

## ARTICLE VIII

## EASEMENT FOR ENCROACHMENTS

In the event that any dwelling or other improvement upon a Parcel, as originally constructed by Developer, shall encroach upon any other Parcel or Common Area, then an easement appurtenant to such shall exist for so long as such encroachment shall naturally exist.

## ARTICLE IX

## RIGHTS OF DEVELOPER

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

**Section 2. Developer Exempt.** The Developer, Parcels owned by Developer and improvements made by Developer shall be exempt from the prohibition as to adding or altering the landscaping on any Parcels and from owing any assessments set forth in Article V as long as Developer owns one (1) or more Parcels in the Development.

**Section 3. Common Areas.** For so long as Developer owns any property affected by this Declaration the Developer shall have the right to create and transfer, out of properties as defined herein and as set forth on Exhibit A affixed hereto, any common areas which it deems in its discretion to be necessary, required or otherwise a benefit to the development as such and in furtherance of the purposes, restrictions and covenants of this Declaration.

**Section 4. Access for Construction and Sales Purposes.** The Developer shall have a right to access and easement on, over, under and through all of the property described herein, or later added or annexed hereto, for construction and sales purposes, for so long as Developer owns any property included within the property described herein, or later added or annexed.

**Section 5. Right to Alter.** Developer reserves the right to alter the boundaries of all Parcels so long as Developer owns the Parcels so altered. Said alteration may be accomplished by Developer as permitted by applicable governmental authorities.

**Section 6. Indemnification.** The Association covenants and agrees that it will indemnify, defend and hold harmless Developer, and any related partners, corporations, or other entities, parent corporations and their employees from and against any and all claims, suits, actions, causes of action and/or damages arising from any personal injury, loss of life and/or damage to property sustained on or about Community property or other property serving the Association, or resulting from or arising out of the operation of the Association and improvements thereof and thereon, or resulting from or arising out of activities or operation of the Association, and from and against all costs, expenses, counsel fees (including, but not limited to, all trial and appellate levels and whether or not suit be instituted), expenses and liabilities incurred by Developer arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders, judgments and/or decrees which may be entered thereon. The costs and expense of fulfilling this covenant of indemnification set forth in this paragraph shall be an Association Expense to the extent such matters are not covered by the Association's insurance. This Section shall not be amended unless such amendment is made by the Developer or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

## ARTICLE X

## ASSIGNMENT OF POWERS

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

## ARTICLE XI

## GENERAL PROVISIONS

**Section 1. Enforcement.** The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce

any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In any such suit the prevailing party shall also be entitled to recovery of all costs and expenses including court costs and attorneys' fees.

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

**Section 3. Amendment.** The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended at any time and from time to time upon approval of Owners who are entitled to vote a majority of all votes of the Association and the execution and recordation of an instrument containing a certification by the President and Secretary of the Association that the amendment is duly adopted, PROVIDED that for the period of time Developer owns one (1) or more Parcels, the Developer's written consent must first be obtained; and FURTHER PROVIDED, that for so long as Class B membership in the Association exists, the Declaration may be amended by the execution and recordation of an instrument executed solely by a majority of the Board of Directors. Notwithstanding any of the above, for such time that Developer owns one or more Parcels, Developer's written consent must first be obtained to any amendment. The Developer shall have the right at any time within five (5) years from the date hereof to amend this Declaration to correct scrivener's errors or to clarify any ambiguities determined to exist herein. No amendment shall alter the subordination provisions of this Declaration without the prior approval of any mortgagee enjoying such protection. It is further provided that in order to be effective any amendment to this Declaration must be recorded in the Public Records of Palm Beach County, Florida.

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

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

**Section 5. Leasing of Parcels.** In the event a Parcel Owner leases said Parcel Owner's Parcel, such lease shall contain a covenant that the Lessee acknowledges that the Parcel is subject to this Declaration of Covenants and is familiar with the provisions hereof, including the uses and restrictions contained herein, and agrees to abide by all such provisions. In the event a lease of a Parcel does not contain language to the effect of the foregoing, then the Association may declare the lease void and take such further action as the Association deems applicable, including a "removal action" against the tenant and the Parcel Owner. All costs and expenses of the foregoing shall be the cost and expense of such Parcel Owner. The Parcel Owner shall be liable and fully responsible for all acts of Parcel Owner's Lessee and responsible for the compliance of the Lessee of all provisions of this Declaration. Further, in no event shall a Parcel be leased more than one (1) time in one (1) calendar year and in no event shall any such lease have a term of less than six (6) months.

**Section 6. Permits, Licenses and Easements.** The Association shall have the right to grant permits, licenses and easements over, upon, across, under and through the Common Areas for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance and operation of the Community, as so determined by the Board of Directors of the Association.

**Section 7. Litigation.** No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by eighty percent (80%) of all the votes entitled to be cast by all of the Voting Members. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article V hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Developer or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

## ARTICLE XII

### INFORMATION TO LENDERS AND PARCEL OWNERS

**Section 1. Records Available.** The Association shall make available to Parcel Owners and to lenders, and to holders, insurers, or guarantors of any first mortgage on any Parcel, current copies of this Declaration of Covenants, the Articles of Incorporation or By-Laws of the Association, other rules concerning these Properties and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

**Section 2. Financial Statement.** Any holder of a first mortgage upon a Parcel shall be entitled, upon written request, to a financial statement of the Association for the immediately preceding fiscal year.