exterior of any Lot or Unit without the prior written approval of the Association.
- 9.1.10 Motor Vehicles. No vans, campers, recreational vehicles, commercial vehicles (other than in connection with pick ups and deliveries) or inoperative vehicles shall be stored or parked within the Property, or on any Lot. For purposes of this subsection, any vehicle weighing in excess of one-half ( $\frac{1}{2}$ ) ton payload capacity shall be conclusively presumed to be a commercial vehicle. Determinations as to acceptable motor vehicles shall be made in the sole discretion of the Board of Directors of the Association.
- 9.1.11 Exterior Alterations. No structural changes, exterior color changes, alterations or additions shall be made or added to any Unit or Lot without the prior written approval of the A.R.B..
- 9.1.12 Trash Containers. All trash containers and contents thereof shall be stored in an area not visible from the streets or adjoining Lots. For purposes of periodic trash removal, however, an Owner, after 6 p.m. of the day prior to pick-up, may place the covered trash containers at locations convenient for pick-up.
- 9.1.13 Awnings. No awnings, canopies or shutters, including hurricane or storm shutters, shall be attached or affixed to the exterior of any building unless such awnings, canopies or shutters have been approved in writing by the A.R.B..

- 9.1.14 Parking. The overnight parking of automobiles and other motor vehicles shall be limited to the driveways and garages of Lots and other paved surfaces designated by the Association.
- 9.1.15 Clothes and Drying Facilities. No outside clothesline or other clothes drying facility shall be permitted, unless obscured from public view.
- 9.1.16 Signs. No sign of any kind shall be displayed to the public view on any portion of the Property, including without limitation, any sign advertising the property for sale or for rent, except such signs as are placed by the Association. No sign of any kind shall be permitted to be placed inside a Unit or on the outside walls of the Unit or on any fences on the Property, nor on the Common Property, nor on dedicated or reserved areas, nor on entryways or any vehicles within the Property, except such as are placed by the Association.
- 9.1.17 Landscaping. No Owner shall place any landscaping on his Lot outside his Unit or on the Common Property without the express prior written consent of the Association. In the event an Owner shall obtain such consent, the landscaping shall be maintained by the Owner, at his own cost and expense.
- 9.1.18 No Excavation, Mining or Drilling. Excavation, mining or drilling on the Property shall not be permitted.
- 9.1.19 Waterford at Aberdeen Pool and Cabana. Use of the Waterford at Aberdeen Pool and Cabana shall be totally at the risk of those individuals using said pool and cabana and not at the risk of the Association. The Association shall not be liable for the



negligence of any party in connection with the use of Common Property, the Waterford at Aberdeen Pool and Cabana, or any other portion of the Property.

9.2 Additional Rules and Regulations. The Board of Directors of the Association may establish such additional rules and regulations as may be deemed for the best interests of the Association and its Members for purposes of enforcing the provisions of this Declaration.

9.3 Appeals and Variances. As to those restrictions contained in this Article 9 that are to be enforced by the A.R.B., the procedures for appeals and variances shall be as established by the A.R.B.. As to those restrictions contained in this Article 9 that are to be enforced by the Association, the procedures for appeals and variances shall be established by the Board of Directors of the Association pursuant to Section 6.7 hereof.

9.4 Enforcement. Failure of an Owner to comply with a provision in this Declaration or a provision in the By-Laws, Articles of Incorporation, rules and regulations or Traffic regulations of the Association shall provide the Association with the right to bring legal action in law or in equity, including but not limited to an action for injunctive relief, damages, or a combination thereof, the right to impose a special Assessment for non-compliance, as provided by the architectural restrictions in the Declaration and the Master Declaration, the right to foreclose its lien, as provided herein and in the Master Declaration. All costs and expenses incurred by the Association in any such proceeding, inclusive of attorneys' fees and costs (whether or not litigation is instituted) including such costs and attorneys' fees on appeal, shall be the responsibility of the Owner determined by the Association to be in violation. Collection of such attorneys' fees may be enforced by any method in this Declaration providing for the collection of an Assessment, including but not limited to a foreclosure proceeding.

ARTICLE 10PARTY WALLS

10.1 Party Walls. The common walls separating the Units shall be party walls for the perpetual benefit of, and use by the Owners of the Units, including their permitted heirs, successors, assigns, and grantees.

10.2 Maintenance. In the event of damage or destruction of the party wall from any cause other than the negligence or willful misconduct of an Owner or the occupants of a Lot, to the extent not covered by the insurance, the Owners sharing the party wall shall share equally in the cost of repairing or rebuilding the party wall, and each shall have the right to full use as specified herein of the wall as repaired or rebuilt. In the event it shall become necessary or desirable to perform maintenance on the whole or any part of the party wall, the expense shall be shared equally by the Owners of the adjoining Units. Whenever a wall shall be rebuilt it shall be erected in the same manner and at the same location where initially constructed and shall be of the same size and of the same or similar materials and of like quality; provided however, that if any maintenance, repair or construction is necessitated solely by the negligence or willful misconduct of an Owner, or the occupants of a Lot, any expense incident thereto shall be borne solely by such Owner and occupants of such Lot. If an Owner shall refuse to pay his share of the cost of repair (or all of the costs, in the case of negligence or willful misconduct), the other Owners sharing the party wall may perform the maintenance, repair or construction and, in such event, shall be entitled to a lien on the Lot of the Owner who has failed to pay. If an Owner shall have given a mortgage upon his Lot, then the Mortgagee shall have the full right, at its option, to exercise the rights of its mortgagor as an Owner hereunder and, in addition, the

right to add to the outstanding balance of such mortgage any amounts paid by the Mortgagee for repair hereunder and not reimbursed to the Mortgagee by the Owner.

10.3 Use of Party Wall. Each Owner sharing a party wall shall have the right to the full use of the party wall for whatever purpose or purposes he chooses, subject to the limitation that the use shall not infringe upon the rights of any other Owner sharing the party wall, or in any manner impair the value or structural integrity of the wall, or in any manner violate the rules and regulations of the Association or the provisions of this Declaration. If an Owner shall cease to use a party wall as such, he shall be deemed to have abandoned all rights thereto, and such wall shall become the property of the adjacent Owner, who shall have an easement upon the land underlying such wall so long as the wall shall be used by such adjacent Owner or his permitted heirs, successors, assigns and grantees. Any Owner removing Improvements from a party wall or making use of the party wall shall do so in such manner as to preserve all rights of the adjacent Owner in the wall, and shall save the adjacent Owner harmless from all damage caused thereby to Improvements then existing. In the event repairs or reconstruction shall be necessary, entries in the adjacent Unit shall not be deemed a trespass, so long as the repairs and reconstruction shall be done in a workmanlike manner, and consent is hereby given to enter in the adjacent Unit to effect necessary repairs and reconstruction.

10.4 Restrictions on Alterations. No Owner shall have the right to cut windows or other openings in the party wall, nor make any alterations, additions, or structural changes thereto.

## ARTICLE 11

### INSURANCE

Insurance, other than title insurance, that shall be carried on the Common Property shall be governed by the following provisions:

11.1 Authority to Purchase; Named Insured. All insurance policies upon the Common Property shall be purchased by the Association and shall be placed in a single agency or company, if possible. The named insured shall be the Association for itself, and as agent for the Members without naming them, and as agent for the Mortgagees. Provisions shall be made for the issuance of Mortgagee endorsements and memoranda of insurance to any such Mortgagees. The policies shall provide that payment by the insurer for losses shall be made to the Association for the benefit of the Members and Mortgagees, as their interests may appear. The Owners shall purchase insurance on their individual Lots, which Lots shall be insured at their maximum insurable replacement cost; provided, however, all other variables of insurance coverage on the respective Lots may be as each Owner deems appropriate.

11.2 Coverage.

11.2.1 Casualty Insurance. All insurable Improvements on the Common Property shall be insured for fire and extended coverage perils, excluding foundation and excavation costs, at their maximum insurable replacement cost, and all personal property owned by the Association shall be insured for its full insurable value, all as determined annually by the Board of Directors of the Association. If available, the Association shall also obtain an Agreed Value Amount and Inflation Guard Endorsement providing coverage in the minimum amount of \$50,000 for each incident and Construction Cost Endorsements, such as Demolition Cost Endorsements, Contingent Liability From Operation of Building Laws Endorsements, and Increased Cost of Construction Endorsements. The casualty insurance policy must provide for at least

ten (10) days written notice to the Association before the insurer can cancel or substantially modify the policy.

11.2.2 Public Liability Insurance. The Association shall obtain public liability and property damage insurance covering all of the Common Property, and insuring the Association, the Members and Mortgagees as their interests may appear in such amounts and providing such coverage as the Board of Directors of the Association may determine from time to time; including without limitation, coverage for bodily injury and property damage resulting from operation, maintenance or use of the Common Property and any legal liability arising in connection with employment contracts to which the Association is a party provided that the minimum amount of coverage shall be \$500,000 each person, and \$1,000,000 each incident. The liability insurance shall include, but not be limited to, hired and non-owned automobile coverage. The liability policy must provide for at least ten (10) days written notice to the Association before the insurer can cancel or substantially modify the policy.

11.2.3 Workmen's Compensation Insurance. The Association shall obtain Workmen's Compensation Insurance in order to meet the requirements of law, as necessary.

11.2.4 Flood Insurance. The Association shall obtain flood insurance if required to meet the requirements of federal, state or local law.

11.2.5 Other Insurance. The Board of Directors of the Association shall obtain such other insurance as it shall determine from time to time to be desirable.

11.2.6 Subrogation Waiver. If available, the Association shall obtain policies which provide

that the insurer waives its right to subrogation as to any claim against Members, the Association, and their respective servants, agents and guests.

11.3 Premiums. The cost of insurance premiums and other incidental expanses incurred by the Association in administering and carrying out any of the provisions of this Article shall be a Common Expense.

11.4 Shares of Proceeds. The Association shall not be liable for the sufficiency of policies nor the failure to collect any insurance proceeds. The duty of the Association shall be to receive such proceeds as are paid and to hold the proceeds in trust for the purposes elsewhere stated herein for the benefit of Members and Mortgagees in the following shares, which shares need not be set forth on the records of the Association:

11.4.1 Common Property. Proceeds on account of damage to Common Property shall be an equal undivided share for each Member.

11.4.2 Mortgagees. In the event a mortgagee endorsement has been issued regarding an Improvement, the share of the Owner shall be held in trust for the Mortgagee and the Owner as their interests may appear; provided, however, that no Mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged Improvement shall be reconstructed or repaired, nor any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of such proceeds made to the Owner and Mortgagee pursuant to the provisions of this Declaration.

11.5 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the Members in the following manner:

11.5.1 Reconstruction or Repair. If the damage for which proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such as hereinafter provided. Any proceed which remain after defraying such costs shall be distributed to the Members and Mortgagees as their interest may appear.

11.5.2 Failure to Reconstruct or Repair. If it is determined in the manner hereinafter provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the Members and Mortgagees as their interests may appear. There shall be no distribution of remaining proceeds until all debris, remains and residue have been cleared and removed, and the damaged area has been properly landscaped. In the event of loss or damage to personal or real property belonging to the Association, and should the Board of Directors of the Association determine not to replace such personal or real property as may be lost or damaged, the proceeds shall be distributed to the Members and Mortgagees as their interests may appear.

11.6 Association's Power to Compromise Claims. The Board of Directors of the Association is hereby irrevocably appointed agent for each Member and for each Mortgagee or other lien holder, for the purpose of compromising and settling all claims arising under insurance policies purchased by the Association, and to execute and deliver releases therefor upon payment of claims.

## ARTICLE 12

### RECONSTRUCTION OR REPAIR AFTER CASUALTY

12.1 Determination to Reconstruct or Repair. If any part of the Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

12.1.1 Common Property. If the damaged Improvement is part of the Common Property, the damaged Improvement shall be reconstructed or repaired unless it is determined by the Members of the Association that it shall not be reconstructed or repaired.

12.1.2 Lot. If the damaged property is Improvements on Lots, the damaged Improvements shall be reconstructed or repaired unless all affected Owners and Mortgagees, the Association and the A.R.B. agree that the damaged Improvements shall not be reconstructed or repaired.

12.2 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original Improvements; or, if none, then according to plans and specifications approved by the Board of Directors of the Association.

12.3 Estimates of Costs. Immediately after a determination is made to rebuild, replace or repair damage to property for which the Association has the responsibility of reconstruction, replacement or repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild, replace or repair. Such costs may include professional fees and premiums for such bonds as the Board of Directors may require.

12.4 Special Assessments. Unless the damage was caused by the gross negligence or willful act of a Member, in which case such Member shall be liable, the amount by which an award of insurance proceeds is reduced on account of a deductible clause in an insurance policy shall be assessed equally against all Members as a special Assessment. If the proceeds of such special



Assessment and of the insurance are not sufficient to defray the estimated costs of reconstruction, replacement and repair by the Association, or if at any time during reconstruction, replacement and repair, or upon completion of reconstruction, replacement or repair, the funds for the payment of the costs of reconstruction, replacement or repair are insufficient, special Assessments shall be made against the Members in sufficient amounts to provide funds for the payment of such costs.

12.5 Construction Funds. The funds for the payment of costs of reconstruction, replacement and repair after casualty, which shall consist of proceeds of insurance held by the Association and funds collected by the Association from special Assessments against Members, shall be distributed in payment of such costs in the following manner:

12.5.1 Association. The proceeds of insurance collected on account of a casualty, and the total special Assessments made by the Association in order to provide funds for payment of reconstruction, replacement and repair, shall constitute a construction fund which shall be held by the Association and thereafter disbursed in payment of the costs of reconstruction, replacement and repair in the following manner and order:

12.5.2 Association - Lesser Damage. If the amount of the estimated costs of reconstruction, replacement and repair that is the responsibility of the Association is less than Twenty-Five Thousand Dollars (\$25,000.00), the construction fund shall be disbursed in payment of such costs upon the order of the Association.

12.5.3 Association - Major Damage. If the amount of the estimated costs of reconstruction, replacement and repair that is the responsibility of the Association is Twenty-Five Thousand Dollars (\$25,000.00) or more, then the construction funds held by the Association shall be disbursed in payment of such costs in the manner required by the

Board of Directors of the Association, and upon approval by an architect or general contractor qualified to practice in Florida and employed by the Association to supervise the work.

12.5.4 Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction, replacement and repair shall be from insurance proceeds. If there is a balance in the construction fund after payment of all costs of reconstruction, replacement and repair for which the fund is established, such balance shall be distributed equally to the Members.

12.6 Equitable Relief. In the event of major damage to or destruction of part of the Common Property or Improvements to Lots, and in the event the property is not repaired, reconstructed, replaced or rebuilt within a reasonable period of time, any Member shall have the right to petition a court of equity having jurisdiction in the County, for equitable relief.

### ARTICLE 13

#### SALE, RENTAL OR OTHER ALIENATION OF LOTS

In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the Property, the transfer of a Lot by any Owner and any Mortgagee who acquires title to a Lot through foreclosure or any proceeding or deed in lieu of foreclosure shall be subject to the following provisions, which provisions each Owner covenants to observe:

13.1 Transfers Subject to Approval.

- 13.1.1 Sale or Lease. No Owner may dispose of a Lot or any interest in a Lot by sale or lease without written approval of the Association. Each Lot may be leased only one (1) time during each calendar year, and each lease shall be for a term of not less than three (3) months.
- 13.1.2 Gift. If any Owner shall acquire a title by gift, the continuance of the ownership of the Lot shall be subject to approval of the Association.
- 13.1.3 Devise or Inheritance. If any Owner shall acquire title by devise or inheritance, the continuance of ownership of the Lot shall be subject to approval of the Association.
- 13.1.4 Other Transfers. If any Owner shall acquire title by any manner not mentioned in the foregoing subsections, the continuance of ownership of the Lot shall be subject to the approval of the Association.
- 13.1.5 Corporations, Partnerships and Trusts. Changes of beneficial ownership of a Lot through sale or acquisition of stock in a corporation, change in corporate officers, change in rights in a partnership or trust shall constitute a transfer of the Lot, and occupancy and continuance of ownership of the Lot shall be subject to approval of the Association.
- 13.1.6 Application Form and Fee. All applications for approval of transfer shall be submitted to the Association on the form prescribed by the Association. A processing fee will be charged to the transferor of the Lot. In addition a fee will be charged for connecting and listing the homeowner's telephone number on the telephone board at the gate. Also a fee will be charged for a full set of By-Laws and Documents. These

fees shall accompany the application and these fees may be increased or decreased at the discretion of the Board.

13.2 Approval by the Association. The approval of the Association that is required for the transfer of ownership or lease of Lots shall be obtained in the following manner:

13.2.1 Sale or Lease. An Owner intending to make a bonafide sale or lease of his Lot or any interest in it, shall give to the Association notice in writing of such intention, together with the name and address of the intended purchases or lessee and such other information concerning the intended purchase or lessee as the Association may reasonably require, together with an executed copy of the proposed sales contract or lease.

13.2.2 Gift, Devise, or Inheritance, Other Transfers. An Owner who has obtained title by gift, devise or inheritance, or by any other manner not previously mentioned, shall give the Association notice in writing of the acquisition of title, together with such information concerning the Owner as the Association may reasonably require, and a certified copy of the instrument evidencing such Owner's interest.

13.2.3 Failure to Give Notice. If the above required notice to the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Lot, the Association, at its election and without notice, may approve or disapprove the transaction or ownership. If the Association disapproves the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of such disapproval. The Association may deny the unauthorized Owner, lessee, or occupant of a Lot the use of the Common

Property and may take such other action at law and/or in equity to divest the unauthorized Owner, lessee or occupant of record title and possession of the Lot.

13.3 Certificates of Approval shall be given in the following manner:

13.3.1 Sale or lease. If the proposed transaction is a sale or lease then, within twenty-five (25) days after receipt of the required notice and information, the Association must either approve or disapprove the proposed transaction. If approved, the Board of Directors shall cause a Certificate of Approval to be executed by any officer of the Association.

13.3.2 Gift, Devise or Inheritance, Other Transfers. If the Owner giving notice has acquired title by gift, devise or inheritance, or in any other manner then, within twenty-five (25) days after receipt of the required notice and information, the Association must either approve or disapprove the continuance of the ownership of the Lot. If approved, the Board of Directors shall cause a Certificate of Approval to be executed by any officer of the Association.

13.4 Disapproval by Association. If the Association disapproves a transfer of ownership of a Lot, the matter shall be disposed of in the following manner:

13.4.1 Sale. If the proposed transaction is a sale, then within twenty-five (25) days after receipt of the required notice and information, the Association shall deliver by certified mail to the Owner an agreement to purchase the Lot concerned by a purchaser approved by the Association and to whom the Owner must sell the Lot in accordance with the terms stated in the disapproved contract to sell. A judgment of specific performance of the sale may be entered in any court of competent jurisdiction.

13.4.2 Lease. If the proposed transaction is a lease and if notice of lease given by the Owner shall so demand, then within twenty-five (25) days after receipt of such notice and information, the Association shall deliver by certified mail to the Owner a written statement of the reasons for disapproval of the proposed transaction.

13.4.3 Gifts, Devise or Inheritance; Other Transfers. If the Owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within twenty-five (25) days after receipt from the Owner of the notice and information required to be furnished, the Association shall deliver by certified mail to the Owner an agreement to purchase the Lot concerned by a purchaser approved by the Association and to whom the Owner must convey the Lot upon the following terms:

13.4.3.1 The sale price shall be the fair market value determined by agreement between seller and purchaser within twenty-five (25) days from the delivery of the agreement. In absence of agreement as to price, the price shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination upon the average of their appraisals of the Lot, and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be shared equally by seller and purchaser.

13.4.3.2 The purchase price shall be paid in cash.

13.4.3.3        The sale shall be closed within ten (10) days following the determination of        the sale price.

13.4.4 Constructive Approval. If the Association shall fail to provide a purchaser for a Lot as required hereinabove, or if a purchaser furnished by the Association shall default in his agreement to purchase the Lot, then notwithstanding the Association's disapproval, the proposed transaction or ownership shall be deemed to have been approved, and the Association shall furnish a Certificate of Approval which shall be recorded in the Public Records of Palm Beach County, Florida, at the expense of the Owner.

13.4.5 Mortgage. No Owner may mortgage his Lot or any interest in it without the approval of the Association, except to a Mortgagee. The approval of any other mortgage shall be upon such conditions as shall be determined by the Association, in its sole discretion.

13.5 Transfer Void. Any sale, lease, gift, devise, other transfer or mortgage not authorized pursuant to the terms of this declaration shall be void unless subsequently approved by the Association.

13.6 Exceptions. The foregoing provisions of this Article shall not apply to any sale, lease, gift, devise or other transfer to a Mortgagee who acquires title as the result of owning a mortgage upon the lot concerned, and this shall be so, whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure or any proceeding or deed in lieu of foreclosure; nor shall provisions apply to a transfer, sale, or lease by a Mortgagee that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires title to a Lot at a duly

advertised public sale with open bidding provided by law, such as, but not limited to, execution sale, foreclosure sale, judicial sale, or tax sale.

#### ARTICLE 14

##### INDEMNIFICATION OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS

Every Director and Officer and Committee Member of the Association shall be indemnified by the Association against all expenses and liability, including attorneys' fees, incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director, Officer or Committee Member whether or not he is a Director, Officer or Committee Member at the time such expenses are incurred, except in such cases where the Director, Officer or Committee Member is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director, Officer or Committee Member seeking such reimbursement or indemnification, the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Officer, Director or Committee Member may be entitled.

#### ARTICLE 15

##### CLUB MEMBERSHIP

Subject to the provisions in Article 9 of the Master Declaration, the Club Facilities shall be developed and provided at the discretion of the Club Owner. Rights to use the Club Facilities will be on such terms and conditions as may be promulgated from time to time by the Club Owner. The Club Owner shall have the right, from time to time, in its sole and absolute discretion and without



notice, to amend or ~~waive~~ the terms and conditions of use of the Club Facilities specifically including, without limitation, the terms of eligibility for use, privileges available to use such facilities, the categories of use and the number of users permitted to use any of the Club Facilities, to reserve use rights for future Owners or non-Owners or to terminate any and all use rights. Ownership of a Lot does not confer any membership or ownership rights in the Club. Owners of Lots shall have the right to apply for membership in the Club on terms and conditions established and existing for the Club at the time the Owner's subscription for a membership or ownership right in the Club is submitted. In the event an Owner is accepted as a member of the Club, he shall be subject to such documents and such rules and regulations of the Club as are established and existing at the time of his acceptance, as the same may be amended from time to time, and shall be required to pay such equity membership fees, dues and other amounts as may be required by the Club from time to time.

## ARTICLE 16

### GENERAL PROVISIONS

16.1 Assignment. All of the rights, powers, obligations, easements and estates reserved by or granted to the Association may be assigned by the Association, as the case may be. After such assignment, the Association, as the case may be, shall be relieved and released of all obligations with respect to such right, power, obligation, easement or estate.

16.2 Amendment. This Declaration may be amended from time to time by recording among the Public Records of the County an instrument executed by the President and attested to by the Secretary of the Association, indicating (if required pursuant to the terms hereof) that a meeting called for purposes of amendment was held, and that the requisite number of Members formally approved the amendment, subject, however, to the following provisions

16.2.1 Except as provided hereinbelow, an amendment initiated by any party must obtain the approval of at least sixty-six percent (66%) of the votes of Members.

16.2.2 In addition to other government approvals which may be required, any amendment to this Declaration which would affect the surface water management system, including the water management portions of the Common Property, must have the prior approval of the South Florida Water Management District.

16.2.3 No portion of any plat of the Property containing open space may be vacated in whole or in part unless the entire plat is vacated; provided, however, that portions of a plat containing open space may be vacated if the effect of such vacation would not reduce the total open space within the Property below the requirements of Section 500.21 of the County Zoning code.

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

16.3 Duration. All of the covenants, restrictions and other provisions of this Declaration shall run with and bind the Property for a term of fifty (50) years from the date of recordation of this Declaration after which time they shall be automatically extended for successive periods of ten (10) years each, unless an instrument executed by at least sixty-six percent (66%) of the votes of the Members then existing and by all Mortgagees, have been recorded agreeing to change or terminate these covenants and restrictions.

16.4 Covenants Running with the Property. The agreements, covenants, conditions, restrictions, Assessments, liens and other provisions contained herein shall constitute a servitude upon the Property and each portion thereof, shall run with the Property, shall be binding upon the Owners of any portion thereof, and shall insure to the benefit of the Association and the Owners of Lots within the Property.

16.5 Enforcement. Enforcement of the covenants, restrictions, conditions, obligations, reservations, rights, powers, Assessments, liens and other provisions contained herein shall be by a proceeding at law or in equity against any persons or entities violating or attempting to violate same and against the Property subject hereto to enforce any lien created by this Declaration. In the event that the Association fails to enforce the terms of this Declaration then any Member may do so. The failure or refusal of the Association or any Member to enforce any of the provisions of this Declaration shall in no event be deemed to constitute a waiver of the rights to do so thereafter.

16.6 Notices. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly given when mailed, postage paid, to the last known address of the person who appears as an Owner on the records of the Association as of the time of such mailing. Notices to Mortgagees shall be deemed to have been properly given when mailed, postage prepaid, to the last known address of the Mortgagee on the records of the Association at the time of such mailing. Each Owner shall notify the Association of all mortgages encumbering a Lot and any transfer thereof, the amount of such mortgages, and the recording information for mortgages. The holder of a mortgage encumbering a Lot may notify the Association of the existence of such mortgage, and upon receipt of that notice, the Association shall register in its records all pertinent information pertaining to the mortgage. The Association shall not be liable

to any party for failure to obtain from any Owner information regarding a mortgage encumbering a Lot or for failure to provide any party with notice of such information.

16.7 Notice to Mortgagees. Upon written request to the Association, identifying the name and address of the Mortgagee, insurer or guarantor and the Lot number or address, any Mortgagee, insurer or guarantor shall be entitled to receive timely written notice of the following:

16.7.1 Any condemnation or casualty loss that affects either a material portion of the Property or the Lot securing its mortgage;

16.7.2 Any sixty (60)-day delinquency in the payment of Assessments or charges owed by the Owner of any Lot on which the Mortgagee holds a mortgage;

16.7.3 A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

16.7.4 Any proposed action that requires the consent of a specified percentage of Mortgagees.

16.8 Rights of Owners and Mortgagees. Current copies of the Declaration, Articles of Incorporation, By-Laws, rules and other books, records, legal documents and financial statements of the Association shall be open to inspection, upon request, by Owners and all Mortgagees, insurers and guarantors of any first mortgage on a Lot, and their authorized representatives during normal business hours or under other reasonable circumstances.

16.9 Additional Restrictions. In addition to this Declaration, the Property shall be subject to the additional covenants, restrictions, reservations, Assessments, liens and other terms and provisions set forth in the Master Declaration and the articles of incorporation and by-laws of the Master Association and the rules and regulations adopted by the Master Association, as the same

may be amended from time to time.

16.10 Gender and Number. The use of the singular herein shall include the plural, and the use of any gender shall include all genders.

16.11 Severability. Invalidity of any one of the covenants or restrictions contained herein by judgment or court order shall in no way affect any other provisions hereof, which shall remain in full force and effect.

16.12 Effective Date. This Declaration shall become effective upon its recordation in the Public Records of the County.

IN WITNESS WHEREOF, Association has caused this Declaration to be executed the day and year first above written.

Signed, sealed and delivered  
in the presence of:

M. Milda Danzig

WATERFORD HOMEOWNERS  
ASSOCIATION

By: Daniel Isenberg  
Its: PRESIDENT  
Its: SECRETARY

John Black

(Corporate Seal)

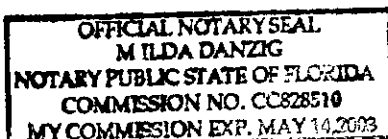
STATE OF FLORIDA

COUNTY OF PALM BEACH

)  
) ss. Baynton Black  
)

The foregoing instrument was acknowledged before me this 4TH day of JANUARY,  
2002, by DANIEL ISSENBERG, the \_\_\_\_\_ President of Waterford at Aberdeen  
Association, Inc., a Florida corporation not for profit, for and on behalf of the corporation.

My Commission Expires:



M. Milda Danzig  
NOTARY PUBLIC

EXHIBIT A

WATERFORD AT ABERDEEN

LEGAL DESCRIPTION

All of the Plat of ABERDEEN - Plat No. 12, according to the Plat thereof on file in the Office of the Clerk of the Circuit Court, in and for Palm Beach County, Florida, as recorded in Plat Book 60, at Pages 41 through 43 inclusive.

N:\USERS\RAC\LSM\WATERFOR.DEC