

. . . CERTIFICATE . . .

The undersigned hereby certifies that the attached DECLARATION OF COVENANTS AND RESTRICTIONS FOR WATER OAK PROPERTY OWNERS' ASSOCIATION, INC., as recorded in Official Record Book 4876, Page 1053, and the amendments thereto as recorded in Official Record Book 4896, Page 613, as corrected in Official Record Book 4918, Page 1838; as further amended in Official Record Book 4998, Page 608, and Official Record Book 5069, Page 1221, all of the Public Records of Palm Beach County, Florida, are true and correct copies as recorded in the public records.

The Declaration as recorded includes a Certificate of Incorporation, together with a copy of the Articles of Incorporation and the By Laws for the Homeowners' Association.

GOLD COAST TITLE COMPANY

by: 

Richard M. Brannon  
Branch Manager

EXHIBIT B

Return to  
75 S. E. ...  
Boca Raton, Florida

0435W/05/12/86

DECLARATION OF COVENANTS AND RESTRICTIONS FOR  
WATER OAK PROPERTY OWNERS' ASSOCIATION, INC.

THIS DECLARATION is made this 12<sup>th</sup> day of May, 1986, by ARVIDA CORPORATION, a Delaware corporation, hereinafter called "Developer", which declares that the real property described in Article II, which is owned by Developer, hereinafter called "Water Oak", is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes hereinafter referred to as "Covenants and Restrictions") hereinafter set forth.

I DEFINITIONS

The following words, when used in this Declaration (unless the context shall prohibit), shall have the following meanings:

A. "Association" shall mean and refer to Water Oak Property Owners' Association, Inc., a Florida corporation not for profit. This is the Declaration of Covenants and Restrictions to which the Articles of Incorporation (the "Articles") and By Laws (the "By Laws") of the Association make reference. Copies of the Articles and By Laws are attached hereto and made a part hereof as Exhibits A and B respectively.

B. "Developer" shall mean and refer to Arvida Corporation, a Delaware corporation, and its successors or assigns if any such successor or assign acquires the undeveloped portion of Water Oak from the Developer for the purpose of development and is designated as such by Arvida Corporation. Reference herein to Arvida Corporation as the Developer of Water Oak is not intended, and shall not be construed, to impose upon said Arvida Corporation for any obligations, legal or otherwise, for the acts of omissions of third parties who purchase lots within Water Oak from Arvida and develop and resell the same.

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C. "Water Oak" or "Property" shall mean and refer to all such existing properties and additions thereto as are subject to this Declaration or any supplemental Declaration under the provisions of Article II hereof, and shall include the real property described in Section 1 of Article II hereinbelow.

D. "Lot" shall mean and refer to any lot or other parcel with any and all improvements thereon, in Water Oak platted in the Public Records of Palm Beach County, Florida, on which a residential structure could be constructed, whether or not one has been constructed.

E. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is part of the Property, including contract sellers (but not contract purchasers) and Developer.

F. "Common Area" shall mean and refer to all real and/or personal property which the Association and/or the Developer owns, or in which the Association and/or the Developer has an interest (whether or not said real and/or personal property is within the boundaries of Water Oak) including, without limitation, a right of use, for the common use and enjoyment of the members of the Association. The use of the Common Area shall be restricted to park and recreational purposes.

THIS INSTRUMENT PREPARED BY  
JEFF FOLLER, ESQUIRE  
ARVIDA CORPORATION  
P.O. BOX 100  
5500 GLADES ROAD  
BOCA RATON, FLORIDA 33432

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II PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO,  
DELETIONS THEREFROM

Section 1. LEGAL DESCRIPTION. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is legally described as:

All of Blocks A, B and C TOGETHER WITH Northwest 59th Street, Northwest 58th Street, Northwest 23rd Avenue, Northwest 57th Street, Northwest 22 Avenue, Northwest 56th Street and Northwest 55th Street, of The Arvida Country Club Plat Two of University Park - P.U.D., according to the Plat thereof as recorded in Plat Book 51, Pages 124 through 128, inclusive, of the Public Records of Palm Beach County, Florida.

It is presently intended that this Association will be expanded in Phases; only that area described in Exhibit A shall be placed into the Association at this time. The Developer has the right, but not the obligation, to add phases to the Association.

Section 2. PLATTING AND SUBDIVISION RESTRICTIONS. The Developer shall be entitled at any time and from time to time, to plat and/or replat all or any part of the Property, and to file subdivision restrictions, and/or amendments thereto with respect to any undeveloped portion or portion(s) of the Property.

Section 3. ADDITIONAL LAND. Developer may, but shall have no obligation to, add at any time or from time to time to the scheme of this Declaration additional lands or withdraw at any time or from time to time portions of the land hereinabove described, provided only that (a) any lands from time to time added to the scheme of this Declaration shall be contiguous to property then-subject to the scheme of this Declaration, (b) any portion of it shall, at the time of addition to the scheme of this Declaration, be platted as a single family residential Lot(s), (c) upon addition of any lands to the scheme of this Declaration, the owners of property therein shall be and become subject to this Declaration, including assessment by the Association for their prorata share of Association expenses, and (d) neither the addition or withdrawal of lands as aforesaid shall, without the joinder or consent of a majority of the members of the Association, materially increase the prorata share of Association expenses payable by the Owners of property subject to this Declaration prior to such addition or remaining subject hereto after such withdrawal. The addition or withdrawal of lands as aforesaid shall be made and evidenced by filing in the Public Records of Palm Beach County, Florida, a supplementary Declaration with respect to the lands to be added or withdrawn. Developer reserves the right so to amend and supplement this Declaration without the consent or joinder of the Association or of any owner and/or mortgagee of land in Water Oak.

III PROPERTY RIGHTS

Section 1. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner shall have a right of use and an easement of enjoyment in and to the Common Area which shall be appurtenant, and shall pass with the title, to every Lot subject to the following:

- A. The right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure;
- B. All provisions of this Declaration, any plat of all or any parts of the Property, and the Articles and By Laws of the Association;
- C. Rules and regulations governing use and enjoyment of the Common Areas adopted by the Association;

B4876 P1036

D. Restrictions contained on any and all plats of all or any part of the Common Area or filed separately with respect to all or any part or parts of the Property.

Section 2. EASEMENTS APPURTENANT. The easements provided in Section 1 shall be appurtenant to and shall pass with the title to each Lot.

Section 3. UTILITY EASEMENTS. Public utilities may be installed underground in the Common Areas when necessary for the service of the Property or additional lands for which Developer holds an option to purchase, but all use of utility easements shall be in accordance with the applicable provisions of this Declaration.

Section 4. PUBLIC EASEMENTS. Fire, police, health, sanitation and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas.

Section 5. EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS. If any other building or improvement shall encroach upon any portion of the Common Areas or upon an easement by reason of original construction or by the non-purposeful or non-negligent act of Developer or any other owner of such building or improvement, then an easement for such encroachment shall exist so long as the encroachment exists.

Section 6. ADDITIONAL EASEMENT. The Developer (during any period in which the Developer has any ownership interest in the Property) and the Association shall each have the right to grant such additional electric, telephone, gas, sprinkler, irrigation, cable television or other easements, and to relocate any existing easement in any portion of the Property and to grant access easements and to relocate any existing access easements in any portion of the Property as the Developer or the Association shall deem necessary or desirable, for the proper operation and maintenance of the Property, or any portion thereof, or for the general health or welfare of the Owners or for the purpose of carrying out any provisions of this Declaration; provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the use of the Lots for dwelling purposes.

Section 7. ASSOCIATION EASEMENTS. For the purpose solely of performing its obligations under the provisions of this Declaration, the Association, through its duly authorized agents, employees or independent contractors, shall have the rights, after reasonable notice to the Owner, to enter upon any Lot at reasonable hours of any day except Sunday. In the event of an emergency, such right of entry shall exist without notice of any day, including Sunday. Each Owner hereby grants to the Association, its duly authorized agents, employees or independent contractors such easements for ingress and egress, across the Lots and through improvements constructed upon the Lots, as may be reasonably necessary to effect and perform the exterior maintenance aforementioned. In addition, the Owner of the adjoining property (not within the Property) may grant the Association, its duly authorized agents, employees or independent contractors, such easements for ingress and egress across its properties to effect and perform its duties. In such event, the Association shall indemnify the adjoining property owner for any damage or injury to the easement areas caused by the use thereof or access to perform the exterior maintenance. In the event an Owner is on vacation and/or will not be present to permit entry onto his Lot for the exterior maintenance aforementioned, said Owner shall deposit his gate key with the Association to permit entry thereon.

Section 8. STREET LIGHTING. The street lighting poles and fixtures will be installed by the Association within the Common Areas and the Association shall have the obligation for maintenance

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of such street lighting facilities from the date of recording this Declaration or from the date of installation of the street lighting, whichever occurs first. In the event the Developer, in its sole discretion, undertakes the obligation on behalf of the Association to install such street lighting, Developer shall be entitled to all rebates or refunds of the installation charges and the Association hereby assigns such rebates or refunds to Developer. Should Developer install the street lighting, if any rebates or payments are made by Florida Power and Light Company to the Association for reimbursement for the installation fees for the poles and fixtures, such rebates or payments shall be forthwith paid by the Association to Developer.

#### IV MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. MEMBERSHIP. Every person or entity who is a record fee simple Owner of a Lot, including the Developer at all times as long as it owns any part of the Property subject to this Declaration, shall be a member of the Association, provided that any such person or entity who holds such interest only as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to, and may not be separated from, ownership of any Unit which is subject to assessment.

Section 2. CLASSES AND VOTING. The Association shall have such classes of membership, which classes shall have such voting rights, as are set forth in the Articles of the Association,

Section 3. MERGER OR CONSOLIDATION. Upon a merger or consolidation of any association referred to herein with any other association, the properties, rights and obligations of such association may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of any association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Property together with the covenants and restrictions established upon any other property as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by the Declaration within the Property.

Section 4. TERMINATION OF THE ASSOCIATION. In the event the Association is terminated or shall no longer continue to exist for any reason whatsoever, the Arvida Country Club Maintenance Association, Inc. will maintain all Common Areas and is hereby authorized to assess all Owners for the costs of such maintenance. In the event of dissolution of the Association for whatever reason other than merger or consolidation as provided for herein and the inability of the Arvida Country Club Maintenance Association, Inc. to assume responsibility for the maintenance of the Common Areas, any Owner may petition the Circuit Court of the Fifteenth Judicial Circuit of the State of Florida for the appointment of a Receiver to manage the affairs of the Association and to make such provisions as may be necessary for the continued management of the affairs of the dissolved Association, the Property and Common Areas.

#### V COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Developer, for each Lot owned by it within Water Oak, hereby covenants, and each Owner of any Lot (by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance) including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association any annual assessments or charges and any special assessments for capital improvements or major repair; such assessments to be fixed, established and collected from time to time

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as hereinafter provided. All such assessments, together with interest thereon from due date at the highest rate allowed by law and costs of collection thereof (including attorney's fees), shall be a charge on the land and shall be a continuing lien upon the Lot(s) against which each such assessment is made and shall be the personal obligation of the Owner. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment.

Section 2. PURPOSE OF ASSESSMENTS. The annual and special assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in Water Oak and in particular for the improvement and maintenance of the Common Area and of any easement in favor of the Association, including, but not limited to, the cost of taxes on the Common Area, insurance, labor, equipment, materials, management, maintenance and supervision thereof, as well as for such other purposes as are permissible activities of the Association and undertaken by the Association.

The Board may cooperate with the Arvida Country Club Maintenance Association, Inc. in the collection of assessments, and the Association shall collect for, and remit to, said Association any assessments due thereto under the terms of the Declaration of Maintenance Covenants for Arvida Country Club, as recorded in Official Records Book 4659 at Page 1117, and any amendments or supplements thereto, of the Public Records of Palm Beach County, Florida.

Section 3. MAXIMUM ANNUAL ASSESSMENTS. Except as hereinafter provided, the annual assessment, excluding any special assessment for capital improvements or major repair, shall in no event exceed Two Thousand Four Hundred and No/100 U.S. Dollars (\$2,400.00) per Lot per annum. For each calendar year after the year of recordation of this Declaration in the Public Records of Palm Beach County, Florida, the annual assessment limit will be adjusted on the basis of any increase in the cost of living as reported in the Consumer Price Index, All Items and Major Group Figures for All Urban Consumers (1967=100) (the "Index") published by the Bureau of Labor Statistics (the "Bureau") of the United States Department of Labor, between the level in effect (the "Base Level") on January 1 of the year of recordation, and the level in effect on January 1 of such year (the "Adjustment Level"). The adjusted assessment limit for each year shall be computed by multiplying the sum of Two Thousand Four Hundred and No/100 U.S. Dollars (\$2,400.00) by a fraction, the numerator of which shall be the Adjustment Level, and the denominator of which shall be the Base Level. Stated as a mathematical formula, the adjusted assessment limit shall be computed as follows:

$$\text{Adjusted Assessment Limit} = \frac{\text{Adjustment Level}}{\text{Base Level}} \times \$2,400.00$$

If the compilation and/or publication of the Index shall be transferred to any other department, bureau or agency of the United States Government, or if the Bureau shall adopt a successor Index, the Index published by such successor department, bureau or agency shall be adopted and used as a standard for computing adjustments to the assessment limit. In no event will the assessment be less than Two Thousand One Hundred and No/100 U.S. Dollars (\$2,100.00).

The Board of Directors of the Association (the "Board") shall fix the assessments, which shall be in amounts determined in accordance with the projected financial needs of the Association, as to which the decision of the Board of Directors of the Association shall be dispositive. By the vote of a majority of the members of the Board the maximum amounts of the assessments may be varied from the amounts hereinabove set forth.

B4876 P1039

Section 4. UNIFORM RATE OF ASSESSMENT. All regular and special assessments shall be at a uniform rate for each Lot in Water Oak. Provided however, during the period in which the Developer owns any Lot in Water Oak, it shall be exempt from assessment, at its sole discretion, as long as it agrees to pay any cash operating deficit of the Association.

Section 5. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS AND MAJOR REPAIRS. In addition to any annual assessments, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement of a capital improvement as approved by the Board of Directors of the Association, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the members of the Board of Directors of the Association.

Section 6. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATE. The assessments for which provision is herein made shall commence on the date or dates (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement. The due date of any assessment shall be fixed in the resolution authorizing such assessments, and any such assessment shall be payable in advance in monthly, quarterly, semi-annual or annual installments, as determined by the Board.

Section 7. DUTIES OF THE BOARD OF DIRECTORS. The Board of Directors of the Association shall fix the date of commencement and the amount of, the assessment against each Lot and other portions of the Property, for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall be sent to every Owner subject thereto not later than seven (7) days after fixing of the date of commencement thereof.

The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. EFFECT OF NON-PAYMENT OF ASSESSMENT: THE LIEN, THE PERSONAL OBLIGATION, REMEDIES OF ASSOCIATION. The lien of the Association shall be effective from and after recording, in the Public Records of Palm Beach County, Florida, a claim of lien stating the description of the Lot encumbered thereby, the name of the Owner, the amount and the date when due. Such claim of lien shall include only assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record.

If the assessment is not paid within thirty (30) days after the delinquency date, which shall be set by the Board of Directors of the Association, the assessment shall bear interest from the date of delinquency at the highest rate allowed by law, and the Association may at any time thereafter bring an action to foreclose the lien against the Lot(s), in like manner as a foreclosure of a mortgage on real property, and/or a suit on the personal obligation against the Owner(s) and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action (including reasonable attorneys' fees), and in the event a judgment is obtained, such judgment shall include interest on the

84876 P1040

assessment as above provided and reasonable attorneys' fees to be fixed by the Court together with the costs of the action.

Section 9. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein made, as well as in any other Article of this Declaration shall be subordinate to the lien of any first mortgage to a federal or state chartered bank, mortgage company, life insurance company, federal or state savings and loan association or real estate investment trust or other similar mortgagee generally known as an institutional mortgagee, which is perfected by recording prior to the recording of a claim of lien for any such unpaid assessments by the Association. Such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such Lot by deed in lieu of foreclosure of such Lot or pursuant to a decree of foreclosure, and in any other proceeding in lieu of foreclosure of such mortgage; provided however, any such Lot shall be liable, following such sale, for a pro rata share of any unpaid assessments against such Lot accruing prior to such sale, in common with all other Property. No sale or other transfer shall relieve any Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment. The written opinion of either the Developer or the Association that the lien is subordinate to a mortgage shall be dispositive of any question of subordination.

Section 10. EXEMPT PROPERTY. The Board of Directors shall have the right to exempt any of the Property subject to this Declaration from the Assessments, charge and lien created herein provided that such part of the Property exempted is used (and as long as it is used) for any of the following purposes:

- A. Any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;
- B. All of the Common Area as defined in Article I hereof;
- C. Any of the Property exempted from ad valorem taxation by the laws of the State of Florida, to the extent agreed to by the Association.
- D. Any easement or other interest dedicated or conveyed to not for profit corporations for the use and benefit of residents in the Planned Unit Development of which the Property is a part.

Notwithstanding any provisions herein, no land or improvements devoted to residential dwelling or related use shall be exempt from said assessments, charges or lien.

## VI EXTERIOR MAINTENANCE ASSESSMENT

Section 1. EXTERIOR MAINTENANCE. In addition to maintenance upon the Common Area, the Association may provide upon any Lot requiring same, when necessary in the opinion of the Board of Directors of the Association to preserve the beauty, quality and value of the neighborhood, maintenance including paint, repair, roof repair and replacement, gutters, downspouts, exterior building surfaces and yard cleanup and/or maintenance.

Section 2. ASSESSMENT OF COST. The cost of such maintenance shall be assessed against the Lot or Lots upon which such maintenance is performed or, in the opinion of the Board of Directors of the Association, benefitting from same. The assessment shall be apportioned among the Lots involved in the manner determined to be appropriate by the Board of Directors of the Association. If no allocation is made, the assessment shall be uniformly assessed against all of the Lots in the affected area. The exterior maintenance assessments shall not be considered a part

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