

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

ESTATES AT SUNSHINE RANCHES

THIS DECLARATION of Covenants, Conditions and Restrictions is made this 29 day of April, 2005, by Estates At Sunshine Ranches, which declares hereby that the "Property" as described in the definitions of Article I of this Declaration is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE 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 Estates at Sunshine Ranches Homeowner's Association, Inc., a Florida corporation, its successors and assigns.

(b) "Common Areas" or "Common Area" shall mean and refer to the property legally described in Exhibit A attached hereto and made a part hereof, plus all property designated as Common Areas in any future recorded supplemental declaration; together with the landscaping and any improvements therein, including, without limitation, all structures, recreational facilities, open space, walkways, sprinkler systems and street lights, if any, but excluding any public utility installations thereon, and any other property of Developer not intended to be made Common Areas.

(c) "County" shall mean Broward County, Florida.

(d) "Developer" shall mean and refer to A.F. Management of South Florida, Inc., a Florida corporation, its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Property. In the event of such a partial assignment, the assignee shall not be deemed

the Developer, but may exercise such rights of Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

(f) "Drainage System" shall mean all structures, including culverts and swales, required to collect and convey rainfall runoff from Sterling Ranch Estates at Ranch Estates and/or canals on and/or adjacent to the Property. The Drainage System is located upon and designed to serve the Property and is a private drainage system.

(g) "Estates at Sunshine Ranches" shall mean and refer to all that real property more particularly described in Exhibit B attached hereto and made a part hereof which is intended to be made a part of a common scheme of development in the manner specified in this Declaration.

(h) "Landscaping and Pedestrian Areas" shall mean and refer to strips of land of varying widths abutting the roads and Lots of the Property for portions of all of its entire length, notwithstanding that any such strips of land may lie within the common areas owned by the Association. The Developer may establish a physical boundary between the Landscaping and Pedestrian Areas referred to above and such other common areas, but in the absence of such physical boundary, the Developer shall have the absolute right to determine the actual boundary and such determination shall be binding on the Association and Owners. The fact that certain of such Landscaping and Pedestrian Areas are not legally described shall not affect their character as Common Areas for purposes hereof.

(i) "Limited Common Areas" shall mean and refer to such portions of the Common Areas which are intended for the exclusive use (subject to the rights, if any, of Broward County, the Association, Central Broward Drainage District ("CBDD") and the public) of the Owners of specific Lots, and shall specifically include the mailbox structure used by Owners of specific Lots to the exclusion of others. Unless otherwise provided specifically to the contrary, reference to the Common Areas shall include the Limited Common Areas.

(j) "Lot" shall mean and refer to any Lot on the various plats or site plans of portions of the Property,

which plat or site plan is designated by Developer hereby or by recorded instrument to be subject to these covenants and restrictions, any Lot shown upon any resubdivision of any such plat or site plan, and any other property hereafter declared as a Lot by the Developer and thereby made subject to this Declaration.

(k) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article II hereof.

(l) "Member's Permittee" shall mean and refer to a person described in Article VI, Section 3 hereof.

(m) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Property.

(n) "Property" shall mean the real property which, initially, is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration located in Broward County, Florida, and that is more particularly described in Exhibit B attached hereto.

(o) "Unit" shall mean and refer to the individual residential structure as well as ancillary equine facilities as applicable constructed on the Lot.

ARTICLE II
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a Member of the Association. Notwithstanding anything else to the contrary set forth in this Section 1, any such person or entity who holds such interest merely as security for the performance of any obligation shall not be a Member of the Association.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Section 1 with the exception of the Developer (as long as the Class B Membership shall exist, and thereafter, the Developer shall be a Class A Member to the

extent it would otherwise qualify). Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interests required for membership by Section 1 of this Article. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, but the single vote for such Lot shall be exercised as they among themselves determine, but, subject only to the following subsection, in no event shall more than one (1) vote be cast with respect to any such Lot.

Class B. The Class B member shall be the Developer. The Class B member shall be entitled to one (1) vote, plus two (2) votes for each vote entitled to be cast in the aggregate at any time and from time to time by the Class A Members. The Class B membership shall cease and terminate on the earlier of the date five (5) years after the date this Declaration is recorded or one (1) year after the last Lot within the Property has been sold and conveyed by the Developer (or its affiliates), or sooner at the election of the Developer (whereupon the Class A Members shall be obligated to elect the Board of Directors of the Association (the "Board of Directors") and assume control of the Association).

Section 3. General Matters. When reference is made herein, or in the Articles, By-Laws, or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members present at a duly constituted meeting thereof (i.e., one for which proper notice has been given and at which a quorum exists) and not of the Members themselves or of their Lots.

ARTICLE III

COMMON AREAS; CERTAIN EASEMENTS AND CONSERVATION AREAS

Section 1. Members' Easements. Except for Limited Common Areas as above specified, each Member, and each Member's Permittee shall have a non-exclusive permanent and perpetual easement over and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members, Member's Permittees, their tenants, agents and invitees, in such manner as may be regulated by the Association.

Without limiting the generality of the foregoing, such rights of use and enjoyment are hereby made subject to the following:

(a) Easements over and upon the Common Areas, including, without limitation, Landscaping and Pedestrian Areas as defined herein, in favor of the Association; provided, however, that this subsection shall not, in itself, be deemed to grant any easements or use rights which are not specifically granted elsewhere herein or in any other document to which the Property is now or hereafter subject.

(b) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas and facilities in compliance with the provisions of this Declaration and with the restrictions on the plats of the Property from time to time recorded.

(c) The right of the Association to suspend the Member's (and his Member's Permittees') right to use the recreational facilities (if any for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of lawfully adopted and published rules and regulations.

(d) The right of the Association to charge reasonable admission and other fees for the use of recreational facilities (if any) situated on the Common Areas.

(e) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Common Areas and all facilities at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(f) The right to the use and enjoyment of the Common Areas and facilities thereon shall extend to all Members' Permittees, subject to regulation from time to time by the Association in its lawfully adopted and published rules and regulations.

(g) The right of Developer and the Association to have, grant and use general ("blanket") and specific easements over, under and through the Common Areas.

(h) The right of the Association, by a 2/3rds affirmative vote of the entire membership, to dedicate or convey portions of the Common Areas to any public or quasi-public agency, community development district or similar entity under such terms as the Association deems appropriate and to create or contract with other associations, community development and special taxing districts for lighting, roads, recreational or other services, security, or communications and other similar purposes deemed appropriate by the Association (to which such dedication or contract all Owners, by the acceptance of the deeds, to their Lots, shall be deemed to have consented, no consent of any other party, except the Developer, being necessary).

(i) The right and duty of the Association to maintain and repair Common Area drainage easements on the Property and underground drainage structures on the Property.

(j) The right and duty of the Association to maintain any canals and canal easements on the Property.

WITH RESPECT TO THE USE OF THE COMMON AREAS AND THE PROPERTY GENERALLY, ALL PERSONS ARE REFERRED TO ARTICLE VIII, SECTIONS 11 AND 12 HEREOF, WHICH SHALL AT ALL TIMES APPLY THERETO.

Section 2. Easements Appurtenant. The easements provided in Section 1 of this Article shall be appurtenant to and shall pass with the title to each Lot, but shall not be deemed to grant or convey any ownership interest in the Common Area subject thereto.

Section 3. Maintenance. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Areas and, to the extent not otherwise provided for, the paving, drainage structures, landscaping, improvements and other structures (except public utilities, to the extent same have not been made Common Areas) situated on the Common Areas, if any, all such work to be done as ordered by the Board of Directors.

Maintenance of the aforesaid street lighting fixtures shall include and extend to payment for all electricity consumed in their illumination. Without limiting the generality of the foregoing, the Association shall assume all of Developer's and its affiliates' responsibility to the Town of Southwest Ranches and Broward County and its governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Common Areas and shall indemnify and hold the Developer and its affiliates harmless with respect thereto.

All work pursuant to this Section and all expenses incurred or allocated to the Association pursuant to this Declaration shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith. In order to effect economies of scale and for other relevant purposes, the Association shall have the power to incur, by way of contract, the provisions of this Declaration or otherwise, expenses general to Sterling Ranch Estates or all or applicable portions thereof, and the Association shall then allocate portions of such expenses among the Association based on such formula as may be adopted by the Association or as provided in this Declaration administered herein. The portion so allocated to the Association shall be deemed a general expense (or in the case of charges applicable to only one or more specific Lots to the exclusion of others, a special expense to be allocated only among the affected Lots), collectible through assessments (either general or special) against applicable Lots.

No Owner may waive or otherwise escape liability for assessments by non-use (whether voluntary or involuntary) of the Common Areas or abandonment of the right to use the Common Areas.

Section 4. Utility Easements. Use of the Common Areas for utilities, as well as use of other utility easements as shown on relevant plats, site plans or easements recorded separately in the public records of Broward County, Florida (the "Easement Documents"), shall be in accordance with the applicable provisions of this Declaration and such other instruments. The Developer and its affiliates and its and their designees shall have a perpetual easement over, upon and under the Common Areas and the unimproved portions of the Lots for the installation, operation, maintenance, repair, replacement, alteration and expansion of utilities.

Section 5. Public Easements. Fire, police, health and sanitation, park maintenance and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas in the performance of their respective duties.

Section 6. Limited Common Areas. At the time that title to a Lot is conveyed to an Owner thereof, there shall be deemed to have been vested in such Owner, as an appurtenance to the Lot (and not separately alienable therefrom), the exclusive right to use (but not title to or any other ownership interest in) the applicable Limited Common Areas (as defined in Article I), if any, subject always, however, to the rights, if any, of the Town of Southwest Ranches, Broward County, CBDD, the Association and the public with respect thereto. The Developer, from time to time, may add to the Limited Common Areas by recorded supplemental declaration. Maintenance and repair of the Limited Common Areas shall be effected by the Association, except as specified in any supplemental declaration adding to the Limited Common Areas.

Section 7. Ownership. The Common Areas (except for the Limited Common Areas) are hereby dedicated non-exclusively to the joint and several use, in common, of the Developer and the Owners of all Lots and that may from time to time constitute part of the Property and all Member's Permittees and the Developer's tenants, guests and invitees, all as provided and regulated therein or otherwise by the Association. The Common Areas (or appropriate portions thereof) shall, upon the later of completion of the improvements thereon or the date when the last Lot within the Property has been conveyed to a purchaser (or at any time and from time to time sooner at the sole election of the Developer), be conveyed by quit claim deed to the Association, which shall be deemed to have automatically accepted such conveyance. Beginning from the date these covenants are recorded, the Association shall be responsible for the maintenance, insurance and administration of such Common Areas (whether or not then conveyed or to be conveyed to the Association), all of which shall be performed in a continuous and satisfactory manner without cost to the general taxpayers of Broward County, Town of Southwest Ranches or CBDD. It is intended that all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be (or have been, because the purchase prices of the Lots and Units have already taken into account their proportionate shares of the values of the Common Areas),

proportionally assessed against and payable as part of the taxes of the applicable Lots within the Property. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest of appeal before or after payment) of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date these covenants are recorded, and such taxes shall be prorated between Developer and the Association as of the date of such recordation.

Developer and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of the Property (including, without limitation, Lots and Units) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any improvements or facilities on the Common Areas or elsewhere on the Property that Developer and its affiliates or designee elect to effect, and to use, without charge, the Common Areas for sales, displays and signs or for any other related purpose. Without limiting the generality of the foregoing, the Developer and its affiliates shall have the specific right to maintain upon any portion of the Property sales, administrative, construction or other offices and appropriate exclusive and non-exclusive easements of access and use are expressly reserved unto the Developer and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation (which shall not be deemed to be created hereby) to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Developer shall not be liable for delays in such completion to the extent resulting from the need to finish the above-referenced activities prior to such completion.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Except as provided elsewhere herein, the Developer (and each party joining in any supplemental declaration), for all Lots within the Property, hereby covenants and agrees, and each Owner of any Lot by acceptance of a deed therefor or other conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed

to covenant and agree, upon the first closing of a Lot or Unit to pay to the Association annual assessments and charges assessed to or through the Association and the maintenance, management, operation and insurance of the Common Areas as provided elsewhere herein, including such reasonable reserves as the Association may deem necessary, capital improvement assessments, as provided in Section 4 hereof, special assessments for maintenance as provided in Section 3 hereof and all other charges and assessments hereinafter referred to or lawfully imposed by or on the Association, all such assessments to be fixed, established and collected from time to time as herein provided. In addition, special assessments may be levied against particular Owners and Owners to the exclusion of others and other charges against specific Lots or Owners as contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due and all subsequent Owners until paid. Except as provided herein with respect to special assessments which may be imposed on one or more Lots and Owners to the exclusion of others, all assessments imposed by the Association shall be imposed against all Lots subject to its jurisdiction equally.

Reference herein to assessments shall be understood to include reference to any and all of said charges whether or not specifically mentioned.

Section 2. Purpose of Assessments. The regular assessments levied by the Association shall be used exclusively for the purposes expressed in Section 1 of this Article and to promote the health, safety, welfare and recreational opportunities of the Members of the Association and their Members' Permittees.

Section 3. Special Assessments. In addition to the regular and capital improvement assessments which are or may be levied hereunder, the Association (through the Board of Directors) shall have the right to levy special assessments against an Owner(s) to the exclusion of other Owners for (i) the repair or replacement of damage to any portion of the Common

Areas (including, without limitation, improvements and landscaping thereon) caused by the misuse, negligence or other action or inaction of an Owner or his Member's Permittee(s) or (ii) the costs of work performed by the Association in accordance with Article V of this Declaration (together with any surcharges collectible thereunder). Any such special assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing and foreclosure procedures and late charges and interest. Any special assessment levied hereunder shall be due within the time specified by the Board of Directors in the action imposing such assessment.

Section 4. Capital Improvements. Funds which, in the aggregate, exceed the lesser of \$5,000 or 10% of the total amount of the current operating budget of the Association in any one fiscal year which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance) relating to the Common Areas under the jurisdiction of the Association and which have not previously been collected as reserves or are not otherwise available to the Association (other than by borrowing) shall be levied by the Association as assessments only upon approval of a majority of the Board of Directors and upon approval by two-thirds (2/3) favorable vote of the Members of the Association voting at a meeting or by ballot as may be provided in the By-Laws of the Association. It is the intent of this Section that any capital improvements having a cost of less than the amount provided for above be paid for by regular assessments, with an appropriate adjustment to the budget of the Association and the assessment levied in accordance therewith to be made, if necessary.

Section 5. Date of Commencement of Annual Assessments; Due Dates. The annual regular assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31.

The annual assessments shall be payable in advance in monthly installments, or in annual, semi- or quarter-annual installments if so determined by the Board of Directors (absent which determination they shall be payable monthly).

The assessment amount (and applicable installments) may be changed at any time by the Board of Directors from that originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, every six (6) months), but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

The due date of any special assessment or capital improvement assessment shall be fixed in the Board of Directors resolution authorizing such assessment.

Section 6. Duties of the Board of Directors. The Board of Directors shall fix the date of commencement and the amount of the assessment against each Lot subject to the Association's jurisdiction for each assessment period, to the extent practicable, 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 thereupon be sent to every Owner subject thereto thirty (30) days prior to payment of the first installment thereof, except as to special assessments. In the event no such notice of the assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

Subject to other provisions hereof, the Association shall upon demand at any time furnish to any Owner liable for an assessment a certificate in writing signed by an officer of the Association, setting forth whether such assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment of any assessment to the Association therein stated to have been paid.

The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of the Developer) for management or other services. The

Association shall have all other powers provided in its Articles of Incorporation and By-Laws.

Section 7. Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association. If the assessments (or installments) provided for herein are not paid on the date(s) when due (being the date(s) specified herein or pursuant hereto), then such assessments (or installments) shall become delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. Except as provided in Section 8 of this Article to the contrary, the personal obligations of the then Owner to pay such assessment shall pass to this successors in title and recourse may be had against either or both.

If any installment of an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges, provided further, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid) or the next twelve (12) months' worth of installments may be accelerated and become immediately due and payable in full and all such sums shall bear interest from the dates when due until paid at the highest lawful rate (or, if there is no highest lawful rate, 18% per annum) and the Association may bring an action at law against the Owner(s) personally obligated to pay the same, may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the assessments and late charges are unpaid, may foreclose the lien against the Lot on which the assessments and late charges are unpaid, or may pursue one or more of such remedies at the same time or successively, and attorney's fees and costs actually incurred in preparing and filing the claim of lien and the complaint, if any, and prosecuting same, in such action shall be added to the amount of such assessments, late charges and interest, and in the event a judgment is obtained, such judgment shall include all such sums as above provided and attorney's fees actually incurred together

with the costs of the action, through all applicable appellate levels.

In the case of an acceleration of the next twelve (12) months' of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special assessments against such Lot shall be levied by the Association for such purpose.

In addition to the rights of collection of assessments stated in this Section, any and all persons acquiring title to or an interest in a Lot as to which the assessment is delinquent, including without limitation persons acquiring title by operation of law and by judicial sales, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Areas until such time as all unpaid and delinquent assessments due and owing from the selling Owner have been fully paid; provided, however, that the provisions of this sentence shall not be applicable to the mortgagees and purchasers contemplated by Section 8 of this Article.

It shall be the legal duty and responsibility of the Association to enforce payment of the assessments hereunder. Failure of a collecting entity to send or deliver bills or notices of assessments shall not, however, relieve Owners from their obligations hereunder.

All assessments, late charges, interest, penalties, fines, attorney's fees and other sums provided for herein shall accrue to the benefit of the Association.

Section 8. Subordination of the Lien. The lien of the assessments provided for in this Article shall be subordinate to real property tax liens and the lien of any first mortgage (recorded prior to recordation by the Association of a claim of lien) held by an institutional mortgage lender or otherwise insured by FNMA or FHLMC and which is now or hereafter placed upon any property subject to assessment; provided, however, that any such mortgage lender when in possession or any receiver, and in the event of foreclosure, any purchaser at a foreclosure sale, and any such mortgage lender acquiring a deed in lieu of

foreclosure, and all persons claiming by, through or under such purchaser or mortgage lender, shall hold title subject to the liability and lien of any assessment coming due after such foreclosure (or conveyance in lieu of foreclosure), the overall priority of liens being: tax liens, first mortgage liens, and then the lien created herein. Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

Section 9. Collection of Assessments. Assessments levied pursuant hereto shall be collected by the Association.

Section 10. Developer's Assessments. Notwithstanding anything herein to the contrary Developer shall have the option, in its sole discretion, to (i) pay assessments on the Lots owned by it, (ii) pay assessments only on certain designated Lots (e.g., those under construction or those containing a Unit for which a certificate of occupancy has been issued) or (iii) not pay assessments on any Lots and in lieu thereof fund any resulting assessments receivable from Owners other than Developer. The deficit to be paid under option (iii), above, shall be the difference between (i) actual operating expenses of the Association (exclusive of capital improvement costs, reserves and management fees) and (ii) the sum of all monies receivable by the Association (including, without limitation, assessments, interest, late charges, fines and incidental income) and any surplus carried forward from the preceding year(s). Developer may from time to time change the option stated above under which Developer is making payments to the Association by written notice to such effect to the Association. If Developer at any time elects option (ii), above, it shall not be deemed to have necessarily elected option (i) or (iii) as to the Lots which are not designated under option (ii). When all Lots within the Property are sold and conveyed to purchasers, neither the Developer nor its affiliates shall have further liability of any kind to the Association for the payment of assessments, deficits or contributions.

Section 11. Association Funds. The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special and capital assessments, shall be held by the Association and may be

invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

ARTICLE V
MAINTENANCE OF UNITS AND LOTS

Section 1. Exteriors of Units. Each Owner shall maintain all structures (including the Unit) located on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of the Property and Estate of Sunshine Ranches as a whole. The minimum (though not sole) standard for the foregoing shall be consistency with the general appearance of the Property and Estates of Sunshine Ranches as initially constructed and otherwise improved by Developer (taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness, in the judgment of the Homeowner Association or its equivalent having jurisdiction over the Property. Each Owner shall repaint or restain, as appropriate, the exterior portions of his Unit (with the same colors as initially used by Developer) as often as is necessary to comply with the foregoing standards.

Section 2. Lots. Each owner shall maintain the trees, shrubbery, grass, walls and gates and other appurtenant improvements and structures and other landscaping on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of the Property and Estate at Sunshine Ranches as a whole. The minimum (though not sole) standard for the foregoing shall be the general appearance of the Property and Estate of Sunshine Ranches as initially landscaped by Developer (such standard being subject to being raised by virtue of the natural and orderly growth and maturation of applicable landscaping, as properly trimmed and maintained). In addition, no fill or other improvements shall be placed within any drainage easements or canal easements located in each Lot.

Section 3. Remedies for Noncompliance. In the event of the failure of an Owner to maintain his Unit or Lot in accordance with this Article, the Association shall have the right, upon thirty (30) days' prior written notice to the Owner at the address last appearing in the records of the Association, to enter upon the Owner's Lot and perform such work as is necessary to bring the Lot or Unit, as applicable, into compliance with the standards set forth in this Article. Such

work may include, but shall not necessarily be limited to, the cutting/trimming of grass, trees and shrubs; the removal (by spraying or otherwise) of weeds and other vegetation; the resodding or replanting of grass, trees or shrubs; the repainting or restaining of exterior surfaces of a Unit; the repair of walls, fences, roofs, doors, windows and other portions of a Unit or other structures on a Lot; and such other remedial work as is judged necessary by the applicable entity. The remedies provided for herein shall be cumulative with all other remedies (including, without limitation, the imposition of fines or special assessments or the filing of legal or equitable actions).

Section 4. Costs of Remedial Work; Surcharge. In the event that the Association performs any remedial work on a Unit or Lot pursuant to this Article or any other applicable provision of this Declaration, the costs and expenses thereof shall be deemed a special assessment under Article IV, Section 3 of this Declaration and may be immediately imposed by the Board of Directors. In order to discourage Owners from abandoning certain duties hereunder for the purpose of forcing one of the aforesaid entities to assume same, and, additionally to reimburse same for administrative expenses incurred, the applicable entity may impose a surcharge of not more than thirty-five percent (35%) of the cost of the applicable remedial work, such surcharge to be a part of the aforesaid special assessment. No bids need be obtained for any of the work performed pursuant to this Article and the person(s) or company performing such work may be selected by the applicable entity in its sole discretion.

Section 5. Right of Entry. There is hereby created an easement in favor of the Association and its applicable designees over each Lot for the purpose of entering onto such Lot in the performance of the work herein described, provided that the notice requirements of this Article are complied with and any such entry is during reasonable hours.

ARTICLE VI RESALE, LEASE AND OCCUPANCY RESTRICTIONS

Section 1. Estoppel Certificate. No Owner may sell or convey his interest in a Lot unless all sums due the Association shall be paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If

all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days of a written request therefor. The Owner requesting the certificate shall pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate.

Owners shall be obligated to deliver the documents originally received from the Developer, containing this and other declarations and documents, to any grantee of such Owner.

Section 2. Leases. No portion of a Lot and Unit (other than an entire Lot and Unit) may be rented. All leases shall be in writing, be approved by the Association and shall provide that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by tenant in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, or other applicable provisions of any agreement, document or instrument governing the Property or administered by the Association. Leasing of Lots and Units shall also be subject to the prior written approval of the Association, which approval shall not be unreasonably withheld. Owners wishing to lease their Lots and Units shall submit a written request to the Association, which request shall be answered after a review period of ten (10) business days, upon which the Association shall issue a response, or otherwise the request shall be deemed approved. No lease shall be approved for a term less than one (1) year. Owners wishing to lease their Lots and Units shall be required to place in escrow with the Association the sum of \$1,000.00 which may be used by the Association to repair any damage to the Common Areas or other portions of the Property or Landmark at Ranch Estates resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. Any balance remaining in the escrow account, less an administrative charge not to exceed \$50.00, shall be returned to the Owner within ninety (90) days after the tenant and all subsequent tenants permanently move out.

Section 3. Members' Permittees. No Lot or Unit shall be occupied by any person other than the Owner(s) thereof or the applicable Members' Permittees and in no event other than as a

residence. For purposes of this Declaration, a Member's Permittees shall be the following persons and such persons' families, provided that the Owner or other permitted occupant must reside with his/her family: (i) an individual Owner(s), (ii) an officer, director, or stockholder of a corporate owner, (iii) a partner of a partnership owner, (iv) a fiduciary or beneficiary of an ownership in trust, or (v) occupants named or described in a lease or sublease, but only if approved in accordance with this Declaration. Under no circumstances may more than one family reside in a Unit at one time. In no event shall occupancy (except for temporary occupancy by guests) exceed two (2) persons per bedroom and one (1) person per den (as defined by the Association for the purpose of excluding from such definition living rooms, dining rooms, family rooms, country kitchens and the like). The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The provisions of this Section shall not be applicable to Units used by the Developer for models, sales offices, management services or otherwise or to two hired helpers who dwell and help maintain the Property or household of the Member or Owner, subject to local laws, zoning ordinances and regulations.

As used herein, "family" or words of similar import shall be deemed to include a spouse, children, parents, brothers, sisters, grandchildren and other persons permanently cohabiting the Unit as or together with the Owner or permitted occupant thereof. As used herein, "guest" or words of similar import shall include only those persons who have a principal residence other than the Unit. Unless otherwise determined by the Board of Directors, a person(s) occupying a Unit for more than one (1) month shall not be deemed a guest but, rather, shall be deemed a lessee for purposes of this Declaration (regardless of whether a lease exists or rent is paid) and shall be subject to the provisions of this Declaration which apply to leases and lessees. The purpose of this paragraph is to prohibit the circumvention of the provisions and intent of this Article and the Board of Directors shall enforce, and the Owners comply with, same with due regard for such purpose.

ARTICLE VII ENFORCEMENT

Section 1. Compliance by Owners. Every Owner shall comply with the restrictions and covenants set forth herein and

any and all rules and regulations which from time to time may be adopted by the Board of Directors including the current Rules and Regulations set forth in Exhibit C attached hereto and made a part hereof.

Section 2. Enforcement. Failure of an Owner to comply with such restrictions, covenants or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend the rights of use of Common Areas (except for legal access) of defaulting Owners. The offending Lot Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

Section 3. Fines. In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Board of Directors at which time the Owner shall present reasons why a fine(s) should not be imposed. At least six (6) days' notice of such meeting shall be given.

(b) Hearing: The alleged non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why a fine(s) should not be imposed. A written decision of the Board of Directors shall be submitted to the Owner by not later than twenty-one (21) days after the Board of Director's meeting. The Owner shall have a right to be represented by counsel and to cross-examine witnesses.

(c) Amounts: The Board of Directors (if its or such panel's findings are made against the Owner) may impose special assessments against the Lot owned by the Owner as follows:

(1) First non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).

(2) Second non-compliance or violation: a fine not in excess of Five Hundred Dollars (\$500.00).

(3) Third and subsequent non-compliance, or a violation or violations which are of a continuing nature: a fine not in excess of One Thousand Dollars (\$1,000.00).

(d) Payment of Fines: Fines shall be paid not later than five (5) business days after notice of the imposition or assessment of the penalties.

(e) Collection of Fines: Fines shall be treated as an assessment subject to the provisions for the collection of assessments as set forth herein.

(f) Application of Proceeds: All monies received from fines shall be allocated as directed by the Board of Directors.

(g) Non-exclusive Remedy: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

ARTICLE VIII
GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association, the Developer (at all times) and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 75% of all the Lots subject hereto and of 100% of the mortgagees thereof has been recorded, agreeing to revoke said covenants and restrictions. Provided, however, that no such agreement to revoke shall be effective

unless made and recorded three (3) years in advance of the effective date of such revocation, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any signatures being obtained.

Section 2. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as Member/or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be accomplished by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants; and failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability. Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

Section 5. Amendment. In addition to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed, deleted or added to at any time and from time to time upon the execution and recordation of an instrument executed by the Developer alone, for so long as it or its affiliates holds title to any Lot affected by this Declaration; or alternatively by vote of the membership in the Association, provided, that so long as the Developer or its affiliates is the Owner of any Lot affected by this Declaration, the Developer's consent must be obtained if such amendment, in the sole opinion of the Developer, affects its interest. No amendment or modification of this Declaration shall be effective which shall impair or prejudice the rights or privileges of any institutional mortgagee of record, without the prior written approval of such mortgagee affected thereby. In addition, no amendment or modification to this Declaration or any other

document that conveys a right to SBDD or concerns the drainage system of the Property shall be effective without the approval of the CBDD pursuant to a recorded document in the Public Records of Broward County, Florida. Finally, any amendment or modification to this Declaration that would affect the Surface Water Management System, shall require the approval of the CADD.

Section 6. Effective Date. This Declaration shall become effective upon its recordation in the Broward County Public Records.

Section 7. Conflict. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and By-Laws of the Association and said Articles shall take precedence over the By-Laws.

Section 8. Standards for Consent, Approval, Completion, Other Action and Interpretation. Whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association, such consent, approval or action may be withheld in the sole and unfettered discretion of the party required to give such consent or approval or take such action, which consent, approval or other action shall not be unreasonably withheld or delayed, and all matters required to be completed or substantially completed by the Developer or its affiliates or the Association shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer or Association, as appropriate.

Section 9. Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

Section 10. CPI. Whenever specific dollar amounts are mentioned in this Declaration (or in the Articles of Incorporation or By-Laws), unless limited or prohibited by law, such amounts will be increased from time to time by application of a nationally recognized consumer price index chosen by the Board of Directors, using the date this Declaration is recorded as the base year. In the event no such consumer price index is available, the Board of Directors shall choose a reasonable alternative to compute such increases.

Section 11. Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE PROPERTY ARE HEREBY PLACED ON NOTICE THAT DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES WILL BE, FROM TIME TO TIME, CONDUCTING EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE PROPERTY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTY, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE PROPERTY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVENT IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (iii) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE BUT, RATHER, SHALL BE HELD HARMLESS, FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT WHERE SUCH LOSSES, DAMAGES, INJURIES OR DEATHS ARE THE DIRECT AND PROXIMATE RESULT OF DEVELOPER'S OR OTHER AFORESAID RELATED PARTIES' NEGLIGENCE, WILFUL MISCONDUCT OR OMISSION AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, (iv) ANY PURCHASE OR USE OF ANY PORTION OF THE PROPERTY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING, AND (v) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DEVELOPER TO SELL, CONVEY, LEASE AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE PROPERTY.

Section 12. No Further Subdivision. Further subdivision of Lots is strictly prohibited, other than Lot 1 which may be subdivided into two approximate equal buildable lots. All

Owners shall comply with and maintain individual lot grading plans as submitted to applicable governmental agencies.

Section 13. Reapplication of Permits. The Association agrees hereto to reapply to the applicable governmental agencies for the purpose of renewing any and all existing permits required to complete the development of the Property.

Section 14. Requirements for the Central Broward Drainage District. The CADD (the "District") require that each Owner of a Lot agree to restrict certain activities. Thus, each Owner of a Lot hereby agrees not to engage in any of the following activities without approval of the Town of Southwest Ranches, CBDD, or the Homeowner Association:

(a) Dumping or placing of soil or other substance or material at landfill or dumping or placing of trash, waste or unsightly or offensive materials;

(b) Removal or destruction of trees, shrubs or other vegetation, except for the removal of exotic vegetation in accordance with a District approved maintenance plan;

(c) Excavation, dredging or removal of a loam, peak, gravel, soil, rock or other material substance in such a manner as to affect the surface;

(d) Not to disturb the surface of the land or any water contained in any lakes on the Property;

(e) Not to engage in any activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation or fish and wild life habitat preservation including, but not limited to, ditching, diking and fencing on the Property;

(f) Not to engage in any acts or uses detrimental to such aforementioned retention of land or water areas; and

(g) Any acts or uses within the respective Districts' regulatory jurisdiction which are detrimental to the preservation of any features or aspects of the Property having historical or archaeological significance.

Section 15. Notices and Disclaimers as to Water Bodies. NEITHER DEVELOPER, THE ASSOCIATION NOR ANY OF THEIR OFFICERS,

DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR ASSURING THE WATER LEVEL IN ANY LAKE OR POND WITHIN THE PROPERTY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR OR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES. IN ADDITION, THE LISTED PARTIES SHALL HAVE NO RESPONSIBILITY TO MAINTAIN OR MANAGE AQUATIC GROWTH IN ANY LAKE, POND OR CANAL WITHIN OR ADJACENT TO THE PROPERTY.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY HABITAT OR ENTER INTO WATER BODIES WITHIN OR NEAR THE PROPERTY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

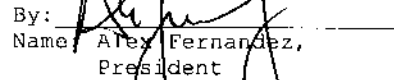
Section 16. Covenants Running with the Land. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING AND WITHOUT LIMITING THE GENERALITY (AND SUBJECT TO THE LIMITATIONS) OF SECTION 1 OF THIS ARTICLE, IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY (AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THESE COVENANTS AND RESTRICTIONS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTY. WITHOUT LIMITING THE GENERALITY OF SECTION 4 OF THIS ARTICLE, IF ANY PROVISION OR APPLICATION OF THIS DECLARATION WOULD PREVENT THIS DECLARATION FROM RUNNING WITH THE LAND AS AFORESAID, SUCH PROVISION AND/OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THESE COVENANTS AND RESTRICTIONS TO SO RUN WITH THE LAND; BUT IF SUCH PROVISION AND/OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION AND/OR APPLICATION SHALL BE UNENFORCEABLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES (THAT THESE COVENANTS AND RESTRICTIONS RUN WITH THE LAND AS AFORESAID) BE ACHIEVED.

EXECUTED as of the date first above written.

Signed, Sealed
And Delivered in
the Presence of:



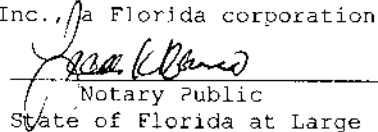
A.F. Management of
South Florida, Inc.,
a Florida corporation,

By: 
Name: Alex Fernandez,
President

(CORPORATE SEAL)

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me, this
2nd day of May, 2005, by Alex Fernandez, as President of
A.F. Management of South Florida, Inc., a Florida corporation.


Notary Public
State of Florida at Large

My Commission Expires:

Sept. 3, 2006



Leesa K. Romero
Commission #DD147128
Expires: Sep 03, 2006
Bonded Thru
Atlantic Bonding Co., Inc.

EXHIBIT A

Common Areas shall include:

All Easements pursuant to that certain Plat called Estates at Sunshine Ranches recorded at Official Records Book 172 at Page 95 of the Public Records of Broward County, Florida and all other easements recorded in such public records.

EXHIBIT B

Legal Description of Estates at Sunshine Ranches.

That certain plat of Estates at Sunshine Ranches recorded in Public Records Book 172 at Page 95 of the Public Records of Broward County, Florida.

EXHIBIT C

RULES AND REGULATIONS

Section 1. Applicability. The provisions of these Rules and Regulations shall be applicable to all of the Property but shall not be applicable to the Developer of any of its designees or Lots or other property owned by the Developer or its designees. All of these Rules and Regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The provisions of these Rules and Regulations may be modified, in whole or in part, at any time by the Board of Directors without the necessity of recording an amendment hereto or thereto in the public records. The Board of Directors shall be permitted (but not required) to grant relief to one or more Owners from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of, and conditions on time limitations imposed by, the Board of Directors.

Section 2. Land Use and Building Type. No Lot shall be used except for residential purposes and further no building constructed on a Lot shall be used except for residential purposes, which use as an ancillary purpose may include equine facilities, if applicable. No building shall be erected, altered, placed or permitted to remain on any Lot other than one Unit. Temporary uses by Developer and its affiliates for model homes, sales displays, parking lots, sales offices and other offices, or any one or combination of such uses, shall be permitted until permanent cessation of such uses takes place. No changes may be made in buildings erected by the Developer or its affiliates (except if such changes are made by the Developer) without the consent of the Homeowner Association and as provided herein.

Section 3. Easements. Easements for installation and maintenance of utilities and drainage are reserved as shown on the Plat and any other publicly recorded document. The area of each Lot covered by an easement and all improvements in the areas shall be maintained continuously by the Owner of the Lot, except as provided herein to the contrary and except for installations for which a public authority or utility company is responsible. The appropriate authority, CADD, electric utility company, telephone company, the Association, and the Developer and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and

maintenance, all underground, of storm drains, electric and telephone lines, cables and conduits, under and through the utility easements as shown on the plats.

Section 4. Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the neighborhood. Any activity on a Lot which interferes with television, cable or radio reception of another Lot shall be deemed a nuisance and a prohibited activity. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which decision shall be dispositive of such dispute or question. ALL PERSONS ARE REFERRED TO ARTICLE VIII, SECTION 11 OF THE DECLARATION WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

Section 5. Temporary Structures. No structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted on any Lots within the Property at any time or used at any time as a residence, either temporarily or permanently, except by the Developer and its affiliates during construction. No above ground gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Unit or on or about any ancillary building, except for one (1) gas cylinder (not to exceed 100 lbs. capacity) for appliance use.

Section 6. Signs. No sign of any kind shall be displayed to the public view on the Property without prior approval of the Association. No sign of any kind shall be permitted to be placed inside a home or on the outside walls of the home or on any fences on the Property, nor on the Common Areas, nor on dedicated areas, nor on entryways or any vehicles within the Property, except such as are placed by the Developer or its affiliates, or approved by the Association.

Section 7. Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in the Property, nor on dedicated areas, nor shall oil wells, tanks, tunnels, ties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions. ALL PERSONS ARE REFERRED TO ARTICLE VIII, SECTION 11 WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

Section 8. Pets, Livestock and Poultry. No animals, reptiles, wildlife, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except no more than six (6) household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose, and provided that they do not become a nuisance or annoyance to any neighbor by reason of barking or otherwise. Notwithstanding the foregoing, each Owner may keep up to two (2) horses or ponies (or combination thereof) on Lots not exceeding 2 acres and four (4) horses or ponies (or combination thereof) on Lots exceeding 3 acres. For purposes hereof, "household pets" shall mean dogs, cats and other animals expressly permitted by the Association, if any. Pets shall also be subject to all applicable Rules and Regulations. Nothing contained herein shall prohibit the keeping of fish or domestic (household-type) birds, as long as the latter are kept indoors and do not become a source of annoyance to neighbors.

Section 9. Animal/Livestock Wastes. Management and disposal of livestock wastes within Sterling Ranch Estates will adhere to the following provisions:

Livestock waste shall not be placed, accepted, stored, or allowed to accumulate on the Property or within any drainage facilities, easements, water management tracts, or preserve areas, except as provided herein.

A. Management of Livestock Waste Shall be Placed, Spread, or Stored only in Livestock waste storage area.

B. Livestock Waste Hauling

1. All livestock waste shall be removed from the livestock facilities by either a commercial livestock waste hauler or a livestock waste self-hauler.
2. Commercial livestock waste haulers and livestock waste self-haulers shall not deposit livestock waste within the boundaries of the Property.
3. All storage areas for animal waste shall be a minimum of 25 feet from all drainage, flowage and storage easements.

Responsibility for management of livestock waste on individual properties will be the responsibility of each property owner.

Section 10. Visibility at Intersections. No obstruction to visibility at street intersections or Common Area intersections shall be permitted.

Section 11. Architectural Control. No building, wall, fence or other structure or improvement of any nature (including, but not limited to, landscaping, exterior paint or finish, hurricane protection, basketball hoops, birdhouses, other pet houses, swales, asphaltting or other improvements or changes of any kind) shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping or of the materials as may be required by the Association have been approved in writing by the Association named below and all necessary governmental permits are obtained. Each building, wall, fence, or other structure or improvement of any nature, together with the landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved and applicable governmental permits and requirements. Refusal of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds, which in the sole and uncontrolled discretion of said Architectural Review Board seem sufficient. Any change in the exterior appearance of any building, wall, fence or other structure or improvements, and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval. The Architectural Review Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph. A majority of the Architectural Review Board may take any action the Architectural Review Board is empowered to take, may designate a representative to act for the Architectural Review Board and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Architectural Review Board, the remaining members shall have full authority to designate a successor. The members of the Architectural Review Board shall not be entitled to any compensation for services performed pursuant to this covenant. The Architectural Review Board shall act on submissions to it within thirty (30) days after receipt of the same (and all

further documentation required) or else the request shall be deemed approved.

The approval of any proposed improvements or alterations by the Architectural Review Board shall not constitute a warranty or approval as to, and no member or representative of the Architectural Review Board or the Board of Directors shall be liable for, the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration nor as to its compliance with governmental or industry codes or standards. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alterations.

No approval of the Architectural Review Board shall be required for the maintenance (including repainting and restaining of Unit exteriors unless a material change in color is made to the exterior) required by Article V of this Declaration.

Without limiting the generality of Section 1 hereof, the foregoing provisions shall not be applicable to the Developer or its affiliates or to construction activities conducted by the Developer or such affiliates.

Section 12. Commercial Trucks, Trailers, Campers and Boats. No trucks or commercial vehicles, or campers, mobile homes, motor homes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or vans, shall be permitted to be parked or to be stored at any place on the Property, nor in dedicated areas, except in (i) enclosed garages (ii) spaces for some or all of the above specifically designated by Developer or the Association, if any and (iii) on a Lot provided that such vehicles can not be viewed from any street in the Community and is properly screened with landscaping from neighbors views as approved by the Architectural Review Board. For purposes of this Section, "commercial vehicles" shall mean those which are not designed and used for customary, personal/family purposes. The absence of commercial-type lettering or graphics on a vehicles shall not be dispositive as to whether it is a commercial vehicle. The prohibitions on parking contained in this Section shall not apply to temporary parking of trucks and

commercial vehicles, such as for pick-up and delivery and other commercial services, nor to passenger-type S.U.V.'s for personal use which are in acceptable condition in the sole opinion of the Architectural Review Board (which favorable opinion may be changed at any time), nor to any vehicles of the Developer or its affiliates. No overnight on-street parking, or parking on the front part of a Lot, or on a Lot that can be viewed from any street in the Community and is properly screened with landscaping from neighbors shall not be permitted.

Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the Declaration and regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes and trailers. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

Section 13. Garbage and Trash Disposal. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Association. The requirements from time to time of the applicable governmental authority or other company or association for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than 24 hours prior to scheduled collection and must be removed within 12 hours of collection.

Section 14. Fences. No fence, wall or other structure shall be erected in the front yard, back yard, or side yard setback areas, except as originally installed by Developer or its affiliates, and except any approved by the Association or its equivalent as provided in the applicable document(s).

Section 15. No Drying. No clothing, laundry or wash shall be aired or dried on any portion of the Property except on a portion of a Lot which is completely screened from the view of all persons other than those on the Lot itself.

Section 16. Waterfront Property. As to all portions of the Property which have a boundary contiguous to any canal, drainage easement or other body of water, the following additional restrictions and requirements shall be applicable:

(A) No boathouse, dock wharf or other structure of any kind shall be erected, placed, altered or maintained on the shores of any canal, drainage easement or other body of water unless erected by the Developer or its affiliates, subject to any and all governmental approvals and permits that may be required, including the CADD.

(B) No solid or liquid waste, litter, or other materials maybe discharged into/onto or thrown into/onto any lake or other body of water or the banks thereof.

(C) Each applicable Owner shall maintain his Lot to the line of the water in the adjacent lake or other water body, as such line may change from time to time by virtue of changes in water levels.

(D) Each applicable Owner shall grant the Association an easement for the purpose of maintaining any lake or canal maintenance easement that runs in favor of any applicable governmental entities, agencies, or Association.

(E) No beached shall be constructed on any Lot within any easements dedicated to the CADD.

WITH RESPECT TO WATER LEVELS AND QUALITY, ALL PERSONS ARE REFERRED TO ARTICLE VIII, SECTION 12 OF THE DECLARATION.

Section 17. Unit Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls without approval from the Association. No building shall have any aluminum foil placed in any window or

glass door or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the Architectural Review Board or its equivalent of energy conservation purposes.

Section 18. Exterior Antennas. No exterior antennas, large satellite dishes or similar equipment shall be permitted on any Lot or improvement thereon, except that Developer and its affiliates shall have the right to install and maintain community antenna, microwave antenna, dishes, satellite antenna and radio, television and security lines.

Section 19. Chain Link Fences. No chain link fences shall be permitted on any Lot or portion thereof, unless installed by Developer or its affiliates during construction periods or as otherwise approved by Developer.

Section 20. Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g., solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the Association. Such standards shall be reasonably calculated to maintain the aesthetic integrity of the Property and Sterling Ranch Estates without making the cost of the aforesaid devices prohibitively expensive.

Section 21. Obstruction of Common Areas. The Common Areas and facilities, if any, shall not be obstructed or used for any purpose other than the purposes intended therefor. No carts, bicycles, carriages, chairs, tables or any other similar objects shall be stored thereon.

Section 22. Storage of Personal Property. The personal property of Owners must be stored in their respective Units or in outside storage areas (if any are provided by Developer or approved by the Association).

Section 23. Exterior of Units. No garbage cans, supplies, milk bottles or other articles shall be placed on the exterior portions of any Unit or Lot and no linens, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, shall be hung from or on the Unit or Lot, except as provided in this Declaration with respect to refuse containers.

Section 24. Employees of the Association. Employees of the Association are not to be sent out by Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

Section 25. Parked Vehicles. No motor vehicle which cannot operate on its own power shall remain on the Property for more than twenty-four (24) hours, and no repair of such vehicles shall be made thereon. No portion of the Common Areas may be used for parking purposes, except those portions specifically designed and intended therefore.

Areas specifically designated by the Board of Directors from time to time for guest parking, if any, shall be used only for this purpose and neither Owners nor occupants of Units shall be permitted to use these areas.

Vehicles which are in violation of these Rules and Regulations shall be subject to being towed by the Association as provided in this Declaration, subject to applicable laws and ordinances.

Section 26. Noises. No Owner shall make or permit any disturbing noises in the Unit or on the Lot by himself or his family, servants, employees, agents, visitors or licensees, nor permit any conduct by such persons that will interfere with the rights, comforts or conveniences of other Owners. No Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated any phonograph, television, radio or sound amplifier or any other sound equipment in his Unit or on his Lot in such a manner as to disturb or annoy other residents (applying reasonable standards). No Owner shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.

Section 27. Electronic Equipment. No electronic equipment may be permitted in or on any Unit or Lot which interferes with the television or radio reception of another Unit.

Section 28. Projections on Outside Walls. No awning, canopy, shutter, enclosure or other projection shall be attached to or placed upon the outside walls or roof of the Unit or on the Lot, except as approved by the Association.

Section 29. Alterations of Common Areas. No Owner may alter in any way any portion of the Common Areas, including, but not limited to, landscaping, without obtaining the prior written consent of the Association.

Section 30. Commercial Uses. No commercial use shall be permitted on the Property even if such use would be permitted under applicable zoning ordinances.

Section 31. Flammables. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit, on a Lot or on the Common Areas, except as to gas cylinders permitted under this declaration.

Section 32. Absence During Hurricane. An Owner who plans to be absent during the hurricane season must prepare his Unit and Lot prior to his departure by designating a responsible firm or individual to care for his Unit and Lot should the Unit suffer hurricane damage, and furnish the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.

Section 33. Attachments to Exterior walls. An Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of his Unit without prior written approval of the Association.

Section 34. Children. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them within the Property and including full compliance by them with the Rules and Regulations contained herein and all other rules and regulations of the Association. Loud noises will not be tolerated. All children under twelve (12) years of age must be accompanied by a responsible adult when entering and/or utilizing recreational facilities, if any.

Section 35. Supervision of Pets. No pet shall be permitted outside of Owner's Unit unless attended by an adult of child of more than ten (10) years of age and on a leash of reasonable length. Said pets shall only be walked or taken upon these portions of the Common Areas designated by the Association from time to time for such purposes.

Section 36. Hunting; Firearms. No hunting or use of firearms shall be permitted anywhere on the Property.

Section 37. Wildlife. No Owner or other occupant of a Lot shall feed any wildlife or stray domestic animals.

Section 38. Landscape Buffers. No Owner shall remove alter or destroy the landscape buffers on their Lot. Specifically, in regard to the Northern Landscape Buffer no Owner shall remove, alter or destroy the green buttonwood trees without the express written consent of the Association and the northern adjacent property owner or owners.

Declaration of Covenants 04-14-03.wpd

FOR

ESTATES AT SUNSHINE RANCHES

THIS DECLARATION of Covenants, Conditions and Restrictions is made this 29 day of April, 2005, by Estates At Sunshine Ranches, which declares hereby that the "Property" as described in the definitions of Article I of this Declaration is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE 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 Estates at Sunshine Ranches Homeowner's Association, Inc., a Florida corporation, its successors and assigns.

(b) "Common Areas" or "Common Area" shall mean and refer to the property legally described in Exhibit A attached hereto and made a part hereof, plus all property designated as Common Areas in any future recorded supplemental declaration; together with the landscaping and any improvements therein, including, without limitation, all structures, recreational facilities, open space, walkways, sprinkler systems and street lights, if any, but excluding any public utility installations thereon, and any other property of Developer not intended to be made Common Areas.

(c) "County" shall mean Broward County, Florida.

(d) "Developer" shall mean and refer to A.F. Management of South Florida, Inc., a Florida corporation, its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned. Developer may assign all or a portion of its rights hereunder, or all or a portion of such rights in connection with appropriate portions of the Property. In the event of such a partial assignment, the assignee shall not be deemed

(40)

made on a non-exclusive basis.

(f) "Drainage System" shall mean all structures, including culverts and swales, required to collect and convey rainfall runoff from Sterling Ranch Estates at Ranch Estates and/or canals on and/or adjacent to the Property. The Drainage System is located upon and designed to serve the Property and is a private drainage system.

(g) "Estates at Sunshine Ranches" shall mean and refer to all that real property more particularly described in Exhibit B attached hereto and made a part hereof which is intended to be made a part of a common scheme of development in the manner specified in this Declaration.

(h) "Landscaping and Pedestrian Areas" shall mean and refer to strips of land of varying widths abutting the roads and Lots of the Property for portions of all of its entire length, notwithstanding that any such strips of land may lie within the common areas owned by the Association. The Developer may establish a physical boundary between the Landscaping and Pedestrian Areas referred to above and such other common areas, but in the absence of such physical boundary, the Developer shall have the absolute right to determine the actual boundary and such determination shall be binding on the Association and Owners. The fact that certain of such Landscaping and Pedestrian Areas are not legally described shall not affect their character as Common Areas for purposes hereof.

(i) "Limited Common Areas" shall mean and refer to such portions of the Common Areas which are intended for the exclusive use (subject to the rights, if any, of Broward County, the Association, Central Broward Drainage District ("CBDD") and the public) of the Owners of specific Lots, and shall specifically include the mailbox structure used by Owners of specific Lots to the exclusion of others. Unless otherwise provided specifically to the contrary, reference to the Common Areas shall include the Limited Common Areas.

(j) "Lot" shall mean and refer to any Lot on the various plats or site plans of portions of the Property,

and restrictions, any Lot shown upon any resubdivision of any such plat or site plan, and any other property hereafter declared as a Lot by the Developer and thereby made subject to this Declaration.

(k) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article II hereof.

(l) "Member's Permittee" shall mean and refer to a person described in Article VI, Section 3 hereof.

(m) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Property.

(n) "Property" shall mean the real property which, initially, is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration located in Broward County, Florida, and that is more particularly described in Exhibit B attached hereto.

(o) "Unit" shall mean and refer to the individual residential structure as well as ancillary equine facilities as applicable constructed on the Lot.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a Member of the Association. Notwithstanding anything else to the contrary set forth in this Section 1, any such person or entity who holds such interest merely as security for the performance of any obligation shall not be a Member of the Association.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Section 1 with the exception of the Developer (as long as the Class B Membership shall exist, and thereafter, the Developer shall be a Class A Member to the

the interests required for membership by Section 1 of this Article. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, but the single vote for such Lot shall be exercised as they among themselves determine, but, subject only to the following subsection, in no event shall more than one (1) vote be cast with respect to any such Lot.

Class B. The Class B member shall be the Developer. The Class B member shall be entitled to one (1) vote, plus two (2) votes for each vote entitled to be cast in the aggregate at any time and from time to time by the Class A Members. The Class B membership shall cease and terminate on the earlier of the date five (5) years after the date this Declaration is recorded or one (1) year after the last Lot within the Property has been sold and conveyed by the Developer (or its affiliates), or sooner at the election of the Developer (whereupon the Class A Members shall be obligated to elect the Board of Directors of the Association (the "Board of Directors") and assume control of the Association).

Section 3. General Matters. When reference is made herein, or in the Articles, By-Laws, or otherwise, to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members present at a duly constituted meeting thereof (i.e., one for which proper notice has been given and at which a quorum exists) and not of the Members themselves or of their Lots.

ARTICLE III

COMMON AREAS; CERTAIN EASEMENTS AND CONSERVATION AREAS

Section 1. Members' Easements. Except for Limited Common Areas as above specified, each Member, and each Member's Permittee shall have a non-exclusive permanent and perpetual easement over and upon the Common Areas for the intended use and enjoyment thereof in common with all other such Members, Member's Permittees, their tenants, agents and invitees, in such manner as may be regulated by the Association.

following:

(a) Easements over and upon the Common Areas, including, without limitation, Landscaping and Pedestrian Areas as defined herein, in favor of the Association; provided, however, that this subsection shall not, in itself, be deemed to grant any easements or use rights which are not specifically granted elsewhere herein or in any other document to which the Property is now or hereafter subject.

(b) The right and duty of the Association to levy assessments against each Lot for the purpose of maintaining the Common Areas and facilities in compliance with the provisions of this Declaration and with the restrictions on the plats of the Property from time to time recorded.

(c) The right of the Association to suspend the Member's (and his Member's Permittees') right to use the recreational facilities (if any for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of lawfully adopted and published rules and regulations.

(d) The right of the Association to charge reasonable admission and other fees for the use of recreational facilities (if any) situated on the Common Areas.

(e) The right of the Association to adopt at any time and from time to time and enforce rules and regulations governing the use of the Common Areas and all facilities at any time situated thereon, including the right to fine Members as hereinafter provided. Any rule and/or regulation so adopted by the Association shall apply until rescinded or modified as if originally set forth at length in this Declaration.

(f) The right to the use and enjoyment of the Common Areas and facilities thereon shall extend to all Members' Permittees, subject to regulation from time to time by the Association in its lawfully adopted and published rules and regulations.

... easements over, under and through the Common Areas.

(h) The right of the Association, by a 2/3rds affirmative vote of the entire membership, to dedicate or convey portions of the Common Areas to any public or quasi-public agency, community development district or similar entity under such terms as the Association deems appropriate and to create or contract with other associations, community development and special taxing districts for lighting, roads, recreational or other services, security, or communications and other similar purposes deemed appropriate by the Association (to which such dedication or contract all Owners, by the acceptance of the deeds, to their Lots, shall be deemed to have consented, no consent of any other party, except the Developer, being necessary).

(i) The right and duty of the Association to maintain and repair Common Area drainage easements on the Property and underground drainage structures on the Property.

(j) The right and duty of the Association to maintain any canals and canal easements on the Property.

WITH RESPECT TO THE USE OF THE COMMON AREAS AND THE PROPERTY GENERALLY, ALL PERSONS ARE REFERRED TO ARTICLE VIII, SECTIONS 11 AND 12 HEREOF, WHICH SHALL AT ALL TIMES APPLY THERETO.

Section 2. Easements Appurtenant. The easements provided in Section 1 of this Article shall be appurtenant to and shall pass with the title to each Lot, but shall not be deemed to grant or convey any ownership interest in the Common Area subject thereto.

Section 3. Maintenance. The Association shall at all times maintain in good repair and manage, operate and insure, and shall replace as often as necessary, the Common Areas and, to the extent not otherwise provided for, the paving, drainage structures, landscaping, improvements and other structures (except public utilities, to the extent same have not been made Common Areas) situated on the Common Areas, if any, all such work to be done as ordered by the Board of Directors.

their illumination. Without limiting the generality of the foregoing, the Association shall assume all of Developer's and its affiliates' responsibility to the Town of Southwest Ranches and Broward County and its governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Common Areas and shall indemnify and hold the Developer and its affiliates harmless with respect thereto.

All work pursuant to this Section and all expenses incurred or allocated to the Association pursuant to this Declaration shall be paid for by the Association through assessments (either general or special) imposed in accordance herewith. In order to effect economies of scale and for other relevant purposes, the Association shall have the power to incur, by way of contract, ~~the~~ provisions of this Declaration or otherwise, expenses general to Sterling Ranch Estates or all or applicable portions thereof, and the Association shall then allocate portions of such expenses among the Association based on such formula as may be adopted by the Association or as provided in this Declaration administered herein. The portion so allocated to the Association shall be deemed a general expense (or in the case of charges applicable to only one or more specific Lots to the exclusion of others, a special expense to be allocated only among the affected Lots), collectible through assessments (either general or special) against applicable Lots.

No Owner may waive or otherwise escape liability for assessments by non-use (whether voluntary or involuntary) of the Common Areas or abandonment of the right to use the Common Areas.

Section 4. Utility Easements. Use of the Common Areas for utilities, as well as use of other utility easements as shown on relevant plats, site plans or easements recorded separately in the public records of Broward County, Florida (the "Easement Documents"), shall be in accordance with the applicable provisions of this Declaration and such other instruments. The Developer and its affiliates and its and their designees shall have a perpetual easement over, upon and under the Common Areas and the unimproved portions of the Lots for the installation, operation, maintenance, repair, replacement, alteration and expansion of utilities.

and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas in the performance of their respective duties.

Section 6. Limited Common Areas. At the time that title to a Lot is conveyed to an Owner thereof, there shall be deemed to have been vested in such Owner, as an appurtenance to the Lot (and not separately alienable therefrom), the exclusive right to use (but not title to or any other ownership interest in) the applicable Limited Common Areas (as defined in Article I), if any, subject always, however, to the rights, if any, of the Town of Southwest Ranches, Broward County, CBDD, the Association and the public with respect thereto. The Developer, from time to time, may add to the Limited Common Areas by recorded supplemental declaration. Maintenance and repair of the Limited Common Areas shall be effected by the Association, except as specified in any supplemental declaration adding to the Limited Common Areas.

Section 7. Ownership. The Common Areas (except for the Limited Common Areas) are hereby dedicated non-exclusively to the joint and several use, in common, of the Developer and the Owners of all Lots and that may from time to time constitute part of the Property and all Member's Permittees and the Developer's tenants, guests and invitees, all as provided and regulated therein or otherwise by the Association. The Common Areas (or appropriate portions thereof) shall, upon the later of completion of the improvements thereon or the date when the last Lot within the Property has been conveyed to a purchaser (or at any time and from time to time sooner at the sole election of the Developer), be conveyed by quit claim deed to the Association, which shall be deemed to have automatically accepted such conveyance. Beginning from the date these covenants are recorded, the Association shall be responsible for the maintenance, insurance and administration of such Common Areas (whether or not then conveyed or to be conveyed to the Association), all of which shall be performed in a continuous and satisfactory manner without cost to the general taxpayers of Broward County, Town of Southwest Ranches or CBDD. It is intended that all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Association shall be (or have been, because the purchase prices of the Lots and Units have already taken into account their proportionate shares of the values of the Common Areas),

event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Association shall be responsible for the payment (subject to protest of appeal before or after payment) of the same, including taxes on any improvements and any personal property located thereon, which taxes accrue from and after the date these covenants are recorded, and such taxes shall be prorated between Developer and the Association as of the date of such recordation.

Developer and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of the Property (including, without limitation, Lots and Units) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any improvements or facilities on the Common Areas or elsewhere on the Property that Developer and its affiliates or designee elect to effect, and to use, without charge, the Common Areas for sales, displays and signs or for any other related purpose. Without limiting the generality of the foregoing, the Developer and its affiliates shall have the specific right to maintain upon any portion of the Property sales, administrative, construction or other offices and appropriate exclusive and non-exclusive easements of access and use are expressly reserved unto the Developer and its affiliates, and its and their successors, assigns, employees and contractors, for this purpose. Any obligation (which shall not be deemed to be created hereby) to complete portions of the Common Areas shall, at all times, be subject and subordinate to these rights and easements and to the above-referenced activities. Accordingly, the Developer shall not be liable for delays in such completion to the extent resulting from the need to finish the above-referenced activities prior to such completion.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Except as provided elsewhere herein, the Developer (and each party joining in any supplemental declaration), for all Lots within the Property, hereby covenants and agrees, and each Owner of any Lot by acceptance of a deed therefor or other conveyance thereof, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed

assessed to or through the Association and the maintenance, management, operation and insurance of the Common Areas as provided elsewhere herein, including such reasonable reserves as the Association may deem necessary, capital improvement assessments, as provided in Section 4 hereof, special assessments for maintenance as provided in Section 3 hereof and all other charges and assessments hereinafter referred to or lawfully imposed by or on the Association, all such assessments to be fixed, established and collected from time to time as herein provided. In addition, special assessments may be levied against particular Owners and Owners to the exclusion of others and other charges against specific Lots or Owners as contemplated in this Declaration. The annual, special and other assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due and all subsequent Owners until paid. Except as provided herein with respect to special assessments which may be imposed on one or more Lots and Owners to the exclusion of others, all assessments imposed by the Association shall be imposed against all Lots subject to its jurisdiction equally.

Reference herein to assessments shall be understood to include reference to any and all of said charges whether or not specifically mentioned.

Section 2. Purpose of Assessments. The regular assessments levied by the Association shall be used exclusively for the purposes expressed in Section 1 of this Article and to promote the health, safety, welfare and recreational opportunities of the Members of the Association and their Members' Permittees.

Section 3. Special Assessments. In addition to the regular and capital improvement assessments which are or may be levied hereunder, the Association (through the Board of Directors) shall have the right to levy special assessments against an Owner(s) to the exclusion of other Owners for (i) the repair or replacement of damage to any portion of the Common

action or inaction of an Owner or his Member's Permittee(s) or (ii) the costs of work performed by the Association in accordance with Article V of this Declaration (together with any surcharges collectible thereunder). Any such special assessment shall be subject to all of the applicable provisions of this Article including, without limitation, lien filing and foreclosure procedures and late charges and interest. Any special assessment levied hereunder shall be due within the time specified by the Board of Directors in the action imposing such assessment.

Section 4. Capital Improvements. Funds which, in the aggregate, exceed the lesser of \$5,000 or 10% of the total amount of the current operating budget of the Association in any one fiscal year which are necessary for the addition of capital improvements (as distinguished from repairs and maintenance) relating to the Common Areas under the jurisdiction of the Association and which have not previously been collected as reserves or are not otherwise available to the Association (other than by borrowing) shall be levied by the Association as assessments only upon approval of a majority of the Board of Directors and upon approval by two-thirds (2/3) favorable vote of the Members of the Association voting at a meeting or by ballot as may be provided in the By-Laws of the Association. It is the intent of this Section that any capital improvements having a cost of less than the amount provided for above be paid for by regular assessments, with an appropriate adjustment to the budget of the Association and the assessment levied in accordance therewith to be made, if necessary.

Section 5. Date of Commencement of Annual Assessments; Due Dates. The annual regular assessments provided for in this Article shall commence on the first day of the month next following the recordation of these covenants and shall be applicable through December 31 of such year. Each subsequent annual assessment shall be imposed for the year beginning January 1 and ending December 31.

The annual assessments shall be payable in advance in monthly installments, or in annual, semi- or quarter-annual installments if so determined by the Board of Directors (absent which determination they shall be payable monthly).

originally stipulated or from any other assessment that is in the future adopted. The original assessment for any year shall be levied for the calendar year (to be reconsidered and amended, if necessary, every six (6) months), but the amount of any revised assessment to be levied during any period shorter than a full calendar year shall be in proportion to the number of months (or other appropriate installments) remaining in such calendar year.

The due date of any special assessment or capital improvement assessment shall be fixed in the Board of Directors resolution authorizing such assessment.

Section 6. Duties of the Board of Directors. The Board of Directors shall fix the date of commencement and the amount of the assessment against each Lot subject to the Association's jurisdiction for each assessment period, to the extent practicable, 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 thereupon be sent to every Owner subject thereto thirty (30) days prior to payment of the first installment thereof, except as to special assessments. In the event no such notice of the assessments for a new assessment period is given, the amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

Subject to other provisions hereof, the Association shall upon demand at any time furnish to any Owner liable for an assessment a certificate in writing signed by an officer of the Association, setting forth whether such assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment of any assessment to the Association therein stated to have been paid.

The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of the Developer) for management or other services. The

Section 7. Effect of Non-Payment of Assessment; the Personal Obligation; the Lien; Remedies of the Association. If the assessments (or installments) provided for herein are not paid on the date(s) when due (being the date(s) specified herein or pursuant hereto), then such assessments (or installments) shall become delinquent and shall, together with late charges, interest and the cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such property in the hands of the then Owner, his heirs, personal representatives, successors and assigns. Except as provided in Section 8 of this Article to the contrary, the personal obligations of the then Owner to pay such assessment shall pass to this successors in title and recourse may be had against either or both.

If any installment of an assessment is not paid within fifteen (15) days after the due date, at the option of the Association, a late charge not greater than the amount of such unpaid installment may be imposed (provided that only one late charge may be imposed on any one unpaid installment and if such installment is not paid thereafter, it and the late charge shall accrue interest as provided herein but shall not be subject to additional late charges, provided further, however, that each other installment thereafter coming due shall be subject to one late charge each as aforesaid) or the next twelve (12) months' worth of installments may be accelerated and become immediately due and payable in full and all such sums shall bear interest from the dates when due until paid at the highest lawful rate (or, if there is no highest lawful rate, 18% per annum) and the Association may bring an action at law against the Owner(s) personally obligated to pay the same, may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the assessments and late charges are unpaid, may foreclose the lien against the Lot on which the assessments and late charges are unpaid, or may pursue one or more of such remedies at the same time or successively, and attorney's fees and costs actually incurred in preparing and filing the claim of lien and the complaint, if any, and prosecuting same, in such action shall be added to the amount of such assessments, late charges and interest, and in the event a judgment is obtained, such judgment shall include all such sums as above provided and attorney's fees actually incurred together

In the case of an acceleration of the next twelve (12) months' of installments, each installment so accelerated shall be deemed, initially, equal to the amount of the then most current delinquent installment, provided that if any such installment so accelerated would have been greater in amount by reason of a subsequent increase in the applicable budget, the Owner of the Lot whose installments were so accelerated shall continue to be liable for the balance due by reason of such increase and special assessments against such Lot shall be levied by the Association for such purpose.

In addition to the rights of collection of assessments stated in this Section, any and all persons acquiring title to or an interest in a Lot as to which the assessment is delinquent, including without limitation persons acquiring title by operation of law and by judicial sales, shall not be entitled to the occupancy of such Lot or the enjoyment of the Common Areas until such time as all unpaid and delinquent assessments due and owing from the selling Owner have been fully paid; provided, however, that the provisions of this sentence shall not be applicable to the mortgagees and purchasers contemplated by Section 8 of this Article.

It shall be the legal duty and responsibility of the Association to enforce payment of the assessments hereunder. Failure of a collecting entity to send or deliver bills or notices of assessments shall not, however, relieve Owners from their obligations hereunder.

All assessments, late charges, interest, penalties, fines, attorney's fees and other sums provided for herein shall accrue to the benefit of the Association.

Section 8. Subordination of the Lien. The lien of the assessments provided for in this Article shall be subordinate to real property tax liens and the lien of any first mortgage (recorded prior to recordation by the Association of a claim of lien) held by an institutional mortgage lender or otherwise insured by FNMA or FHLMC and which is now or hereafter placed upon any property subject to assessment; provided, however, that any such mortgage lender when in possession or any receiver, and in the event of foreclosure, any purchaser at a foreclosure sale, and any such mortgage lender acquiring a deed in lieu of

liability and lien of any assessment coming due after such foreclosure (or conveyance in lieu of foreclosure), the overall priority of liens being: tax liens, first mortgage liens, and then the lien created herein. Any unpaid assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be an assessment divided equally among, payable by and a lien against all Lots subject to assessment by the Association, including the Lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

Section 9. Collection of Assessments. Assessments levied pursuant hereto shall be collected by the Association.

Section 10. Developer's Assessments. Notwithstanding anything herein to the contrary Developer shall have the option, in its sole discretion, to (i) pay assessments on the Lots owned by it, (ii) pay assessments only on certain designated Lots (e.g., those under construction or those containing a Unit for which a certificate of occupancy has been issued) or (iii) not pay assessments on any Lots and in lieu thereof fund any resulting assessments receivable from Owners other than Developer. The deficit to be paid under option (iii), above, shall be the difference between (i) actual operating expenses of the Association (exclusive of capital improvement costs, reserves and management fees) and (ii) the sum of all monies receivable by the Association (including, without limitation, assessments, interest, late charges, fines and incidental income) and any surplus carried forward from the preceding year(s). Developer may from time to time change the option stated above under which Developer is making payments to the Association by written notice to such effect to the Association. If Developer at any time elects option (ii), above, it shall not be deemed to have necessarily elected option (i) or (iii) as to the Lots which are not designated under option (ii). When all Lots within the Property are sold and conveyed to purchasers, neither the Developer nor its affiliates shall have further liability of any kind to the Association for the payment of assessments, deficits or contributions.

Section 11. Association Funds. The portion of all regular assessments collected by the Association for reserves for future expenses, and the entire amount of all special and capital assessments, shall be held by the Association and may be

or savings and loan institutions, the deposits of which are insured by an agency of the United States.

ARTICLE V
MAINTENANCE OF UNITS AND LOTS

Section 1. Exteriors of Units. Each Owner shall maintain all structures (including the Unit) located on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of the Property and Estate of Sunshine Ranches as a whole. The minimum (though not sole) standard for the foregoing shall be consistency with the general appearance of the Property and Estates of Sunshine Ranches as initially constructed and otherwise improved by Developer (taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness, in the judgment of the Homeowner Association or its equivalent having jurisdiction over the Property. Each Owner shall repaint or restain, as appropriate, the exterior portions of his Unit (with the same colors as initially used by Developer) as often as is necessary to comply with the foregoing standards.

Section 2. Lots. Each owner shall maintain the trees, shrubbery, grass, walls and gates and other appurtenant improvements and structures and other landscaping on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of the Property and Estate at Sunshine Ranches as a whole. The minimum (though not sole) standard for the foregoing shall be the general appearance of the Property and Estate of Sunshine Ranches as initially landscaped by Developer (such standard being subject to being raised by virtue of the natural and orderly growth and maturation of applicable landscaping, as properly trimmed and maintained). In addition, no fill or other improvements shall be placed within any drainage easements or canal easements located in each Lot.

Section 3. Remedies for Noncompliance. In the event of the failure of an Owner to maintain his Unit or Lot in accordance with this Article, the Association shall have the right, upon thirty (30) days' prior written notice to the Owner at the address last appearing in the records of the Association, to enter upon the Owner's Lot and perform such work as is necessary to bring the Lot or Unit, as applicable, into compliance with the standards set forth in this Article. Such

spraying or otherwise) of weeds and other vegetation; the resodding or replanting of grass, trees or shrubs; the repainting or restaining of exterior surfaces of a Unit; the repair of walls, fences, roofs, doors, windows and other portions of a Unit or other structures on a Lot; and such other remedial work as is judged necessary by the applicable entity. The remedies provided for herein shall be cumulative with all other remedies (including, without limitation, the imposition of fines or special assessments or the filing of legal or equitable actions).

Section 4. Costs of Remedial Work; Surcharge. In the event that the Association performs any remedial work on a Unit or Lot pursuant to this Article or any other applicable provision of this Declaration, the costs and expenses thereof shall be deemed a special assessment under Article IV, Section 3 of this Declaration and may be immediately imposed by the Board of Directors. In order to discourage Owners from abandoning certain duties hereunder for the purpose of forcing one of the aforesaid entities to assume same, and, additionally to reimburse same for administrative expenses incurred, the applicable entity may impose a surcharge of not more than thirty-five percent (35%) of the cost of the applicable remedial work, such surcharge to be a part of the aforesaid special assessment. No bids need be obtained for any of the work performed pursuant to this Article and the person(s) or company performing such work may be selected by the applicable entity in its sole discretion.

Section 5. Right of Entry. There is hereby created an easement in favor of the Association and its applicable designees over each Lot for the purpose of entering onto such Lot in the performance of the work herein described, provided that the notice requirements of this Article are complied with and any such entry is during reasonable hours.

ARTICLE VI RESALE, LEASE AND OCCUPANCY RESTRICTIONS

Section 1. Estoppel Certificate. No Owner may sell or convey his interest in a Lot unless all sums due the Association shall be paid in full and an estoppel certificate in recordable form to such effect shall have been received by the Owner. If

request therefor. The Owner requesting the certificate shall pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate.

Owners shall be obligated to deliver the documents originally received from the Developer, containing this and other declarations and documents, to any grantee of such Owner.

Section 2. Leases. No portion of a Lot and Unit (other than an entire Lot and Unit) may be rented. All leases shall be in writing, be approved by the Association and shall provide that the Association shall have the right to terminate the lease in the name of and as agent for the lessor upon default by tenant in observing any of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, or other applicable provisions of any agreement, document or instrument governing the Property or administered by the Association. Leasing of Lots and Units shall also be subject to the prior written approval of the Association, which approval shall not be unreasonably withheld. Owners wishing to lease their Lots and Units shall submit a written request to the Association, which request shall be answered after a review period of ten (10) business days, upon which the Association shall issue a response, or otherwise the request shall be deemed approved. No lease shall be approved for a term less than one (1) year. Owners wishing to lease their Lots and Units shall be required to place in escrow with the Association the sum of \$1,000.00 which may be used by the Association to repair any damage to the Common Areas or other portions of the Property or Landmark at Ranch Estates resulting from acts or omissions of tenants (as determined in the sole discretion of the Association). The Owner will be jointly and severally liable with the tenant to the Association for any amount in excess of such sum which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant. Any balance remaining in the escrow account, less an administrative charge not to exceed \$50.00, shall be returned to the Owner within ninety (90) days after the tenant and all subsequent tenants permanently move out.

Section 3. Members' Permittees. No Lot or Unit shall be occupied by any person other than the Owner(s) thereof or the applicable Members' Permittees and in no event other than as a

families, provided that the Owner or other permitted occupant must reside with his/her family: (i) an individual Owner(s), (ii) an officer, director, or stockholder of a corporate owner, (iii) a partner of a partnership owner, (iv) a fiduciary or beneficiary of an ownership in trust, or (v) occupants named or described in a lease or sublease, but only if approved in accordance with this Declaration. Under no circumstances may more than one family reside in a Unit at one time. In no event shall occupancy (except for temporary occupancy by guests) exceed two (2) persons per bedroom and one (1) person per den (as defined by the Association for the purpose of excluding from such definition living rooms, dining rooms, family rooms, country kitchens and the like). The Board of Directors shall have the power to authorize occupancy of a Unit by persons in addition to those set forth above. The provisions of this Section shall not be applicable to Units used by the Developer for models, sales offices, management services or otherwise or to two hired helpers who dwell and help maintain the Property or household of the Member or Owner, subject to local laws, zoning ordinances and regulations.

As used herein, "family" or words of similar import shall be deemed to include a spouse, children, parents, brothers, sisters, grandchildren and other persons permanently cohabiting the Unit as or together with the Owner or permitted occupant thereof. As used herein, "guest" or words of similar import shall include only those persons who have a principal residence other than the Unit. Unless otherwise determined by the Board of Directors, a person(s) occupying a Unit for more than one (1) month shall not be deemed a guest but, rather, shall be deemed a lessee for purposes of this Declaration (regardless of whether a lease exists or rent is paid) and shall be subject to the provisions of this Declaration which apply to leases and lessees. The purpose of this paragraph is to prohibit the circumvention of the provisions and intent of this Article and the Board of Directors shall enforce, and the Owners comply with, same with due regard for such purpose.

ARTICLE VII ENFORCEMENT

Section 1. Compliance by Owners. Every Owner shall comply with the restrictions and covenants set forth herein and

and Regulations set forth in Exhibit C attached hereto and made a part hereof.

Section 2. Enforcement. Failure of an Owner to comply with such restrictions, covenants or rules and regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. The Association shall have the right to suspend the rights of use of Common Areas (except for legal access) of defaulting Owners. The offending Lot Owner shall be responsible for all costs of enforcement including attorneys' fees actually incurred and court costs.

Section 3. Fines. In addition to all other remedies, and to the maximum extent lawful, in the sole discretion of the Board of Directors, a fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees or employees, to comply with any covenant, restriction, rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Association shall notify the Owner of the alleged infraction or infractions. Included in the notice shall be the date and time of a special meeting of the Board of Directors at which time the Owner shall present reasons why a fine(s) should not be imposed. At least six (6) days' notice of such meeting shall be given.

(b) Hearing: The alleged non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why a fine(s) should not be imposed. A written decision of the Board of Directors shall be submitted to the Owner by not later than twenty-one (21) days after the Board of Director's meeting. The Owner shall have a right to be represented by counsel and to cross-examine witnesses.

(c) Amounts: The Board of Directors (if its or such panel's findings are made against the Owner) may impose special assessments against the Lot owned by the Owner as follows:

(1) First non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00).

fine not in excess of Five Hundred Dollars (\$500.00).

(3) Third and subsequent non-compliance, or a violation or violations which are of a continuing nature: a fine not in excess of One Thousand Dollars (\$1,000.00).

(d) Payment of Fines: Fines shall be paid not later than five (5) business days after notice of the imposition or assessment of the penalties.

(e) Collection of Fines: Fines shall be treated as an assessment subject to the provisions for the collection of assessments as set forth herein.

(f) Application of Proceeds: All monies received from fines shall be allocated as directed by the Board of Directors.

(g) Non-exclusive Remedy: These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

ARTICLE VIII GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association, the Developer (at all times) and the Owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, for a term of ninety-nine (99) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by the then Owners of 75% of all the Lots subject hereto and of 100% of the mortgagees thereof has been recorded, agreeing to revoke said covenants and restrictions. Provided, however, that no such agreement to revoke shall be effective

the proposed agreement is sent to every Owner at least ninety (90) days in advance of any signatures being obtained.

Section 2. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be accomplished by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the Lots to enforce any lien created by these covenants; and failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 4. Severability. Invalidation of any one of these covenants or restrictions or any part, clause or word hereof, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

Section 5. Amendment. In addition to any other manner herein provided for the amendment of this Declaration, the covenants, restrictions, easements, charges and liens of this Declaration may be amended, changed, deleted or added to at any time and from time to time upon the execution and recordation of an instrument executed by the Developer alone, for so long as it or its affiliates holds title to any Lot affected by this Declaration; or alternatively by vote of the membership in the Association, provided, that so long as the Developer or its affiliates is the Owner of any Lot affected by this Declaration, the Developer's consent must be obtained if such amendment, in the sole opinion of the Developer, affects its interest. No amendment or modification of this Declaration shall be effective which shall impair or prejudice the rights or privileges of any institutional mortgagee of record, without the prior written approval of such mortgagee affected thereby. In addition, no amendment or modification to this Declaration or any other

of the CBDD pursuant to a recorded document in the Public Records of Broward County, Florida. Finally, any amendment or modification to this Declaration that would affect the Surface Water Management System, shall require the approval of the CADD.

Section 6. Effective Date. This Declaration shall become effective upon its recordation in the Broward County Public Records.

Section 7. Conflict. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation and By-Laws of the Association and said Articles shall take precedence over the By-Laws.

Section 8. Standards for Consent, Approval, Completion, Other Action and Interpretation. Whenever this Declaration shall require the consent, approval, completion, substantial completion, or other action by the Developer or its affiliates, the Association, such consent, approval or action may be withheld in the sole and unfettered discretion of the party required to give such consent or approval or take such action, which consent, approval or other action shall not be unreasonably withheld or delayed, and all matters required to be completed or substantially completed by the Developer or its affiliates or the Association shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Developer or Association, as appropriate.

Section 9. Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally intended to have been granted the benefit of such easement. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

Incorporation or By-Laws), unless limited or prohibited by law, such amounts will be increased from time to time by application of a nationally recognized consumer price index chosen by the Board of Directors, using the date this Declaration is recorded as the base year. In the event no such consumer price index is available, the Board of Directors shall choose a reasonable alternative to compute such increases.

Section 11. Construction Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE PROPERTY ARE HEREBY PLACED ON NOTICE THAT DEVELOPER AND/OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES WILL BE, FROM TIME TO TIME, CONDUCTING EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE PROPERTY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTY, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE PROPERTY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVENT IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (iii) DEVELOPER AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE BUT, RATHER, SHALL BE HELD HARMLESS, FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, EXCEPT WHERE SUCH LOSSES, DAMAGES, INJURIES OR DEATHS ARE THE DIRECT AND PROXIMATE RESULT OF DEVELOPER'S OR OTHER AFORESAID RELATED PARTIES' NEGLIGENCE, WILFUL MISCONDUCT OR OMISSION AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, (iv) ANY PURCHASE OR USE OF ANY PORTION OF THE PROPERTY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING, AND (v) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DEVELOPER TO SELL, CONVEY, LEASE AND/OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE PROPERTY.

Section 12. No Further Subdivision. Further subdivision of Lots is strictly prohibited, other than Lot 1 which may be subdivided into two approximate equal buildable lots. All

Section 13. Reapplication of Permits. The Association agrees hereto to reapply to the applicable governmental agencies for the purpose of renewing any and all existing permits required to complete the development of the Property.

Section 14. Requirements for the Central Broward Drainage District. The CADD (the "District") require that each Owner of a Lot agree to restrict certain activities. Thus, each Owner of a Lot hereby agrees not to engage in any of the following activities without approval of the Town of Southwest Ranches, CBDD, or the Homeowner Association:

(a) Dumping or placing of soil or other substance or material at landfill or dumping or placing of trash, waste or unsightly or offensive materials;

(b) Removal or destruction of trees, shrubs or other vegetation, except for the removal of exotic vegetation in accordance with a District approved maintenance plan;

(c) Excavation, dredging or removal of a loam, peak, gravel, soil, rock or other material substance in such a manner as to affect the surface;

(d) Not to disturb the surface of the land or any water contained in any lakes on the Property;

(e) Not to engage in any activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation or fish and wild life habitat preservation including, but not limited to, ditching, diking and fencing on the Property;

(f) Not to engage in any acts or uses detrimental to such aforementioned retention of land or water areas; and

(g) Any acts or uses within the respective Districts' regulatory jurisdiction which are detrimental to the preservation of any features or aspects of the Property having historical or archaeological significance.

Section 15. Notices and Disclaimers as to Water Bodies.
NEITHER DEVELOPER, THE ASSOCIATION NOR ANY OF THEIR OFFICERS,

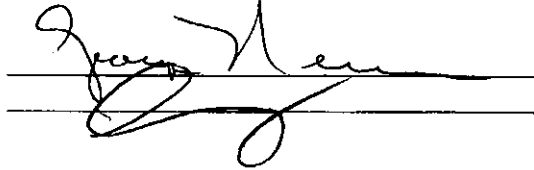
PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR ASSURING THE WATER LEVEL IN ANY LAKE OR POND WITHIN THE PROPERTY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR OR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES. IN ADDITION, THE LISTED PARTIES SHALL HAVE NO RESPONSIBILITY TO MAINTAIN OR MANAGE AQUATIC GROWTH IN ANY LAKE, POND OR CANAL WITHIN OR ADJACENT TO THE PROPERTY.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY HABITAT OR ENTER INTO WATER BODIES WITHIN OR NEAR THE PROPERTY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

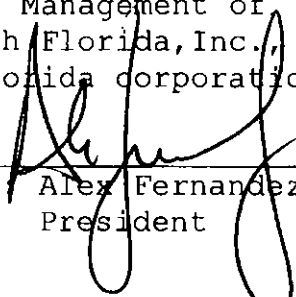
Section 16. Covenants Running with the Land. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING AND WITHOUT LIMITING THE GENERALITY (AND SUBJECT TO THE LIMITATIONS) OF SECTION 1 OF THIS ARTICLE, IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY (AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THESE COVENANTS AND RESTRICTIONS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTY. WITHOUT LIMITING THE GENERALITY OF SECTION 4 OF THIS ARTICLE, IF ANY PROVISION OR APPLICATION OF THIS DECLARATION WOULD PREVENT THIS DECLARATION FROM RUNNING WITH THE LAND AS AFORESAID, SUCH PROVISION AND/OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THESE COVENANTS AND RESTRICTIONS TO SO RUN WITH THE LAND; BUT IF SUCH PROVISION AND/OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION AND/OR APPLICATION SHALL BE UNENFORCEABLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES (THAT THESE COVENANTS AND RESTRICTIONS RUN WITH THE LAND AS AFORESAID) BE ACHIEVED.

EXECUTED as of the date first above written.

Signed, Sealed
And Delivered in
the Presence of:



A.F. Management of
South Florida, Inc.,
a Florida corporation,

By: 
Name: Alex Fernandez,
President

(CORPORATE SEAL)

STATE OF FLORIDA)

) SS:

COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me, this
2nd day of May, 2005, by Alex Fernandez, as President of
A.F. Management of South Florida, Inc., a Florida corporation.


Notary Public

State of Florida at Large

My Commission Expires:

Sept. 3, 2006



Leesa K. Romero
Commission #DD147128
Expires: Sep 03, 2006
Bonded Thru
Atlantic Bonding Co., Inc.

Common Areas shall include:

All Easements pursuant to that certain Plat called Estates at Sunshine Ranches recorded at Official Records Book 172 at Page 95 of the Public Records of Broward County, Florida and all other easements recorded in such public records.

THIS IS NOT AN
OFFICIAL COPY

Legal Description of Estates at Sunshine Ranches.

That certain plat of Estates at Sunshine Ranches recorded in
Public Records Book 172 at Page 95 of the Public Records of
Broward County, Florida.

THIS IS NOT AN
OFFICIAL COPY

RULES AND REGULATIONS

Section 1. Applicability. The provisions of these Rules and Regulations shall be applicable to all of the Property but shall not be applicable to the Developer of any of its designees or Lots or other property owned by the Developer or its designees. All of these Rules and Regulations shall apply, however, to all other Owners and occupants even if not specifically so stated in portions hereof. The provisions of these Rules and Regulations may be modified, in whole or in part, at any time by the Board of Directors without the necessity of recording an amendment hereto or thereto in the public records. The Board of Directors shall be permitted (but not required) to grant relief to one or more Owners from specific rules and regulations upon written request therefor and good cause shown in the sole opinion of, and conditions on time limitations imposed by, the Board of Directors.

Section 2. Land Use and Building Type. No Lot shall be used except for residential purposes and further no building constructed on a Lot shall be used except for residential purposes, which use as an ancillary purpose may include equine facilities, if applicable. No building shall be erected, altered, placed or permitted to remain on any Lot other than one Unit. Temporary uses by Developer and its affiliates for model homes, sales displays, parking lots, sales offices and other offices, or any one or combination of such uses, shall be permitted until permanent cessation of such uses takes place. No changes may be made in buildings erected by the Developer or its affiliates (except if such changes are made by the Developer) without the consent of the Homeowner Association and as provided herein.

Section 3. Easements. Easements for installation and maintenance of utilities and drainage are reserved as shown on the Plat and any other publicly recorded document. The area of each Lot covered by an easement and all improvements in the areas shall be maintained continuously by the Owner of the Lot, except as provided herein to the contrary and except for installations for which a public authority or utility company is responsible. The appropriate authority, CADD, electric utility company, telephone company, the Association, and the Developer and its affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and

utility easements as shown on the plats.

Section 4. Nuisances. Nothing shall be done or maintained on any Lot which may be or become an annoyance or nuisance to the neighborhood. Any activity on a Lot which interferes with television, cable or radio reception of another Lot shall be deemed a nuisance and a prohibited activity. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which decision shall be dispositive of such dispute or question. ALL PERSONS ARE REFERRED TO ARTICLE VIII, SECTION 11 OF THE DECLARATION WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

Section 5. Temporary Structures. No structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted on any Lots within the Property at any time or used at any time as a residence, either temporarily or permanently, except by the Developer and its affiliates during construction. No above ground gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Unit or on or about any ancillary building, except for one (1) gas cylinder (not to exceed 100 lbs. capacity) for appliance use.

Section 6. Signs. No sign of any kind shall be displayed to the public view on the Property without prior approval of the Association. No sign of any kind shall be permitted to be placed inside a home or on the outside walls of the home or on any fences on the Property, nor on the Common Areas, nor on dedicated areas, nor on entryways or any vehicles within the Property, except such as are placed by the Developer or its affiliates, or approved by the Association.

Section 7. Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in the Property, nor on dedicated areas, nor shall oil wells, tanks, tunnels, ties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions. ALL PERSONS ARE REFERRED TO ARTICLE VIII, SECTION 11 WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

raised, bred or kept on any Lot, except no more than six (6) household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose, and provided that they do not become a nuisance or annoyance to any neighbor by reason of barking or otherwise. Notwithstanding the foregoing, each Owner may keep up to two (2) horses or ponies (or combination thereof) on Lots not exceeding 2 acres and four (4) horses or ponies (or combination thereof) on Lots exceeding 3 acres. For purposes hereof, "household pets" shall mean dogs, cats and other animals expressly permitted by the Association, if any. Pets shall also be subject to all applicable Rules and Regulations. Nothing contained herein shall prohibit the keeping of fish or domestic (household-type) birds, as long as the latter are kept indoors and do not become a source of annoyance to neighbors.

Section 9. Animal/Livestock Wastes. Management and disposal of livestock wastes within Sterling Ranch Estates will adhere to the following provisions:

Livestock waste shall not be placed, accepted, stored, or allowed to accumulate on the Property or within any drainage facilities, easements, water management tracts, or preserve areas, except as provided herein.

A. Management of Livestock Waste Shall be Placed, Spread, or Stored only in Livestock waste storage area.

B. Livestock Waste Hauling

1. All livestock waste shall be removed from the livestock facilities by either a commercial livestock waste hauler or a livestock waste self-hauler.
2. Commercial livestock waste haulers and livestock waste self-haulers shall not deposit livestock waste within the boundaries of the Property.
3. All storage areas for animal waste shall be a minimum of 25 feet from all drainage, flowage and storage easements.

properties will be the responsibility of each property owner.

Section 10. Visibility at Intersections. No obstruction to visibility at street intersections or Common Area intersections shall be permitted.

Section 11. Architectural Control. No building, wall, fence or other structure or improvement of any nature (including, but not limited to, landscaping, exterior paint or finish, hurricane protection, basketball hoops, birdhouses, other pet houses, swales, asphaltting or other improvements or changes of any kind) shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping or of the materials as may be required by the Association have been approved in writing by the Association named below and all necessary governmental permits are obtained. Each building, wall, fence, or other structure or improvement of any nature, together with the landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved and applicable governmental permits and requirements. Refusal of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds, which in the sole and uncontrolled discretion of said Architectural Review Board seem sufficient. Any change in the exterior appearance of any building, wall, fence or other structure or improvements, and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval. The Architectural Review Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph. A majority of the Architectural Review Board may take any action the Architectural Review Board is empowered to take, may designate a representative to act for the Architectural Review Board and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Architectural Review Board, the remaining members shall have full authority to designate a successor. The members of the Architectural Review Board shall not be entitled to any compensation for services performed pursuant to this covenant. The Architectural Review Board shall act on submissions to it within thirty (30) days after receipt of the same (and all

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The approval of any proposed improvements or alterations by the Architectural Review Board shall not constitute a warranty or approval as to, and no member or representative of the Architectural Review Board or the Board of Directors shall be liable for, the safety, soundness, workmanship, materials or usefulness for any purpose of any such improvement or alteration nor as to its compliance with governmental or industry codes or standards. By submitting a request for the approval of any improvement or alteration, the requesting Owner shall be deemed to have automatically agreed to hold harmless and indemnify the aforesaid members and representatives, and the Association generally, from and for any loss, claim or damages connected with the aforesaid aspects of the improvements or alterations.

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No approval of the Architectural Review Board shall be required for the maintenance (including repainting and restaining of Unit exteriors unless a material change in color is made to the exterior) required by Article V of this Declaration.

Without limiting the generality of Section 1 hereof, the foregoing provisions shall not be applicable to the Developer or its affiliates or to construction activities conducted by the Developer or such affiliates.

Section 12. Commercial Trucks, Trailers, Campers and Boats. No trucks or commercial vehicles, or campers, mobile homes, motor homes, house trailers or trailers of every other description, recreational vehicles, boats, boat trailers, horse trailers or vans, shall be permitted to be parked or to be stored at any place on the Property, nor in dedicated areas, except in (i) enclosed garages (ii) spaces for some or all of the above specifically designated by Developer or the Association, if any and (iii) on a Lot provided that such vehicles can not be viewed from any street in the Community and is properly screened with landscaping from neighbors views as approved by the Architectural Review Board. For purposes of this Section, "commercial vehicles" shall mean those which are not designed and used for customary, personal/family purposes. The absence of commercial-type lettering or graphics on a vehicles shall not be dispositive as to whether it is a commercial vehicle. The prohibitions on parking contained in this Section shall not apply to temporary parking of trucks and

use which are in acceptable condition in the sole opinion of the Architectural Review Board (which favorable opinion may be changed at any time), nor to any vehicles of the Developer or its affiliates. No overnight on-street parking, or parking on the front part of a Lot, or on a Lot that can be viewed from any street in the Community and is properly screened with landscaping from neighbors shall not be permitted.

Subject to applicable laws and ordinances, any vehicle parked in violation of these or other restrictions contained herein or in the Declaration and regulations now or hereafter adopted may be towed by the Association at the sole expense of the owner of such vehicle if such vehicle remains in violation for a period of 24 hours from the time a notice of violation is placed on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion or otherwise, nor guilty of any criminal act, by reason of such towing and once the notice is posted, neither its removal, nor failure of the owner to receive it for any other reason, shall be grounds for relief of any kind. For purposes of this paragraph, "vehicle" shall also mean campers, mobile homes and trailers. An affidavit of the person posting the aforesaid notice stating that it was properly posted shall be conclusive evidence of proper posting.

Section 13. Garbage and Trash Disposal. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Association. The requirements from time to time of the applicable governmental authority or other company or association for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers must be rigid plastic, no less than 20 gallons or more than 32 gallons in capacity, and well sealed. Such containers may not be placed out for collection sooner than 24 hours prior to scheduled collection and must be removed within 12 hours of collection.

Section 14. Fences. No fence, wall or other structure shall be erected in the front yard, back yard, or side yard setback areas, except as originally installed by Developer or its affiliates, and except any approved by the Association or its equivalent as provided in the applicable document(s).

shall be aired or dried on any portion of the Property except on a portion of a Lot which is completely screened from the view of all persons other than those on the Lot itself.

Section 16. Waterfront Property. As to all portions of the Property which have a boundary contiguous to any canal, drainage easement or other body of water, the following additional restrictions and requirements shall be applicable:

(A) No boathouse, dock wharf or other structure of any kind shall be erected, placed, altered or maintained on the shores of any canal, drainage easement or other body of water unless erected by the Developer or its affiliates, subject to any and all governmental approvals and permits that may be required, including the CADD.

(B) No solid or liquid waste, litter, or other materials may be discharged into/onto or thrown into/onto any lake or other body of water or the banks thereof.

(C) Each applicable Owner shall maintain his Lot to the line of the water in the adjacent lake or other water body, as such line may change from time to time by virtue of changes in water levels.

(D) Each applicable Owner shall grant the Association an easement for the purpose of maintaining any lake or canal maintenance easement that runs in favor of any applicable governmental entities, agencies, or Association.

(E) No beach shall be constructed on any Lot within any easements dedicated to the CADD.

WITH RESPECT TO WATER LEVELS AND QUALITY, ALL PERSONS ARE REFERRED TO ARTICLE VIII, SECTION 12 OF THE DECLARATION.

Section 17. Unit Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls without approval from the Association. No building shall have any aluminum foil placed in any window or

such as may be approved by the Architectural Review Board or its equivalent of energy conservation purposes.

Section 18. Exterior Antennas. No exterior antennas, large satellite dishes or similar equipment shall be permitted on any Lot or improvement thereon, except that Developer and its affiliates shall have the right to install and maintain community antenna, microwave antenna, dishes, satellite antenna and radio, television and security lines.

Section 19. Chain Link Fences. No chain link fences shall be permitted on any Lot or portion thereof, unless installed by Developer or its affiliates during construction periods or as otherwise approved by Developer.

Section 20. Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g., solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the Association. Such standards shall be reasonably calculated to maintain the aesthetic integrity of the Property and Sterling Ranch Estates without making the cost of the aforesaid devices prohibitively expensive.

Section 21. Obstruction of Common Areas. The Common Areas and facilities, if any, shall not be obstructed or used for any purpose other than the purposes intended therefor. No carts, bicycles, carriages, chairs, tables or any other similar objects shall be stored thereon.

Section 22. Storage of Personal Property. The personal property of Owners must be stored in their respective Units or in outside storage areas (if any are provided by Developer or approved by the Association).

Section 23. Exterior of Units. No garbage cans, supplies, milk bottles or other articles shall be placed on the exterior portions of any Unit or Lot and no linens, cloths, clothing, curtains, rugs, mops, or laundry of any kind, or other articles, shall be hung from or on the Unit or Lot, except as provided in this Declaration with respect to refuse containers.

errands. The Board of Directors shall be solely responsible for directing and supervising employees of the Association.

Section 25. Parked Vehicles. No motor vehicle which cannot operate on its own power shall remain on the Property for more than twenty-four (24) hours, and no repair of such vehicles shall be made thereon. No portion of the Common Areas may be used for parking purposes, except those portions specifically designed and intended therefore.

Areas specifically designated by the Board of Directors from time to time for guest parking, if any, shall be used only for this purpose and neither Owners nor occupants of Units shall be permitted to use these areas.

Vehicles which are in violation of these Rules and Regulations shall be subject to being towed by the Association as provided in this Declaration, subject to applicable laws and ordinances.

Section 26. Noises. No Owner shall make or permit any disturbing noises in the Unit or on the Lot by himself or his family, servants, employees, agents, visitors or licensees, nor permit any conduct by such persons that will interfere with the rights, comforts or conveniences of other Owners. No Owner shall play or permit to be played any musical instrument, nor operate or permit to be operated any phonograph, television, radio or sound amplifier or any other sound equipment in his Unit or on his Lot in such a manner as to disturb or annoy other residents (applying reasonable standards). No Owner shall conduct, nor permit to be conducted, vocal or instrumental instruction at any time which disturbs other residents.

Section 27. Electronic Equipment. No electronic equipment may be permitted in or on any Unit or Lot which interferes with the television or radio reception of another Unit.

Section 28. Projections on Outside Walls. No awning, canopy, shutter, enclosure or other projection shall be attached to or placed upon the outside walls or roof of the Unit or on the Lot, except as approved by the Association.

not limited to, landscaping, without obtaining the prior written consent of the Association.

Section 30. Commercial Uses. No commercial use shall be permitted on the Property even if such use would be permitted under applicable zoning ordinances.

Section 31. Flammables. No flammable, combustible or explosive fluids, chemicals or substances shall be kept in any Unit, on a Lot or on the Common Areas, except as to gas cylinders permitted under this declaration.

Section 32. Absence During Hurricane. An Owner who plans to be absent during the hurricane season must prepare his Unit and Lot prior to his departure by designating a responsible firm or individual to care for his Unit and Lot should the Unit suffer hurricane damage, and furnish the Association with the name(s) of such firm or individual. Such firm or individual shall be subject to the approval of the Association.

Section 33. Attachments to Exterior walls. An Owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies or windows of his Unit without prior written approval of the Association.

Section 34. Children. Children will be the direct responsibility of their parents or legal guardians, including full supervision of them within the Property and including full compliance by them with the Rules and Regulations contained herein and all other rules and regulations of the Association. Loud noises will not be tolerated. All children under twelve (12) years of age must be accompanied by a responsible adult when entering and/or utilizing recreational facilities, if any.

Section 35. Supervision of Pets. No pet shall be permitted outside of Owner's Unit unless attended by an adult of child of more than ten (10) years of age and on a leash of reasonable length. Said pets shall only be walked or taken upon these portions of the Common Areas designated by the Association from time to time for such purposes.

Section 36. Hunting; Firearms. No hunting or use of firearms shall be permitted anywhere on the Property.

Lot shall feed any wildlife or stray domestic animals.

Section 38. Landscape Buffers. No Owner shall remove alter or destroy the landscape buffers on their Lot. Specifically, in regard to the Northern Landscape Buffer no Owner shall remove, alter or destroy the green buttonwood trees without the express written consent of the Association and the northern adjacent property owner or owners.

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