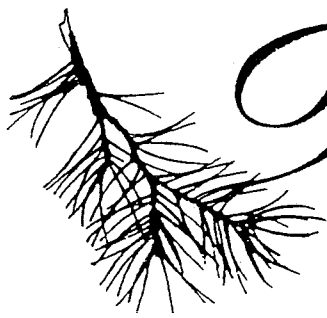




Pine Trace

AT BINKS FOREST

MAY-30-1997 8:24am 97-190370
ORB 9816 Pg 977

DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR PINE TRACE

THIS DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS for Pine Trace made this 22 day of May, 1997, by **CENTEX HOMES**, a Nevada General Partnership, **CENTEX REAL ESTATE CORPORATION**, a Nevada corporation, General Partner, hereinafter referred to as "Declarant ", which declares that all of the real property described in Article 2 (including but not limited to Common Areas and Dwelling Units) shall be held, sold, conveyed, transferred, leased, occupied, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions reservations, liens and charges as hereinafter set forth.

ARTICLE I

1. Definitions. The terms used in this Declaration of Protective Covenants and Restrictions, in the Articles of Incorporation and the By-Laws of Pine Trace at Binks Forest Homeowners' Association, Inc., a Florida corporation not-for-profit, shall have the meaning stated as follows, unless the context otherwise requires. Whenever the context so permits, the use of the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

1.1 Assessment shall mean a share of the funds required and which are to be assessed against a Dwelling Unit Owner and Dwelling Unit for the payment of the costs incurred by the Association for and including, but not limited to, the operation, maintenance and protection of the Common Areas, Dwelling Units, easements, and other areas subject to and under the control and administration of the Association.

1.2 Association shall mean and refer to Pine Trace at Binks Forest Homeowners' Association, Inc., a Florida corporation not-for-profit, its successors and assigns.

1.3 Board shall mean the Board of Directors of the Association.

1.4 By-Laws shall mean the By-Laws of Pine Trace at Binks Forest Homeowners' Association, Inc. as said By-Laws may exist from time to time.

1.5 Common Areas shall mean all that certain real property and interests therein dedicated for the benefit, use and enjoyment of the members of the Association, the same being identified on the Plat of Pine Trace at Brink's Forest (Pine Trace) as recorded in Plat Book 79 at Pages 91-92 of the Public Records of Palm Beach County, Florida. The Common Areas shall also include any other interest in real property acquired by the Association and deemed Common Areas either in this Declaration or in the instrument of conveyance, together with any improvements on such tracts including without limitation all structures, recreational facilities, common parking areas, private streets, sidewalks, street lights, and entrance features and preservation areas, but excluding any public utility installations thereon.

1.6 Committee shall mean and refer to the architectural review committee or board established and empowered as provided in Article 12.

1.7 Common Expenses shall mean the expenses for which the Dwelling Unit Owner is liable, which shall include but not be limited to the following:

- a. Expenses of administration and management of the Common Areas;
- b. Expenses of maintenance, operation, repair or replacement of the Association property, including but not limited to maintenance of preservation areas not otherwise covered by insurance;
- c. Reasonable reserves deemed necessary by the Board of Directors for repair, replacement or addition to the Common Areas;
- d. Expenses declared Common Expenses by the provisions of this Declaration of Protective Covenants and Restrictions or by the By-Laws;
- e. Any valid charge against the Association and/or Common Areas;
- f. Any expense of, charges to, or assessment by the Association as provided for in this Declaration of Protective Covenants and Restrictions, the Articles of Incorporation and/or the By-Laws.

1.8 Common Surplus shall mean the excess of all receipts of the Association, including but not limited to assessments, rents, profits, and revenues on account of the Common Areas over the amount of the Common Expenses.

1.9 Declarant shall mean and refer to Centex Homes, a Nevada General Partnership, Centex Real Estate Corporation, a Nevada corporation, General Partner, and shall include its successors or assigns, if such successor or assignee acquires undeveloped Lots within the

development and is designated as Developer by Centex Homes. The Declarant may make partial or multiple assignments of its rights under this Declaration. All such designated assignees shall be deemed to be the Developer as to those rights which may have been assigned to them and accepted by them. As used herein and in the Articles of Incorporation and the By-Laws of Pine Trace Homeowners Association, Inc., the term "Declarant" shall mean and refer to the Developer, and the term "Developer" shall mean and refer to the Declarant. An assignee, for purposes of this paragraph, shall include an institutional mortgagee acquiring the rights of the Developer by foreclosure, or by deed or assignment in lieu of foreclosure.

1.10 Declaration shall mean the Declaration of Protective Covenants and Restrictions of Pine Trace as it may be amended from time to time.

1.11 Development shall mean all of the lands and improvements within Pine Trace according to the Plat thereof as recorded in Plat Book 79 at Pages 91-92 of the Public Records of Palm Beach County, Florida, together with additions thereto (which additional properties may or may not be contiguous to the real property described in Article 2 hereof), as are subject to the Declaration or any supplemental declaration pursuant to Article 2.

1.12 Dwelling Unit shall mean the improvement or improvements constructed and established on a Lot, as said Lots are described on the Plat of Pine Trace recorded in Plat Book 79 at Pages 91 - 92 of the Public Records of Palm Beach County, Florida. A Dwelling Unit shall be deemed to exist at such time as a Certificate of Occupancy is issued by the Village of Wellington, Florida, for the Dwelling Unit.

1.13 Improvement shall mean and refer to any building, fence, wall, patio area, driveway, walkway, landscaping, antenna, sign, mailbox, pool, or other structure or improvement which is constructed, made, installed, placed or developed within or upon, or removed from, any portion of the Property or any changes, alteration, addition or removal of any such structure or improvement other than normal maintenance and repair which does not materially alter or change the exterior appearance, condition and color of same.

1.14 Institutional Lender shall mean the owner and holder of a mortgage encumbering a Lot and/or Dwelling Unit, which owner and holder shall either be a bank or an affiliate thereof, life insurance company, federal or state savings and loan association, Developer or federal or state agencies.

1.15 Lot shall mean a parcel as shown and described on the Plat of Pine Trace according to the Plat thereof recorded in Plat Book 79 at Pages 91-92 of the Public Records of Palm Beach County, Florida.

1.16 Member shall mean and refer to every person or entity who holds membership in the Association.

1.17 Owner shall mean the holder or holders of the fee title to or estate in a Lot and Dwelling Unit as herein defined.

1.18 Person shall mean a person, firm, association, corporation, or other entity.

ARTICLE 2

2. Property Subject to the Declaration: Additions Thereto.

2.1 Legal Description. The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Palm Beach County, Florida and is more particularly described in Exhibit "A" attached hereto and made a part hereof

2.2 Developer's Right to Add Additional Property or Withdraw Property. Developer shall have the right, in its sole discretion, to add additional property (which may or may not be contiguous to the real property described in Article 2. 1) to the scheme of this Declaration. Developer shall also have the right to withdraw property from the scheme of this Declaration. The addition or withdrawal by Developer shall not require the consent or joinder of the Association, or any Owner or mortgagee of any of the Lots. Upon addition of any property to the scheme of this Declaration, the owners of such additional property shall be and become subject to this Declaration, including assessment by the Association for their pro-rata share of the Association expenses. No property shall be withdrawn from this Declaration unless such property is dedicated to another association or governmental authority. The addition of lands as aforesaid shall be made and evidenced by filing in the Public Records of Palm Beach County, Florida, a supplemental declaration with respect to the lands to be added.

ARTICLE 3

3. Title to Common Areas. Developer may retain the legal title to the Common Areas until such time as it conveys all of the Lots which it owns in the Development (or sooner at the Developer's option). At such time, the Developer or its successors and assigns shall convey and transfer the record fee simple title to the Common Areas to the Association by deed and the Association shall accept such conveyance, subject to taxes for the year of conveyance and to restrictions, limitations, conditions, reservations and easements of record.

ARTICLE 4

4. Restrictions and Easements. Each of the following restrictions and easements over, under and across the Development is a covenant running with the land, and notwithstanding any of the other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with its proper and intended use and purpose.

4.1 Utilities, Water and Sewer, Drainage and Surface Water Management. Any and all restrictions and easements as may be required for the installation and maintenance of utility services to adequately serve the Development, for water and sewer services, for drainage, and for a surface water management system as permitted by the South Florida Water Management District, shall be covenants running with the land; however, such easements over, under, and/or across a Lot and/or Dwelling Unit shall be located under or through the utility easements as shown on the recorded plats affecting the Development, or shall be exercised according to the plans and specifications for the Lot and/or Dwelling Unit in question or according to the Lot as developed and/or Dwelling Unit as constructed in a manner which will not unreasonably interfere with the intended purpose and use, unless approved in writing by the Dwelling Unit Owner. The Dwelling Unit adjacent to and abutting Drainage Easement No. 1 as shown on the Plat shall have the right to use the drainage facilities within the easement for stormwater purposes. Any damage caused to pavement, curbs, driveways, drainage structures, sidewalks, other structures, or landscaping in the installation and maintenance of such utilities shall be promptly restored and repaired by the utility whose installation or maintenance caused the damage. The Association may enter into such agreements as may be required by the utilities or the Village of Wellington in connection with the maintenance and installation of utilities.

4.2 Preservation Areas. The upland and wetland preservation and restoration areas as designated on the Plat of Pine Trace as Preservation Tracts No. 1 and No. 2 shall be the perpetual responsibility of the Association and may in no way be altered from their restored natural state. Activities prohibited within the preservation areas include, but are not limited to, construction or placing of buildings on or above the ground; dumping or placing soil or other substances such as trash; removal or destructions of trees, shrubs, or other vegetation with the exception of exotic vegetation removal; excavation, dredging, or removal of soil material; diking or fencing; and, any other activities detrimental to drainage, flood control, water conservation, erosion control, and wildlife habitat conservation and preservation.

4.3 Open Space Areas. The open space areas as designated on the Plat of Pine Trace as Tracts OS-1 through OS-4 shall be the perpetual maintenance responsibility of the Association and may in no way be altered from their as-landscaped open space state.

4.4 Buffer Areas. The buffer tracts and corresponding easements as designated on the Plat of Pine Trace as Tracts BT-1 and BT-2 shall be the perpetual maintenance responsibility of the Association for buffer purposes and the erections of buildings thereon shall be prohibited.

4.5 Recreation Area. The recreation tract as designated on the Plat of Pine Trace shall be the perpetual maintenance responsibility of the Association.

4.6 Pedestrian and Vehicular Traffic. There shall exist easements for pedestrian traffic over, upon, through and across sidewalks, paths, lanes and walks, as the same may from time to time exist, upon the Common Areas; and for the vehicular traffic over, upon, through and across such portions of the Common Areas as may from time to time be paved and intended for such purposes as designated upon the Plat of Pine Trace as Tract A, the same being for the use and benefit of the Owners of Dwelling Units, their respective successors, guests and invitees. In addition, there shall exist limited ingress and egress easements as designated upon the Plat of Pine Trace, according to the Plat thereof, recorded in Plat Book 79 at Pages 91-92, of the Public Records of Palm Beach County, Florida, the same being for the use and benefit of Owners of Dwelling Units, their respective successors, guests and invitees, and the Developer.

4.7 Perpetual Non-Exclusive Easement in Common Area. The Common Areas shall be, and the same are hereby declared to be subject to a perpetual non-exclusive easement in favor of all the Owners of Dwelling Units for their use and the use of their immediate families, guests, and invitees for all proper and normal purposes, and for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of said Owners subject to rules and regulations of the Development.

4.8 Easement for Unintentional and Non-negligent Encroachments. In the event that any Dwelling Unit shall encroach upon any Common Area by reason of original construction or for any reason not caused by the purposeful or negligent act of the Dwelling Unit Owner or Owners or agents of such Owner or Owners, then an easement appurtenant to each Dwelling Unit shall exist for the continuance of such encroachments on and to the Common Areas for so long as such encroachments shall naturally exist; and, in the event that any portion of the Common Areas shall encroach upon any Dwelling Unit or Lot, then an easement shall exist for the continuance of such encroachment of the Common Areas into any Dwelling Unit or Lot for so long as such encroachments shall naturally exist.

4.9 Construction; Maintenance. Declarant, for itself, its successors, nominees, and assigns, shall have the right in its sole discretion from time to time to enter upon the Common Areas and any Lot or Dwelling Unit and to perform all acts necessary or convenient for the purpose of completing construction of any Dwelling Unit, of the Common Areas, or of any facilities serving the Development.

4.10 Owner's Maintenance. There is hereby created easements in favor of each Dwelling Unit Owner, its agents and employees, to enter from time to time upon Lots and Common Areas contiguous to said owner's Lot as may be reasonably necessary for the purpose of performing maintenance responsibilities as set forth in Article 7.2 hereof.

4.11 Easements and Cross-Easements. There are hereby created easements in favor of the Dwelling Unit Owners of Pine Trace, their immediate families, guests and invitees, for ingress, egress and utilities, including but not limited to those necessary to provide power, electricity, telephone, sewer, water, lighting facilities, irrigation, drainage, television and cable television transmission facilities, security services, electronic and other facilities in connection therewith and the like as set forth, described and defined in the Plat of Pine Trace, according to the Plat thereof, recorded in Plat Book 79 at Pages 91-92 of the Public Records of Palm Beach County, Florida. Declarant, for itself, its successors, nominees, and assigns, and the Association reserves the right to impose upon the Common Areas, henceforth and from time to time, such additional easements and cross-easements or to relocate existing easements for any of the foregoing purposes as it deems to be in the best interest of, and necessary and proper for this Development.

4.12 Association. Easements are reserved in favor of the Association, its agents, employees, or independent contractors, successors and assigns to enter upon the Common Areas, Lots and/or Dwelling Units for the purpose of conducting inspections and carrying out the responsibilities of the Association as set forth herein and as may be authorized from time to time by the Association.

4.13 Easements of Record. It is recognized that the Development may be subject to restrictions, reservations, and easements which have been placed of record prior to the formation and filing hereof. Any existing restrictions, reservations, and easements of record include but are not limited to, certain easements for ingress and egress across, upon and through the Development and, therefore, the Development property shall continue at all times to be subject to said easements; provided, however, that this paragraph shall not be deemed to re-impose the same.

4.14 Condition of Easement Rights. The Owner's rights set forth hereinabove shall be subject to the right of the Association to suspend the right to use Common Areas and facilities of a Dwelling Unit Owner or that Owner's family members, tenants, guests or invitees for the period during which any assessment against said Owner's Dwelling Unit remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its lawfully adopted and published rules and regulations.

ARTICLE 55. Ownership.

5.1 Type of Ownership. Ownership of each Lot and Dwelling Unit may be in fee simple, or any other estate in real property recognized by law, subject to the Village of Wellington and Palm Beach County zoning ordinances and regulations, and this Declaration and any exhibits and/or amendments thereto. Further, the Development shall continue at all times to be subject to restrictions and easements as set forth hereinabove; provided, however, that this paragraph shall not be deemed to re-impose the same.

5.2 Association Membership. The Owners of record of the Dwelling Units shall be members of the Association. There shall be one vote for each Dwelling Unit and, if there is more than one record Owner per Dwelling Unit, then such vote shall be voted as determined in writing by such Owners. In the absence of such written designation, the Association may conclusively rely on the vote of any Dwelling Unit Owner purporting to represent all co-Owners of said Dwelling Unit. Membership shall be appurtenant to and may not be separated from ownership of any Dwelling Unit.

5.3 Dwelling Unit Owner Rights. The Owner of a Dwelling Unit is entitled to the exclusive possession of his Dwelling Unit. He shall be entitled to use the Common Areas in accordance with the rules and regulations promulgated from time to time by the Association; but no such use shall hinder or encroach upon the lawful rights of the Owners of other Dwelling Units.

ARTICLE 66. Common Expense and Common Surplus.

6.1 Pursuant to Florida Statute 617.308, there shall be one class of parcels within Pine Trace. Each Lot and/or Dwelling Unit within Pine Trace receives equivalent levels of service and is entitled to equivalent use and enjoyment of the Common Areas. Consequently, Common Expenses are to be borne equally by the Owner of each Lot, regardless of whether a Dwelling Unit as defined herein has been erected thereon, in such amounts as may be assessed by the Association except as otherwise provided in Article 17.2.

6.2 Any common surplus of the Association shall be owned by each Lot and/or Dwelling Unit Owner in the same proportion as their liability for Common Expenses.

ARTICLE 7

7. Maintenance and Repair. Responsibility for the maintenance of the Development shall be as follows:

7.1 By the Association. The Association shall maintain, repair and replace, at the Association's expense:

a. Landscaping. The Association shall maintain and care for all landscaping areas in the Common Areas within the Development including Tracts OS-1 through OS-4 and BT-1 and BT-2 and shall be responsible for lawns, trees, and shrubbery. Further, the Association shall maintain and care for landscaping areas bordering the Development up to the pavement contiguous to the property. Such maintenance shall be limited to mowing, trimming pruning, edging, fertilizing and spraying of lawns, trees and shrubs. The Association in its sole discretion shall determine the need for replacement and/or improvement of landscaping, lawns, shrubbery and trees.

b. Sprinkler System. The Association shall maintain, repair, replace, or alter a water sprinkler system throughout the Common Areas. However, if any repair to the water sprinkler system was caused by the negligence of a Dwelling Unit Owner, the cost of such repair shall be borne by said Dwelling Unit Owner and the Association shall have the right to enforce payment pursuant to the provisions of Article 8.8 herein.

c. Private Roads, Driveways, Walkways, Paths, and Street Lights. The Association shall maintain and repair all private roadways including Tract A, walkways, paths, walls, fencing, signage, street furniture and street lights placed thereon, throughout the Common Areas. The Association shall be responsible for payment of electricity consumed in the illumination of such street lights.

d. Preservation Areas. It shall be the responsibility of the Association to maintain the restored preservation areas, Preservation Tracts No. 1 and 2, on a continuing basis. Such areas shall be inspected and cleared of exotic and nuisance species at least once per year to ensure that the exotic and nuisance species do not account for more than ten (10%) percent of the total vegetation in such areas at any time.

e. Other Services. The Association shall maintain, repair, replace, and protect the Common Areas, including all structures, fixtures and furnishings of the Recreation Tract and provide such other services and functions as the Board of Directors may, in its sole discretion, determine from time to time.

f. Alteration and Improvement. The Association may alter or further improve the Common Areas in its sole discretion; provided, however, subsequent to the transfer of control of the Association by Developer, if the cost of said alterations or improvements shall exceed the sum of Twenty-five Thousand (\$25,000.00) Dollars in any calendar year, prior written approval of fifty-one (51%) percent of the members of the Association shall first be obtained.

7.2 By the Dwelling Unit Owners. The responsibility of the Dwelling Unit Owner shall be as follows: to keep and maintain his Dwelling Unit, its equipment and appurtenances, including without limitation swimming pool, pool deck, and any Owner-installed improvements, in good order, condition and repair and to perform promptly all maintenance, replacement, and repair work, whether structural or non-structural, ordinary or extraordinary, so as to keep his Dwelling Unit in a good state of repair and in conformity with the aesthetic standards required from time to time by the Association.

a. The repair, maintenance and/or replacement of the exterior of each Dwelling Unit is the responsibility of the Dwelling Unit Owner at his sole cost and expense, including but not limited to repainting, roof repair, repaving, maintenance and replacement of exterior appurtenances, accessories, and decorative features, such as awnings and shutters, and all grass areas of said Dwelling Unit and in the area between the front lot line and the curbing or road pavement, including but not limited to, any required edging or maintenance of landscaping located thereon, and the sprinkler system and all of its component parts located thereon. The obligation of the Dwelling Unit Owner to maintain, repair and replace shall be performed so as to maintain his Unit in the same manner and to replace items as needed with the same or similar materials and of like size, color, and quality as the original. No exterior maintenance shall be initiated without the prior express written approval of the Committee, except in emergencies. All exterior maintenance shall be accomplished in a manner such that the character of the development is maintained. The color and quality of all paint, fencing, walls, and roof materials shall be approved by the Committee so as to maintain uniformity and the aesthetic quality of the Development. No alterations of roof color or exterior paint color shall be made without the prior written approval of the Committee.

b. In the event the Owner of a Dwelling Unit fails to maintain said Unit as required above, the Association or Developer shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions; or the Association shall have the right to assess the Dwelling Unit Owner and the Dwelling Unit for the necessary sums to put the Dwelling Unit in good condition. After such assessment, the Association shall have the right to take any and all such steps as may be necessary to enforce compliance with the above provisions, including, but not limited to, entry of the subject Dwelling Unit with or without the consent of the Dwelling Unit Owner, and the repair and maintenance of any item requiring same, all at the expense of the Dwelling Unit Owner.

c. Each Owner shall have the obligation, at his sole cost and expense, to maintain his Lot, and all improvements thereon, in a good, safe, clean, neat, operable and attractive condition at all times, in accordance with the aesthetic standards in compliance with all declarations, covenants and restrictions established for Pine Trace and in compliance with all governmental, health, police, and fire codes, ordinances, regulations and statutes applicable to Pine Trace; anything to the contrary herein notwithstanding, the terms of this Section 7.2.c shall be subject to the maintenance responsibilities undertaken by the Association with respect to the Development.

7.3 Limitations. No Dwelling Unit Owner shall in any way maintain, modify, or improve any areas for which the Association has responsibility for maintenance without the prior written consent of the Association.

7.4 Cost of Maintenance. The cost of maintaining those areas which are the responsibility of the Association, including but not limited to the maintenance of preservation areas shall be paid for by the Association, acting for and on behalf of all Dwelling Unit Owners. Dwelling Unit Owners, by virtue of the responsibility of paying assessments as elsewhere herein provided, are hereby liable pro-rata for the cost of maintenance; except, that in the event the need for maintenance, repair or replacement is caused through the willful or negligent act of a Dwelling Unit Owner, his family, guests, tenants or invitees, the cost of such maintenance, repairs or replacement shall be the responsibility of said Dwelling Unit Owner and may be added to or become a part of the assessment to which said Dwelling Unit Owner is subject. Such liability of the Dwelling Unit Owner shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of a Lot and/or Dwelling Unit or its appurtenances or of the Common Areas.

7.5 Repair and Reconstruction Following Casualty. Each Dwelling Unit Owner, with the concurrence of the Owner's Institutional Mortgagee, if any, and the Board of Directors, shall reconstruct or repair said Owner's Dwelling Unit in the event such Unit is destroyed or damaged in whole or part by fire or such other casualty for which insurance is required to be maintained hereunder. Such repair or reconstruction shall be performed in a good and workmanlike manner in conformance with the original plans and specifications. In the event that the Dwelling Unit Owner fails to commence reconstruction or repair or to contract for such work to be performed within thirty (30) days of receipt of the insurance proceeds by the Association or the Institutional Mortgagee named as loss payee in the policy covering the Dwelling Unit, the Board, in its sole discretion, may elect to initiate the repairs or reconstruction and may enter into any and all agreements with contractors with respect thereto, whether or not such contractors may be Directors or Officers of the Association or an entity in which a Director or Officer has an interest. If the insurance proceeds exceed the cost of repair or reconstruction, such excess shall be paid over to the Dwelling Unit Owner and/or the Owner's Institutional Mortgagee in such shares as they shall independently determine. In the event the Association elects to initiate the repair and reconstruction, and the insurance proceeds are insufficient to fully pay the costs of same the Association may levy a special assessment against the Dwelling Unit Owner in an amount equal to such deficiency.

ARTICLE 8

8. Assessment. The establishment of the budget for Pine Trace and the making and collecting of Assessments against the Dwelling Unit Owners for Common Expenses to meet the budget as established shall be the obligation of the Board of Directors pursuant to the provisions for same found in Article 6.3 of the By-Laws subject to the following provisions:

8.1 Share of the Common Expenses. Each Owner of a Dwelling Unit, by acceptance of a deed therefor, whether or not it shall be expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association a proportionate share of the Common Expenses and special assessments as provided in Article 8.2 and Article 8.3 hereof. A Dwelling Unit Owner, regardless of how title is acquired, including, without limitation, a purchaser at a judicial sale, shall be liable for all assessments coming due while he is the Owner of the Dwelling Unit. The annual and special 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 Dwelling Unit against which such assessment is made and shall also be the personal obligation of the person who was the Unit Owner of such Dwelling Unit at the time when the assessment fell due. Except as otherwise provided, all assessments shall be equally assessed against all Dwelling Units within the Development.

8.2 Assessment for Common Expenses. Assessment against the Dwelling Unit Owners for their share of the Common Expenses shall be made for the calendar year annually in advance, on or before the 20th day of December preceding the year for which the assessments are made. Such assessments shall be due in four (4) equal quarterly installments, on the first day of January and on the first day of each quarter thereafter of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and quarterly installments thereon shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments therefor may be amended at any time by the Board of Directors. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due and payable in equal quarterly installments for the full quarters remaining in the assessment year.

8.3 Special Assessments. The Association by and through its Board of Directors may from time to time make a special assessment to one or more Dwelling Units, and without respect to other Dwelling Units within the Development, for the following:

a. Charges for expenses of the Association which are not general expenses but which are attributable to a specific Dwelling Unit or Units and which are designated, in the discretion of the Board of Directors, as a special charge.

b. Reimbursement for damages caused by a Dwelling Unit Owner or Owners, their family members, guests, invitees or tenants.

c. Capital improvements relating to the Common Areas (except that this assessment must be applicable to all Lots on an equal pro-rata basis).

d. Late charges, user fees, fines and penalties.

e. Any other charge which is not a general expense.

f. Any general expense, except reserves, which exceeds the amount budgeted or any emergency expense which exceeds the amount of any reserves or other Association funds.

Provided, however, an Institutional Mortgagee acquiring title by foreclosure or deed in lieu of foreclosure shall not be subject to a special assessment levied prior to such acquisition of title unless such Institutional Mortgagee consents to and approves such assessment in writing.

8.4 Assessments for Special Assessments. Charges or special assessments by the Association, should such be required by the Board of Directors, shall be levied by resolution of the Board. Said assessments shall be payable in the amounts and manner determined by the Board of Directors as set forth in the resolution thereof.

8.5 Trust Funds. The portion of all annual assessments collected by the Association as reserves for future expenses, and the entire amount of all special assessments collected for capital improvements shall be held by the Association in trust for Owners of all Dwelling Units, as their interests may appear.

8.6 Non-waiver. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Areas or by the abandonment of the Dwelling Unit for which the assessment is made.

8.7 Interest, Application of Payment. Assessments and installments on such assessments paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the highest rate allowed by the laws of the State of Florida from the date when due until paid and the Association may impose an additional late charge of \$25.00. All payments upon account shall be first applied to interest and late charges and then to the assessment payment first due.

8.8 Personal Obligation; Lien for Assessments. Each Dwelling Unit Owner shall be personally liable for assessments, general or special, against his Dwelling Unit. Any individual who

acquires title to a Dwelling Unit upon the death of an Owner or by operation of law shall be personally liable for unpaid assessments with respect to such Dwelling Unit. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of Common Expenses up to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor. The Association shall have a lien on each Dwelling Unit for any unpaid assessments, whether general or special, together with interest thereon, together with a lien on all real property, improvements and tangible personal property located upon or within said Dwelling Unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees incurred by the Association incident to the collection of such assessments or the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien shall be payable by the Dwelling Unit Owner and secured by such lien. The Association's lien shall also include those sums advanced on behalf of each Dwelling Unit Owner in payment of his obligation for use charges and operation costs likewise referred to as Common Expenses. Said lien shall be effective from and after the time of recording in the public records of Palm Beach County, Florida, of a claim of lien stating the legal description of the Dwelling Unit, the name of the record owner, the amount due and the date when due, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid. Such claims of lien shall be signed by an officer of the Association, its property manager or its attorney. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of the lien.

8.9 Subordination of the Lien to Mortgages. The lien for assessments as hereinabove provided for shall be subordinate to and inferior to the mortgage lien of any Institutional Lender. Sale or transfer shall not affect the assessment lien. However, the sale or transfer of any Dwelling Unit which is subject to the mortgage of an Institutional Lender, pursuant to a decree of foreclosure under such mortgage or any proceeding or deed in lieu of foreclosure thereof, shall extinguish the lien for such assessments which became due prior to the sale or transfer. A mortgagee in possession, a receiver, a purchaser at a foreclosure sale, or a mortgagee that has acquired title by deed in lieu of foreclosure, and all persons claiming by, through or under such purchaser, or mortgagee shall hold title subject to the liability and lien of any assessment becoming due after such foreclosure or conveyance in lieu of foreclosure. Any unpaid assessment which cannot be collected as a lien against and Dwelling Unit by reason of the provisions of this Section 8.9, may be deemed to be an assessment divided equally among, payable by, and assessed against all Dwelling Units, including the Dwelling Unit as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

8.10 Collection and Foreclosure. The Board of Directors may take such action as they deem necessary to collect assessments of the Association by personal action, by enforcing and foreclosing said lien, or by both means, and may settle and compromise same, if in the interest of the

Association. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as cash credit against its bid, all sums due the Association covered by the lien enforced. In case of such foreclosure, the Dwelling Unit Owner shall be required to pay a reasonable rental for the Dwelling Unit, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect same from the Dwelling Unit Owner and/or occupant.

8.11 Cable Television and Security Service Charge. Each Dwelling Unit Owner shall be personally liable for charges for cable television and security services, if any; provided, however, in the event that Declarant or the Association enters into an agreement for cable television services, the Association shall collect the charge therefor and shall remit funds collected to the provider(s) of such service. In the event of collection of such charge by the Association, such charge shall be deemed a Common Expense and the Association shall have a lien on a Dwelling Unit for any such unpaid charge against a Dwelling Unit Owner. Any optional services contracted for by Dwelling Unit Owners shall be the obligation of such Owners.

8.12 Exempt Property. The Board of Directors shall have the right to exempt property subject to this Declaration from the assessments, charges and liens created herein if such property is used (and as long as it is used) for any of the following purposes:

- a. Any easement or other interest therein dedicated and accepted by a public authority and devoted to public use.
- b. All Common Areas as defined in Article 1 hereof.
- c. All properties exempt from ad valorem taxation by the laws of the State of Florida, to the extent agreed to by the Association.

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

8.13 Working Capital Contribution. Upon the conveyance of any Lot or Dwelling Unit by Declarant, the Owner shall pay to the Association an amount equal to three (3) months' Assessments for the Lot or Dwelling Unit as a working capital contribution to the Association, which amount shall not be considered an advance payment of Assessments and shall be placed in a working capital fund so that the Association will have funds available to meet extraordinary expenses or to acquire additional equipment, property or services deemed necessary or desirable.

8.14 Notice of Separate Assessments Due Fourth Wellington, Inc. Notice is hereby given that each Lot or Dwelling Unit within Pine Trace is also subject to the Declaration of Covenants, Conditions and Restrictions for Fourth Wellington as recorded in Official Records Book

6098, at Page 1066 of the Public Records of Palm Beach County, Florida, by virtue of the lands comprising Pine Trace existing within and being a part of the lands of Fourth Wellington as shown on the Plat thereof recorded in Plat Book 79, Page 91-92 of the Public Records of Palm Beach County, Florida. As such, each Lot or Dwelling Unit within Pine Trace is also subject to the obligation to pay separate maintenance assessments and/or special assessments to Fourth Wellington, Inc. and are subject to the enforcement provisions related thereto as provided in the Declaration referred to herein.

ARTICLE 9

9. Compliance and Default. Each Dwelling Unit Owner shall be governed by and shall comply with the terms of this Declaration, the By-Laws and Rules and Regulations adopted pursuant thereto, and said documents and Rules and Regulations as they may be amended from time to time. Failure of Dwelling Unit Owners to comply therewith shall entitle the Association to the following relief in addition to the remedies provided elsewhere herein.

9.1 Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of a Dwelling Unit Owner to comply with the terms of the Declaration, the By-Laws or the Rules and Regulations adopted pursuant thereto, and said documents and/or Rules and Regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

9.2 No Waiver of Rights. The failure of the Association to enforce a covenant, restriction or other provision of this Declaration or any of the exhibits attached hereto, shall not constitute a waiver of the right to do so thereafter.

ARTICLE 10

10. Association. In order to provide for the proficient and effective administration of the Development by the Owners of Dwelling Units, a non-profit corporation known and designated as Pine Trace at Binks Forest Homeowners' Association, Inc. has been organized under the laws of the State of Florida, and said corporation shall administer the operation and management of the Development and undertake and perform all actions and duties incident thereto in accordance with the terms, provisions, and conditions of this Declaration and in accordance with the terms of the Articles of Incorporation of the Association, its By-Laws and the Rules and Regulations promulgated by the Association from time to time.

10.1 Articles of Incorporation. A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit "B".

10.2 By-Laws. A copy of the By-Laws of the Association is attached hereto as Exhibit "C".

10.3 Limitation upon Liability of Association. Notwithstanding the duty of the Association to maintain or repair portions of the Development, the Association shall not be liable to Dwelling Unit Owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other Owners or persons.

10.4 Restraint upon Assignment of Shares and Assets. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Dwelling Unit.

10.5 Approval or Disapproval of Matters. Whenever the decision of a Dwelling Unit Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed in accordance with the By-Laws of the Association.

10.6 Membership. The record Owners of Dwelling Units in the Development shall be members of the Association and no other persons or entities shall be entitled to membership except for incorporators pursuant to the Articles of Incorporation. Membership shall be established by acquisition of ownership of fee title to or fee interest in a Dwelling Unit, whether by conveyance, devise, judicial decree or otherwise, subject to the provisions of this Declaration and by the recordation among the Public Records of Palm Beach County, Florida, of the deed or other instrument establishing the acquisition and designating the Dwelling Unit affected thereby and by the delivery to the Association of a true copy of such recorded deed or other instrument. The new Owner designated in such deed or other instrument shall thereupon become a member of the Association, and the membership of the prior Owner as to the Dwelling Unit designated shall be terminated.

10.7 Voting. As to all matters on which the membership shall be entitled to vote there shall be only one (1) vote for each Dwelling Unit.

10.8 Restrictions on Association. Notwithstanding anything to the contrary contained herein, unless and until at least two-thirds (2/3) of those entitled to vote as defined in this Article 10 shall have approved in writing, the Association may not:

- a. abandon, partition, subdivide, encumber, sell or transfer the common property;
- b. change the method of determining assessments;

c. change the procedure for the regulation and enforcement of architectural design and exterior appearance and maintenance of units, common property, walls, fences, driveways, lawns and plantings;

d. fail to maintain fire and extended coverage on improvements located on planned unit development common property at one-hundred (100%) percent replacement cost;

e. use hazard insurance proceeds for losses to improvements on planned unit development common property for other than repair, replacement, or reconstruction.

ARTICLE 11

11. Use Restrictions.

11.1 Dwelling Units are restricted to residential use by a single family. Nothing herein contained shall prevent ownership of Dwelling Units by a corporation or other business entity, or trustee; provided, however, the intended use by such Dwelling Unit Owner or occupant shall be consistent with this Declaration.

11.2 No commercial activity, trade or business shall be maintained upon any Dwelling Unit.

11.3 No fence, except as contemplated by the initial Development scheme, shall be erected, maintained or permitted upon a Lot or any portion of the development without the prior written approval of the Committee.

11.4 Reasonable Rules and Regulations concerning the Development may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-Laws. Copies of such Rules and Regulations and amendments shall be furnished by the Association to all Dwelling Unit Owners and residents of the Development upon adoption and implementation or upon request.

11.5 No sign of any kind shall be displayed to the public view from any Lot or any portion of the Development, provided, however, that signs used by Declarant to advertise the property during construction and/or sales period are hereby expressly permitted.

11.6 The parking and storage of automobiles, except on dwelling unit driveways or in dwelling unit garages, is prohibited.

11.7 Only automobiles, vans constructed as private passenger vehicles with rear side and rear windows and permanent rear seats, sport-utility vehicles such as Jeeps or Broncos, and non-

commercial trucks with a capacity of one-half ton or less (specifically excluding commercial vehicles bearing signs or equipment and trucks with a capacity of more than one-half ton) shall be permitted upon any portion of the property for overnight parking or as shall be specified and/or approved in advance by the Board of Directors. Otherwise permitted vehicles shall not have affixed to them equipment racks, braces or holders for ladders, tools, or other commercially used equipment nor shall any otherwise permitted vehicle have more than four (4) wheels. No commercial-use covers around or over the truck bed shall be used except metal or plastic top covers commonly used on pick-up trucks. On any otherwise permitted truck, only one (1) metal or plastic utility box with a maximum installed width of Twenty-Four (24') inches measured from front to rear of the box shall be permitted placed across the front of the truck bed and braced thereto.

a. No vehicle may be kept on the Property which is unlicensed or inoperable unless kept fully enclosed inside a garage.

b. No commercial vehicles of any kind shall be permitted to be parked for a period of more than four (4) hours, unless the same is temporarily present and necessary in the actual construction or repair of a Dwelling Unit or to service the same.

c. No commercial vehicle of any kind or trucks with a capacity of more than one-half ton shall be parked overnight, and no boat, boat trailers, buses or trailers of any kind, campers, recreational vehicles or mobile homes shall be permitted to park within the Property at any time unless kept fully enclosed inside a garage which garage contains a full garage door and such garage door is kept closed or unless kept in an area specified and approved by the Board of Directors for the parking of such vehicles.

d. No repair work to any type of motor vehicle, boat or boat trailer shall be conducted on any Lot or Common Area.

e. No truck, commercial vehicle, boat, camper or mobile home shall be used as a domicile or residence, either permanent or temporary.

f. No motorized vehicle (including without limitation all-terrain vehicles or cycles, "dirtbikes", or other off-road recreational vehicles) shall be operated anywhere within the Property except on streets or roadways and then only if appropriately licensed. This prohibition shall not apply to authorized vehicles of Declarant, Association, contractors or any governmental entity. Motorcycles, motorscooters, mopeds and the like must be suitably muffled so as not to violate any applicable noise-abatement laws or ordinances.

11.8 The garages may be used for the storage of vehicles and related purposes and may not be converted for use as additional living space or otherwise incorporated into the Dwelling Unit.

11.9 The overnight parking of vehicles of any kind upon the Common Areas is prohibited.

11.10 The parking and storage of boats and boat trailers, campers or trailers is prohibited without the prior written consent of the Association unless fully enclosed and stored within a Dwelling Unit Owner's garage.

11.11 No exterior radio, television, satellite dish regardless of size, or electronic antenna or aerial shall be erected or maintained without the prior written consent of the Association or Committee.

11.12 Only common domestic pets are permitted in the Development. No pet may be kept, bred or maintained for any commercial purpose whatsoever or become a nuisance or annoyance to other Dwelling Unit Owners. Dwelling Unit Owners must pick up all solid wastes of their pets and dispose of such wastes appropriately. All pets (including cats) must be leashed or carried by hand at all times when outside the Dwelling Unit or Lot. Without limiting the generality of other provisions of this Declaration, violations of this paragraph shall entitle the Association to all of its rights and remedies, including without limitation the right to fine Dwelling Unit Owners.

11.13 No tents or temporary or accessory building or structure shall be erected without the prior written consent of the Committee.

11.14 Portions of Lots not improved by a building, walks, pool, decks, or driveway shall be maintained as a landscaped area.

11.15 No nuisances shall be allowed upon the Development nor shall any use or practice be permitted which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Development by its residents. All parts of Development shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage shall be allowed to accumulate or any fire hazard allowed to exist.

11.16 No immoral, unapproved, offensive or unlawful use shall be made of the Development or any part thereof; and, all laws, zoning ordinances, resolutions and regulations of all governmental bodies having jurisdiction thereof shall be observed.

11.17 All garbage and trash containers and oil and gas tanks must be placed and maintained below ground level or in walled-in areas so constructed as to render the contents thereof hidden from view from adjoining properties.

11.18 Except as reserved to the Developer, no Lot and/or Dwelling Unit may be divided or subdivided into a smaller Unit nor any portion thereof sold or otherwise transferred

without first amending this Declaration to show the changes in the Dwelling Units to be affected thereby.

11.19 Provided, however, that until the Developer has completed all of the contemplated improvements and closed the sales of all the Dwelling Units, neither the Dwelling Unit Owners nor the Association shall interfere with the completion of all contemplated improvements and the sale of all Dwelling Units, and the Developer may make such use of the unsold Dwelling Units and/or Common Areas as may facilitate such completion and/or sale, including but not limited to maintaining a sales office, showing of the property and displaying signs.

ARTICLE 12

12. Architectural Control.

12.1. Establishment. "Committee" shall mean the architectural review committee or board, which shall be the governing body charged with using its best efforts to promote and ensure a high level of taste, design, quality, harmony and conformity throughout the Property consistent with this Declaration. Until the Termination of Declarant Control, referred to below, Declarant or its designee, shall constitute the Committee, and may approve Plans and Submissions or take other actions on behalf of the Committee in Declarant's own name or in the name of the Committee. After the Termination of Declarant Control, the Committee shall be composed of at least three (3) individuals appointed by the Board, each of whom shall be an Owner. The Committee shall act by simple majority vote. In the event of death, resignation or other removal of any Board-appointed member of the Committee, the Board shall appoint a successor member. No member of the Committee shall be entitled to compensation for, or be liable for claims, causes of action or damages arising out of services performed pursuant to this Declaration. For purposes of this Article 12, Declarant shall cease to control and constitute the Committee on the earlier of: (a) the date on which Declarant records in the land records of Palm Beach County a document declaring the termination of its control of the Committee; or (b) at such time as Declarant no longer owns a Lot within the Property (which may be referred to in this Declaration as "Termination of Declarant Control").

12.2. Purpose of the Committee. The Committee is established to provide a system of review for the construction or modification of all Improvements within the Property. No Improvement shall be commenced, improved or altered, nor shall any grading, excavation, tree removal, landscaping or change of exterior color or other work which in any way alters the exterior appearance of an Improvement be done without the prior written approval of the Committee.

12.3. Development Standards. The Committee is empowered to publish or modify from time to time, design and development standards for the Property, including, but not limited to, standards for the following ("Standards"): (i) architectural design of Improvements, including, but

not limited to, design standards for any Dwelling Unit or other Improvement constructed upon a Lot; (ii) fences, walls and similar structures; (iii) exterior building materials and colors; (iv) exterior landscaping; (v) exterior appurtenances relating to utility installation; (vi) signs and graphics, mailboxes and exterior lighting; (vii) building setbacks, pools and pool decks, side yards and related height bulk and design criteria; (viii) pedestrian and bicycle ways, sidewalks and pathways; and (ix) all buildings, landscaping and Improvements on lands owned or controlled by the Association. After Termination of Declarant Control, a copy of any Standards promulgated by the Committee shall be subject to approval by the Board. After the Board's approval, a copy of the Standards will be made available to all Members.

12.4 Requirement of Committee Approval. No Improvement of any kind shall be erected, placed or maintained, and no addition, alteration, modification or change to any Improvement shall be made without the prior written approval of the Committee. For purposes of this Declaration, Declarant Improvements means any Improvement erected, placed, or maintained with the approval of Declarant, including, without limitation, any building, wall, fence, swimming pool, tennis court, screened enclosure or landscaping, constructed, installed or placed by or with the approval of Declarant, and additions, alterations, modifications or changes to any of the foregoing (collectively, "Declarant Improvements"). Notwithstanding anything to the contrary contained above, Declarant Improvements are not subject to the approval of the Committee and are deemed to conform to the plan of development for the Property.

12.5 Obtaining Committee Approval. In order to obtain the approval of the Committee, a complete set of plans and specifications ("Plans") for proposed Improvements shall be submitted to the Committee for its review. The Plans shall include, as appropriate, the proposed location, grade, elevations, shape, dimensions, exterior color plans, approximate costs, and nature, type and color of materials to be used. The Committee may also require the submission of additional information and materials as may be reasonably necessary for the Committee to evaluate the proposed Improvement or alteration ("Submissions"). The Committee shall have the right to refuse to approve any proposed Plans which, in its sole discretion, are not suitable or desirable. Any and all approvals or disapprovals of the Committee shall be in writing and shall be sent to each respective Owner submitting same. In the event the Committee fails to approve or to disapprove in writing any Plans and/or Submissions after: (i) submission to the Committee of the last item of the Plans and Submissions requested by the Committee, so that the Committee has a complete package of all Plans and Submissions requested by the Committee; and (ii) thirty-five (35) days have elapsed since submission and written request for approval or disapproval was delivered to the Committee by the Owner, then said Plans and Submissions shall be deemed to have been approved by the Committee; provided, however, that no Improvement shall be erected or shall be allowed to remain which violates any conditions or restrictions contained in this Declaration, or which violates any applicable zoning or building ordinance or regulation. The approval by the Committee relates only to the aesthetics of the Improvements shown on the Plans and Submissions and not to their sufficiency or adequacy. Each Owner shall be responsible for obtaining all necessary technical data and to make application

to and obtain the approval of the appropriate governmental agencies prior to commencement of any construction.

12.6 Scope of Review. The Committee shall review and approve or disapprove all Plans and Submissions solely on the basis of aesthetic standards as to the aesthetic quality of materials and workmanship to be used, suitability and harmony of location, structure and external design in relation to surrounding topography and structures and the overall benefit or detriment which would result to the immediate vicinity and to the Property as a whole and any other factors deemed relevant to the review by the Committee in its opinion, reasonably exercised. The Committee shall take into consideration the aesthetic aspects of the architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, and shall not be responsible for reviewing, nor shall its approval of any Plans be deemed approval of, any design or plan from the standpoint of structural safety or conformance with building or other codes.

12.7 Variance from Standards. The Committee may authorize, in a reasonable manner so as not to destroy the general scheme or plans of the development of the Property, variances from compliance with any Standards which it has promulgated pursuant to its authority when circumstances such as topography, natural obstructions, hardship, aesthetics or environmental considerations may require. If any such variances are granted, no violation of the restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose, except as to that particular property and particular provision hereof or Standards promulgated hereby which are covered by the variance. Such variance shall be evidenced in writing.

12.8 Enforcement. There is specifically reserved unto the Committee the right of entry and inspection upon any Lot for the purpose of determination by the Committee whether there exists any Improvement which violates the terms of any approval by the Committee or the terms of this Declaration. The Committee is specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy, and in the event it becomes necessary to resort to litigation to determine the propriety of any Improvement, or to remove any unapproved Improvements, the prevailing party in such litigation shall be entitled to recover all court costs, expenses and reasonable attorneys fees (through all appellate levels) in connection therewith. The association shall indemnify and hold harmless any member of the Committee from all costs, expenses and liabilities, including attorneys fees incurred by virtue of any member's service as a member of the Committee, provided such member acted in good faith and without malice.

12.9 Subcommittees and Delegation of Authority. The Committee may establish subcommittees for the purpose of acting on behalf of the Committee with respect to similar circumstances, situations, or types of Improvements, such as a swimming pool subcommittee or a

subcommittee which would deal with modifications of existing Improvements or additional new Improvements ancillary to an existing Home, in contrast to the construction of initial Improvements upon a previously unimproved Lot. All rights and powers of the Committee may be delegated to such subcommittee with regard to the subject matter of the subcommittee. The rights and powers of the Committee may be assigned to a management company, an architect, design professional or other entity, or any portion of such rights and powers applicable to a particular subcommittee or area of similar circumstance.

ARTICLE 13

13. Lot Improvement and Landscape Control. Any Owner of a Dwelling Unit, who, subsequent to the purchase and transfer of the Dwelling from the Declarant, is desirous of improving said Dwelling Unit by construction or landscaping shall do so only after obtaining the written consent from the Committee as to the desired change; provided, however, this restriction shall not apply to the Declarant during such time as it is erecting and/or improving the Dwelling Units of the Development.

ARTICLE 14

14. Taxes and Insurance.

14.1 Association Insurance. The insurance which shall be carried by the Association shall be governed by the following provisions:

a. Authority to Purchase. All insurance policies shall be purchased by the Association for the benefit of the Association and the Dwelling Unit Owners. All such insurance policies purchased by the Association must be written by insurance companies authorized to do business in the State of Florida, and with offices or agents in Florida.

b. Coverage

i. Casualty. All buildings and improvements upon the Common Areas and all personal property of the Association included in the Common Areas, are to be insured in an amount equal to the maximum insurable replacement value, as determined annually by the Board of Directors of the Association, and all such insurance must be obtained, if possible, from the same company. Such coverage shall provide protection against:

aa. Loss or damage by fire and other hazards covered by standard extended coverage endorsement, and flood disaster insurance, if the Development is within flood control area and does not fall within any governmental exemptions.

bb. Such other risks as from time to time shall be customarily covered with respect to buildings, if any, similar in construction, location and use, including, but not limited to, vandalism and malicious mischief.

ii. Public Liability. A comprehensive policy or policies of general liability insurance naming the Association and, until the Turnover Date, Declarant as named insureds thereof and including the Dwelling Unit Owners as insureds thereunder insuring against any and all claims or demands made by any person or persons whomsoever for injuries received in connection with, or arising from, the operation, maintenance and use of the Common Areas and any improvements and buildings located thereon and for any other risks insured against by such policies with limits of not less than (aa.) One Million (\$1,000,000.00) Dollars for damages incurred or claimed by any one person for any one occurrence; (bb.) not less than Five Million (\$5,000,000.00) Dollars for damages incurred or claimed by more than one (1) person for any one occurrence; and (ccc.) One Hundred Thousand (\$100,000.00) Dollars for property damage for any single occurrence. Such coverage shall include as appropriate, without limitation, protection against any legal liability that results from lawsuits related to employment contracts in which the Association is a party; bodily injury and property damage liability that results from the operation, maintenance or use of the Common Areas; water damage liability; liability for non-owned and hired automobiles; liability for property of others and such other risks as are customarily covered with respect to areas similar to the Common Areas in developments similar to Pine Trace in construction, location and use. The insurance purchased shall contain a "Severability of Interest Endorsement", or equivalent coverage, which would preclude the insurer from denying the claim of Dwelling Unit Owner because of the negligent acts of either the Association, Declarant or any other Dwelling Unit Owners or deny the claim of either Declarant or the Association because of negligent acts of the other or the negligent acts of a Dwelling Unit Owner.

iii. Workmen's Compensation. As shall be required to meet the requirements of the law.

iv. Association Insurance. Such other insurance as the Board of Directors of the Association, in its discretion, may determine from time to time to be in the best interest of the Association and the Dwelling Unit Owners, including Directors' Liability Insurance, or other insurance that an Institutional Mortgagee may reasonably require, so long as it is the owner of a mortgage on any Dwelling Unit.

v. Homeowner's Insurance. Such homeowner's insurance as meets the requirements of Article 14.4 hereof, in the event that the Dwelling Unit Owner has failed to comply with the terms of said Article. Insurance so obtained by the Association shall be written in the name of the Association as trustee for the Unit Owner.

vi. Flood Insurance. If determined appropriate by the Board or if required by any Institutional Mortgagee, a master or blanket policy of flood insurance covering the Common Areas, if available, under the National Flood Insurance Program, which flood insurance shall be in the form of a standard policy issued by a member of the National Flood Insurers Association, and the coverage of such insurance shall be the lesser of the maximum amount of flood insurance available under such program, or one hundred percent (100%) of the current replacement cost of all buildings and other insurable property located in the flood hazard area.

c. Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association.

d. Assured. All insurance policies purchased by the Association shall be for the benefit of the Association and the Dwelling Unit Owners.

14.2 Dwelling Unit Owners Taxes. All real estate and personal property taxes assessed against a Dwelling Unit shall be the responsibility of that Dwelling Unit Owner.

14.3 Association Taxes and Insurance. The Association shall be responsible for real property and personal property taxes assessed against Common Areas and personal property owned by and/or the responsibility of the Association. Further, the Association shall be responsible for the cost of all insurance deemed necessary from time to time by the Association to afford protection against loss. Such responsibility for taxes and insurance shall be considered Common Expenses of the Association.

14.4 Dwelling Unit Owner's Insurance. Each Dwelling Unit Owner shall be responsible for the purchase of homeowner's insurance (fire and casualty) insuring the Dwelling Unit at not less than the maximum replacement value. Each such policy shall name the Association as loss payee subject only to the rights of an Institutional Lender holding a mortgage encumbering the Dwelling Unit. The Association, with the concurrence of said Lender, shall hold in trust any insurance proceeds disbursed so as to ensure that repairs are made as set forth in Article 7.5. Each Dwelling Unit Owner shall furnish to the Association evidence of insurance in compliance with this Article within ten (10) days prior to any expiration thereof.

ARTICLE 15

15. Terms of Covenants and Restrictions.

15.1 Duration. All of the foregoing covenants, conditions, reservations, and restrictions shall run with and bind the Development and Owners of any Dwelling Unit therein, and shall inure to the benefit of and be enforceable by the Developer, the Association or the Owner of a

Dwelling Unit and their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years for the date this Declaration is recorded, after which time these covenants, conditions, reservations, and restrictions shall be automatically extended for successive periods of ten (10) years each unless the Owners of at least two-thirds (2/3) of the Dwelling Units in the Development shall by written instrument duly recorded declare a termination of same.

15.2 Enforcement. The Association or any Unit Owner shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE 16

16. Amendments. In addition to any other manner herein provided for the Amendment of this Declaration, the covenants, conditions, reservations and restrictions set forth herein may be amended from time to time only by an instrument signed by not less than two-thirds (2/3) vote of the membership in the Association; provided, however, that until the Developer has completed all of the contemplated improvements and closed the sale of all Dwelling Units within the Development, no amendments to this Declaration shall be effective, unless joined in by the Developer. It is further provided that in order to be effective any amendment to this Declaration must be recorded in the Public Records of Palm Beach County, Florida.

16.1 Developer's Right to Amend. Notwithstanding anything herein to the contrary, the Declarant (Developer) reserves the right to alter and amend this Declaration, as it deems necessary and/or appropriate, and the Developer shall not require or need the joinder of any Dwelling Unit Owners prior to such time as the Developer conveys the last Dwelling Unit of the Development or elects to terminate its control over the Association, whichever shall first occur.

16.2 Non-Discrimination. No amendment shall discriminate against any Dwelling Unit Owner or against any Dwelling Unit, or class or group of Dwelling Units, unless the Dwelling Unit Owners so affected and their Institutional Mortgagees shall consent; and no amendment may change the percentage by which the Dwelling Unit Owner shares the Common Expenses and owns the Common Surplus, unless the Dwelling Unit Owner and all record owners of liens on it join in the execution of the amendment. No amendment shall make any change in Article 20 hereof unless the record owner of all mortgages affected by the amendment shall join in the execution of such amendment.

ARTICLE 17

17. Developer's Rights Prior to Transfer of Control.

17.1 Limitations on Right to Act. Notwithstanding anything to the contrary contained herein, for so long as Developer shall own more than ten (10%) percent of the Lots within the Development, it may retain control of the Association. Until such time as Developer shall cease to own more than ten (10%) percent of the Lots or elects to transfer control of the Association to the Owners, whichever shall first occur, Developer shall have full authority to act in the best interest of the Development, in Developer's sole discretion, without the consent or approval of any Owners, respecting any and all matters affecting the Development and the Association, subject only to the following:

- a. Rights of Institutional Mortgagees specifically set forth herein.
- b. Easements of record prior to the date of filing of this Declaration.
- c. Rules and regulations of governmental entities having jurisdiction hereof.
- d. Article 10.8 of this Declaration.

17.2 Assessments. After the commencement date of payment of monthly Common Expenses, in the event there are unsold Dwelling Units, the Developer retains the right to be the Owner of said unsold Dwelling Units. During such time as the Developer continues to be the Owner of a Lot and/or Dwelling Unit, the Developer shall be obligated to pay only that portion of the Common Expenses incurred which exceeds the amount assessed against other Dwelling Unit Owners. In no event, however, shall the Developer be required to pay as to each Dwelling Unit owned by it, an amount exceeding the obligation of any other Dwelling Unit Owner for a single Dwelling Unit. Should the Developer contribute to the Common Expenses a sum greater than is required hereunder, the Association shall be obligated to reimburse the Developer therefor.

ARTICLE 18

18. Sales Office. For so long as Developer owns any Dwelling Units within the Development, the Developer shall have the right to transact any business including, but not limited to, the right to maintain model Dwelling Units, have signs, employees in the offices, use the Common Areas and display Dwelling Units. Sales offices, signs, and all sales and promotional items shall remain in the property of Developer.

ARTICLE 19

19. Severability.

19.1 The invalidation in whole or in part of any of these covenants, conditions, reservations, and restrictions or any section, sub-section, sentence, clause, phrase, word or other provision of this Declaration shall not affect the validity of the remaining portions which shall remain in full force and effect.

19.2 In the event any court shall hereafter determine that any provision as originally drafted herein violates the rule against perpetuities, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rules of law.

ARTICLE 20

20. Rights of Mortgagees. The holders of first mortgages on any Lot shall have the following rights in addition to any other rights expressly granted to them herein or elsewhere.

20.1 Payment of Taxes on Common Areas. The Association shall pay all and singular the taxes, assessments, levies, liabilities, obligations, and encumbrances of every nature on the Common Areas prior to delinquency failing which any first mortgagee, its successors or assigns, may pay such without waiving or affecting the option to foreclose or any right hereunder, and every payment so made shall bear interest from the date thereof at the highest rate then permitted by law and shall be due and payable forthwith on demand.

20.2 Payment of Insurance Premiums. The Association shall keep and maintain such insurance on the Common Areas as shall be required by the By-Laws of the Association from time to time. In the event such premiums shall not be promptly paid, any first mortgage, its successors or assigns, may at any time pay the same or obtain alternative coverage without waiving or affecting the option to foreclose or any right hereunder, and every payment so made shall bear interest from the date thereof at the highest rate then permitted by law and shall be due and payable forthwith on demand.

20.3 Notice of Default. Any first mortgagee shall have the right, upon written request, to require that the Association notify it of any default not cured within sixty (60) days thereof respecting any of its obligations herein.

ARTICLE 21

21. Fines. The Board of Directors each year shall appoint no less than three (3) persons to serve as the violations committee in accordance with the provisions of Florida Statute Section 617.305(2). In addition to all other remedies provided in this Declaration, the committee, by majority vote, may levy fines in the form of Special Assessments upon an Owner for failure of the Owner, his family, guests, tenants or lessees, invitees, or employees, to comply with any provision in this Declaration or the articles, by-laws or rules and regulations of the Association, provided that the following procedures are followed:

21.1 The Association shall notify the Owner of the infraction or infractions in writing by hand delivery or regular and certified mail, return receipt requested. The notice shall contain a description of the infraction and shall contain the date and time for a meeting of the violation committee within fourteen (14) days of the date of the delivery of the notice to the Owner. The notice shall also state that the fine will be imposed unless the violation is cured within the fourteen (14) day period and that the Owner may give notice of his intention to attend the scheduled hearing to contest the planned imposition of a fine to the Association's property manager or any officer of the Association at any time prior to the scheduled hearing. Any objections to deficiencies in notice to the Owner shall be waived in the event that the Owner or his representative appears at the scheduled hearing.

21.2 At the hearing, proof of proper notice shall be placed in the minutes of the meeting. Proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered in the minutes by the officer, director or agent who delivered such notice. The noncompliance shall be presented to the committee and testimony of the Owner shall be taken if requested. The decision of the committee shall be entered into the minutes of the meeting. In the event that a majority of the committee members elect not to impose the proposed fine, the fine shall not be imposed.

21.3 The Board of Directors may impose a fine in the form of a Special Assessment in the sum of no more than Fifty (\$50.00) Dollars per violation.

21.4 A Special Assessment as provided in this Article shall be due and owing not later than ten (10) after the decision as provided in Subsection 21.2 above.

21.5 A Special Assessment provided for herein shall create in the Association the right to a claim of lien as provided in Paragraph 8.8 of this Declaration which may be enforced as provided therein.

21.6 Prior to turnover of majority control of the Board of Directors by the Declarant, wherever the term "Board" or "Board of Directors" appears above, the rights of the Board of Directors as specified herein shall be exercised by the Declarant or its designee.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 22 day of May, 1997.



WITNESSES:

Ivy M. Seitzman
Dan L. L...

CENTEX HOMES, a Nevada General Partnership, CENTEX REAL ESTATE CORPORATION, a Nevada Corporation, General Partner

By:

Walter A. Tilley

Walter A. Tilley
Vice President of Development

STATE OF FLORIDA)

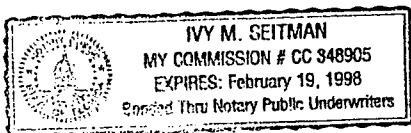
)

SS:

COUNTY OF PALM BEACH)

BEFORE ME, a Notary Public in and for the State and County aforesaid, personally appeared Walter A. Tilley, Vice President of Development of Centex Real Estate Corporation, a Nevada corporation, General Partner of Centex Homes, a Nevada General Partnership and known to me to be the person named in the foregoing Declaration of Protective Covenants and Restrictions for Pine Trace, and he acknowledged that he executed the same as Vice President of said corporation with authority to do so, for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereto set my hand and affixed my official seal the 22 day of May, 1997.



Commission No.
My Commission Expires:

Ivy M. Seitzman
Notary Public

Ivy M. Seitzman
Print Name

JOINDER AND CONSENT OF Pine Trace at Binks Forest Homeowners' Association, Inc. , A FLORIDA CORPORATION, TO DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR PINE TRACE. Said Association hereby joins in the Declaration of Protective Covenants and Restrictions for Pine Trace for the sole purpose of acknowledging the consent of said Association to said Declaration as hereunder provided.

EXECUTED this 22 day of May, 1997.

WITNESSES:

Pine Trace at Binks Forest Homeowners' Association, Inc.

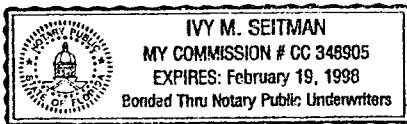
Ivy M. Seitman
Dan All

By: Michael J. Belmont
Michael J. Belmont, President

STATE OF FLORIDA)
)SS:
COUNTY OF PALM BEACH)

The foregoing Joinder and Consent of Pine Trace at Binks Forest Homeowners' Association, Inc., to Declaration of Protective Covenants and Restrictions for Pine Trace was acknowledged before me this 22 day of May, 1997, by Michael J. Belmont, as President of Pine Trace at Binks Forest Homeowners' Association, Inc., a Florida corporation.

IN WITNESS WHEREOF, I have hereto set my hand and affixed my official seal this 22 day of May, 1997.



Ivy M. Seitman
Notary Public

Ivy M. Seitman
Print Name

Commission No.
My Commission Expires:

EXHIBIT "A"

LEGAL DESCRIPTION

All of **PINE TRACE**, according to the Plat thereof, as recorded in Plat Book 79, at Pages 91 - 92, of the Public Records of Palm Beach County, Florida.

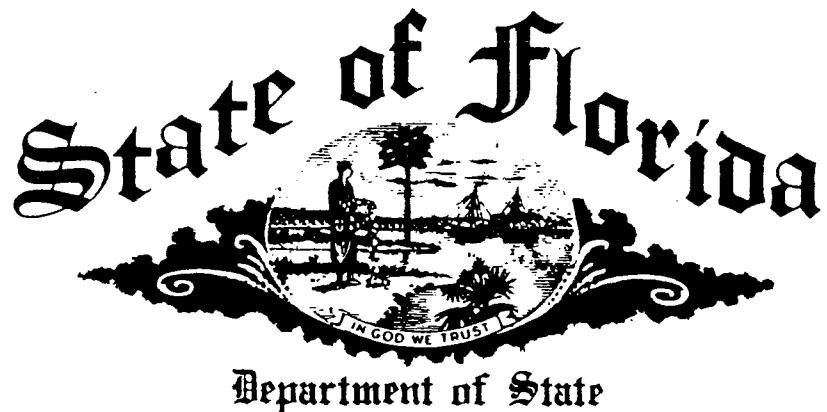
ORB 9816 Pg 1010

EXHIBIT "B"

TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR
PINE TRACE

ARTICLES OF INCORPORATION

OF
PINE TRACE
HOMEOWNERS' ASSOCIATION, INC.



I certify the attached is a true and correct copy of the Articles of Incorporation of PINE TRACE AT BINKS FOREST HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, filed on May 1, 1997, as shown by the records of this office.

The document number of this corporation is N97000001896.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capitol, this the
First day of May, 1997



CR2EO22 (2-95)

Sandra B. Northam
Secretary of State

FILED

97 MAY -1 PM 3:19

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION
OF
PINE TRACE AT BINKS FOREST HOMEOWNERS' ASSOCIATION, INC.

The undersigned hereby forms a corporation not-for-profit under Chapter 617, Florida Statutes, and certifies as follows:

ARTICLE I

NAME

The name of the corporation shall be **PINE TRACE AT BINKS FOREST HOMEOWNERS' ASSOCIATION, INC.**, which corporation shall hereinafter be referred to as the "Association".

ARTICLE II

PURPOSE

The purpose and object of the Association shall be to administer the operation and management of all common areas and/or recreational areas within **PINE TRACE**, located in Palm Beach County, Florida, pursuant to the plat thereof to be recorded in the Public Records of Palm Beach County, Florida; and to undertake the performance of the acts and duties, incident to the administration of the operation and management of said common areas and recreational areas and other properties located within **PINE TRACE** (hereinafter the "development"), in accordance with the terms, provisions, conditions and authorizations contained in these Articles of Incorporation, and which may be contained in the formal Declaration of Protective Covenants and Restrictions for **PINE TRACE** which shall be recorded in the Public Records of Palm Beach County, Florida; and to take and hold fee simple title to said common areas and/or recreational areas and to operate, lease, mortgage, sell, trade and otherwise deal with such property, whether real or personal, as may be necessary or convenient in the administration and maintenance of the above-referenced property; and further, to foster a residential community throughout the development.

ARTICLE III

POWERS

The Association shall have the following powers:

1. The Association shall have all of the common law and statutory powers of a corporation not-for-profit under the laws of Florida which are not in conflict with the terms of these Articles and the formal Declaration of Protective and Restrictions for **PINE TRACE** as aforementioned and all of the powers and duties reasonably necessary to implement and effectuate the purposes of the Association, as hereinabove set forth, including, but not limited to the following:

(a) To make, establish and enforce reasonable rules and regulations governing the development and the use of the common areas and recreational areas as delineated upon the Plat of **PINE TRACE** and as such terms are further defined by the formal Declaration of Protective Covenants and Restrictions for **PINE TRACE** and as hereinabove referred to.

(b) To make and collect assessments against members of the Association to defray costs, expenses and losses of the Association.

(c) To use the proceeds of assessments in the exercise of its powers and duties.

(d) To undertake the maintenance, repair, replacement and operation of the common areas, recreational areas, landscape areas and/or property leased or acquired the Association for the benefit of its members, and as set forth in the formal Declaration of Protective Covenants and Restrictions for **PINE TRACE**.

(e) To purchase insurance upon the common areas and recreational areas and insurance for the protection of the Association and its members.

(f) To reconstruct the improvements upon the common areas and recreational areas after casualty and construct further improvements upon and within these properties, and as set forth in the formal Declaration of Protective Covenants and Restrictions for **PINE TRACE**.

(g) To make reasonable rules and regulations respecting the maintenance and use of any properties located within the development including, but not limited to, the individual residential units therein located.

(h) To do anything necessary or proper in law or equity or otherwise to enforce the provisions of the formal Declaration of Protective Covenants and Restrictions for **PINE TRACE**, these Articles of Incorporation and the By-Laws of the Association and the Rules and Regulations for the use and maintenance of the properties within the development.

(i) To Contract for the management of the common areas, recreational areas and other properties for which the Association is responsible, and to delegate all management powers and duties to a qualified person, firm or corporation.

(j) To employ personnel necessary to perform the obligations, services and duties required of the Association and for the proper operations of the properties for which the Association is responsible.

(k) To acquire fee simple title to recreational areas and recreational facilities and to make and collect assessments against members to defray the cost of taxes, maintenance, repair, operation of land and improvements thereon and to satisfy the obligations for the acquisition of same whether by way of payments under the term of promissory notes and mortgages encumbering same or by way of other obligations.

(l) To acquire and/or sell and to enter into any agreements whereby it acquires and/or sells any interest in real or personal property, whether by fee or otherwise, whether or not contiguous to the land located within **PINE TRACE** provided that all of the transactions contemplated herein are to be for the use, benefit and enjoyment of the members of the Association. This shall include, but not be limited to, acquisition and/or lease of real property and/or personal property as and for recreational and community facilities.

(m) To enter into contracts and agreements for the purpose of effectuating the Declaration of Protective Covenants and Restrictions for **PINE TRACE**, these Articles of Incorporation and the By-Laws of the Association and the Rules and Regulations.

2. All funds and the title to all properties acquired by the Association and the proceeds thereof shall be held in trust for the members in accordance with the provisions of the Declaration of Protective Covenants and Restrictions for **PINE TRACE**, these Articles of Incorporation and the By-Laws of the Association.

3. The Association shall make no distribution of income or excess funds to its members, directors or officers.

4. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Protective Covenants and Restrictions for **PINE TRACE** and the By-Laws of the Association.

ARTICLE IV

MEMBERSHIP

1. The members of the Association shall consist of all of the record owners of each Dwelling Unit constructed upon a lot in **PINE TRACE** according to the Plat thereof, to be recorded in the Public Records of Palm Beach County, Florida.

2. Transfer of membership in the Association shall be established by the recording in the Public Records of Palm Beach County, Florida, of a deed or other instrument establishing a record title to a Dwelling Unit and the delivery to the Association of a certified copy of such instrument, the owner or owners designated by such instrument thereby becoming a member or members of the Association. The membership in the Association of the prior owner or owners shall be thereby terminated.

3. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his or her Dwelling Unit.

4. The members of the Association, singly or collectively, shall be entitled to only one (1) vote for each Dwelling Unit owned by them. The exact manner of exercising voting rights when there are two (2) or more owners of one (1) Dwelling Unit, shall be determined by the By-Laws of the Association.

ARTICLE V

BOARD OF DIRECTORS

1. The affairs of the Association will be managed by a Board consisting of the number of directors as shall be determined by the By-Laws of the Association, but shall not be less than three (3) in number. In the absence of a determination as to the number of members, the Board of Directors shall consist of three (3) directors.

2. The Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

3. In accordance with Florida Statute 617.307, members of the Association other than the Developer shall be entitled to elect at least a majority of the member of the Board of Directors when the earlier of the following events occurs:

(a) Three (3) months after ninety (90%) percent of the parcels in all phases of the community that will ultimately be operated by the Association have been conveyed to members; or,

(b) Until the Developer voluntarily calls for the election of a majority of the members of the Board of Directors by the membership of the Association.

4. The Developer shall continue to be entitled to elect at least one (1) member of the Board of Directors of the Association for so long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the parcels in all phases of the community.

5. The directors herein named shall serve until the first election of directors by Association members, and any vacancies in the number occurring before the first election shall be filled by the remaining directors.

6. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified or until removed, are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Michael J. Belmont	2541 Metrocentre Blvd., #1 West Palm Beach, FL 33407
David Abrahms	2541 Metrocentre Blvd., #1 West Palm Beach, FL 33407
Leona Hammond	2541 Metrocentre Blvd., #1 West Palm Beach, FL 33407

ARTICLE VI

OFFICERS

The affairs of the Association shall initially be administered by the officers named in these Articles of Incorporation and any vacancy shall be filled by appointment of the first

Board of Directors. After the Developer has relinquished majority control of the Association as provided herein, the officers shall be elected by the Board of Directors at its first meeting following the first meeting of the members of the Association at which the majority of the Board of Directors is elected. The officers shall serve for an annual term at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors elected by the membership of the Association are as follows:

NAME and ADDRESS

Michael J. Belmont 2541 Metrocentre Blvd., #1 West Palm Beach, FL 33407	President
David Abrahms 2541 Metrocentre Blvd., #1 West Palm Beach, FL 33407	Vice-President
Leona Hammond 2541 Metrocentre Blvd., #1 West Palm Beach, FL 33407	Secretary/Treasurer

ARTICLE VII

INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the association against all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved by reason of his being or having been a director or officer of the association, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in that event of a settlement, indemnification shall apply only when the Board of Directors approve such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such director or officer may be entitled.

ARTICLE VIII

BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors named herein and may be altered, amended or rescinded in the manner provided in the By-Laws.

ARTICLE IX

AMENDMENTS

Amendments to these Articles of Incorporation shall be proposed and adopted in the following manner.

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

2. A resolution approving a proposed amendment may be proposed by either the Board of Directors or by any one (1) or more members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary of the Association at or prior to the meeting; and

(a) Such approval must be by not less than sixty-six (66%) percent of the entire membership of the Board of Directors and by not less than sixty-six (66%) of the votes of the entire membership of the Association; or

(b) By not less than eighty (80%) percent of the entire membership of the Association.

3. No amendment shall make any changes in the qualifications for membership or in voting rights of members, or any change in Paragraphs 2 and/or 3 of Article IV hereof without approval in writing by all members.

4. A copy of each amendment to the Articles of Incorporation as approved shall be accepted and certified by the Secretary of State and recorded in the Public Records of Palm Beach County, Florida.

5. Notwithstanding the provision of this Article IX, the Developer reserves the right to alter and amend these Articles of Incorporation, as it deems necessary and/or

appropriate, and the Developer shall not require or need the joinder of any member prior to such time as the Developer relinquishes control of a majority of the Board of Directors as provided in Article V(3)(a) or voluntarily elects to terminate its control over the Association, whichever shall first occur.

6. Notwithstanding the foregoing provisions of this Article IX, until the Developer shall have relinquished majority control of the Association as hereinabove provided, no amendment of these Articles shall be adopted or become effective without the prior written consent of the Developer, its successors or assigns.

ARTICLE X

TERM

The Association shall have perpetual existence.

ARTICLE XI

DEVELOPER

Wherever referred to herein, the term "Developer" shall mean **CENTEX HOMES**, a Nevada General Partnership, **CENTEX REAL ESTATE CORPORATION**, Managing General Partner, its successors and assigns.

ARTICLE XII

INCORPORATOR

The name and address of the incorporator of these Articles of Incorporation is as follows:

<u>NAME</u>	<u>ADDRESS</u>
CENTEX HOMES , A General Partnership, CENTEX REAL ESTATE CORPORATION , Managing General Partner	2541 Metrocentre #1 W. Palm Beach, FL 33407

ARTICLE XIII

RESIDENT AGENT

The initial Resident Agent of the Association shall be **CENTEX REAL ESTATE CORPORATION** whose address is 2541 Metrocentre, #1, W. Palm Beach, Florida 33407.

ARTICLE XIV

INITIAL PRINCIPAL OFFICE

The initial principal office of the association shall be located at 2541 Metrocentre, #1, W. Palm Beach, Florida 33407.

IN WITNESS WHEREOF, the incorporator has hereto affixed its signature on this 15 day of April, 1997.

CENTEX HOMES, a Nevada
General Partnership,
**CENTEX REAL ESTATE
CORPORATION**, Managing
General Partner

Ray M. Seeman
Deen C. L. L.

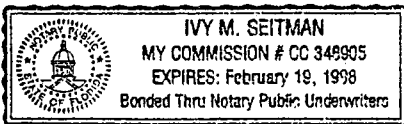
Walter A. Tilly
By: Walter A. Tilly
Vice President

STATE OF FLORIDA)
) SS.
COUNTY OF PALM BEACH)

BEFORE ME, the undersigned officer, duly authorized to administer oaths and take acknowledgements in the State of Florida, on this day personally appeared Walter A. Tilly, Vice President of Development of **CENTEX REAL ESTATE CORPORATION**, Managing General Partner of Centex Home, a Nevada General Partnership, the sole incorporator of the Articles of Incorporation of the foregoing Association, who after being duly sworn by me, upon his oath, stated that he has executed the foregoing Articles of Incorporation for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereto set my hand and affixed my official seal this 15 day of April, 1997.

Ivy M. Seitman
Notary Public



Ivy M. Seitman
Print Name

348905
Commission No.

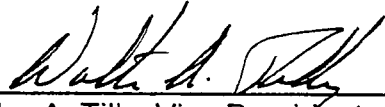
My Commission Expires: February 19, 1998

**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE
FOR THE SERVICE OF PROCESS WITHIN FLORIDA,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

In compliance with Section 48.091, Florida Statutes, the following is submitted:

That **PINE TRACE AT BINKS FOREST HOMEOWNERS' ASSOCIATION, INC.**, desiring to organize or qualify under the laws of the State of Florida, with its principal place of business in Palm Beach County, of Florida, has named **CENTEX REAL ESTATE CORPORATION** located at 2541 Metrocentre, #1, W. Palm Beach, Florida, as its agent to accept service of process within Florida.

CENTEX REAL ESTATE CORPORATION

By: 
Walter A. Tilly, Vice President of
Development

Date: 4-15-97

FILED
97 MAY -1 PM 3:19
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ACCEPTANCE OF APPOINTMENT AS REGISTERED AGENT

Having been named as registered agent for **PINE TRACE AT BINKS FOREST Homeowners' Association, Inc.**, in the foregoing Articles of Incorporation, **CENTEX REAL ESTATE CORPORATION**, a Nevada corporation authorized to transact business in Florida, hereby agrees to accept service of process for said corporation and to comply with all statutes relative to the complete and proper performance of the duties of a registered agent. I am familiar with and accept the obligations of F.S. 607.325.

CENTEX REAL ESTATE CORPORATION

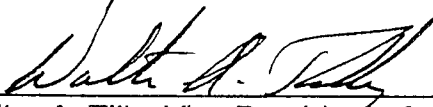
By: 
Walter A. Tilly, Vice President of
Development

EXHIBIT "C"
TO
DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS
FOR
PINE TRACE
BY-LAWS
OF
PINE TRACE AT BINKS FOREST
HOMEOWNERS ASSOCIATION, INC.

BY-LAWS
OF
PINE TRACE AT BINKS FOREST
HOMEOWNERS' ASSOCIATION, INC.

A Corporation Not-for-Profit Under
the Laws of the State of Florida

1. IDENTITY These are the By-Laws of Pine Trace at Binks Forest Homeowners' Association, Inc., (hereinafter the "Association"), the Articles of Incorporation of which were filed in the office of the Secretary of State of the State of Florida on the 1st day of May, 1997. The Association has been organized for the purpose of holding title in fee simple to and administering the operation and management of all of the lots and common areas of Pine Trace, according to the Plat thereof, as recorded in Plat Book 79 at Pages 91-92 of the Public Records of Palm Beach County, Florida, and all of the recreation and/or community facilities located upon said lands. The Association will administer the operation and management of common areas pursuant to these By-Laws, the Declaration of Protective Covenants and Restrictions for Pine Trace, and according to the scheme of development as set forth upon the aforementioned Plat.

1.1 Office. The office of the Association shall be at 2541 Metrocentre, # 1, W. Palm Beach, Florida, or at such other place or places as the Board of Directors may determine from time to time.

1.2 Fiscal Year. The fiscal year shall begin on January 1, and end on December 31.

1.3 The seal of the Association shall have inscribed thereon the name of the Association, the year of its organization and the words "Corporation Not-for-Profit". Said seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon any instrument or document executed in the name of the Association.

2. MEMBERSHIP AND MEMBERS' MEETINGS.

2.1 Qualification. The membership of the Association shall consist of all those persons entitled to membership as provided in the Declaration of Protective Covenants and Restrictions for Pine Trace.

2.2 Change of Membership. After receiving approval of the Association, as elsewhere required, change of membership in the Association shall be established by recording in the Public Records of Palm Beach County, Florida, a deed or other instrument establishing a record title

to a lot in Pine Trace and delivery to the Association of a certified copy of such instrument, the grantee in such instrument thereby immediately becoming a member of the Association in the place and stead of the prior owner. The membership of a prior owner shall thereby be simultaneously terminated.

2.3 Annual Members' Meeting. The annual meeting shall be held at the office of the Association at 6:00 p.m. Eastern Standard Time on the first Tuesday in November of each year for the purpose of electing directors and transacting any other business; provided that if the date for the first annual meeting of members subsequent to relinquishment of control by Developer is less than six (6) months after the first election of directors by the membership of the Association, the first annual meeting shall not be held, and the directors first elected by the membership of the Association shall serve until the date for the next following annual meeting.

2.4 Special Members' Meeting. Special members' meetings shall be held at the office of the Association whenever called by the President, Vice President or a majority of the Board of Directors and/or by the members entitled to cast one-third (1/3) of the votes of the entire membership. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

2.5 Transfer of Association Control. The transfer of control of the Association to the Owners shall take place at a regular or special meeting of members in accordance with the procedural requirements set forth in this Article.

2.6 Notice of Meeting. Notice of all members' meetings stating the time and place and the object for which the meeting is called shall be given by the President, Vice President or Secretary, unless waived in writing. Such notice shall be written or printed and shall state the time, place and object for which the meeting is called. Such notice shall be given to each member not less than fourteen (14) days, nor more than sixty (60) days prior to the date set for such meeting, which notice shall be mailed or presented personally to each member within said time. If presented personally, receipt for such notice shall be signed by the members, indicating the date on which such notice was received by him. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the member at the last post office address as said member's address appears on the records of the Association and the postage thereon pre-paid. Proof of such mailing shall be given by the affidavit of the person giving the notice. Any member may, by written notice signed by such member, waive such notice, and such waiver when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice of such member.

2.7 Quorum. A quorum at members' meetings shall consist of the presence in person or by proxy of thirty (30%) percent of the votes of the entire membership. The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the members, except where approval by a greater number of members is required by the Declaration of Protective Covenants and Restrictions for Pine Trace, the Articles of Incorporation or these By-Laws.

2.8 Voting. In any meeting of members, the owners of lots shall be entitled to cast one (1) vote for each Dwelling Unit so owned, provided that if a Dwelling Unit is owned by more than one (1) person, his right to vote shall be established on the roster of Dwelling Unit Owners kept by the Secretary of the Association. If a Dwelling Unit is owned by more than one (1) person, the person entitled to cast the vote for the Dwelling Unit shall be designated by a certificate signed by all of the record owners of said Dwelling Unit and filed with the Secretary of the Association. If a Dwelling Unit is owned by a corporation, the person entitled to cast the vote for the corporation shall be designated by a certificate signed by the president or vice president and attested by the secretary or assistant secretary of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Dwelling Unit concerned takes place, and in the event that such change of ownership transpires, such change of ownership shall be evidenced by the recording of a deed transferring title to the subject Dwelling Unit in the Public Records of Palm Beach County, Florida. A certificate designating the person entitled to cast the vote of a Dwelling Unit may be revoked by any owner thereof. If such a certificate is not on file, the vote of such owners shall not be considered in determining the requirement for a quorum or for any other purpose.

2.9 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting, or by any adjournment thereof.

2.10 Adjourned Meetings. If any meeting of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, the quorum requirement of any such subsequent meeting shall be one-half of the quorum requirement for the meeting that was adjourned.

2.11 Presiding Officer. At meeting of the membership, the President shall preside, or in his absence, the Vice President shall preside, or in the absence of both, the membership shall select a chairman.

2.12 Order of Business. The order of business at annual members' meetings shall be:

2.12.1 Determination of chairman of the meeting;

2.12.2 Calling of the roll and certifying of proxies;

2.12.3 Proof of notice of meeting or waive of notice;

2.12.4 Reading and disposal of any unapproved minutes;

2.12.5 Reports of officers;

2.12.6 Reports of Committees;

2.12.7 Election of inspectors of election;

2.12.8 Election of directors;

2.12.9 Unfinished business;

2.12.10 New Business; and,

2.12.11 Adjournment

2.13 Proviso. Provided, however, that until the Developer of the development has completed all of the contemplated improvements and closed sales of no less than ninety (90%) percent all of the Dwelling Units of said development or until Developer elects to terminate its control of the Association, whichever shall first occur, the proceedings of all meetings of members of the Association shall have no effect unless expressly approved in writing by the Board of Directors.

3. DIRECTORS.

3.1 Membership. The affairs of the Association shall be managed by a Board of Directors and the number of directors shall be determined as follows:

3.1.1 Three (3) directors initially, which number shall remain the same until the Developer relinquishes majority control as hereinafter provided for, and the first election for members of the Board of Directors is held.

3.1.2 Five (5) directors to be elected at the first election of directors.

3.1.3 The number of directors shall remain five (5) unless said number shall be changed by a vote of the Association membership at a meeting to be held at least six (6) months prior to the time for the election of the Board of Directors.

3.2 Election of Directors. Election of directors shall be conducted in the following manner:

3.2.1 Election of directors shall be held at the annual members' meeting.

3.2.2 A nominating committee of five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual members' meeting. The committee shall nominate one (1) person for each director then serving or to serve as may be adjusted by a vote of the membership as hereinabove provided for. Other nominations may be made from the floor.

3.2.3 The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

3.2.4 Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.

3.2.5 Any director may be removed by concurrence of a majority of the votes of the entire membership, at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

3.2.6 Provided, however, that until the Developer of the development has completed all of the contemplated improvements and closed the sales of no less than ninety (90%) percent of all of the Dwelling Units in the development or until the Developer elects to terminate its control of the Association, whichever event shall first occur, the first directors of the Association shall serve, and in the event of vacancies, the remaining directors shall fill the vacancies. If there are no remaining directors, the vacancies shall be filled by the Developer.

3.3 Term. The term of each directors service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3.4 Organizational Meeting. The organizational meeting of a newly-elected Board of Directors shall be held within ten (10) days after their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

3.5 Regular Meeting. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail or by telephone or telegraph, at least three (3) days prior to the day named for such meeting.

3.6 Special Meeting. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the directors. No less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

3.7 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

3.8 Quorum. A Quorum at directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which

a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Protective Covenants and Restrictions for Pine Trace, the Articles of Incorporation or these By-Laws.

3.9 Adjourned Meeting. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

3.10 Joinder in Meeting by Approval of Minutes. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

3.11 Presiding Officer. The presiding officer of directors' meetings shall be the Chairman of the Board if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

3.12 Order of Business. The order of business at directors' meetings shall be:

3.12.1 Call of roll;

3.12.2 Proof of due notice of meeting;

3.12.3 Reading and disposal of any unapproved minutes;

3.12.4 Reports of officers and committees;

3.12.5 Election of officers;

3.12.6 Unfinished business; and

3.12.7 Adjournment.

3.13 Directors' Fees. Directors' fees, if any, shall be determined by the members.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

4.1 General. All of the powers and duties of the Association existing under the Declaration of Protective Covenants and Restrictions for Pine Trace, the Articles of Incorporation and these By-Laws, shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by Dwelling Unit Owners when such approval is specifically required. Such powers and duties of the directors shall include, but not be limited to, the following; subject, however, to the provisions of the Declaration of Protective Covenants and Restrictions for

Pine Trace, the Articles of Incorporation and these By-Laws:

4.1.1 To purchase insurance upon the Dwelling Units of members of the Association and the common areas and common property of the Association, which shall included, but not be limited to, furniture, office equipment and recreational facilities and workmen's compensation insurance as required by the laws of the State of Florida and to purchase additional insurance, which the Association in its discretion deems advisable, for the protection of the Association and its members.

4.1.2 To make and collect assessments, including special assessments, as provided in the Declaration of Protective Covenants and Restrictions for Pine Trace, against members of the Association to defray the costs, expenses and losses of the development and the Association.

4.1.3 To collect basic cable television and security charges as provided in the Declaration of Protective Covenants and Restrictions for Pine Trace.

4.1.4 To contract for the management of the common areas and any recreational and/or community facilities and to delegate to the contractor all powers and duties of the Association, except such as are specifically required by the Declaration of Protective Covenants and Restrictions for Pine Trace, or these By-Laws to have approval by the Board of Directors or the members of the Association.

4.1.5 To acquire and enter into agreements whereby it acquires leaseholds, memberships and other possessory or use interests in lands or facilities, whether or not contiguous to the lands of the development, intended to provide for the enjoyment, recreation or other use and benefit of the Dwelling Unit Owners, and to declare expenses in connection therewith to be common expenses.

4.1.6 To merge with other homeowners' associations, whether or not contiguous to the lands of the development, on such terms and conditions as the Association may determine to be in the interest of the Dwelling Unit Owners.

4.1.7 To pay all costs of electric power, gas water, sewer, and other utility services rendered to the development and not billed to the owners of the Dwelling Units.

4.1.8 To enforce by legal means, the provisions of the Articles of Incorporation, these By-Laws and the Declaration of Protective Covenants and Restrictions for Pine Trace and the rules and regulations hereinafter promulgated, governing the use of the common areas and recreational and/or community facilities.

4.2 Rules and Regulations. The Board of Directors shall adopt such rules and regulations relative to the common areas and recreation and/or community facilities as they shall deem necessary and proper from time to time; provided, however, that the Developer reserves the right to establish such rules and regulations until such time as the Developer terminates its control of the

Association.

4.3 Leases and Contracts. The undertakings, leases and contracts authorized by the initial Board of Directors shall be binding upon the Association in the same manner and with the same effect as though such undertakings, leases and contracts had been authorized by the first Board of Directors, duly elected by the membership after the Developer has relinquished control of the Association, notwithstanding the fact that members of the initial Board of Directors may be directors or officers of, or otherwise associated with, the Developer or other entities doing business with the Association.

5. OFFICERS.

5.1 Executive Officers. The executive officers of the corporation shall be a President, who shall be a director; a Vice President, who shall be a director; a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the directors at any meeting by concurrence of a majority of all of the directors. Any person may hold two (2) or more offices. The Board of Directors shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

5.1.1 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the members from time to time, as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

5.1.2 Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the directors.

5.1.3 Secretary. The Secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly executed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

5.1.4 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a Treasurer's report to the Board of Directors at reasonable intervals and shall

perform all other duties incident to the office of Treasurer.

5.2 Compensation. The compensation of all officers and employees of the Association shall be fixed by the directors. The provision that directors' fees shall be determined by the members shall not preclude the Board of Directors from employing a director as an employee of the Association, nor preclude the contracting with a director for the management of the common areas and recreation and/or community facilities.

6. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration of Protective Covenants and Restrictions for Pine Trace, and the Articles of Incorporation shall be supplemented by the following provisions:

6.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts which shall include, but not limited to, the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

6.1.1 Current Expenses. Current expenses, shall include all receipts and expenditures to be made within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserve or to betterments. The balance in this fund at the end of the year shall be applied to reduce the assessments for current expenses for the succeeding year.

6.1.2 Reserve for Deferred Maintenance. Reserve for deferred maintenance shall include funds for maintenance items which occur less frequently than annually.

6.1.3 Reserve for Replacement. Reserve for replacement shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

6.1.4 Betterments. Betterments shall include the funds which may be used for capital expenditures for additional improvements or additional personal property.

6.2 Transfer of Funds. The Board of Directors, upon a two-thirds (2/3) vote of its membership, shall have the authority, during a budget year, to transfer funds which in its discretion, it deems unnecessary to hold for the purpose of a particular account, to and for the use of another purpose in another account.

6.3 Budget. The Board of Directors shall adopt a budget for each calendar year, which budget may be amended from time to time in accordance with the Declaration of Protective Covenants and Restrictions for Pine Trace, and which shall include the estimated funds required to defray the common expenses and maintain funds for accounts and reserves, including but not limited to, the following according to good account practices:

6.3.1 Current Expenses. Current expenses shall include all funds and expenditures to be made within the year for which the funds are budgeted and may include a reasonable allowance for contingencies and working funds. The balance in this fund at the end of the year may be applied to reduce the assessments for current expenses for the succeeding year or to fund reserves.

6.3.2 Reserve for Deferred Maintenance. Reserve for deferred maintenance shall include funds for maintenance items which occur less frequently than annually.

6.3.3 Reserve for Replacement. Reserve for replacement shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

6.3.4 Betterments. Betterments shall include the funds to be used for capital expenditures for additional improvements or additional personal property which will be part of the common area, recreational and/or community facilities, the amount for which shall not exceed the sum of twenty-five thousand (\$25,000.00) dollars; provided, however, that in the expenditure of this fund, no sum in excess of ten thousand (\$10,000.00) dollars shall be expended for a single item or purpose unless such betterment has been approved by the members of the Association, in the manner required by the Declaration of Protective Covenants and Restrictions for Pine Trace.

6.3.5 Budget Increases. Provided, however, that the amount for each budgeted item described in Paragraph 6.3.4 may be increased over the limitations set forth therein when approved by Dwelling Unit Owners entitled to cast no less than fifty-one (51%) percent of the votes of the entire membership of the Association.

6.3.6 Developer Not Subject to Assessment. It is further provided that until the Developer of the subdivision, its successors and/or assigns, as same are contemplated by Paragraph 1.9 of the Declaration of Protective Covenants and Restrictions for Pine Trace, has completed all of the contemplated improvements and closed the sales of no less than ninety (90%) percent of all Dwelling Units in the development, or until the Developer, its successors and/or assigns, as contemplated by said Paragraph 1.9, elects to terminate its control of the subdivision, whichever shall occur, the Developer, its successors and/or assigns, as same are contemplated by the aforementioned Paragraph 1.9, and the Dwelling Units owned by it shall not be subject to assessment as provided for in the Declaration of Protective Covenants and Restrictions for Pine Trace, but instead shall be assessed and caused to pay the Association, in lieu thereof, a sum equal to the actual amount of the operating expenditures for each calendar year, less an amount equal to the total assessments, including special assessments, made by the Association against owners of Dwelling Units other than the Developer provided, however, that the Developer shall in no event be required to pay more per Dwelling Unit than the amount required to be paid by any other Dwelling Unit Owner.

6.3.7 Copies. Copies of the budget and proposed assessments shall be transmitted to each member on or before the first day of December preceding the year for which the budget is made. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each member. Delivery of a copy of any budget or amended budget to each member

shall not affect the liability of any member for any such assessment; neither shall delivery or a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of such budget, and assessments levied pursuant thereto, and nothing herein contained shall be construed as restricting the right of the Board of Directors, at any time in its sole discretion to levy additional assessments in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

6.4 Assessment for Common Expenses. Assessment against the Dwelling Unit Owners for their share of the common expenses shall be made for the calendar year annually in advance, on or before the 20th day of December preceding the year for which the assessments are made. Such assessments shall be due in four (4) equal quarterly installments, on the first day of January and on the first day of each quarter thereafter of the year for which the assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and quarterly installments thereon shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments therefor may be amended at any time by the Board of Directors. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be due and payable in equal quarterly installments for the full quarters remaining in the assessment year.

6.5 Assessments for Charges. Charges or special assessments by the Association, should such be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments and shall be payable in the manner determined by the Board of Directors.

6.6 Acceleration of Assessment Installment Due Upon Default. If a Dwelling Unit Owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to the Dwelling Unit Owner and thereupon, the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery thereof to the Dwelling Unit Owner, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

6.7 Assessments for Emergencies. Assessments for common expenses for emergencies that cannot be paid from the annual assessments for common expenses shall be due only after fifteen (15) days notice to the Dwelling Unit Owners concerned and shall be paid in such manner as the Board of Directors of the Association may require in the notice of assessment.

6.8 Depository. The depository of the Association shall be such bank or banks as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall only be checks signed by such persons as are authorized by the directors.

6.9 Financial Statements. A statement of the accounts of the Association shall be

made annually by a certified public accountant and a copy of the statement shall be furnished to each member not later than April 1 of the year following the year for which the statement is made.

6.10 Fidelity Bonds. Fidelity bonds may be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds and the sureties shall be determined by the directors. The premiums on such bonds shall be paid by the Association as a common expense.

6.11 Termination of Membership. The termination of membership in the Association by transfer of deed or otherwise, shall not relieve or release any such former owner or a member from liability or obligation incurred under or in any way connected with the development during the period of such ownership and membership, or impair any rights or remedies which the Association may have against such former owner and member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

7. RULES AND REGULATIONS. As to common areas, the Board of Directors may, from time to time, adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of same and any facilities or services made available to the Dwelling Unit Owners. The Board of Directors shall, from time to time, adopt or amend previously adopted rules and regulations governing and restricting the use and maintenance of the Dwelling Units within the development provided, however, that copies of such rules and regulations are furnished to each Dwelling Unit Owner affected thereby, prior to the time same become effective, and where applicable or desirable, copies thereof shall be posted in a conspicuous place.

8. REGISTER OF MEMBERS. The Secretary of the Association shall maintain a register in the Association office showing the names and addresses of members. It shall be the obligation of the individual members to advise the Secretary of the Association of any change of address and ownership as otherwise provided. The Association, for purposes of notification, shall have the right to rely on the last given address of each of the members.

9. AMENDMENTS.

These By-Laws may be amended in the following manner:

9.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

9.2 Resolution. A resolution adopting a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting, considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be by either:

9.2.1 Not less than sixty-six (66%) percent of the entire membership of the Board of Directors and by not less than fifty-one (51%) of the votes of the entire membership of the Association; or

9.2.2 By not less than seventy-five (75%) percent of the votes of the entire membership of the Association; or

9.2.3 By all of the directors, until the first election of directors.

9.3 Proviso. Provided, however, that no amendment shall discriminate against any Dwelling Unit Owner or against any Dwelling Unit or class or group of Dwelling Units, unless the Dwelling Unit Owners so affected shall consent. No amendment shall be made which is in conflict with the Articles of Incorporation or the Declaration of Protective Covenants and Restrictions for Pine Trace.

9.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the By-Laws, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and a copy of the amendment are recorded in the Public Records of Palm Beach County, Florida.

9.5 Developer. Notwithstanding the foregoing provisions of this Article, no amendment to these By-Laws may be adopted or become effective prior to the

relinquishment of control of the Association by the Developer, without the prior written consent of the Developer.

10. REAL PROPERTY TAXES.

The real property taxes assessed on each Dwelling Unit, including any improvements thereon, shall be a separate expense of the individual Dwelling Unit Owners. The property taxes on the lands comprising the common areas, including any improvements thereon, if separately assessed, however, shall constitute a common expense to be paid in the manner set forth above.

11. PARLIAMENTARY RULES.

Robert's Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration of Protective Covenants and Restrictions for Pine Trace, the Articles of Incorporation or these By-Laws.

12. MISCELLANEOUS.

12.1 Whenever the context so permits, the use of the singular shall include the plural and the plural shall include the singular, and the use of any gender shall include all genders.

12.2 Should any of the covenants herein imposed be void or become unenforceable at law or in equity, the remaining provisions of the instruments shall, nevertheless, be and remain in full force and effect.

12.3 If any irreconcilable conflict should exist or hereafter arise, with respect to the interpretation of these By-Laws and the provisions of the Declaration of Protective Covenants and Restrictions for Pine Trace, the Declaration of Protective Covenants and Restrictions for Pine Trace shall govern.

12.4 Corporation and Association are used synonymously herein.

The foregoing was adopted as the By-Laws of Pine Trace at Binks Forest Homeowners' Association, Inc., a Florida corporation not-for-profit, under the laws of the State of Florida, at the first meeting of the Board of Directors of the 22 day of May, 1997.

Michael J. Belmont
Michael J. Belmont, President