Dear Homeowner:

We are pleased to provide you with this booklet containing the documents relating to Kendall Lakes. We hope that this introductory letter is helpful to you in explaining the concept of ownership and the purpose of the various documents contained in this booklet.

Kendall Lakes is a residential community located in Pompano Beach, Florida planned to contain single family homes and duplexes ("Residences"), and a private lake, park and other beautification areas (the "Open Areas"). A purchaser ("Homeowner") acquires fee simple title to his Residence together with the right to use the Open Areas. Furthermore, each Homeowner automatically becomes a member of the KENDALL LAKES HOMEOWNERS' ASSOCIATION, INC., a Florida corporation not-for-profit (the "Association") formed for the operation and administration of Kendall Lakes.

The following is a brief summary of the documents contained in this booklet. We urge you to read the documents, as many important provisions cannot be discussed in this brief summary.

DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS

The Declaration of Protective Covenants and Restrictions is the document whereby Daniel Retter, Trustee (the "Developer"), sets forth the Plan for Development for Kendall Lakes and establishes important restrictions, easements and lien rights with respect to the property. The Plan for Development is shown graphically on the Property Plan attached to the Declaration. The Declaration establishes the location of the various Open Areas and the use restrictions for these areas. It also sets forth restrictions concerning the appearance of the Residences to be constructed, establishing certain architectural controls in favor of the Developer and the Association. Easements are created over and upon the Open Areas and Residences to assure access by utility and governmental services and over the Residences but also to assure maintenance of the common elements of the attached Residences ("Common Structural Elements"). Easement rights have also been given to the City of Pompano Beach and the City is assured through covenants in the Declaration, that the shoreline of the lake and any surrounding fence shall be properly maintained. Lien rights in favor of the City and the Association against the individual Residences are established in the Declaration to assure collection of funds for the proper maintenance of the Open Areas and the Common Structural Elements (the "Association Expenses") and the Association is empowered to enforce these rights in the event assessments are not paid. These expenses include real estate taxes for the Open Areas, liability insurance, utility charges, maintenance, repairs and other expenditures.

ARTICLES OF INCORPORATION

The Kendall Lakes Homeowners' Association, Inc. is charged with the responsibility of operating, maintaining, managing and administering Kendall Lakes in accordance with the Declaration of Protective Covenants and Restrictions and other Kendall Lakes documents. The Association shall maintain the Open Areas in accordance with the provisions of the Declaration which calls for the conveyance of this property by the Developer to the Association upon the "Turnover Date". Accordingly, the Articles of Incorporation set forth the powers and purposes of the Association as well as the membership rights of the Homeowners. As with most corporations, the Association shall operate through its officers and directors who initially will be appointed by the Developer. The Articles provide for the manner of "turning over"

KENDALL LAKES

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control of the Board of Directors to the purchasers which shall occur no later than December 31, 1988.

BY-LAWS

The By-Laws of the Kendall Lakes Homeowners' Association, Inc. detail the day-to-day working features of Kendall Lakes and the Association. For example, the By-Laws describe how and when members' meetings are held and the powers and duties of the members and Board of Directors. The By-Laws also detail the duties of the officers and certain provisions for the accounting records and fiscal management of the Association.

PROPOSED INITIAL ASSOCIATION EXPENSE BUDGET

The amounts required for Association Expenses will be fixed and assessed from time to time by the Board of Directors of the Association. Each Residence is to pay the same amount.

The Board of Directors shall adopt a budget for each year. The Developer has prepared the initial operating budget, a copy of which is included in this booklet. However, because actual expenditures may differ from estimated expenditures, and because expenses during any fiscal period will be effected by the extent of the development actually completed, the proposed initial operating budget is not intended nor should it be considered as a representation, guarantee or warranty of any kind whatsoever, including, without limitation, that the actual expenses for any period of operation may not vary from the amounts estimated or that the Association will not incur additional expenses or other sums not reflected in the projected operating budget. The Developer has extended a "guarantee" as to the Association Expenses in the Declaration and your Agreement for Purchase and Sale so that you are assured that regular assessments for Association Expenses will not exceed the stated amount during the guarantee period.

NOTICE AND RECEIPT

Your Deposit Receipt Contract for Sale and Purchase sets forth the Notice to Homebuyer concerning the escrowing of deposit monies as required under the local Escrow Law. A copy of the Receipt and Acknowledgement is included in the document booklet which we ask that you sign to acknowledge that you have received a copy of this booklet.

Please read through the documents carefully. We hope you will agree that they will be an aide in assuring that Kendall Lakes will be a homogeneous and successful community.

Very truly yours,

KENDALL LAKES DEVELOPMENT, INC.

DECLARATION OF PROTECTIVE COVENANTS

AND RESTRICTIONS

made this 19th day of Occurber, 1983 by KENDALL LAKES DEVELOPMENT, INC., a Florida corporation.

WITNESSETH:

WHEREAS, Kendall Lakes Development, Inc. (hereinafter referred to as "Developer") is the owner of fee simple title to "Kendall Lake Addition", according to the plat thereof, recorded in Plat Book 117, Page 15 of the Public Records of Broward County, Florida (hereinafter referred to as the "Property"); and

WHEREAS, Developer intends to develop the Property as a planned residential community known as "Kendall Lakes" (hereinafter referred to as "Kendall Lakes"); and

WHEREAS, in order to preserve the values and amenities of Kendall Lakes the Developer desires to subject the Property to certain covenants, restrictions, easements, reservations, regulations, burdens and liens and has created a corporation not-for-profit known as Kendall Lakes Homeowners' Association, Inc. (hereinafter referred to as the "Association") to administer Kendall Lakes and to own certain portions thereof in the manner and to the extent hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the Developer hereby declares that the Property shall be owned, held, used, transferred, sold, conveyed and occupied subject to the provisions as are hereinafter set forth.

ARTICLE I

DEFINITIONS

The following terms when used in this instrument shall have the meanings herein set forth:

A. "Developer" means Kendall Lakes Development, Inc., its successors or assigns. Developer may assign all or a portion of

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its rights or obligations hereunder by a written instrument setting forth the rights or obligations as so assigned to other parties or entities and, to the extent of such rights or obligations specifically so conveyed or assigned, such party or entity shall also be a developer hereunder if so stated in such written instrument.

- B. "Kendall Lakes" means the planned residential community being developed by Developer upon the Property, as shown on the plat thereof described above.
- C. "Property" means the real property comprising the "Kendall Lake Addition", together with all improvements now or hereafter located thereon.
- D. "Declaration" means this Declaration of Protective Covenants and Restrictions and any "Supplements" and amendments hereto recorded amongst the Public Records of Broward County, Florida.
- E. "Open Areas" means those portions of the Property described in Article III, paragraph A.1 herein, and further described on the site plan for Kendall Lakes attached hereto as Exhibit "A" and made a part hereof (hereafter referred to as the "Property Plan").
- F. "Residential Area" means those portions of the Property committed to this Declaration for residential use as described in Article III, paragraph A.2 of this Declaration.
- G. "Lot" means any numbered parcel of land as shown on the Property Plan.
- H. "Residence" means a residential dwelling unit now or hereafter located upon a Lot. A Residence may be free standing or be contained in a building (the "Cluster Building") constructed with two (2) or more residential units attached and connected by a common roof line and floor slab and other common structural features ("Common Structural Elements"). The issuance of a Certificate of Occupancy for a residential structure upon a Lot shall determine the point in time when that Residence shall exist. There may be more than one Residence on a Lot.

- I. "Homeowner" means the owner or owners of fee simple title to a Residence.
- J. "Association" means Kendall Lakes Homeowners' Association, Inc., a Florida corporation not-for-profit, formed by Developer to operate, maintain and administer Kendall Lakes in accordance with the "Kendall Lakes Documents", as that term is defined below.
- K. "Association Expenses" means the expenses of the Association in operating, maintaining and administering Kendall Lakes.
- "Institutional Mortgagee" means any lending institution or real estate investment trust having a first mortgage lien upon a Residence and includes any insurance company or union pension fund authorized to do business in the State of Florida, any agency of the United States Government, any federal or state savings or building and loan association, any bank doing business in the State of Florida and approved by the office of the Comptroller, Division of Banking of the State of Florida, any mortgage banking company licensed in the State of Florida, any holder or any mortgage insured by any agency of the United States Government, such as Federal National Mortgage Association, Federal Housing Authority or Veterans' Administration, the Federal "Secondary Market Institution" which includes National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and such other secondary mortgage market institution(s) as Developer shall hereafter approve in writing.
 - M. "Articles" and "By-Laws" mean the Articles of Incorporation and By-Laws, respectively, of the Association, copies of which are attached hereto as Exhibits "B" and "C", respectively, and any amendments thereto.
 - N. "Kendall Lakes Documents" means this Declaration, the Articles and the By-Laws.
 - O. "Board" means Board of Directors of the Association.
 - P. "City" means the City of Pompano Beach.

Q. "Plat" means the plat of "Kendall Lake Addition" recorded in Plat Book 117, Page 15, of the Public Records of Broward County, Florida.

ARTICLE II

PLAN FOR DEVELOPMENT

A. Site Development Plan

residential community in accordance with applicable zoning laws and ordinances. The Property Plan attached hereto as Exhibit "A" graphically depicts the plan for development. Should the Developer determine at any time that all or any portion of Kendall Lakes shall not be committed to this Declaration, the Developer shall record a Supplement to this Declaration amongst the Public Records of Broward County, Florida to such affect, whereupon the property described therein shall no longer be part of Kendall Lakes and may be developed and/or used by Developer for any purposes consistent with applicable zoning laws and regulations now or hereafter in effect.

B. Covenants and Restrictions

The Developer desires that Kendall Lakes be a homogenous and attractive residential community and accordingly has set forth in this Declaration various covenants and restrictions to govern Kendall Lakes and assessment powers to assure proper maintenance. The Developer intends to construct single family residences and buildings containing more than one Residence ("Cluster Buildings") with "Common Structural Elements". Developer has set forth special assessment powers to assure that Homeowners within a Cluster Building shall make and pay for the maintenance, repair and replacement of the Common Structural Elements so as not to endanger the neighboring Residences. Developer has also set aside the Open Areas for the non-exclusive use and enjoyment of the Homeowners. Ultimately, subject to the dedications to the public as contained in the Plat, title to the Open Areas shall be conveyed to the Association to the extent and in the manner hereinafter set forth and the Association shall

assess Association Expenses and have lien rights against the Residences to assure the proper maintenance of the Open Areas. The Association shall also exercise architectural control over Kendall Lakes, all as hereinafter set forth in detail. Nothing herein shall preclude the City from entering and performing maintenance services upon the Open Areas in the event the City deems such maintenance necessary, in the City's sole discretion, to maintain the Open Areas in accordance with this Declaration.

C. Appurtenant Rights

There shall automatically pass with title to each Residence, as an appurtenance thereto, the rights of use and easements in and to the Open Areas and the rights, duties and obligations as a member of the Association as are hereinafter set forth.

ARTICLE III

COVENANTS, RESTRICTIONS AND EASEMENTS

In consideration for the keeping of the covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter contained and in order to maintain the high standard of appearance and property values, Developer hereby declares and agrees that the Property shall be used, transferred, demised, sold, conveyed and occupied subject to and in accordance with the terms of this Declaration, including covenants, restrictions and easements now about to be set forth:

A. Land Use Classifications

- designated on the Property Plan and in the Plat, as Parcels "A" through "E", inclusive, the "Perimeter Wall" (as hereinafter described) and all improvements now or hereafter located thereon shall constitute the Open Areas and shall be used and conveyed solely in accordance with the covenants for such areas now about to be set forth:
- (a) Parcel "A", designated as a Planting Screen and Utility Easement on the Property Plan and Plat, and all improvements now or hereafter located thereon, shall be kept and

maintained for beautification and for a utility easement, in accordance with the Plat.

- (b) Parcel "B", being the western shoreline of the "Lake" (as hereinafter described) and all improvements now or hereafter located thereon, shall be kept and maintained for beautification.
- (c) Parcel "C", designated as a Drainage and Utility Easement on the Property Plan and Plat, and all improvements now or hereafter located thereon, shall be kept and maintained for a drainage and utility easement, in accordance with the Plat.
- (d) Parcel "D", designated as a Park on the Property Plan and Plat, together with all improvements now or hereafter located thereon, shall be kept and maintained for recreational, aesthetic, beautification and related uses.
- Property Plan and Plat, and such portions thereof and improvements now or hereafter located thereon and any adjacent shoreline shall be maintained as a body of water for recreational, aesthetic, beautification, drainage and related uses in an ecologically sound condition. A fence shall be constructed and maintained around the perimeter of the Lake in order to discourage pedestrian traffic to the Lake from the adjacent roadway.
- referred to as the "Perimeter Wall"), and all improvements now or hereafter located thereon, shall be kept and maintained for beautification, security, and related uses in a structurally sound condition consistent with the easements described as Parcels "A" and "C" on the Plat. Developer (and after Turnover the Association) shall at the request of the City or may as Developer (and after Turnover the Association) shall determine in its sole discretion, remove all or any portion of the Perimeter Wall.
- (g) Except to the extent provided in the Plat, the Open Areas are not for the use and enjoyment of the public

but are expressly reserved for the non-exclusive private use and enjoyment of the Developer, the Association, Homeowners, their family members, guests, invitees, lessees and Institutional Mortgagees in accordance with this Declaration.

- (h) The Developer reserves the right at any time and from time to time prior to the "Turnover Date", as hereinafter described, to designate additional areas as Open Areas and establish additional rights of use for the Open Areas as it, in its sole discretion, shall determine.
- 2. Residential Area: The portions of Kendall Lakes designated on the Plat as Lots 1 through 10, inclusive, in Block 1, Lots 1 through 23, inclusive, in Block 2, Lots 1 and 2 in Block 3, Lots 1 through 63, inclusive, in Block 4, Lots 1 through 14, inclusive, in Block 5, Lots 1 through 8, inclusive, in Block 6 and Lots 1 through 9, inclusive, in Block 7 of Kendall Lake Addition, are reserved for residential use in accordance with all applicable zoning laws and ordinances.

B. Land Use Covenants

In order to preserve the values and amenities of Kendall Lakes, the following provisions shall be applicable to Kendall Lakes:

- 1. Appearance of Lots: All portions of Lots not occupied by a Residence, driveway or sidewalk shall be fully sodded with grass or other suitable ground cover. No plantings or other improvements shall be permitted which interfere with any easement rights set forth herein or in the Plat and no fences shall be constructed without prior approval of the Association.
- 2. <u>Nuisance</u>: No Homeowner shall cause or permit to come from his Residence any unreasonable noises or obnoxious odors or commit or permit to be carried on in his Residence or elsewhere in the Open Areas any nuisance or any immoral or illegal activities.
- any Lot and no clothes drying shall be undertaken or permitted on a Lot; provided, however, that portable, collapsible,

retractable, umbrella type or other portable clothesline equipment may be placed in the rear of a Lot provided such equipment is removed when not in use. Nothing herein shall restrict clothes drying within a Residence.

- with the express prior written consent of the Board, which consent may be given or withheld in the sole discretion of the Board, no trucks, commercial vehicles, vans, boats, house-trailers, boat trailers or trailers of any other description, or recreational vehicles as defined by Broward County ordinances or regulations in effect from time to time, shall be permitted to be parked or to be stored on the Property overnight except in an enclosed garage. This prohibition shall not apply to temporary parking of commercial vehicles such as for pick-up and delivery and other temporary commercial services.
- 5. Garage Doors: All Residences shall have garage doors and they shall be kept closed when not in use.
- personal property shall be hung or shaken from the doors or windows of any Residence. No Homeowner shall sweep or throw any dirt or other material from his Residence or from the Lot on which his Residence is constructed. No garbage, trash, refuse or rubbish shall be deposited, dumped or kept on any part of the Property unless shielded or screened from neighboring property, excepting garbage that is placed at the front of a Residence for pick-up, which garbage shall not be left outside for a period in excess of twenty-four (24) hours or in accordance with applicable ordinances, whichever shall be more restrictive.
- 7. Signs: No sign, advertisement, notice, lettering or descriptive design shall be posted, displayed, inscribed or affixed to the exterior of a Residence or elsewhere upon a Lot excepting one (1) sign of not more than one (1) square foot stating the name of the Homeowner. No "For Sale" or similar signs or notices of any kind shall be displayed or placed upon any part of a Residence or Lot by Homeowners other than Developer

without the prior written approval for same from the Association; provided, however, that no sign approved for display shall be larger than four (4) square feet.

- 8. Drainage and Care for Lot: Each Homeowner shall be responsible for and shall maintain his Residence and Lot or portion thereof, including the driveway and landscaping, in good condition and repair and in a neat and attractive manner. No sod, topsoil, trees or shrubbery shall be removed from the Lots, no change in the condition of the soil or the level of the Lots or Open Areas shall be made which results in any permanent change detrimental to the flow and drainage of surface water.
- 9. Antennas: No exposed radio or television antennas shall be permitted on a Lot without the prior written consent of the Association.
- 10. <u>Increase in Insurance Rates</u>: No Homeowner may take any action which will result in an increase in the rate of insurance paid for by any other Homeowners including insurance covering the Open Areas.
- thereof is damaged or destroyed by casualty or otherwise, the Homeowner thereof shall promptly clear all debris resulting therefrom and commence either to rebuild or repair the damaged improvements in accordance with the terms and provisions of this Declaration or to grass over and landscape the land previously underlying the improvements in a sightly manner.
- struction on account of casualty or other damage to any Residence or any part or parts thereof shall be substantially in accordance with the plans and specifications for such Residence as originally constructed or in accordance with new plans and specifications approved in advance by the Developer, (or by the Association if after the Turnover Date), in writing.
- 13. <u>Drilling and Mining Operations</u>: No drilling, mining or quarrying for oil, gas or otherwise shall be undertaken on the Property and no oil wells, tanks, tunnels, mineral

excavations, derricks or other structures designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the Property. Nothing herein shall preclude Developer (and after Turnover, the Association) or the City from dredging or creating and maintaining drainage, irrigation or other facilities or easements consistent with the plan for development of the Property.

- livestock, poultry or barnyard fowl of any kind shall be raised, bred or kept on the Property. Dogs, cats, and tropical fish, caged birds and hampsters may be kept, provided that they are not kept, bred or maintained for any commercial purpose, and provided further that they are kept so as not to be an annoyance or nuisance to the other Homeowners.
- 15. <u>Setback Restrictions</u>: No Residence or any part thereof may project beyond setback lines, as determined by applicable zoning regulations.
- be subdivided further than as provided in this Declaration and no Homeowner shall have the right to make application or petition any Court for partition of his interests or the interest of any other Homeowner or Homeowners. Nothing herein shall serve to prohibit Developer from making application or petitioning to construct more than one Residence on a Lot or to otherwise develop the Property in accordance with this Declaration.
- of all Residences shall not be changed unless approved by the Association (and by the Developer prior to the Turnover Date), in advance in writing.
- 18. <u>Elevation</u>: No changes shall be made to the height of a Residence after it is completed by Developer, nor shall any Residence exceed thirty (30) feet in height.
- 19. <u>Barbeques</u>: Barbeques may be located or permitted upon the rear or side setback of a Residence and upon such portions of the Open Areas as are, from time to time, designated

by the Association; provided, however, that barbequing shall be subject to such rules and regulations as may be promulgated from time to time by the Board.

shutters, including hurricane or storm shutters, shall be attached or affixed to the exterior of a Residence unless such awnings, canopies or shutters have been approved in advance by the Association, in writing, which approval may be based upon the aesthetic appearance of Kendall Lakes.

C. <u>Easements</u>

- 1. Recognition of Existing Easements: The Association and all Homeowners, by their acceptance of a deed of conveyance, recognize and consent to the easements for, including, but not limited to, drainage, utilities, maintenance and rights-of-way over and upon portions of the Property as set forth in the Plat and now or hereafter placed amongst the Public Records of Broward County.
- easement for encroachment for the benefit of each Residence and Homeowner, their grantees, successors and assigns, for encroachments which may now or hereafter exist, caused by minor inaccuracies in building, or in building of improvements, or by settlement or movement of these improvements, or the overhang of roof spouts or other improvements, or the party walls in Cluster Buildings, which easement shall continue until the encroachment no longer exists.
- further reserves an easement for ingress and egress for persons and vehicles over and upon the Open Areas and other portions of the Property for the benefit of the Developer, the City, the Association and its designees, including, utility and governmental services, agencies, franchises or companies, to provide utility or governmental services to the Property including but not limited to power, electric, transmission, television cable, garbage collections, light, telephone, gas, water, sewer,

drainage, security, police and fire protection to provide maintenance of the Property.

- 4. Use and Enjoyment: The Developer hereby grants an easement for ingress and egress for the benefit of Developer, each Homeowner, their family members, guests, lessees and grantees to and from, over and upon the Open Areas for the use and enjoyment of such Open Areas consistent with the Plat.
- 5. Relocation: The Homeowners, by their acceptance of a deed of conveyance, authorize the Developer (and the Association after the Turnover Date) to execute on their behalf and without further authorization, such grants of easement or other instruments as may be necessary from time to time to grant, ratify or relocate easements over and upon the Lots or Open Areas or any portion thereof for the development, maintenance or servicing of the Property or other portions of Kendall Lakes in accordance with the provisions of this Declaration.
- 6. Development and Sale: Notwithstanding any provisions in the Declaration as to use or otherwise to the contrary, Developer, by its agents or designees, reserves the right to carry on construction, development and sales activities and to place equipment, machinery, supplies and signs, construct and maintain models of Residences or other structures and park vehicles on any portion of the Property owned by it and exercise the easement rights and all other rights granted Developer under this Declaration.

ARTICLE IV

COMMON STRUCTURAL ELEMENTS

A. Common Structural Elements

Those Residences constructed in a Cluster Building, contain certain structural elements, features or parts which are also structural elements (which common structural features are herein described as the "Common Structural Elements") of the adjacent Residence in the Cluster Building. Such Common Structural Elements, which may be constructed by Developer or added at any time during the term hereof, are as follows:

- any and all roof support structures, and any and all appurtenances to such roof and roof support structures, including, without limitation, the roof covering, roof trim, and roof drainage fixtures.
- 2. Flooring: The entire concrete floor slab and all foundation and support structures and appurtenances thereto.
- 3. <u>Siding</u>: Any and all siding, finish, trim, exterior sheathings and other exterior materials or appurtenances on the exterior of the Cluster Building which are affixed or appended so that such materials, or parts thereof, cross the boundary lines between Residences.
- 4. <u>Utility Lines</u>: All utility lines, ducts, conduits, pipes, wires and other utility fixtures and appurtenances which are located in and are part of a Residence and which directly or indirectly in any way service the other Residence in the Cluster Building.
- 5. Air Spaces: All air spaces separating the adjacent walls or adjacent Residences.
- 6. Party Walls: The walls erected along or intended to be erected along the boundary line between the adjacent Residences and which separate the living areas of the adjacent Residences.

B. Cross Easements of Common Structural Elements

There is hereby granted to the Association and each of the Residences in each Cluster Building and the respective owners thereof, perpetual cross easements over, across, upon, under, through and into the Common Structural Elements contained in or about the Cluster Building containing such Residences, which easement is for the benefit, use and enjoyment of such Residences and the respective owners to provide continued support, service and design to the Cluster Building and the Residences thereof. The aforementioned easement (the "Structural Cross Easement") shall, further, be for the purpose of maintaining, repairing, or reconstructing the Common Structural Elements. The easements

herein contained shall run with the Residences and pass with the title thereof and shall be an appurtenance thereto.

C. Restrictions on Use and Enjoyment of Common Structural
Elements

The Common Structural Elements contained in any Residence and Cluster Building are subject to the following restrictions as to use:

- 1. Prohibition of Damage: No owner of a Residence in any Cluster Building may in any way damage, injure or in any way impair the Common Structural Elements.
- Structural Elements: None of the Common Structural Elements may be moved or displaced; no windows, holes, borings or openings or other changes shall be made in any of the Common Structural Elements without first obtaining the written approval of the Association and all of the owners of the Residences in the Cluster Building. As a condition of its consent, the Association may require the submission of all specifications for approval of any of the aforementioned changes.

Notwithstanding the foregoing or any other terms or provisions of this Declaration, the provisions of the immediately prior paragraph regarding consent of the Association and owners of the Residences in the Cluster Building shall not be applicable to the following: (a) the Developer (or any Institutional Mortgagee or their respective successors or assigns which have succeeded to Developer's interest), so long as Developer owns any of the Residences in a Cluster Building and holds the same for sale in the ordinary course; and/or (b) the Developer or any agent, servant or contractor of the Developer providing warranty service or repairs, if any, to any of the Common Structural Elements; and/or (c) any owner of a Residence who has submitted plans to the Association for modification, changes, repairs, or additions to his Residence or to the portion of the Lot upon which his Residence is constructed, which may affect the Common Structural Elements and obtained written approval of the submitted plans from the Association and who certifies to the other owners

of Residences in the Cluster Building and the Association in a written instrument satisfactory to the Association that he will be responsible for any and all injury or damage to the Common Structural Elements or resulting from any modifications, changes, repairs or additions thereto.

D. Maintenance of Common Structural Elements

The maintenance and repair of the Common Structural Elements shall be performed as hereafter provided:

- or maintenance to be performed on any of the Common Structural Elements shall be made only by the Association or its agents or contractors or duly licensed contractors expert in the repairing, servicing or maintaining of such Common Structural Elements, except that with the written consent of all the owners of the Residences in a Cluster Building, "do-it-yourself" repairs may be effected to the Common Structural Elements of such Cluster Building by the owner of a Residence therein.
- 2. Responsibility for Repairs: The costs, expenses, fees and charges arising out of the maintenance and repair of the Common Structural Elements contained in a Residence (exclusive of the exterior surface of a Cluster Building) shall be chargeable to and paid by the owner of the Residence receiving such maintenance and/or repair except in the cases where the maintenance, servicing or repairs were brought about by the act or omission of the owner of another Residence, his family, lessees, guests and invitees, in which event such other party shall be responsible for the costs of repair, service or maintenance. The imaginary vertical plane equally dividing the Party Wall in a Cluster Building shall define and demarcate those parts of the Common Structural Elements contained within each Residence and owned by the respective owners thereof. If a dispute arises between owners of Residences in a Cluster Building concerning the need for repairs, service or maintenance or the allocation of charges between such owners, the matters of dispute shall be submitted to the Board for arbitration pursuant to rules and regulations

adopted or thereupon to be adopted by the Board for such purposes.

- Easement: Any owner of a Residence in a Cluster Building may authorize that repair, service or maintenance be performed to any of the Common Structural Elements contained within the other Residences in the Cluster Building (such repairs, service or maintenance being then paid for by the owners of the Residence receiving the same) on the following conditions:
- (a) emergency repairs may be effected or authorized at any time and without the consent of the owner of the Residence containing the Common Structural Elements requiring the repair provided that an officer or Director of the Association determines that such emergency repairs are required; and
- (b) non-emergency repairs on twenty (20) days written notice may be effected or authorized at any time and without the consent of the owner of the Residence containing the Common Structural Elements in question if the Association or a Committee established by the Association for such purposes determines upon petition of the owner of the other Residence in the Cluster Building that such repairs or servicing are warranted and necessary.

ARTICLE V

MAINTENANCE AND REPAIRS OF PROPERTY

The maintenance and repair of the Property is the responsibility of Homeowners and the Association as more particularly described below:

A. Responsibilities of Homeowners

Homeowner shall maintain in good condition and repair at his expense all portions of his Lot and Residence. Subject to the provisions of Article VII, paragraph C hereof, the Homeowner shall be responsible for the maintenance, repair and replacement of window panes and any screening and for his driveway and any fence located upon the Lot or portion thereof upon which his

Residence is constructed, and for the exterior surface of his Residence. In the event a Homeowner does not maintain the exterior of his Residence, including the painting thereof in accordance with this Declaration, the Association may, by majority vote of the Board, cause the exterior of such Residence to be painted or otherwise maintained, the cost of which shall be charged to the Homeowner(s) of such Residence(s) and collectible as a special assessment as provided in Article IV, paragraph C hereof, and the Association shall have a lien for the payment therefor in accordance with Article VI hereof. Each Homeowner such maintenance, repair shall perform promptly all replacement, and each such owner shall be liable for any damages that arise due to his failure to perform such maintenance, replacement and repair. Each Residence shall be maintained, repaired and reconstructed (if necessary) in accordance with the specifications utilized and final building plans Developer, copies of which shall be on file in the office of the Association and where changes or alterations approved by the Association (where required) have been made, the Residence shall be maintained, repaired or reconstructed in accordance therewith.

- shall, at his expense, repair, maintain and replace as necessary all lines, piping, wiring, ducts, conduits, appliances and other facilities for the furnishing of utility services solely to his Residence. In the event such facilities requiring repair, maintenance or replacement service more than one Residence, then each Residence serviced shall pay an equal share of the costs of same.
- of the Homeowners in a Cluster Building refuses to contribute towards the cost of repairs, replacement or maintenance of his Cluster Building and the other Homeowner believes the repair, replacement or maintenance is such so as to benefit both Homeowners, or in the event of a dispute as to who should perform the work, either such Homeowner may submit the facts to the

Association who shall consider the questions at a meeting of its Board or a committee designated for such purposes, which meeting shall be noticed to all affected Homeowners. The determination by the Board or its committee as to the appropriateness of the repair, replacement or maintenance, and the proper allocation of the expenses thereof or who should do the work as the case may be, shall be final and the Board shall have the authority to assess a Homeowner for the costs of such repair, replacement or maintenance should it fail to contribute to the cost of same within fifteen (15) days from the determination by the Association or its committee.

B. Responsibilities of the Association

1. The Association shall be responsible for the maintenance, repair and reconstruction of the Open Areas.

ARTICLE VI

ASSOCIATION EXPENSES

In order to fulfill the covenants and restrictions contained in this Declaration relative to the use and maintenance of the Open Areas there is hereby imposed upon each Residence as a covenant running with the land, the affirmative covenant and obligation to pay the Association Expenses as those expenses are now about to be more fully set forth:

A. Description of Association Expenses

estate or other taxes levied or assessed at any time or times upon the Open Areas or portions thereof by any and all taxing authorities, including all taxes, charges, assessments and impositions and liens for public improvements, special charges and assessments, and water drainage districts, and in general all taxes and tax liens which may be assessed against the Open Areas and against any and all personal property and improvements, which are now or which hereafter may be placed thereon, including any interest, penalties and other charges which may accrue on such taxes.

- 2. Liability Insurance: The costs of the policy or policies of insurance in the form generally known as Public Liability and/or Owners policies insuring the Association and Developer against any and all claims and demands made by any person or persons whomsoever for injuries received in connection with the operation and maintenance of the Open Areas and improvements thereon, if any, or for any other risk insured against by such policies which the Developer (until the Turnover Date and thereafter the Association) in its sole discretion, determines to insure against. Each policy shall have limits of not less than One Million (\$1,000,000.00) Dollars covering all claims for bodily injury arising out of a single occurrence, and not less than Three Million (\$3,000,000.00) Dollars for aggregate damages incurred on all claims for bodily injury, and for not less than One Hundred Thousand (\$100,000.00) Dollars property damage per occurrence with no separate limits stated for the number of claims, or a policy with a Three Million (\$3,000,000.00) Dollar combined single limit ("CSL"). The coverage of the liability insurance policies shall include protection against water damage liability, liability of hazards related to usage, and liability for property of others. All such policies will name the Association, Developer and Institutional Mortgagees as their respective interests may appear, as insured parties under such policy or policies. The original of each policy shall be held in the office of the Association.
 - policies of insurance to allow the Association to insure any and all buildings or improvements now located or which may hereafter be located, built or placed upon the Open Areas against loss or damage caused by or resulting from at least the following: fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, windstorm, vandalism, malicious mischief, water damage, debris removal and cost of demolition, and such other risks as the Board shall determine are customarily covered with respect to developments similar to Kendall Lakes. The policy or policies purchased by the

Association shall be in an amount equal to the full replacement value (i.e. 100% of current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage) of the buildings or improvements of the Open Areas (including all building services equipment and the like) with an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, and an "Increased Cost of Construction Endorsement" or its equivalent. All such policies will name the Association, the Developer and all Institutional Mortgagees, as their respective interests may appear and the "Insurance Trustee" as hereinafter described, if any, as the insured under such policy or policies.

- 4. Miscellaneous Insurances: The costs of premiums of such forms of insurance and in such coverages as the Developer (until the Turnover Date and thereafter the Association) shall determine for the protection and preservation of the Open Areas or the performance of the Association. Such insurance may include, without limitation, flood insurance and fidelity insurance.
- 5. <u>Utility Charges</u>: All charges levied for utilities providing services for the Open Areas, whether they are supplied by a private or public firm. It is contemplated that this obligation will include all charges for water, gas, electricity, telephone, sewer, and any other type of utility or any other type of service charge.
- necessary to repair or replace, construct or reconstruct damages caused by the destruction of any improvement upon the Open Areas by fire, windstorm, flood or other casualty regardless of whether or not the same is covered in whole or in part by insurance. In the event insurance money shall be payable, such insurance money shall be paid to the Association, who shall open an account with a banking institution doing business in Broward County, Florida, for the purpose of providing a fund for the repair and reconstruction of the damage. The Association shall pay into such

account, either in addition to the insurance proceeds or in the event there are no insurance proceeds, such sums as may be necessary so that the funds on deposit will equal the costs of repair and reconstruction of the damage or destruction. The sums necessary to pay for the damages or destruction as herein contemplated shall be considered Association Expenses, but shall be raised by the Association under the provisions for special assessment as provided in Article VI C. of this Declaration. The Association agrees that it will levy special assessments to provide the funds for the cost of reconstruction or construction within thirty (30) days from the date the damage or destruction takes place and shall go forward with all deliberate speed so that the construction or reconstruction, repair or replacement, shall be completed within six (6) months from the date of damage.

- expenses necessary to (a) maintain and preserve the Open Areas, and (b) keep, maintain, repair and replace any and all improvements, and personal property upon the Open Areas in a manner consistent with the development of the Open Areas, and the covenants and restrictions contained herein, and all orders, ordinances, rulings, and regulations of any and all federal, state and city governments having jurisdiction thereof as well as the statutes, laws and ordinances of Broward County, Florida and the United States.
- 8. <u>Indemnification</u>: The costs to the Association to indemnify and save harmless the Developer and the Association from and against any and all claims, suits, actions, damages, and/or causes of action arising from any personal injury, loss of life, and/or damage to property sustained in or about the Property, from and against all costs, counsel fees, expenses and liabilities incurred in and about any such claim, the investigation thereof or the defense at any levels of any action or proceedings brought thereon, and from and against any orders, judgments, and/or decrees which may be entered herein. Included in the foregoing provisions for indemnification are any expenses

or liability that the Developer or Association may incur in determining disputes or controversies involving the Open Area, all as hereinafter described, in bringing suit for the purpose of enforcing rights hereunder, or for the purpose of compelling the specific enforcement of the provisions, conditions, covenants and restrictions contained in this Declaration to be kept and performed by the Association or Homeowners, including the payment of Association Expenses.

- The Association and Home-Insurance Trustee: owners, by acceptance of the deed of conveyance to their Residence, acknowledge and agree that the Developer or Institutional Mortgagee may hereafter require that a trust department of a lending institution or other appropriate entity be designated as an "Insurance Trustee" for coverage regarding the Open Areas and/or Common Structural Elements. The functions of such Insurance Trustee would include holding all original policies purchased pursuant to this Declaration, being named as loss payee, distributing proceeds of such insurance, assisting in the reconstruction, replacement and repair of improvements from insurance premiums and performing such other functions as shall be agreed upon. Any and all expenses necessary to retain and continue to retain an Insurance Trustee shall constitute an Association Expense. Unless and until an Insurance Trustee is designated by Developer or an Institutional Mortgagee as provided above, the functions of Insurance Trustee shall be performed by the Association.
 - shall be levied by the Association as a result of (a) reconstruction or other extraordinary items of expense under this Declaration; (b) the failure or refusal of other Homeowners to pay assessments for Association Expenses; (c) a deficit; and (d) such other reason or basis determined by the Association which is not inconsistent with the terms of this Declaration or the Kendall Lakes Documents.

- 11. Operational Expenses: The costs of administration of the Association including any secretarial, bookkeeping and employees necessary to carry out the obligations and covenants of the Association. In the event the Association retains a managing company to assist in the operation of the Open Areas and other obligations of Association hereunder, the fees or costs of this or any other management company so retained shall constitute an Association Expense.
- or to be incurred on account of lawn maintenance to be performed within the Open Areas, including, without limitation, lawn mowing, fertilizing, spraying, sodding, seeding and tree and hedge trimming.
- Board may determine are necessary to establish an adequate reserve fund for depreciation and deferred maintenance. The Board shall not include any item for reserves until the expiration of the Guarantee Period as hereinafter defined without the consent of Developer.
- 14. Costs Payable to City: The Developer and the Association acknowledge that, in connection with the City's granting of its approval to the Plat, the Developer has agreed that this Declaration shall provide (and does hereby so provide) that in the event, in the sole discretion of the City, the Open Areas are not maintained in accordance with the provisions of this Declaration, the City shall have the right to perform maintenance services upon the Open Areas and the Association shall pay to the City after a reasonable period following demand from the City, such sums as the City shall have expended to maintain the Open Areas in accordance with the provisions of this Declaration and, in particular, to maintain and reconstruct the perimeter fence around the Lake as described in Article III, paragraph A.1(e) above. In the event the Association shall fail to cause these Open Areas and improvements thereon to be maintained in a manner satisfactory to the City, the City may

exercise its lien rights as against the Association, the Open Areas and each Residence, to recover any expenses incurred as a result of the failure of the Association to perform its Said lien shall be a charge and obligations hereunder. continuing lien against the Association, the Open Areas and each Residence and shall be effective only from and after the time of recordation amongst the Public Records of Broward County, Florida of a written acknowledged claim by the City setting forth the amount due to it as of the date the statement is signed. Upon full payment of all sums secured by any such lien, the party making payment shall be entitled to a recordable satisfaction of the claim of lien. The amount of any claim of lien filed by the City shall be assessed against the Homeowners as a special assessment to be allocated amongst all Residences Subject To Assessment in accordance with Article VI, paragraph B.3, or as otherwise shall be determined by the Board. The City may further require that the Perimeter Wall be removed at any time, and from time to time, in the event such Perimeter Wall shall, in the sole judgment of the City, interfere with vehicular traffic across publicly dedicated rights-of-way, or interferes with the City easement rights over and upon Parcels "A" and "C" as established under the Plat.

B. Allocation of Association Expenses

1. <u>Determining Individual Assessments After Guarantee</u> Period:

Individual Assessment: After the "Guarantee Period" described in Section 2 below, the total anticipated Association Expenses for each calendar year shall be set forth in a budget prepared by the Board called for under the By-Laws. The total anticipated Association Expenses shall be divided equally among the "Residences Subject to Assessment" (as hereinafter defined) and the quotient thus arrived at shall constitute and be called the "Individual Assessment". The Individual Assessment may be adjusted from time to time where the Board determines that the estimated Association Expenses are insufficient to meet the

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actual Association Expenses being incurred, in which event, the anticipated Association Expenses for the remaining months may be increased accordingly in calculating the Individual Assessment.

- Determining Assessments During Guarantee Period: The term "Guarantee Period" shall mean a period of time commencing with the date of this Declaration and continuing through December 31, 1984 or the Turnover Date, whichever shall first occur. During the Guarantee Period, it is covenanted and agreed by the Developer and the Association that the Individual Assessments which shall be levied by the Association shall not exceed (\$6.52) for each calendar the sum of Six and 52/100 month (the "Guaranteed Assessment"). Each "Residence Subject to Assessment" (as hereinafter defined) shall pay the Guaranteed Assessment to the Association as provided herein. Guarantee Period, Developer covenants and agrees with the Association that at or before the end of each calendar year the Developer will pay all of the Association Expenses actually incurred during that calendar year in excess of the total amount of the Guaranteed Assessments assessed as Individual Assessments.
 - Residences Subject to Assessment: "Residences Subject to Assessment" shall mean those Residences for which a certificate of occupancy has been issued by the City. The number of Residences Subject to Assessment shall be reviewed and adjusted monthly, at least seven (7) days prior to the end of each calendar month, to allow for any new certificates of occupancy issued for Residences at Kendall Lakes. For the purposes of assessments, in the event any Residences Subject to Assessment are subsequently destroyed, damaged, or demolished to the extent that replacement is required, the number of Residences Subject to Assessment shall be the number of Residences originally constructed less the number of Residences requiring replacement until such time as the Residence is replaced and a new certificate of occupancy is issued, whereupon the number of replacement Residences shall be used in computing the number of Residences Subject to Assessment.

4. Assessment Payment: The Individual Assessment shall be payable monthly in advance on the first day of each month, unless otherwise determined by the Board, but in any event, shall be payable no less frequently than quarterly installments.

C. Special Assessments

Purposes: Special Assessments for capital improvements shall be levied by the Board for the purpose of defraying in whole or in part the cost of acquiring, constructing or reconstructing improvements upon the Open Areas. The Board shall determine the cost and shall assess the same amongst the Homeowners and allocate such assessments as described in paragraph VI B. above; however, they may be assessed in installments or a lump sum as the Board shall determine. There shall be no Special Assessments charged to the Developer or against Residences owned by the Developer without the consent of the Developer. Special Assessments may also be levied against Residences within a particular Cluster Building on an equal or such other basis as the Board may deem appropriate for expenses which apply to Common Structural Elements within such Cluster Building. Assessments may also be levied against one or more Residences to the exclusion of others for any expenses resulting from a default, breach or violation of the Homeowner thereof, its guests, lessees or invitees, of the provisions of the Kendall Lakes Documents.

acknowledge that they are jointly and severally liable for their pro rata share of the Association Expenses but that the assessments charged to them may be increased in the event other Homeowners fail or refuse to pay their Individual Assessment. The Homeowners further acknowledge that in the event of nonpayment of Association Expenses, collection may be enforced by the Association in the manner as provided in this paragraph D.

The Association Expenses, including special assessments and all installments thereof, together with interest, costs of

portions of the Open Areas to the Association from time to time, however, the conveyance of all of the Open Areas committed to this Declaration and not otherwise dedicated to the public shall be made on or before the Turnover Date.

C. Architectural Control

For the purpose of further insuring the development of Kendall Lakes as a residential area of high standards, the Association by its Board or a committee appointed by it for such purpose (the "Committee") shall exercise architectural control over the Residences and all other improvements placed on the Property. Each Homeowner, by acceptance of title to his Residence or by taking possession thereof, covenants and agrees that no building, wall, fence, structure or other improvements shall be placed upon the Property unless and until the plans and specifications therefor and the plot plan have been approved in writing by the Board or Committee. Each such building, wall, fence, structure or other improvement shall be placed upon said land only in accordance with the plans and specifications and plot plan so approved. The Association or Committee may refuse to approve plans and specifications based on any grounds, including purely aesthetic grounds, which, in the sole and uncontrolled discretion of the Association or Committee shall be sufficient. No screens, shutters or other alteration to the exterior appearance of the buildings or structures shall be made without like approval. Plans for such approval shall be submitted to the Association at its office. In the event the Association or Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the same have been submitted to them, or if no suit to enjoin the construction, addition, alteration, or change has been commenced prior to the completion thereof, approval will not be required and this provision shall be deemed to have been fully complied with.

It is the intention hereof that the Association shall have the right to control all architectural aspects of any improvements constructed on the Property, including, and without

limitation, height, site planning, setback requirements, open space, exterior design, landscaping, including the right to establish minimum landscaping criteria for each Lot, and the type and color of paint used for the exterior of the Residences, provided that the same shall be applied equitably and without discrimination to all Lots, and all other aspects relating to the development and improvement of any Lot, for the benefit, not only of the Property, but also for the benefit of lands adjacent thereto, to the end that the entire area of which the subject lands are a part may be developed as a planned high quality residential community with each area thereof complementing the others and forming a homogeneous whole. The Developer, however, shall not be required to apply for or obtain approval from the Association or any Committee for any construction, additions, alterations or changes made or proposed for the Property.

ARTICLE VIII

CLUSTER BUILDING INSURANCE

A. "Cluster Building Insurance" Defined

Each and every owner of a Residence which is the subject of a Certificate of Occupancy from the appropriate governmental authorities shall obtain and maintain property and hazard insurance covering the Residence within the Cluster Building (such insurance policy being herein described as the "Cluster Building Insurance").

- 1. Such insurance shall be in an amount acceptable to the Institutional Mortgagee for such Residence and shall not be less than the then current full replacement cost, exclusive of land, foundation, excavation, and other items normally excluded from such coverage, of the Residence including all Common Structural Elements therein contained; and
- 2. Such insurance shall contain an "Agreed Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, and, if necessary, an "Increased Cost of Construction Endorsement" or "Contingent Liability from Operation of Building Laws Endorsement" or the equivalent; and

- 3. Such insurance shall insure the Residence and the Common Structural Elements therein contained from loss or damage caused or resulting from at least the following: fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, windstorm, vandalism, malicious mischief, water damage, debris removal and cost of demolition, and such other risks as shall customarily be covered with respect to forms of attached housing in developments similar to Kendall Lakes.
- 4. The owners of the Residences, the Institutional Mortgagee holding a mortgage upon the Residences (and/or the Lot upon which it is situated) the Association and the Insurance Trustee, if any, shall all be named in such policies, as their interest may appear.

ARTICLE IX

CONDEMNATION

A. Taking or Partial Taking

If at any time during the term of this Declaration, the whole or any portion of the Open Areas shall be taken ("Taken Area") for any public or quasi-public purpose by any lawful power or authority, by the exercise of the right of any condemnation of eminent domain or by agreement between those authorized to exercise such right (hereinafter for the purpose of this subparagraph called "Condemnation"), this Declaration and all obligations hereunder as to the Taken Area shall terminate and expire on the date of such taking and Association Expenses provided to be paid for such Taken Area shall be apportioned and paid to the date of such taking.

B. Division of Awards

The rights of Developer and other Homeowners in and to the net award or awards ("Taken Area Award") (after reasonable fees and expenses of collection) after any Condemnation shall be determined as follows:

1. To the extent that Developer owns any Lots or portions thereof, Developer shall participate in any Taken Area

Awards for its interest in the Open Area along with and to no lesser degree than other Homeowners.

2. The Association shall have the right to attend and participate in all hearings relevant to the Condemnation and to receive notice from Developer of such hearings.

C. Repair and Replacement

If any improvements upon the Taken Area shall be damaged or partially destroyed by any Condemnation, then the Association shall proceed with reasonable diligence to demolish, if necessary, and to construct, repair, replace or rebuild such improvements, so as to constitute the remaining part thereof complete and in good condition and repair. The Association shall hold that portion, if any, of the Taken Area Award which represents consequential damages to said improvement or replacements thereof or to the part of said building, in trust, for application of the same to the cost and expense as herein provided. Repair of the Taken Area shall be conducted under the supervision of an architect or engineer licensed in the State of Florida selected by the Association and such work shall be done in accordance with plans and specifications prepared and approved in writing by such architect or engineer and submitted to Developer for approval, whose approval shall not be unreasonably withheld.

D. Temporary Use

Open Areas shall be taken at any time during the term of this Declaration by the exercise of the right of condemnation, the term of this Declaration shall not be reduced or affected in any way and the Association Expenses herein reserved and provided to be paid shall continue to be due and payable and the various Homeowners shall be entitled to the entire award granted by reason of such taking.

ARTICLE X

GENERAL PROVISIONS

A. Disputes as to Use

If prior to the Turnover Date there is any dispute or controversy as to whether the acts or omissions of any Homeowner or Owners violate the provisions of this Declaration or as to whether the use of the Open Areas, Lots, Residences or any portion or portions thereof violates the provisions of this Declaration, such dispute or controversy shall be referred to the Developer who shall have sole jurisdiction thereover and a determination rendered by the Developer (as evidenced by a writing forwarded by Registered Mail, Return Receipt Requested to all parties affected thereby including any Institutional Mortgagee or Mortgagees so affected) shall be final and binding upon all such parties. After the Turnover Date, any such disputes or controversies shall be determined by a court of competent jurisdiction, the determination of which shall be binding upon the parties affected thereby. In the event of any litigation arising out of this Declaration, the prevailing party shall be entitled to recover attorneys' fees and costs at both the trial and appellate levels. Nothing herein shall preclude the Developer or Association from seeking declaratory or injunctive relief to enforce the provisions of this Declaration.

B. Amendment and Modification

prior to the Turnover Date all amendments or modifications and supplements shall be made by the Developer without the requirement of consent of the Homeowners. After the Turnover Date the right to amend or modify the provisions of this Declaration is hereby reserved in favor of the Association upon the approval of a majority of the Residences. Any such amendment or modification either by Developer, or the Association shall be effective only upon the recording of an instrument executed by the Developer, or the Association, as the case may be, amongst the Public Records of Broward County, Florida; provided, however, that in the instance where any such amendment or modification

affects rights of any Institutional Mortgagee or Mortgagees, Broward County, its franchises, the City of Pompano Beach, or other governmental authority, such instrument shall also be executed by the Institutional Mortgagee or Mortgagees affected thereby and approved by said governmental authority as the case may be.

C. Term

This Declaration and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein, including, without limitation, the provisions for assessment shall run with and bind the Property to the extent committed to this Declaration and inure to the benefit of Developer, the Association, the Homeowners and their respective legal representatives, heirs, successors and assigns for a term of eighty (80) years from the date of the recording of this Declaration amongst the Public Records of Broward County, Florida; after which time this Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such eighty (80) year term or of any such ten (10) year extension thereof, there is recorded amongst the Public Records of Broward County, Florida, an instrument signed by at least two-thirds (2/3) of the then Homeowners and then Institutional Mortgagees, agreeing to terminate this Declaration, upon which event this Declaration shall be terminated upon the expiration of the eighty (80) year term or the ten (10) year extension during which such instrument of termination is recorded.

D. Captions

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

E. Context

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

F. Severability

In the event any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect. Further, the invalidation of any of the covenants, restrictions, easements or terms and conditions of this Declaration or a reduction in the terms of the same by reason of the legal rule against perpetuities shall in no way affect any other provision which shall remain in full force and effect for such period of time as may be permitted by law.

G. Notice to Institutional Mortgagees

Upon receipt by the Association from any Institutional Mortgagee of a copy of the mortgage held by such Institutional Mortgagee on a Residence, together with written request therefor from such Institutional Mortgagee, the Association shall timely send to such Institutional Mortgagee the following:

- 1. A copy of any notice of a meeting of the Association or of the Board which is thereafter sent to the Homeowners of such Residence; and
- 2. A copy of any financial statement of the Association which is thereafter sent to the Homeowner of such Residence; and
- 3. Written notice of any termination by the Association of any professional management of the Property, and the assumption by the Association of the self-management of such areas; and
- 4. Thirty (30) days prior written notice of the cancellation or termination by the Association of any policies of

insurance covering the Property or any improvements thereon, or any fidelity bonds of the Association for its officers, Directors or employees as well as copies of any notices of cancellation by others received by the Association with respect thereto; and

- 5. Written notice of any damage or destruction to the improvements located on the Open Areas which gives rise to net insurance proceeds therefor being available for distribution to the Homeowners of the Residences encumbered by the mortgage of such Institutional Mortgagee; and
- 6. Written notice of any condemnation or eminent domain proceeding or proposed acquisition arising therefrom with respect to the Property; and
- 7. Written notice of any material amendment to, or the abandonment or termination of, this Declaration in accordance with the terms hereof. The failure of the Association to send any such notice to any such Institutional Mortgagees shall not have any effect on any meeting, act or thing which was to have been the subject of such notice nor affect the validity thereof.

H. <u>Subordination</u>

The Association agrees that its interests and those of the Homeowners are subordinated to the lien, encumbrance and operation of any existing (as of the date hereof) mortgages encumbering any portion of the Property and any additional or replacement or subsequent mortgages obtained by the Developer for the purpose of financing the construction of improvements to take place upon any portion of the Property. While the provisions of this paragraph are self- operative, the Association nevertheless agrees to execute such instruments in recordable form as may be necessary or appropriate to evidence the foregoing subordination of its interests to any such mortgages and shall do so forthwith upon request of Developer.

IN WITNESS WHEREOF, this	Declaration of Protective Covenants
and Restrictions has been exemple written.	KENDALL LAKES DEVELOPMENT, INC. Florida corporation BY: by Munan Serker Corporation Murray Berkowitz, resident
Doria Stockhammer. Cononie Ciais	Daniel Retter, Secretary (SEAL)
	KENDALL LAKES HOMEOWNERS' ASSOCIATION, INC.
Gonne Grace	By: Jal Colly Gabriel Deutsch, President Congress
	(SEAL) SEAL TO
STATE OF FLORIDA) COUNTY OF Browns ; SS.	TORIOR STATE
The foregoing instruments 19 day of December Daniel Retter, Secretary, resa Florida corporation, on beh	nt was acknowledged before me this , 1983 by Murray Berkowitz; President and spectively, of Kendall Lakes Development, half of the corporation. Notary Public
(SEAL)	My Commission Expires:
STATE OF FLORIDA) : SS.	NOTADA PUBLIC STATE OF FLORIDA NY COMPISSION EXP. DEC. 20 A 987 BONDED THAY GENERAL THE. UND.
COUNTY OF Broward; SS.	, SIATE T

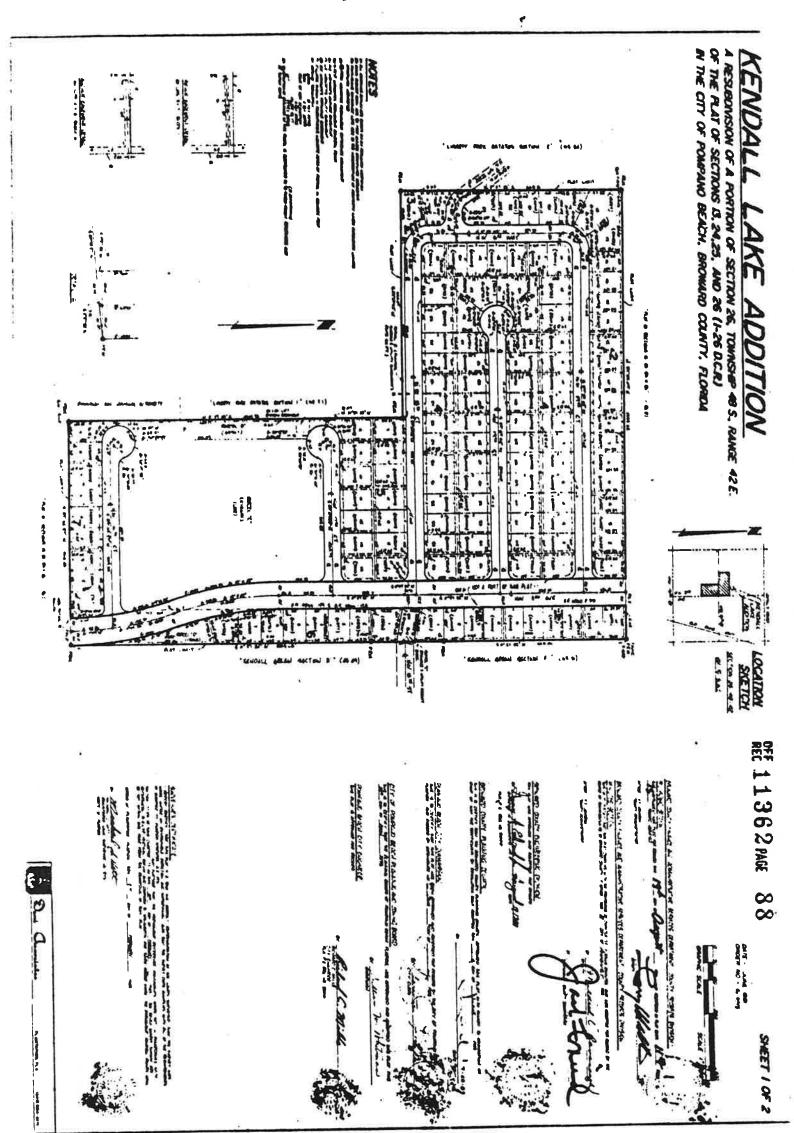
The foregoing instrument was acknowledged before me this day of <u>December</u>, 1983 by <u>Gabriel Deutsch</u>, <u>President</u> of KENDALL LAKES HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, on behalf of the corporation.

Notary Public

My Commission Expires:

MOTARY PUBLIC STATE OF FLORIDA MY COMMISSION EXP. DEC 20,1907 BONDED THRU GENERAL 1MS. WMD.

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KENDALL LAKE ADDITION
PLAT BOOK 117 PAGE 15
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L. COUN RDS

A RESUBDIVISION OF A PORTION OF SECTION 26, TOWNSHIP 48 S. RANGE 42 E. OF THE PLAT OF SECTIONS IS 24.25, AND 26 (1-26 DCR.)
IN THE CITY OF POMPHNO BEACH, BROWNED COUNTY, FLORIDA

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KENDALL LAKE ADDITION PLAT BOOK 117 PAGE 15 SHEET 2 OF 2 SHEETS BROWARD COUNTY RECORDS RE 11362ma 89

SHEET 2 OF 2

8 C. ...

KENDALL LAKES HOMEOWNER'S ASSOCIATION, INC. PROPOSED ASSOCIATION EXPENSE BUDGET (1)(2)(3)(7)(8)

	MONTHLY	ANNUALLY
Maintenance and Operating Expenses:		
Ground Maintenance Surrounding Lake (4)	\$ 75.00	\$ 900.00
Lake Maintenance (Water Treatment/ Border Control) Insurance/Open Areas Real Estate Taxes/Open Areas	156.66 145.83 54.16	1,880.00 1,750.00 650.00
Miscellaneous - Postage, Office Supplies, Payroll	316.66	3,800.00
Professional Fees: (5)	100.00	1,200.00
Total Proposed Association Expenses:	848.31	10,180.00
Estimated Assessment Per Residence: (6)		

\$10,180.00 divided by 130 Residences = \$78.30 per annum per Residence or \$6.52 per month per Residence.

NOTES TO BUDGET

- The Budget is set forth as the budget for the initial year of operation assuming that Kendall Lakes was completed in accordance with the Property Plan. However, there is no assurance that all residences shall be constructed and that the Property Plan shall not be modified. These figures are estimates only, based upon information available at the time of its preparation. In view of the above, the Developer has provided in your Contract for Purchase and Sale that the estimated regular assessment set forth above is guaranteed through December 31, 1984 or the "Turnover Date", whichever shall first occur. References should be made to the Declaration and Articles for a discussion of Turnover. In lieu of paying a regular assessment as the owner of a residence (or lot), the Developer shall "make up the difference" between the actual regular Association Expenses and assessments levied against other Homeowners during the "Guarantee Period".
- NOTE 2 This Budget is an estimate of the Association's expenses which are delineated in the Declaration. These expenses apply to portions of the "Open Areas". Maintenance of the exterior and interior of the Residences is the responsibility of the individual homeowners, or, where "Common Structural Elements" are involved, of the Homeowners within the affected Cluster Building, and therefore are not reflected in this Budget.
- NOTE 3 The Budget does not contain items for electricity, water and trash collection for the individual Residences, as these expenses are borne by the individual Homeowners and are not an Association Expense.
- NOTE 4 At the time of preparation of this Budget, the City of Pompano Beach, at the City's election, is maintaining the Park designated on the Plat. There is no guarantee that in the future the City will continue to maintain the Park at no expense to the Association. In the event the City should cease to maintain the Park, or

should the City assess the Association for such maintenance, the Budget would then include amounts for such maintenance, to be collected from Homeowners as part of their individual assessment, as the maintenance of the Park is the responsibility of the Association.

- NOTE 5 The law firm and accountants retained by Developer may also act for the Association in preparing statements, documents, conducting meetings and in connection with other services for the Association.
- NOTE 6 Although this Budget has been based upon a maximum of 130 residences, Developer reserves the right to increase or decrease the number of Residences actually constructed at Kendall Lakes in accordance with the requirements of the City of Pompano Beach and at the discretion of the Developer.
- NOTE 7 The Budget does not contain any items for management fees or administrative expenses. Due to the relatively small size of Kendall Lakes, the Developer believes that outside management and/or an on-site manager should be unnecessary. It is contemplated that prior to "Turnover" the Developer's staff will perform the administrative functions at no fee to the Association. Should the Board subsequently retain outside and/or on-site management, the Association Expenses would increase significantly.
- NOTE 8 The Budget does not contain any reserve items for capital expenditures and deferred maintenance which expenses would include such items as, but not limited to, pavement resurfacing, perimeter wall maintenance, and maintenance of the dock to be constructed in the Lake. Instead, it is anticipated that periodic special assessments shall be levied, in accordance with the Declaration of Protective Covenants and Restrictions, to meet the cost of any such capital improvements or deferred maintenance.

