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DECLARATION OF COVENANTS AND RESTRICTIONS

WINSTON TRAILS

THIS DECLARATION is made this 12th day of July, 1993, by JOSHUA A. MUSS, AS TRUSTEE UNDER LAND TRUST AGREEMENT DATED MARCH 8, 1989 ("Declarant"), who hereby declares that "The Properties" as described in Article II hereof are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

R E C I T A L S

A. The Declarant is the owner of that certain property located in Palm Beach County, Florida, described in Exhibit "A" hereto ("The Properties").

B. The Declarant intends that a community be created on The Properties.

C. The Declarant intends that various portions of The Properties be set aside for the collective use of all or a segment of the owners and residents of the community to be created on The Properties.

D. In order to preserve and enhance the value of dwelling units and structures built on The Properties and to promote the welfare of their owners and occupants, the Declarant desires to submit The Properties to this Declaration of Covenants and Restrictions.

E. In order to facilitate the objectives described herein, the Declarant has formed a not for profit corporation called WINSTON TRAILS FOUNDATION, INC., which shall be responsible for the administration and enforcement of, and the performance of certain duties under, this Declaration of Covenants and Restrictions.

NOW, THEREFORE, Declarant declares that The Properties, together with such additions thereto as are hereafter made pursuant to Article II of this Declaration, shall be held, conveyed, leased, mortgaged, used, occupied and improved subject to these Covenants and Restrictions.

ARTICLE I

DEFINITIONS

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

Section 1. "Articles" shall mean the Articles of Incorporation of the Foundation which have been filed in the

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office of the Secretary of the State of Florida (a true copy of which is attached hereto as Exhibit "B"), including any amendments thereto.

Section 2. "Assessment" shall mean any of the types of Assessments defined below in this Section.

- (a) "Common Assessment" shall mean a charge against each Owner and his Lot, representing a portion of the Common Expenses.
- (b) "Special Assessment" shall mean a charge against one or more Owners and their Lots equal to the cost incurred by the Foundation in connection with the enforcement of this Declaration against such Owner(s) for such Owner(s)' failure to duly perform their obligations hereunder.
- (c) "Reconstruction Assessment" shall mean a charge against each Owner and his Lot, representing a portion of the cost incurred by the Foundation for reconstruction of any portion or portions of the Improvements located on the Common Areas pursuant to the provisions of this Declaration.
- (d) "Capital Improvement Assessment" shall mean a charge against each Owner and his Lot, representing a portion of the cost incurred by the Foundation for installation or construction of any Improvements on any portion of the Common Areas which the Foundation may from time to time authorize.

Section 3. "Board" or "Board of Directors" shall mean the Board of Directors of the Foundation.

Section 4. "Building" shall mean any building located on The Properties that contains one or more Units.

Section 5. "Bylaws" shall mean the Bylaws of the Foundation adopted by the Board (a copy of which is set forth as Exhibit "C" hereto) including any amendments thereto.

Section 6. "Common Area" shall mean the portions of The Properties (as hereinafter defined) and Improvements and personal property thereon designated and intended for the common, non-exclusive use of the Owners (also as hereinafter defined) and declared to be Common Areas in this Initial Declaration or any Supplemental Declaration.

Without limiting the generality of Section 34 of this Article, in the event that Declarant determines that a particular portion of Winston Trails is or is not a Common Area hereunder (in the manner provided in Section 34), such determination shall be binding and conclusive. It is specifically contemplated that the Common Areas may change from time to time in connection with changes in development plans and other factors not now known (including, without limitation, by increase, decrease or transfer to a Neighborhood Association). Accordingly, reference in this Declaration to the Common Areas shall be deemed to refer to same as they may exist as of the relevant time.

Section 7. "Common Expenses" shall mean the actual and estimated costs of ownership, maintenance, management, operation, insurance, repair and replacement of the Common Areas (including unpaid Special Assessments, Reconstruction Assessments and Capital Improvements Assessments and including

those costs not paid by the Owner responsible for payment); the costs of any and all commonly metered utilities, cable or master television charges, if any, and other commonly metered charges for the Common Areas; the costs of management and administration of the Foundation, including, but not limited to, compensation paid by the Foundation to managers, accountants, attorneys and other employees; the costs of all utilities, gardening and other services benefitting the Common Areas; the costs of fire, casualty and liability insurance, workmen's compensation insurance, and other insurance covering or connected with the Common Areas; costs of bonding the members of the Board and the Management Company; costs of errors and omissions liability insurance for officers of the Foundation, members of the Board, members of the DRB and members of any committees appointed by the Board; taxes paid by the Foundation, including real property taxes for the Common Areas; amounts paid by the Foundation for the discharge of any lien or encumbrance levied against the Common Areas or any portion thereof; and the costs of any other item or items so designated by, or in accordance with other expenses incurred by, the Foundation for any reason whatsoever in connection with the Common Areas or for the benefit of the Owners.

Section 8. "County" shall mean Palm Beach County, Florida.

Section 9. "Covenants and Restrictions" shall mean the easements, covenants, conditions, restrictions, servitudes, charges and liens created or provided for by this Declaration.

Section 10. "Declarant" shall mean and refer to Joshua A. Muss as Trustee under Land Trust Agreement dated March 8, 1989, his successors and such of his assigns as to which the rights of Declarant hereunder are specifically assigned in an instrument recorded in the public records of the County. Declarant may assign all or a portion of his rights hereunder, or all or a portion of such rights in connection with appropriate portions of Winston Trails. In the event of such a partial assignment, the assignee shall not be deemed the Declarant, but may exercise such rights of Declarant specifically assigned to it. Any such assignment may be made on a non-exclusive basis.

Section 11. "Declarant's Permittees" shall mean the Declarant's officers, directors, partners, joint venturers (and the officers, directors and employees of any such corporate partner or joint venturer), employees, beneficiaries, agents, independent contractors (including both general contractors and subcontractors), suppliers, visitors, licensees and invitees and those of any affiliate of the Declarant.

Section 12. "Declaration" and "this Declaration" shall mean (and, except as otherwise provided in Section 16 of this Article, "herein", "hereto", "hereof", "hereunder" and words of similar import shall refer to) this instrument as from time to time amended, together with any Supplemental Declarations thereto.

Section 13. "Development Review Board" or "DRB" shall mean the committee created pursuant to Article X hereof.

Section 14. "Foundation" shall mean and refer to WINSTON TRAILS FOUNDATION, INC., a Florida not for profit corporation, being the entity responsible for the administration and enforcement of, and performance of certain duties under, this Declaration.

Section 15. "Improvement" shall mean any structure or artificially created condition or appurtenance located on The Properties, including, but not limited to, any Building,

Building additions and structural alterations, walkway, sprinkler pipe, road driveway, parking area, fence, screening wall, retaining wall, stairway, deck, landscaping, hedge, tree, planting, shrub, windbreak, pole, swimming pool, pool deck, tennis court, sign, screen enclosure, sewer, drain, disposal system, grading, paving, or exterior air-conditioning or water softener fixture or equipment.

Section 16. "Initial Declaration" shall mean (and, when following a Section, paragraph, page or Exhibit designation, the word "hereto" shall refer to) this Declaration as initially recorded in the County's Public Records.

Section 17. "Landscaping and Pedestrian Areas" shall mean and refer to land of varying widths abutting the roads in The Properties for portions or all of their entire length, notwithstanding that any such strips of land may lie within the common areas owned by Neighborhood Associations (as hereinafter defined) within The Properties. Declarant may establish a physical boundary between the Landscaping and Pedestrian Areas referred to above and such other common areas, but in the absence of such physical boundary, Declarant shall have the absolute right to determine the actual boundary and such determination shall be binding on the Foundation and all affected associations and Owners within The Properties. The fact that certain of such Landscaping and Pedestrian Areas are not legally described shall not affect their character as Common Areas for purposes hereof.

Section 18. "Limited Common Area" shall mean any portions of The Properties that are declared by this Declaration (including any Supplemental Declaration) to be for the use of fewer than all the Owners.

Section 19. "Lot" shall mean and refer to any lot or tract on the various plats of portions of The Properties which contains or is intended to contain a Unit, which is not a Common Area and is not the common area/elements of a Neighborhood Association or a common element of a Condominium, which property is designated by Declarant on a plat or by any other recorded instrument to be subject to these Covenants and Restrictions (and to the extent Declarant is not the Owner thereof, then designated by Declarant as joined by the Owner thereof), any such lot or tract shown upon any replat or resubdivision of any such plat, and any other property hereafter declared as a Lot by Declarant (or by Declarant joined by the Owner thereof) and thereby made subject to this Declaration. In the case a residential apartment Building (whether or not subject to condominium ownership) is hereafter made subject to this Declaration, the individual Residential Units thereof shall be deemed to be "Lots" and not the parcel(s) of real property on which the Building is constructed. In the case of a nonresidential Condominium hereafter made subject to this Declaration, if any, the "Lots" shall be the parcel(s) of real property on which the condominium is constructed and not the individual condominium units thereof. Each Lot hereunder shall be one of the following types:

(a) A "Commercial Lot" is a Lot on which there is constructed one or more Commercial Buildings,

(b) A "Residential Lot" is any Lot other than a Commercial Lot.

For purposes of Article III and Article VI, Section 2 of this Declaration, "Residential Land" shall mean and refer to any portion of The Properties which is zoned, or shown on an applicable site plan as being intended, for residential use (single family, townhouse, multi-family or otherwise),

regardless of whether or not same is platted or subdivided into Residential Lots. When and to the extent a portion(s) of Residential Land is subdivided, whether by platting or otherwise and the Lots become subject to the full rate of assessment as provided in Article VI, Section 2 hereof, such Lots shall cease to be Residential Land hereunder. The specific treatment afforded Residential Land in Article III and Article VI, Section 2 shall not extend to any other provisions of this Declaration (including, without limitation, use restrictions).

Section 20. "Management Company" shall mean the person, firm or corporation, if any, employed by the Foundation as its agent to assist in fulfilling or carrying out certain duties, powers or functions of the Foundation.

Section 21. "Master Plan" shall mean and refer to the plan for development of the Winston Trails Planned Unit Development, as approved by the Board of County Commissioners of Palm Beach County, and any amendments thereto.

Section 22. "Member" shall mean and refer to all those Owners who are Members of the Foundation as hereinafter provided.

Section 23. "Mortgage" shall mean any mortgage on a Lot/Unit. "First Mortgage" shall mean any recorded Mortgage with first priority or seniority over other Mortgages.

Section 24. "Mortgagee" shall mean any holder of a Mortgage. "First Mortgagees" shall mean any holder of a First Mortgage.

Section 25. "Neighborhood Association" shall mean and refer to any association now or hereafter created to administer a specific portion(s) of The Properties pursuant to a declaration of condominium or declaration of covenants and restrictions or similar instrument affecting such portion(s).

Section 26. "Owner" shall mean the person or persons or legal entity or entities holding fee simple interests of record to any Lot situated upon The Properties, including the Declarant and sellers under executory contracts of sale, but excluding those having such interests merely as security for the performance of an obligation and purchasers under executory contracts of sale.

Section 27. "Participating Builder" shall mean any person or entity which acquires any portion of The Properties from the Declarant for the purpose of development and resale.

Section 28. "The Properties" shall mean the property described in Exhibit "A" hereto (including all Improvements thereon), plus whatever portions of Winston Trails (together with all Improvements thereon) are declared to be Properties in any Supplemental Declaration, less whatever portions of Winston Trails (together with all Improvements thereon) are declared to be withdrawn from the provision of this Declaration in any Supplemental Declaration.

Section 29. "Supplemental Declaration" shall mean any instrument recorded by the Declarant in the County's Public Records for the purpose of adding additional properties to The Properties, declaring certain properties to be Units, declaring certain properties to be Common Areas or Limited Common Areas, withdrawing properties from The Properties or Common Areas or Limited Common Areas or otherwise amending or supplementing this Declaration.

Section 30. "Surface Water Management System" shall mean those lakes, canals, and other facilities created and used for the drainage of The Properties, which are designated by Declarant as Common Areas.

Section 31. "Unit" shall mean and refer to any unit constructed on a Lot (whether separately owned or rented by the Owner of such Lot and whether such unit is located in a single family or multi-family Building (rental or otherwise), retail or commercial building, or any condominium unit in any condominium building that may be erected on any parcel of land within The Properties, which land is designated by Declarant by recorded instrument to be subject to this Declaration (and to the extent Declarant is not the Owner thereof, then by Declarant joined by the Owner thereof). Units hereunder shall be one of the following types:

(a) A "Commercial Unit" is a physically separate retail, service, office, warehouse or other nonresidential space which is separately owned or rented. A Building which contains one or more Commercial Units is hereinafter referred to as a "Commercial Building". For purposes of this Declaration, a "Commercial Unit" or "Commercial Building" as appropriate, shall include, without limitation, religious facilities, utility installations, golf and other private clubs (but not the actual golf courses) and such hotels as Declarant shall designate as Commercial Units/Buildings in a Supplemental Declaration.

(b) A "Residential Unit" is any dwelling unit constructed on (or, in the case of a residential apartment unit constituting) a Residential Lot. In the case of condominium residential apartment Building(s), each separate apartment therein shall be deemed a separate Residential Unit for purposes of voting, Assessments, liens and occupancy and use restrictions hereunder. In the case of non-condominium residential apartment Building(s), each separate apartment therein shall be deemed a separate Residential Unit for purposes of voting, Assessments (although not liens for same, which shall attach to the underlying Lot as a whole) and occupancy and use restrictions hereunder. For all other purposes of this Declaration, all such Residential Units in such apartment Building(s) on a Lot shall be treated as but one Residential Unit. A Building which contains or constitutes more than one Residential Unit is sometimes hereinafter referred to as a "Residential Building".

Section 32. "Winston Trails" shall mean and refer to the planned unit development of affiliated subdivisions or neighborhoods and commercial, retail and other uses within the area defined by the Master Plan which development is legally described in Exhibit "D" hereto, as same may be amended from time to time.

Section 33. "Voting Member" shall mean and refer to the person elected or designated by the Members which he represents to exercise the rights of the Voting Members as specified herein, in the Articles and Bylaws.

Section 34. "Interpretation and Flexibility". In the event of any ambiguity or question as to whether any person, entity, property or Improvement falls within any of the definitions set forth in this Article I, the determination made by Declarant in such regard (as evidenced by a recorded Supplemental Declaration stating same) shall be binding and

conclusive. Moreover, Declarant may, also by way of Supplemental Declaration, alter or amend the application of any portion of this Declaration as to any specified portion(s) of The Properties in order to reflect any unique characteristics thereof; provided that such altered or amended application may not go so far as to be unequivocally contrary to the overall, uniform scheme of development for The Properties contemplated in this Declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO

Section 1. Legal Description. The initial 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 shall initially constitute The Properties. The real property described in Exhibit "E" attached hereto and the Improvements to said real property are hereby declared to be Common Areas.

Section 2. Supplements. In accordance with Declarant's current intention to increase the land constituting The Properties from time to time in "phases", Declarant may from time to time bring other land in Winston Trails or property within 8,000 feet of any boundary thereof (including the Improvements thereon) under the provisions of this Declaration by recorded Supplemental Declarations (which shall not require the consent of then existing Owners or the Foundation) and thereby add to The Properties. The Declarant may from time to time declare all or part of such additional property (including the Improvements thereon) to be Common Areas. If Declarant is not the owner of the land to be added to The Properties as of the date the applicable Supplemental Declaration is to be made, then the owner(s) of such land shall join in such Supplemental Declaration. Once so added, such land shall be deemed a part of The Properties for all purposes of this Declaration, except as modified pursuant to Article I, Section 34 hereof, if at all. Nothing in this Declaration shall, however, obligate Declarant to add to the initial portion of Winston Trails designated as The Properties or to develop future property (adjacent or otherwise) under the common scheme contemplated by this Declaration, nor to prohibit Declarant (or the applicable Declarant-affiliated Owner) from rezoning and changing the development plans with respect to such property. All Owners by acceptance of their deeds to or other conveyances of their Lots thereby automatically consent to any such rezoning, change, addition or deletion thereafter made by the Declarant (or the applicable Declarant-affiliated Owner thereof) and shall evidence such consent in writing if requested to do so by the Declarant at any time (provided, however, that the refusal to give such written consent shall not obviate the general effect of this provision). With respect to property not owned by the Declarant or its affiliates, the Declarant shall have the right to impose (and retain for its own account) fees for the privilege of allowing such other property to be made subject to this Declaration as aforesaid. Any such Supplemental Declaration may submit The Properties added by it to such additions to and modifications of the Covenants and Restrictions contained in the Declaration as may be necessary or convenient in the Declarant's judgment to reflect or adapt to any changes in circumstances or difference in the character of the added properties and may subject the properties added by it to easements in favor of non-Owners. Without limiting the generality of the preceding sentence, any Supplemental Declaration may declare any part or all of any properties added by it to be Limited Common Areas

for the specific use of only certain of the Owners (which Owners may either be specifically designated in the Supplemental Declaration or may be designated later by the Declarant pursuant to provisions set forth in the Supplemental Declaration [which provisions may authorize the Declarant to charge and retain fees for having assigned the right to use a particular facility to a particular Owner or Owners]). Any Supplemental Declaration may subject those Limited Common Areas to specific rules, regulations or provisions with respect to their use and with respect to the payment of expenses relating to them, including provisions that require only those persons who are entitled to use the Limited Common Areas to pay for their operation and maintenance.

Notwithstanding any of the foregoing to the contrary, no additional land may become part of The Properties unless (i) same is within the area described in the first sentence of this Section, (ii) such land is made part of The Properties within ten (10) years from the date of this Declaration, (iii) the submission is in accordance with the general plan filed with the Veterans Administration and (iv) the submission is otherwise approved by the Veterans Administration. Any other submission of additional land to The Properties shall be only with the consent of two thirds (2/3) of the Owners (excluding Declarant).

Section 3. Designation of Additional Common Areas. The Declarant may, from time to time, by recording appropriate Supplemental Declarations in the County's Public Records, designate portions of the then existing Properties to be Common Areas provided the Supplemental Declaration is executed or joined in by the Owner or Owners of The Properties thus designated, as well as by the Declarant.

Section 4. Withdrawal. Declarant reserves the right to amend this Declaration unilaterally at any time, without the consent of any Owner, for the purpose of removing any portion of The Properties then owned by the Declarant or its affiliates or the Foundation from the provisions of this Declaration to the extent included originally in error or as a result of any change whatsoever in the plans for Winston Trails desired to be effected by Declarant, provided, however, that such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the then-remaining portions of Winston Trails.* Any withdrawal of land not owned by Declarant shall not be effective without the written consent or joinder of the then-owner(s) of such land.

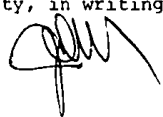
Section 5. Disclaimer of Implication. Only The Properties described in Exhibit "A" hereto are submitted to the Covenants and Restrictions by the Initial Declaration. Unless and until a Supplemental Declaration is recorded in the fashion required by Section 2 of this Article II with respect to it, no portion of the remainder of Winston Trails shall be in any way affected by the Covenants and Restrictions or other terms of this Declaration, and every such portion may be freely sold conveyed or otherwise disposed of by their owner or owners free and clear of any of the Covenants and Restrictions and other terms of this Declaration.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE FOUNDATION

Section 1. Membership. Every person or entity who is an Owner shall be a Member of the Foundation. Notwithstanding the foregoing, any such person or entity who merely holds record ownership as security for the performance of an obligation shall not be a Member of the Foundation.

* and is approved by the County, in writing



Section 2. Voting Rights. The Foundation shall have three (3) classes of Voting Members, each to be selected and to cast the numbers of votes as set forth below:

Class A. Each Neighborhood Association for Residential Lots (other than non-condominium apartment Buildings) shall elect or designate one (1) Class A Voting Member who shall be entitled to cast as many votes as there are Residential Lots subject to the jurisdiction of the Neighborhood Association. Unless the declaration, articles or bylaws of a Neighborhood Association provide another method of selecting its Voting Member, each Neighborhood Association shall elect its Voting Member in the same manner and subject to the same terms as to duration of office, removal and qualifications, as it elects its own directors or the Neighborhood Association shall designate one of its Directors to act as its Voting Member.

Class B. The Class B Voting Member shall be the Declarant. The Class B Voting Member shall be entitled to three (3) votes for each vote which the Class A and Class C Members are entitled to cast from time to time, provided that the Class B Membership shall cease and terminate on the earlier of (i) the date upon which seventy-five percent (75%) of the Lots within Winston Trails have been sold and conveyed, (ii) January 20, 2003, or (iii) at any time prior to that date at the election of the Declarant.

Class C. Each Class C Voting Member shall represent the Owners of a Commercial Lot or of Residential Land (which, for purposes of voting, shall include non-condominium apartment Buildings), with the exception of the Declarant. (As long as the Class B Membership shall exist the Declarant shall be a Class B Voting Member, and thereafter, Declarant shall be a Class C Voting Member to the extent it would otherwise qualify). Each Class C Voting Member who represents the Owner of a Commercial Lot shall be entitled to cast four (4) votes for each acre contained in the Commercial Lot for which he acts as Voting Member. For the purpose hereof, any portion of an acre in excess of one-half (1/2) acre shall be deemed a full acre and any portion of lesser size shall not be counted as an acre at all.

In the case of Commercial Lots which are subject to a Neighborhood Association, the Class C Voting Member therefor shall be elected or designated in the same manner, and be subject to the same provisions, as a Class A Voting Member.

In the case of Residential Land which becomes subject to a Neighborhood Association, the Owner(s) thereof shall cease to be a Class C Member and the votes attributable to such Residential Land shall be cast by the applicable Class A Voting Member.

Each Class C Voting Member who represents the Owner of Residential Land (which for voting purposes shall include non-condominium apartment Buildings) shall be entitled to cast as many votes as there are Residential Lots for which he acts as Voting Member. If such Residential Land is not platted or otherwise subdivided into Lots, for voting purposes it will be deemed to contain as many Residential Lots as there are Residential Units permitted to be constructed thereon by the Master Plan (or its equivalent).

In the case of a Commercial Lot or Residential Land which is not subject to a Neighborhood Association, the Owner(s) of each Commercial Lot and each separate portion of Residential Land shall appoint his Voting Member by written notice to such effect given as provided in Section 3, below (such notice to include the term of office of the Voting Member named therein). Multiple Owners of a Commercial Lot or Residential Land shall all join in the aforesaid notice.

Section 3. Selection of Voting Members. Each Neighborhood Association or Owner, as applicable under Section 2 above, shall give written notice to the Foundation of the person elected or designated as its Voting Member. Such notice shall be given at or before the first meeting of the Foundation which the Voting Member is to attend. The Foundation and all other Voting Members (and their constituents) shall be entitled to rely on such notices as constituting the authorization of the Neighborhood Association (and its members) or Owner, as applicable, to the designated Voting Member to cast all votes of the Neighborhood Association (and its members) or Owner and to bind same in all Foundation matters until such notice is changed, superseded or revoked.

Section 4. General Matters. When reference is made in this Declaration, or in the Articles or Bylaws or other relevant documents to a majority or specific percentage of Members (or Voting Members), such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members represented by their respective Voting Members at a duly constituted meeting thereof (i.e., one for which proper notice has been given and at which a quorum exists) and not of the Members themselves or of their Lots. To the extent lawful, the foregoing shall apply to, without limitation, the establishment of a quorum at any applicable meeting.

During the period in which the Class B Membership exists, the following actions may not be taken without the approval of the Veterans Administration for so long as it insures or holds a mortgage on a Lot or owns a Lot: merger, consolidation or dissolution of the Foundation, dedication, mortgage or conveyance of the Common Areas (except to the Foundation); annexation of additional land (except as herein provided); and the amendment of documents previously approved by the Veterans Administration, unless required by same, the Federal Housing Administration, FNMA, FHLMC or another governmental or quasi-governmental agency.

ARTICLE IV

COMMON AREAS AND CERTAIN EASEMENTS

Section 1. Ownership. The Common Areas are for the joint and several use in the manner specified in this Declaration of the Declarant and the Owners of all Lots that may from time to time constitute part of The Properties, and all of the Declarant's and such Owners' respective tenants, guests and invitees, all as provided and regulated herein or otherwise by the Foundation. The Declarant, or its successors and assigns, shall convey and transfer (or cause to be conveyed and transferred) by quit claim deed, the record fee simple title to the Common Areas (except those areas lying within dedicated areas or not capable of being legally described, including, but not limited to, the Landscaping and Pedestrian Areas) to the Foundation, and the Foundation shall accept such conveyance, holding title for the Owners and Members as stated in the preceding sentence. The Foundation shall be responsible for the maintenance, insurance and operation of all Common

Areas (whether or not conveyed or to be conveyed to the Foundation) in a continuous and satisfactory manner without cost to the general taxpayers of the County. It is intended that all real estate taxes assessed against that portion of the Common Areas owned or to be owned by the Foundation shall be (or have been, because the purchase prices of the Lots and Units have already taken into account their proportionate shares of values of the Common Areas) proportionally assessed against and payable as part of the taxes of the Lots within The Properties. However, in the event that, notwithstanding the foregoing, any such taxes are assessed directly against the Common Areas, the Foundation shall be responsible for the payment (subject to protest or appeal before or after payment) of the same, including taxes on any Improvements and any personal property thereon accruing from and after the date the Initial Declaration or Supplemental Declaration designating the portion of The Properties as Common Areas was recorded. Such taxes shall be prorated between Declarant (or the then Declarant-affiliated Owner thereof) and the Foundation as of the date of such recordation.

Declarant and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of The Properties (including, without limitation, Lots and Units) for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion or alteration of any improvements or facilities on the Common Areas or elsewhere in The Properties that Declarant and its affiliates, as appropriate, elect to effect. Declarant and its affiliates shall have the right to use the Common Areas for sales, promotions, displays and signs during the period of construction, development and sale of any of the land owned by Declarant or its affiliates within Winston Trails.

Section 2. Members' Easements. Each Member of the Foundation and each tenant, agent, guest or invitee of such Member, shall have a non-exclusive easement for the use and enjoyment of all Common Areas in common with all other such Members of the Foundation, their tenants, agents, guests and invitees, which easement shall be superior to any conveyance or encumbrance of the Common Areas.

Rights of use with respect to the recreation facilities, if any, situated on the Common Areas may be evidenced by the issuance of membership cards to all persons entitled to use the recreation facilities. All such persons may be required to pay a reasonable charge annually for the issuance of such card and any replacement thereof as determined from time to time by the Foundation.

In addition to the foregoing, the Foundation may require that vehicles of all or certain types of Owners bear appropriate decals and may charge a reasonable fee for such decals.

All rights of use and enjoyment are subject to the following:

(a) Easements over and upon the Common Areas in favor of all Neighborhood Associations and the Foundation and their members, provided, however, that this subsection shall not in itself be deemed to grant any easements or use rights which are not specifically granted elsewhere herein or in any other documents to which The Properties (or any applicable portion(s) thereof) are now or hereafter made subject.

(b) The right and obligation of the Foundation to levy Assessments against each Lot for the purpose of maintaining the Common Areas and facilities in

compliance with the provisions of this Declaration and with the restrictions on the plats of portions of The Properties from time to time recorded.

(c) The right of the Foundation to suspend the right of an Owner and his tenants and invitees to use any recreational facilities located within the Common Areas (but not legal access) for any period during which any applicable Assessment remains unpaid or for up to sixty (60) days or for the violation of any rule governing the use of such facilities.

(d) The right of the Foundation to charge reasonable admission and other fees for the use of any recreational facility situated on the Common Areas, provided that such right is now or hereafter adopted by the Foundation.

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

(f) The right of the Foundation to reasonably limit the number of guests or invitees or Owners using the Common Areas.

(g) The right of the Foundation in accordance with its Articles, Bylaws and this Declaration and with the vote or written assent of two-thirds (2/3) of each class of the Voting Members, to borrow money for the purpose of improving the Common Areas and facilities and in aid thereof to mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of the mortgagee in any such case shall be subordinate to the use of rights of the Owners.

(h) The right of the Foundation, by a vote of two-thirds (2/3) of each class of the Voting Members to dedicate portions of the Common Areas to a Neighborhood Association or a public or quasi-public agency, community development district or similar entity under such terms as the Foundation deems appropriate and the right of the Foundation, by action of its Board of Directors, to create or contract with community development or special taxing districts for lighting, roads, recreational or other services, communications and other similar purposes deemed appropriate by the Foundation. All Owners hereby consent to such creation or contract.

(i) Anything to the contrary in this Declaration notwithstanding, the Declarant shall have the right to permit persons other than Members, their tenants and invitees to use certain portions of the Common Areas and any recreational facilities that may be constructed thereon under such terms as Declarant, its successors and assigns, may from time to time desire without interference from the Foundation. Without limiting the generality of the foregoing, the Declarant may grant such use rights to all children and other participants in day care centers, schools, camps, nurseries, or similar programs located or operated on any portion of Winston Trails. In

addition, the employees of the Declarant and their families shall have the right to use all Common Areas, including recreation facilities.

(j) The right of the Declarant and the Foundation to have, grant and use general ("blanket") and specific easements over, under and through the Common Areas.

(k) The right to the use and enjoyment of the Common Areas and facilities thereon in the case of Class A Members shall extend to each permitted user's immediate family members who reside with him, subject to regulation from time to time by the Foundation in its lawfully adopted and published rules and regulations.

(l) The right of any Participating Builder developing a portion of the Properties to construct, with the Declarant's approval, a roadway over Common Areas to connect such party's development to an adjacent or nearby public road. Any such connecting roadway and any appurtenant landscaping, irrigation system, entry feature, building or other related improvements shall be a Limited Common Area appurtenant to the Participating Builder's property and the operational, maintenance, repair and insurance responsibility of such Participating Builder and/or a Neighborhood Association created by it to administer the portions of The Properties served by the roadway and related improvements.

WITH RESPECT TO THE USE OF THE COMMON AREAS AND THE PROPERTIES GENERALLY, ALL PERSONS ARE REFERRED TO ARTICLE XVI, SECTIONS 11 AND 14 HEREOF WHICH SHALL AT ALL TIMES APPLY THERETO.

Section 3. Easements Appurtenant. The easements provided in Section 2 shall be appurtenant to and shall pass with the title to each Lot.

Section 4. Maintenance. The Foundation shall at all times maintain in good repair, operate, manage, insure, and replace as often as necessary the Common Areas, any and all Improvements situated on the Common Areas (upon completion of construction by Declarant or its affiliates, if applicable), including the Surface Water Management System, landscaping, paving, drainage structures, private roads, street lighting fixtures and appurtenances located within public and private rights-of-way, except public utilities, and other portions of The Properties which are owned or maintained by a Neighborhood Association. All such work shall be done as ordered by the Board of the Foundation. Maintenance of street lighting fixtures shall include and extend to payment for electricity consumed in their illumination. Without limiting the generality of the foregoing, the Foundation shall assume all of Declarant's, its affiliates' (and its and their predecessors') responsibility to either the County, its governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Common Areas, including, but not limited to, roads and entry features, and shall indemnify Declarant and its affiliates and hold Declarant and its affiliates harmless with respect thereto.

In addition to maintaining Common Areas as aforesaid, the Foundation shall maintain the landscaping and other improvements located with the rights of way of public roads if so provided in an agreement with Palm Beach County entered into by, or assigned to, the Foundation.

In the event of any conflict, ambiguity or uncertainty as to whether certain maintenance or other duties as to any

portion of The Properties fall within the jurisdiction of the Foundation or a Neighborhood Association, the determination of the Foundation shall control.

All work pursuant to this Section and all expenses hereunder shall be paid for by the Foundation through Assessments imposed in accordance herewith. In order to effect economies of scale and for other relevant purposes, the Foundation, on behalf of itself, all or any appropriate Neighborhood Associations, shall have the power to incur by way of contract or otherwise expenses general to The Properties or appropriate portions thereof. The Foundation shall then have the power to allocate portions of such expenses among the affected Neighborhood Associations, based on such formula as may be adopted by the Foundation or as otherwise provided in this Declaration. The portion so allocated to any Neighborhood Association shall be deemed a general expense thereof, collectible through its own assessments.

No Owner may waive or otherwise escape liability for the Assessments for such maintenance by non-use (either voluntary or involuntary) of the Common Areas or abandonment of his right to use the Common Areas.

Section 5. Utility Easements. Public utilities in the Common Areas for the service of The Properties shall be installed underground except as otherwise permitted by Declarant.

Section 6. Public Easements. Fire, police, health, emergency and sanitation and other public service personnel and vehicles shall have a permanent and perpetual easement for ingress and egress over and across the Common Areas in the performance of their respective duties.

Section 7. Golf Cart Paths. A perpetual easement for the maintenance, repair, replacement and use of any golf cart path constructed within The Properties is hereby granted to the owner and users of the golf course served by such paths. Neither the Foundation, any Neighborhood Association nor any Owner shall obstruct or otherwise interfere with the lawful use of the easement herein granted, including its use for golf course maintenance.

Section 8. Drainage Easements. Any drainage easement granted, dedicated or assigned to the Foundation by a plat or other recorded instrument shall be used by the Foundation for its intended purpose but the Foundation shall not be obligated to maintain land (including landscaping thereon) over/under which such easement exists, unless otherwise provided in the instrument creating the easement.

Section 9. Golf Balls. ALL PERSONS ARE HEREBY NOTIFIED THAT ERRANT GOLF BALLS MAY, FROM TIME TO TIME, LAND ON PROPERTY ADJACENT TO OR NEARBY THE GOLF COURSE WITHIN WINSTON TRAILS OR STRIKE IMPROVEMENTS LOCATED ON SUCH PROPERTY. AN EASEMENT OVER SUCH ADJACENT OR NEARBY PROPERTY IS HEREBY GRANTED IN FAVOR OF THE OWNER AND USERS OF THE GOLF COURSE FOR THE RETRIEVAL OF SUCH ERRANT GOLF BALLS, PROVIDED THAT THERE IS A REASONABLE MEANS OF ACCESS TO THE LOT (FOR EXAMPLE, NO FENCE OR SOLID HEDGE).

Section 10. Notice as to Golf Course. ALL PERSONS ARE HEREBY FURTHER NOTIFIED THAT THE GOLF COURSE WITHIN WINSTON TRAILS IS PRESENTLY OWNED BY DECLARANT AS A PRIVATE CONCERN THAT MAY, IN THE FUTURE, BE CONVEYED, LEASED OR OTHERWISE PLACED UNDER THE OPERATION OR CONTROL OF A THIRD PARTY, WHETHER AN AFFILIATE OF DECLARANT OR AN INDEPENDENT ENTITY. NO PERSON ACQUIRING ANY LOT OR OTHER INTEREST IN ANY PORTION OF THE PROPERTIES SHALL, BY VIRTUE THEREOF, ACQUIRE ANY EASEMENT, LICENSE OR OTHER RIGHTS TO USE THE GOLF COURSE OR ANY FACILITIES LOCATED THEREON OR ANY PREFERENCES IN ANY USE RIGHTS WHICH MAY INDEPENDENTLY EXIST. NO PERSON ACTING ON BEHALF OF

DECLARANT, A PARTICIPATING BUILDER OR ANY OTHER PERSON OR ENTITY HAS ANY AUTHORITY WHATSOEVER TO MAKE ANY REPRESENTATIONS TO THE CONTRARY UNLESS SO PROVIDED IN A SUPPLEMENTAL DECLARATION EXECUTED BY DECLARANT. THE FOREGOING DISCLAIMER SHALL EXTEND TO AND INCLUDE THE FOUNDATION AND ANY NEIGHBORHOOD ASSOCIATION, NONE OF WHICH WILL HAVE ANY RIGHT, TITLE OR INTEREST IN OR TO, OR CONTROL OVER, SUCH GOLF COURSE. ANY USE OF THE GOLF COURSE OR ANY FACILITIES THEREON SHALL BE SOLELY IN ACCORDANCE WITH THE STANDARDS AND REQUIREMENTS SET BY THE THEN-OWNER OR OPERATOR THEREOF, WHICH STANDARDS AND REQUIREMENTS MAY BE ADOPTED AND CHANGED FROM TIME TO TIME IN THE SOLE DISCRETION OF SUCH OWNER/OPERATOR.

ARTICLE V

LANDSCAPING AND PEDESTRIAN AREAS

Section 1. Maintenance. Without limiting the generality of other applicable provisions hereof, the Landscaping and Pedestrian Areas of the Foundation shall be maintained by the Foundation, commencing with the date the Initial Declaration is recorded, in a continuous and satisfactory manner without cost to the general taxpayers of the County, and without direct, individual expense to the Owners of the Lots upon which the Landscaping and Pedestrian Areas are situated or abut, except for their share of the Common Expenses. Such maintenance shall extend to any street lighting fixtures and the payment for electricity consumed in their illumination. All work pursuant to this Section and all expenses hereunder shall be paid for by the Foundation through Assessments imposed in accordance herewith or by allocation of such expenses to the applicable Neighborhood Association or its members, as provided herein. No Owner may waive his right to use or otherwise escape liability for Assessments for such maintenance under this Section.

Section 2. Limitations on Use. The Landscaping and Pedestrian Areas shall be used for identification purposes, for landscaping, for a planting screen buffer and for installation and maintenance of underground utilities and lines, and shall not be used by Owners of the respective Lots for parking or for any other purposes. However, driveway access or vehicular access shall be permitted to any Lots or common areas of a Neighborhood Association across any Landscaping and Pedestrian Areas, as shall such other access as may be permitted by the Declarant in a Supplemental Declaration.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Except as provided elsewhere herein, the Declarant (and each party joining in this Declaration or in any Supplemental Declaration), for each Lot owned by it (or them) within The Properties, hereby, respectively, covenant and agree, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Foundation Common Assessments, including such reasonable reserves as the Foundation may deem necessary, and Capital Improvement Assessments and Reconstruction Assessments as provided herein, all such Assessments to be fixed, established and collected from time to time as hereinafter provided. In addition, Special Assessments may be levied against particular Owners and Lots for fines, expenses incurred by particular Lots or Owners to the exclusion of others and other charges against specific

Lots or Owners as contemplated in this Declaration. The Assessments, together with interest and costs of collection thereof as hereinafter provided, shall be a charge on and a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest and costs of collection thereof as hereinafter provided, shall also be the personal obligation of all Owner(s) of such property from time to time.

Section 2. Assessment Rates and Commencement Dates.
The Assessments provided for in this Article VI shall be at the rates, and shall commence, as provided below:

Residential Land and Lots. All Residential Land shall be assessed at a rate equal to twenty-five percent (25%) of the Assessments which would be applicable to such land if all Residential Units permitted to be constructed thereon from time to time by the applicable Master Plan (or its equivalent) were constructed and conveyed by the builder(s) thereof.

The foregoing shall apply to Residential Land regardless of whether or not all or any portion thereof is platted; provided, however, that each Residential Lot within The Properties shall be assessed equally at the full (i.e. 100%) rate commencing on the first (1st) day of the calendar month after the earlier of (1) the issuance of the certificate of occupancy (or its equivalent) for the Residential Unit constructed on the Lot or (2) the recording of the deed of such Lot to the first purchaser thereof from a Participating Builder.

No Residential Unit shall be assessed separately from the Residential Lot on which it is situated (or, in the case of a apartment Residential Unit, which it constitutes). Assessments on a Lot containing non-condominium apartment Residential Units shall commence on the date provided in the Supplemental Declaration which subjects same to this Declaration or, if the commencement date is not so provided, on the date the final certificate of occupancy (or its equivalent) is issued by the appropriate governmental authority for the Building in which the Residential Units are located. In the event that a Lot is intended to ultimately contain more than one Building, unless otherwise provided in the applicable Supplemental Declaration, the Assessments payable on the Lot shall increase to the full rate as each additional Building receives a certificate of occupancy (or its equivalent) or, in the alternative, as provided in the applicable Supplemental Declaration.

Commercial Lots. In recognition of the fact that the varying potential uses of Commercial Lots will have concomitantly varying impacts on The Properties, and in order to preserve the flexibility of Declarant in providing for appropriate applications of this Declaration to, inter alias, Commercial Lots (without limiting the generality of Article I, Section 34 hereof), Declarant shall designate the assessment rate and its commencement date as to each Commercial Lot in The Properties by providing for same in the Supplemental Declaration subjecting the Lot to the provisions of this Declaration. If such Supplemental Declaration does not specify the assessment rate for the Commercial Lot(s) described therein, the rate per acre (or any fraction thereof) contained in the Commercial Lot(s) shall be equal to four (4) times the rate for a Residential Lot. It is specifically

contemplated (though not mandated) that Commercial Lots (i) may pay Assessments at a lower rate than that applicable to Residential Lots (regardless of relative sizes) and (ii) may not be subject to Assessment until a certificate(s) of occupancy, use or completion (or its equivalent, as appropriate) is issued therefor or that same may be subject only to Assessments at a reduced rate until such time.

Common Areas and Certain Other Property. No Common Areas hereunder or any common areas or common elements of a Neighborhood Association shall be subject to direct Assessment hereunder (although the share of common elements appurtenant to a condominium unit shall be subject to the lien for assessments applicable to such unit). Further, the foregoing exemption shall apply to any land owned by the County or any municipality or by a publicly-regulated utility company (including, without limitation, Florida Power & Light Company and Southern Bell) as long as such land is used for or in connection with the provision of utilities (exclusive of business offices, retail outlets and the like). In the event of any ambiguity or doubt as to whether any particular open space or other land is subject to assessment, the determination of the Declarant (or, if there is no Class B Voting Member, the Board of Directors of the Foundation) shall be final and conclusive (and not subject to later change unless the use of the open space in question changes).

Section 3. Maximum Annual Assessment Rate.

Notwithstanding any of the foregoing, the maximum annual assessment on a Residential Lot shall not exceed _____ dollars (\$ _____); provided, however, that (i) the Board of Directors may, by a majority vote thereof, increase said maximum amount by no more than five percent (5%) per year and (ii) any increase in excess of said five percent (5%) limit may be made if same is approved by a vote of two thirds (2/3) of each class of Members, through their Voting Members, at a meeting called for such purpose with at least sixty percent (60%) of the votes of the Members being represented at such meeting in person or by proxy after adequate notice. If such sixty (60%) quorum requirement is not met, a second meeting may be called by giving notice the same number of days in advance as the first meeting but with the quorum requirement for such meeting to be reduced to thirty-three and one-third percent (33 1/3%).

Section 4. Purpose of Assessments. The Assessments levied by the Foundation shall be used exclusively for maintenance, operation, management and insurance of the Common Areas as provided herein, the payment of expenses allocated to the Foundation or The Properties by the Foundation, security-related purposes and to promote the health, safety, welfare and recreational opportunities of the Members of the Foundation and their families residing with them (if applicable) and their permitted tenants and invitees.

Section 5. Capital Improvement and Reconstruction Assessments. In addition to the Common Assessments authorized above, the Foundation may levy, from time to time after the Common Areas are initially developed by Declarant, a Capital Improvement Assessment or Reconstruction Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital Improvement, or other such addition upon the Common Areas (including fixtures and personal property related thereto); provided that any such Assessments require the vote or written assent of a majority of the Board and of two thirds

(2/3rds) of each class of the Voting Members. Written notice of any meeting of Voting Members called for the purpose of taking any action by the Voting Members authorized under Section 4 above shall be sent to all Voting Members not less than fourteen (14) days, nor more than sixty (60) days, in advance of the meeting. If the required quorum is not present, the meeting may be rescheduled subject to the same notice requirement.

It is the intent of this Section that any capital Improvements having a cost of less than the aforesaid amount be paid for by Common Assessments, with an appropriate adjustment to the budget of the Foundation and the Assessments levied thereunder to be made, if necessary.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The Common Assessments provided for in this Article shall commence on the first day of the month next following the recordation of the Initial Declaration and shall be applicable through December 31 of such year. Each subsequent Common Assessment shall be imposed for the year beginning January 1 and ending December 31.

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

The due date of any Special Assessment, Capital Improvement Assessment or Reconstruction Assessment shall be fixed in the Board resolution authorizing such Assessment.

Section 7. Duties of the Board of Directors. The Board of Directors of the Foundation shall fix the date of commencement and the amount of the Assessment against each Lot for each assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, and shall at that time prepare a roster of the Lots, the Owners thereof and Assessments applicable thereto, which shall be kept in the office of the Foundation and shall be open to inspection by any Owner or First Mortgagee.

Written notice of the applicable Assessment shall thereupon be sent to every Owner subject thereto thirty (30) days prior to payment, except as to emergency Assessments. In the event no such notice of a new assessment period is given, the Assessment amount payable shall continue to be the same as the amount payable for the previous period, until changed in the manner provided for herein.

The Foundation shall upon demand at any time furnish to any Owner liable for an Assessment a certificate in writing signed by an officer of the Foundation setting forth whether such Assessment has been paid as to any particular Lot. As to third parties, such certificate shall be conclusive evidence of payment of any Assessment to the Foundation therein stated to have been paid.

The Foundation, through the action of its Board of Directors, shall have the power, but not the obligation, to acquire, by purchase, lease or otherwise, one or more Units for

occupancy by its employees or independent contractors, and to enter into an agreement or agreements from time to time with one or more persons, firms or corporations (including affiliates of the Declarant) for management services. The Foundation shall have all other powers provided herein and in its Articles and Bylaws.

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

If any installment of an Assessment is not paid within fifteen (15) days after the due date, at the option of the Foundation, the next twelve (12) months' of installments may be accelerated and become immediately due and payable in full. All sums due shall bear interest from the dates when due until paid at the rate of six percent (6%) per annum. The Foundation may bring an action at law against the Owner(s) personally obligated to pay the same and/or may record a claim of lien (as evidence of its lien rights as hereinabove provided for) against the Lot on which the Assessments and late charges are unpaid, or may foreclose the lien against the Lot on which the Assessments and late charges are unpaid, or pursue one or more of such remedies at the same time or successively. Attorneys' fees and costs of preparing and filing the claim of lien and the complaint (if any) in such action, and in prosecuting same, shall be added to the amount of such Assessments, interest and late charges. In the event a judgment is obtained, such judgment shall include all such sums as above provided and attorneys' fees actually incurred in the applicable action together with the costs of the action, and the Foundation shall be entitled to attorneys' fees in connection with any appeal of any such action.

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

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

Unless delegated to a Neighborhood Association, it shall be the legal duty and responsibility of the Foundation to

collect Assessments and enforce payment of the Assessments hereunder. The Foundation shall have the right upon thirty (30) days written notice to require a Neighborhood Association to collect Assessments or enforce payment of the Assessments on behalf of the Foundation. Failure of a collecting entity to send or deliver bills or notices of Assessments shall not, however, relieve Owners from their obligations hereunder.

All Assessments, late charges, interest, penalties, fines, attorneys' fees and other sums provided for herein shall accrue to the benefit of the Foundation. The Foundation shall have such other remedies for collection and enforcement of Assessments as may be permitted by applicable law. All remedies are intended to be and shall be cumulative.

Owners shall be obligated to deliver a copy of this Declaration and any other declarations and documents encumbering their Lot or Unit, to any grantee of such Owners.

Section 9. Subordination or the Lien. The lien of the Assessment provided for in this Article shall be subordinate to real property tax liens and to the lien of any First Mortgage. In the event of a foreclosure of such a First Mortgage, any purchaser at a foreclosure sale, or any such First Mortgagee acquiring a deed in lieu of foreclosure, and all persons claiming by, through or under any such purchaser or such First Mortgagee, shall hold title subject to the liability and lien of any Assessment coming due after such foreclosure (or conveyance in lieu of foreclosure). The order of priority of liens hereunder shall be: real property tax liens, First Mortgage liens, liens for Foundation Assessments, and liens for Neighborhood Association assessments. Any unpaid Assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section shall be deemed to be a Common Expense divided among, payable by and a lien against all Lots as provided in Section 1 of this Article, including the Lot as to which the foreclosure (or conveyance in lieu of foreclosure) took place. Liens for Assessments under this Article shall be superior to liens for Assessments of the Neighborhood Associations which may be referred to in declarations of restrictions or declaration of condominiums recorded with respect to certain Lots. In the event only a portion of the Assessments of the Foundation are collected, the amount collected shall be applied first to Assessments of the Foundation, then to those of the Neighborhood Association.

Section 10. Collection of Assessments. Assessments levied pursuant hereto and pursuant to the applicable declarations for the Neighborhood Associations shall be collected in the manner established pursuant to Article XI of this Declaration. In the event that at any time said manner provides for collection of Assessments levied pursuant hereto by an entity other than the Foundation, all references herein to collection (but not necessarily enforcement) by the Foundation shall be deemed to refer to the other entity performing such collection duties and the obligations of Owners to pay Assessments shall be satisfied by making such payments to the applicable collecting entity.

Section 11. Effect on Declarant. Notwithstanding any provision that may be contained to the contrary in this Declaration, for so long as Declarant (or any of its affiliates) is the owner of any Lot or undeveloped property within The Properties, the Declarant shall have the option, in its sole discretion, to (i) pay assessments on the Lots owned by it, (ii) pay assessments only on certain Lots owned by Declarant (e.g., those under construction or those containing a Unit for which a certificate of occupancy has been issued), or (iii) not paying assessments on any Lots and in lieu thereof funding any resulting deficit in the Foundation's operating

expenses not produced by Assessments receivable from Owners other than the Declarant; provided, however, that in no event shall the Declarant pay less than twenty five percent (25%) of what it would pay under option (i). The deficit to be paid under option (iii), above, shall be the difference between (i) actual operating expenses of the Foundation (exclusive of capital improvement costs and reserves) and (ii) the sum of all monies receivable by the Foundation (including, without limitation, assessments, interest, fines, rents and incidental income) and any surplus carried forward from the preceding year(s). The Declarant may from time to time change the option stated above under which the Declarant is making payments to the Foundation by written notice to such effect to the Foundation. If Declarant at any time elects option (ii) above, it shall not be deemed to have elected option (iii) as to the Lots which are not designated under option (ii). When all Lots within The Properties are sold and conveyed to purchasers, neither the Declarant, nor its affiliates, shall have further liability of any kind to the Foundation for the payment of assessments, deficits or contributions.

Declarant's obligations under this Section 11 shall be secured by the lien provided for in Section 8, above.

Section 12. Foundation Funds. The portion of all Annual Assessments collected by the Foundation for reserves for future expenses and the entire amount of all Capital Improvement Assessments and Reconstruction Assessments, shall be held by the Foundation and may be invested in interest bearing accounts or in certificates of deposit or other like instruments or accounts available at banks or savings and loan institutions, the deposits of which are insured by an agency of the United States.

Section 13. Specific Damage. Owners (on their behalf and on behalf of their tenants, contractors, subcontractors, licensees, invitees, employees, officers, children and guests) causing damage to any portion of the Common Areas as a result of misuse, negligence, failure to maintain or otherwise shall be directly liable to the Foundation, and a Special Assessment may be levied therefor against such Owner or Owners (provided that such liability shall not exceed that existing under applicable law). Such Special Assessments shall be subject to all of the provisions hereof relating to other Assessments, including, but not limited to, the lien and foreclosure procedures.

Section 14. Rights to Assessments. The Foundation shall have the sole right to the Assessments for the uses and purposes as provided for herein and no rights as to any other person are created or intended to be created hereby.

ARTICLE VII

MAINTENANCE OF UNITS AND LOTS

Section 1. Exteriors of Improvements. Each Owner shall maintain or cause to be maintained all Improvements (including all Units and Buildings) located on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of The Properties. The minimum (though not sole) standard for the foregoing shall be consistency with the general appearance of the developed portions of The Properties and, as to Residential Units, the portion of The Properties in which the Unit is located [taking into account, however, normal weathering and fading of exterior finishes, but not to the point of unsightliness, in the judgment of Declarant or the DRB (as hereinafter defined)]. Each Owner shall repaint, restain, or refinish, as appropriate, the exterior portions of his

Improvements (with the same colors and materials as initially used or as approved by Declarant or the DRB) as often as is necessary to comply with the foregoing standards.

Section 2. Lots. Each Owner shall maintain the trees, shrubbery, grass and other landscaping, and all parking, pedestrian, recreational and other open areas, on his Lot in a neat, orderly and attractive manner and consistent with the general appearance of the developed portions of The Properties and as to Residential Units, the portion of The Properties in which the Unit is located. The minimum (though not sole) standard for the foregoing shall be the general appearance of The Properties (and the applicable portion thereof as aforesaid) as initially landscaped (such standard being subject to being automatically raised by virtue of the natural and orderly growth and maturation of applicable landscaping, as properly trimmed and maintained).

Section 3. Remedies for Noncompliance. In the event of the failure of an Owner to maintain or cause to be maintained, his Improvements and Lot in accordance with this Article, the Foundation or applicable Neighborhood Association (whichever at the time has the power or duty to enforce this Article pursuant to Article XI hereof) shall have the right (but not the obligation), upon five (5) days' prior written notice to the Owner at the address last appearing in the records of the Foundation, to enter upon the Owner's Lot and perform such work as is necessary to bring the Lot or Improvement, as applicable, into compliance with the standards set forth in this Article. Such work may include, but shall not necessarily be limited to, the cutting or trimming of grass, trees and shrubs; the removal (by spraying or otherwise) of weeds and other vegetation; the resodding or replanting of grass, trees or shrubs; the repainting or restaining of exterior surfaces of an Improvement; the repair of walls, fences, roofs, doors, windows and other portions of Improvements on a Lot; repainting, restaining or refinishing of Improvements on a Lot; and such other remedial work as is judged necessary by the applicable entity. The remedies provided for herein shall be cumulative with all other remedies available under this Declaration or other applicable covenants or deed restrictions (including, without limitation, the imposition of fines or Special Assessments or the filing of legal or equitable actions).

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

Section 5. Right of Entry. There is hereby created an easement in favor of the Foundation and the applicable Neighborhood Association, as appropriate, and their applicable designees, over each Lot for the purpose of entering onto the Lot in the performance of the work herein described, provided

that the notice requirements of this Article are complied with and any such entry is during reasonable hours.

Section 6. Neighborhood Associations. All of the requirements, obligations and remedies set forth in this Article shall apply to all Neighborhood Associations and their common areas/elements and all Improvements thereto. Accordingly, as applied to a Neighborhood Association, the term Owner as used in this Article shall be deemed to include the Neighborhood Association (even if it does not hold legal title to its common areas/elements) and the terms Lot and Unit shall be deemed to include a Neighborhood Association's common areas/elements and all Improvements thereto. Any costs of remedial work or surcharge thereon applicable to a Neighborhood Association shall be paid directly by the Neighborhood Association, failing which the Foundation may, in addition to all other available legal and equitable remedies, withhold the amount of same from amounts collected on behalf of the Neighborhood Association and the Foundation is hereby granted a lien on such amounts for such purpose.

ARTICLE VIII

CERTAIN RESTRICTIONS, RULES AND REGULATIONS

Section 1. Applicability. The provisions of this Article VIII shall be applicable to all of The Properties and the use thereof but shall not be applicable to the Declarant and any of its designees, or to any Participating Builder who purchases its Lots or other land from Declarant and is expressly designated by Declarant as being exempt from all or some of the provisions of this Article.

If requested by any interested party, Declarant shall give a written statement as to whether any particular person or entity is exempt from the provisions of this Article and to what property and for what period of time such exemption applies. The party receiving such statement shall be entitled to rely thereon and such statement shall be binding on the Declarant, the Foundation, all Neighborhood Associations and all other relevant persons and entities.

Section 2. Land Use and Building Type. No Residential Lot shall be used except for residential purposes. No Building constructed on a Residential Lot shall be used except for residential purposes, except for such ancillary or other commercial uses as applicable zoning codes and other laws and ordinances may permit to be made of otherwise residential Buildings. However, without limiting the generality of Section 1 above, Declarant may authorize for itself, its affiliates, Declarant's Permittees and Participating Builders temporary uses for model homes, sales displays, parking lots, sales offices and other offices, or any one or any combination of such uses, until permanent cessation of such uses takes place. No changes may be made in Buildings erected or approved by the Declarant (except if such changes are made by the Declarant) without the consent of Declarant, the DRB or its Neighborhood Association counterpart, as appropriate and as provided herein.

Section 3. Easements. Easements for installation and maintenance of utilities are reserved as shown on the recorded plats covering The Properties and as provided herein. The area of each Lot covered by an easement and all improvements in the area shall be maintained continuously by the Owner of the Lot, except as provided herein to the contrary and except for installations for which a public authority or utility company is responsible. The appropriate water and sewer authority, electric utility company, telephone company, the Foundation, the applicable Neighborhood Association and Declarant and its

affiliates, and their respective successors and assigns, shall have a perpetual easement for the installation and maintenance, all underground, of water lines, sanitary sewers, storm drains, and electric, telephone and cables and conduits, under and through the utility assessments as shown on the plats.

Section 4. Nuisances. No noxious, offensive or unlawful activity shall be carried on upon The Properties, nor shall anything be done thereon which may be or may become an annoyance or nuisance to other Owners. ALL PERSONS ARE REFERRED TO ARTICLE XVI, SECTION 11 HEREOF WITH RESPECT TO CERTAIN ACTIVITIES OF DECLARANT.

Section 5. Temporary Structures. No structure of a temporary character, or trailer, mobile home or recreational vehicle, shall be permitted on any Lots within The Properties at any time or used at any time as a residence, either temporarily or permanently, except by the Declarant, its affiliates, Declarant's Permittees or Participating Builders during construction. No gas tank, gas container or gas cylinder shall be permitted to be placed on or about the outside of any Unit or on or about any ancillary building, except for one (1) gas cylinder (not to exceed 20 lbs. capacity) connected to a barbecue grill. The foregoing restrictions on gas tanks, etc., shall not apply to service stations or similar facilities or any other lawful commercial uses, however.

Section 6. Signs. No sign of any kind shall be displayed to the public view on any Residential Lot or common areas/elements of any Neighborhood Association, except as authorized by Declarant or DRB (in locations and in accordance with applicable design standards). Declarant may authorize Declarant, its affiliates, Declarant's Permittees or Participating Builders to place signs on The Properties for advertising purposes during the construction and sales period. No sign of any kind which shall be visible outside the Unit shall be permitted to be placed inside a Residential Unit or on the outside walls of such Unit, on Building or on any fences on The Properties, nor on the Common Areas, nor on dedicated areas, nor on entryways or any vehicles within The Properties, except such as are authorized by Declarant or DRB. Without limiting the generality of Article XI hereof, in the event that similar requirements of a Neighborhood Association are more restrictive than those set forth herein, such more restrictive requirements shall supersede and control.

The foregoing restrictions or signs shall not apply to signs on Commercial Lots (or Residential Lots containing non-condominium apartment Buildings) to the extent signs are originally permitted by Declarant or the DRB to be erected thereon, such permission being subject to later modification to permit additional or different signage.

Section 7. Oil and Mining Operation. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in The Properties, nor on dedicated areas, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in The Properties. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the land subject to these restrictions. Without limiting the generality of Section 1 of this Article, this Section 7 shall not apply to any person, entity or property described in said Section 1. ALL PERSONS ARE REFERRED TO ARTICLE XVI, SECTION 11 WITH RESPECT TO CERTAIN ACTIVITIES OF DEVELOPER.

Section 8. Pets, Livestock and Poultry. No animals, reptiles, wildlife, livestock or poultry of any kind shall be

raised, bred or kept on any Lot or any common area/element of a Neighborhood Association, except no more than two (2) household pets may be kept on a Residential Lot, provided they are not kept, bred or maintained for any commercial purpose (except as to permitted pet shops, kennels or stables being operated as Commercial Units), and provided that they do not become a nuisance or annoyance to any neighbor by reason of barking or otherwise. No household pets shall be permitted to leave excretions on any Common Areas, except areas designated by the Foundation, and Owners shall be responsible to clean-up any such improper excretions. For purposes hereof, "household pets" shall mean dogs, cats and other animals expressly permitted by the Foundation, if any. Nothing contained herein shall prohibit the keeping of fish or domestic (household type) birds, as long as the latter are kept indoors and do not become a source of annoyance to neighbors. Pets shall also be subject to all applicable rules.

Section 9. Visibility at Intersections. No obstruction to visibility at street intersections or Common Area intersections shall be permitted.

Section 10. Commercial Trucks, Trailers, Campers and Boats. Restrictions, if any, on commercial trucks, trailers, campers and boats (particularly as to the parking or storage thereof) shall be imposed and enforced by the applicable Neighborhood Associations; provided, however, that no commercial trucks, trailers, campers or boats shall be parked or stored within the Common Areas if the Foundation prohibits such parking or storage by regulation or otherwise.

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

Section 11. Garbage and Trash Disposal. No garbage, refuse, trash or rubbish shall be deposited except as permitted by the Foundation. The requirements from time to time of the applicable governmental authority, trash collection company or the Foundation (which may, but shall not be required to, provide solid waste removal services) for disposal or collection of waste shall be complied with. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. All solid waste containers shall comply with applicable Neighborhood Association restrictions and the standards adopted by the Foundation (or the DRB) for such containers (the latter to control over the former in the event of conflict).

Section 12. No Drying. No clothing, laundry or wash shall be aired or dried on any portion of The Properties except on a portion of a Lot which is completely screened from the view of all persons other than those on the Lot itself.

Section 13. Lakefront Property and Lakes. As to all portions of The Properties which have a boundary contiguous

to any lake or other body of water, the following additional restrictions and requirements shall be applicable:

(a) No boathouse, dock, wharf or other structure of any kind shall be erected, placed, altered or maintained on the shores of the lake unless erected by the Declarant or its affiliates or a Participating Builder and authorized by the Declarant or DRB, subject to any and all governmental approvals and permits that may be required.

(b) No boat, boat trailer or vehicular parking or use of lake slope or shore areas shall be permitted.

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

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

In order to provide for uniform water and waterbody vegetation control, no Neighborhood Association or Owner shall undertake the performance of same without the approval of the Foundation.

WITH RESPECT TO WATER LEVELS AND QUALITY, ALL PERSONS ARE REFERRED TO ARTICLE XVI, SECTION 14 HEREOF.

Section 14. Unit Air Conditioners and Reflective Materials. No air conditioning units may be mounted through windows or walls. No Building shall have any aluminum foil placed in any window or glass door or any reflective substance or other materials (except standard window treatments) placed on any glass, except such as may be approved by the DRB or its equivalent for energy conservation purposes.

Section 15. Exterior Antennas, etc. No exterior antennas, satellite dishes or similar equipment shall be permitted on any Residential Lot or improvement thereon, except that antennae, satellite dishes and similar equipment may be installed on Commercial Buildings if approved by the DRB (subject to such conditions and requirements as it may impose).

Section 16. Chain Link Fences. No chain link fences shall be permitted on any Lot or portion thereof, unless installed by Declarant, its affiliates, Developer's Permittees or Participating Builders during construction periods or as otherwise approved by Declarant or the DRB.

Section 17. Renewable Resource Devices. Nothing in this Declaration shall be deemed to prohibit the installation of energy devices based on renewable resources (e.g., solar collector panels); provided, however, that same shall be installed only in accordance with the reasonable standards adopted from time to time by the DRB or its Neighborhood Association counterpart, whichever then has jurisdiction over such matters. Such standards shall be reasonably calculated to maintain the aesthetic integrity of The Properties without making the cost of the aforesaid devices prohibitively expensive.

Section 18. Trees, Shrubs and Artificial Vegetation. No tree or shrub, the trunk of which exceeds six (6) inches in diameter, may be cut down, destroyed or removed from any Lot or

Neighborhood Association common areas/elements without the prior approval of the DRB. No artificial grass, plants or other artificial vegetation or sculptural landscape decor shall be placed or maintained upon the exterior portion of any Lot without the prior approval of the DRB.

Section 19. Irrigation. Irrigation from lakes and other water bodies within The Properties or by wells shall be permitted unless prohibited by deed restriction, easement or governmental (including drainage or community development district) regulation; provided, however, that (i) no irrigation device shall be visible above or from the surface of the applicable water body, (ii) any party using such irrigation shall be financially and otherwise responsible (and may be specially assessed) for any negative impact on water quality, water level or vegetation control caused by such irrigation use, (iii) if required by the Foundation or the DRB (or its Neighborhood Association counterpart, if applicable), the applicable irrigation equipment shall contain iron or other filtration devices or components, (iv) all wells shall be equipped with appropriate filters or deionization or other features in order to prevent the discoloration of surfaces with which the water comes into contact and (v) all irrigation shall comply with any irrigation or master drainage plan for Winston Trails or any appropriate portion thereof.

Section 20. Exterior Lighting. All exterior lighting shall be subject to prior approval by the DRB.

Section 21. Games and Play Structures. All play or game structures including tennis courts (except basketball backboards) shall be located at the rear of the Lot, or on the inside portion of corner lots within the setback lines. No platform, doghouse, tennis court, playhouse or structure of a similar kind or nature (except basketball backboards) shall be constructed on any part of a Lot located in front of the rear (wall) line of any Residential Unit(s) constructed on the Lot, and any such structure must have the prior approval of the DRB.

Section 22. Fences and Walls. The composition, location, color and height of any fence or wall to be constructed on any Lot or Neighborhood Association common areas/elements is subject to the approval of the DRB. The DRB shall, among other things, require that the composition of any fence or wall be consistent with the material used in the surrounding buildings and other fences, if any.

Section 23. Mailboxes. No mailbox, paperbox or other receptacle of any kind for use in the delivery of mail, newspapers, magazines or similar material shall be erected on any Lot without the approval of the DRB as to style and location. If and when the United States Postal Service or the newspaper or newspapers involved shall indicate a willingness to make delivery to wall receptacles attached to Residential Units, each Owner upon request by the DRB shall replace the boxes or receptacles previously employed for such purpose or purposes with wall receptacles attached to the Residential Unit.

Section 24. Utility Connections. Permanent building connections for all utilities installed after the date hereof, including but not limited to, water, electricity, telephone and television, shall be run underground from the proper connecting points to the Building structure in such a manner to be acceptable to the governing utility authority. The foregoing shall not apply, however, to transmission lines, transformers and other equipment installed by public utility companies.

Section 25. Construction Scheduling. No outdoor construction or development activity of any kind (other than minor do-it-yourself repairs) will be permitted within The

Properties on Sundays or legal holidays without the express prior written consent of the Foundation or the DRB.

Section 26. Off-Street Motor Vehicles. No motorized vehicle may be operated off of paved roadways and drives except as specifically approved in writing by the Foundation for the purpose of maintenance, construction or similar purposes and except as operated by the Foundation or its contractors, subcontractors or designees.

Section 27. Storage and Meter Areas. All storage areas of any kind upon any Lot, and all meter and similar areas located upon any Lot, shall be completely screened from view from the exterior of the Lot.

Section 28. Pets and Animals. Notwithstanding Section 8 hereof, the Foundation shall have the right from time to time to adopt or amend with respect to any neighborhood or area within The Properties restrictions (including those of Section 8), rules and regulations governing the type, number and size of pets or other animals that may be kept within that neighborhood. The rules and regulations governing pets may vary between areas of The Properties to the extent that the Board of Directors deems appropriate.

Section 29. Rental and Leasing. The Foundation shall have the right to adopt rules and regulations governing the rental or leasing of Residential Lots within The Properties, including, without limitation, establishing minimum lengths for the terms of rentals or leases and limits upon the frequency of rentals or leases; provided, however, that there shall be no prohibition on leasing a Unit for a period in excess of six (6) months (i.e., any lease term of six (6) months or longer shall be permitted). The rules and regulations governing rentals or leases may vary between specific residential areas or neighborhoods of The Properties, and on the basis of building types (single family, condominium, etc.) as the Board of Directors of the Foundation, in its discretion, deems appropriate.

Section 30. Neighborhood Associations. All of the restrictions, requirements and obligations set forth in this Article shall apply to all Neighborhood Associations, their common areas/elements (and all improvements thereto) and their uses of all or any portions of The Properties. Accordingly, as applied to a Neighborhood Association, the term Owner as used in this Article shall be deemed to include the Neighborhood Association (even if it does not hold legal title to its common areas/elements), the terms Lot and Unit shall be deemed to include a Neighborhood Association's common areas/elements (and all Improvements thereto) and references to activities or practices of Owners shall be deemed to include activities or practices of the Neighborhood Association (regardless of where same occur).

Section 31. Additional Use Restrictions. The Board of Directors of the Foundation may adopt such additional use restrictions, rules or regulations, applicable to all or any portion or portions of The Properties and to waive or modify application of the foregoing use restrictions with respect to any Lot(s) or Unit(s), as the Board, in its sole discretion deems appropriate.

Section 32. Variances. The Board of Directors of the Foundation may, from time to time, grant variances from the requirements of this Article as well as those of Article VII. Likewise, the DRB may authorize variances from compliance with Article X. Any such variance shall be based upon circumstances which create a hardship for the person requesting same or otherwise are, in the reasonable opinion of the entity granting

the variance, based upon good cause shown but not contrary to the general scheme of the development and use of The Properties as contemplated by this Declaration. Any variance given pursuant to this Section shall be in writing and executed on behalf of the entity granting same and shall not in any manner operate to waive any of the terms or provisions of this Declaration for any purpose except under the specific circumstances stated in such written grant. No variance shall affect in any way the requesting party's obligation to comply with all governmental laws and regulations pertaining to any matter which is the subject of a variance, and no variance shall serve as precedent for any future actions of the requesting party which are prohibited hereby or require the consent of the Association or DRB hereunder or require the Association or the DRB to grant a variance to another party or with respect to a different portion of The Properties, regardless of any similarity of such other matter to the circumstances under which the original variance was granted.

ARTICLE IX

COMPLIANCE AND ENFORCEMENT

Section 1. Compliance by Owners. Every Owner and Neighborhood Association and its tenants, guests, invitees, officers, employees, contractors, subcontractors and agents shall comply with any and all rules and regulations adopted by the Foundation as contemplated herein as well as the covenants, conditions and restrictions of this Declaration.

Section 2. Enforcement. Failure to comply with any of such rules or regulations shall be grounds for immediate action which may include, without limitation, an action to recover sums for damages, injunctive relief or any combination thereof.

Section 3. Fines. In addition to all other remedies and to the maximum extent lawful, in the sole discretion of the Board of Directors of the Foundation, a fine or fines may be imposed upon an Owner or Neighborhood Association for failure of an Owner, Neighborhood Association or any of the other parties described in Section 1 above to comply with this Declaration or with any rule or regulation, provided the following procedures are adhered to:

(a) Notice: The Foundation shall notify the Owner or Neighborhood Association of the infraction or infractions in accordance with the provisions of the Bylaws. Included in the notice shall be the date and time of a special meeting of the Board of Directors acting as the Tribunal at which time the Owner or Neighborhood Association shall present reasons why fines should not be imposed.

(b) Hearing: The non-compliance shall be presented to the Board of Directors acting as the Tribunal after which the Board of Directors shall hear reasons why a fine should not be imposed. The hearing shall be conducted in accordance with the provisions of the Bylaws. A written decision of the Board of Directors shall be submitted to the Owner or Neighborhood Association by not later than twenty-one (21) days after the Board of Directors' meeting. The Owner or Neighborhood Association shall have a right to be represented by counsel and to cross-examine witnesses. If the impartiality of the Board is questioned by the Owner or Neighborhood Association, the Board shall appoint three (3) impartial Members to

act as a Tribunal which shall perform the functions described in this paragraph.

(c) Amounts of Fines: The Board of Directors (if its or such Tribunal's findings are made against the Owner or Neighborhood Association) may impose Special Assessments against the Lot owned by the Owner or Neighborhood Association as follows:

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

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

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

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

(e) Collection of Fines: As to Owners, fines shall be treated as a Special Assessment subject to the provisions for the collection of Assessments as set forth herein. As to Neighborhood Associations, the Foundation may take any available legal or equitable action necessary to collect fines and, without waiving the right to do the foregoing, may deduct fines from amounts collected on behalf of Neighborhood Associations (the Foundation being hereby granted a lien on such amounts for such purpose).

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

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

ARTICLE X

DEVELOPMENT REVIEW: GENERAL POWERS

The following provisions of this Article X are subject to those of Article XI hereof.

Section 1. Members of DRB. The Development Review Board of the Foundation, which is sometimes referred to in this Declaration as the "DRB", shall initially consist of three (3) members. The initial members of the DRB shall consist of persons designated by Declarant. Each of the initial members shall hold office until all Lots and Improvements planned for Winston Trails have been constructed and conveyed (if appropriate), or sooner at the option of Declarant. Thereafter, each new member of the DRB shall be appointed by the Board of Directors of the Foundation and shall hold office until such time as he has resigned or has been removed or his

successor has been appointed, as provided herein. Members of the DRB may be removed at any time without cause. The Board of Directors shall have the right to change the number of, appoint and remove all members of the DRB, except those initially appointed by Declarant and their replacements.

The members of the DRB may be compensated for their services as such, in which event such compensation shall be a Common Expense of the Foundation. The DRB may, with the approval of the Board of Directors of the Foundation as to amounts, require the payment of a non-refundable filing fee as a condition to the consideration of any matter presented to it, such fees to be applied to the compensation of the DRB members and other salaries and expenses of the DRB (including, without limitation, overhead, development, review, enforcement and other Foundation expenses reasonably allocable to the DRB).

In addition to the power and duties set forth hereinbelow, the DRB shall have the right and duty to enforce such development review, architectural control, maintenance and other requirements and restrictions imposed on any portion of The Properties by Declarant (by way of specific deed restrictions or contract) as Declarant shall, in its sole discretion, if at all, elect to have it enforce (subject at all times to Declarant's right to modify or revoke such right and duty). Such election may be made by Declarant in the applicable deed restrictions or by way of an exclusive or non-exclusive assignment of Declarant's rights to enforce same. Further, Declarant may provide for specific criteria and procedures to be used by the DRB in such regard (subject to later modification). Absent such provision the DRB shall proceed in the manner set forth in this Article. Unless otherwise specifically provided by the Declarant in the applicable instrument, the rights and duties of the DRB shall not be delegated to a Neighborhood Association.

Section 2. Review of Proposed Construction. Subject to Section 9 below, no Building, fence, wall or other structure or Improvement (including, but not limited to, landscaping, hurricane protection, basketball hoops, birdhouses, other pet houses, asphaltting or other improvements or changes thereto of any kind) shall be commenced, altered, removed, painted, erected or maintained in The Properties, nor shall any addition, removal, change or alteration (including paint or exterior finishing) visible from the exterior of any Unit be made, nor shall any awning, canopy or shutter be attached to or placed upon outside walls or roofs of Buildings or other Improvements, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to, and approved in writing by the DRB (after first having been approved by a Neighborhood Association or architectural control committee thereof, if required by the DRB, which requirement may be imposed after the initial submission for approval). The requirements and procedures of this Article shall also apply to interior alterations to Commercial Units when such alterations would have an effect upon the use of the exterior portions of the applicable Commercial Lot(s) (including, without limitation, as to the use of parking spaces or facilities). The DRB shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alteration, removal or addition contemplated thereby in the location(s) indicated will not be detrimental to the appearance of Winston Trails as a whole, and that the appearance of any structure affected thereby will be in harmony with the surrounding structures and is otherwise desirable. If the proposed construction, alteration, removal or addition is to common areas/elements of a Neighborhood Association (which term includes any condominium association), said approval shall also be subject to the prior approval of the applicable Neighborhood

Association. The DRB may condition its approval of proposals and plans and specifications as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The DRB may also issue rules or guidelines setting forth procedures for the submission of plans for approval. The DRB may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior materials and colors. Until receipt by the DRB of any required plans and specifications, the DRB may postpone review of any plans submitted for approval. Upon such receipt, the DRB shall have thirty (30) days in which to accept or reject any proposed plans and if the DRB does not reject same within such period, said plans shall be deemed approved.

All changes and alterations shall also be subject to all applicable permit requirements and to all applicable governmental laws, statutes, ordinances, rules, regulations, orders and decrees.

The provisions of this Article shall apply not only to Lots and Units, but also to common areas/elements of Neighborhood Associations.

Section 3. Meetings of the DRB. The DRB shall meet from time to time as necessary to perform its duties hereunder. The DRB may from time to time, by resolution unanimously adopted in writing, designate a DRB representative (who may, but need not be one of its members) to take any action or perform any duties for and on behalf of the DRB, except the granting of variances pursuant to this Declaration. In the absence of such designation, the vote of any two (2) members of the DRB shall constitute an act of the DRB.

Section 4. No Waiver of Future Approvals. The approval of the DRB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the DRB, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

Section 5. Compensation of Members. The members of the DRB shall be entitled to receive compensation for services rendered and reimbursement for expenses incurred by them in the performance of their duties hereunder.

Section 6. Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon the completion of any work for which approved plans are required under this Article, the applicant (who may be an Owner or an appropriate Neighborhood Association) for such approval (the "Applicant") shall give written notice of completion to the DRB.

(b) Within sixty (60) days thereafter, the DRB or its duly authorized representative may inspect such improvement. If the DRB finds that such work was not effected in substantial compliance with the approved plans, it shall notify the Applicant in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Applicant to remedy the same.

(c) If, upon the expiration of thirty (30) days from the date of such notification, the Applicant shall have failed to remedy such noncompliance, the DRB shall notify the Board in writing of such failure. The Board shall then determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Applicant shall remedy or remove the same within a period of not more than forty-five (45) days from the date of announcement of the Board ruling. If the Applicant does not comply with the Board ruling within such period, the Board, at its option, may either remove the non-complying Improvement or remedy the noncompliance. The Applicant shall reimburse the Foundation upon demand for all expenses incurred in connection therewith, plus an administrative charge to be determined by the Foundation (to cover the Foundation's administrative expenses in connection with the foregoing and to discourage the Applicant from failing so to comply). If such expenses are not promptly repaid by the Applicant to the Foundation, the Board shall levy a Special Assessment against such Applicant and his Lot for reimbursement. In the event the Applicant is a Neighborhood Association, said Special Assessment shall be levied against all Units or Lots in the Neighborhood Association in proportion to their respective share of the common expenses of said Neighborhood Association.

(d) If for any reason the DRB fails to notify the Applicant of any noncompliance within sixty (60) days after receipt of written notice of completion from the Applicant, the Improvement shall be deemed to have been made in accordance with the approved plans.

Section 7. Non-Liability of DRB Members. Neither the DRB nor any member thereof, nor its duly authorized representative, shall be liable to the Foundation, any Neighborhood Association, or to any Owner or any other person or entity for any loss, damage or injury arising out of or in any way connected with the performance or non-performance of the DRB's duties hereunder. The DRB shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition solely on the basis of aesthetic considerations and the benefit or detriment which would result to the immediate vicinity and to Winston Trails. The DRB shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and some of the procedures set forth herein and, without limiting the generality of Article I, Section 33 hereof, may alter the procedures set forth herein as to any such designee.

Section 8. Neighborhood Associations. Notwithstanding any exercise of any development review/architectural control functions as to Lots and Units by a Neighborhood Association pursuant to a delegation made by the Foundation, the DRB shall exercise and every Neighborhood Association shall be bound by the provisions, requirements and procedures of this Article, which shall at all times apply to all Neighborhood Associations and their common areas/elements.

Section 9. General Powers of the Foundation. The Foundation (and the DRB, as appropriate) shall have the absolute power to veto any action taken or contemplated to be taken. The Foundation shall have the absolute power to require specific action to be taken, by any Neighborhood Association in connection with applicable sections of The Properties. Without

limiting the generality of the foregoing, the Foundation (and the DRB, as appropriate) may veto any decision of any Neighborhood Association (or architectural control committee thereof), may require specific maintenance or repairs or aesthetic changes to be effected, may require that a proposed budget include certain items and that expenditures be made therefor, may veto or cancel any contract providing for maintenance, repair or replacement of the property governed by such Neighborhood Association and may otherwise require or veto any other action as the Foundation deems appropriate from time to time.

For this purpose, any proposed action not made in the ordinary day-to-day operations of the Neighborhood Association and not consistent with Foundation or DRB approved practices must first be brought by the Neighborhood Association to the attention of the Foundation by written notice. No such action shall be taken until approved by the Foundation or the DRB, as appropriate, in writing, but if not so approved, such proposed action shall not be taken. Any action required by the Foundation in a written notice to be taken by a Neighborhood Association shall be taken within the time frame set by the Foundation in such written notice. If the Neighborhood Association fails to comply with the requirements set forth in such written notice, the Foundation shall have the right to effect such action on behalf of the Neighborhood Association and shall assess the Lots and Units governed by the Neighborhood Association for their pro-rata share of any expenses incurred by the Foundation in connection therewith, together with an administrative charge to be determined by the Foundation under the circumstances (to cover the Foundation's administrative expenses in connection with the foregoing and to discourage the Neighborhood Association from failing to comply with the requirements of the Foundation). Such assessments may be collected as Special Assessments hereunder and shall be subject to all lien rights provided for herein.

This Section shall be subject at all times to the provisions of Article XVI, Section 13 of this Declaration.

Section 10. Exemptions. Declarant and its affiliates and designees shall be exempt from the provisions hereof with respect to improvements, alterations and additions and removals desired to be effected by any of them and shall not be obligated to submit plans and specifications to or obtain Foundation or DRB approval for any construction or changes which any of them may elect to make at any time.

Without limiting the generality of the foregoing, a Participating Builder's initial development of, and construction on, a portion of The Properties owned by it shall be exempt as aforesaid to the extent that such development and construction is subject to Declarant's review and approval per a separate agreement between Declarant and the Participating Builder or is based upon models approved by Declarant (subject to changes in features such as "elevations").

Notwithstanding any provision elsewhere in this Declaration to the contrary, the matters set forth in this Section and in any Supplemental Declaration relating to this Section executed by Declarant in connection with the sale of any Lot cannot be amended or modified without the written consent of the Owner of the particular Lot in question.

ARTICLE XI

RELATIONSHIP AMONG THE FOUNDATION AND
NEIGHBORHOOD ASSOCIATIONS

Section 1. Preamble. In order to ensure the orderly development, operation and maintenance of The Properties and the properties subject to the administration of the Neighborhood Associations as integrated parts of The Properties, this Article has been promulgated for the purposes of (1) giving the Foundation certain powers to effectuate such goals, (2) providing for intended (but not guaranteed) economies of scale and (3) establishing the framework of the mechanism through which the foregoing may be accomplished.

Section 2. Cumulative Effect; Conflict. The covenants, restrictions and provisions of this Declaration shall be cumulative with those of the declarations for the Neighborhood Associations; provided, however, that in the event of conflict between or among any covenants, restrictions and provisions, or any articles of incorporation or any bylaws, or any rules and regulations, policies or practices adopted or carried out pursuant thereto, those of the Neighborhood Associations shall be subject and subordinate to this Declaration. The foregoing priorities shall apply, but not be limited to, the liens for Assessments created in favor of the Foundation and the Neighborhood Associations (as provided in Article VI, Section 7 hereof).

Section 3. Development Review, Maintenance and Use Restrictions. The Foundation (through the DRB) shall exercise the sole architectural control/development review functions reserved in Section 8 hereof. Further, the DRB shall carry out the functions provided for in Article X hereof, notwithstanding the fact that a Neighborhood Association does likewise within its jurisdiction; provided, however, that in such case (i) any submission to the DRB shall be accompanied by the approval of the subject matter thereof by the applicable Neighborhood Associations (so that the DRB shall not consider any submission prior to its approval by all lower applicable Neighborhood Associations which have a right of such approval), (ii) the review period of such a submission shall be shortened to twenty (20) days and (iii) a disapproval of the DRB shall supersede and control over an approval of a lower Neighborhood Association. The Foundation (through the DRB) shall also have such development review rights and powers as are assigned to it by Declarant in connection with applicable deed restrictions, contracts or other instruments, which rights and powers shall be exclusive unless otherwise provided in the applicable assignment.

The Foundation and each Neighborhood Association shall have the power to enforce their own respective use restrictions, provided that in the event of conflict, the more stringent restrictions shall control and provided further that if a Neighborhood Association fails to enforce its respective restrictions, the Foundation shall have the absolute right to do so and to allocate the cost thereof to the applicable Association.

Section 4. Collection of Assessments. The Foundation shall, initially, act as collection agent for all Neighborhood Associations as to all assessments payable to each of same by the members thereof. The Foundation will remit the assessments so collected to the respective payees pursuant to such procedures as may be adopted by the Foundation through its Board of Directors.

In the event that the Assessments payable to the Foundation and a Neighborhood Association are received in a

lump sum and such sum is less than sufficient to pay all entities, the amount collected shall be applied first to the assessments of the Foundation, then to those of the Neighborhood Associations (each entity to be paid in full before the next-listed one is paid). All Capital Improvement Assessments, Reconstruction Assessments, Special Assessments, fines, interest, late charges, recovered costs of collection and other extraordinary impositions shall be remitted to the respective entity imposing same separate and apart from the priorities established above.

All Neighborhood Associations shall notify the Foundation by written notice given at least thirty (30) days in advance, of any changes in the amounts of the assessments due them or the frequency at which they are to be collected. Further, all Neighborhood Associations shall provide to the Foundation a roster of the members of the Neighborhood Association and shall update same as often as necessary. The aforesaid notice period shall also apply to Capital Improvement Assessments and Reconstruction Assessments, but may be as short as fifteen (15) days before the next-due regular assessment installment in the case of Special Assessments, fines and similar impositions on fewer than all members of the Neighborhood Association.

The Foundation shall have the power, but shall not be required, to record liens or take any other actions with regard to delinquencies in assessments payable to a Neighborhood Association in accordance with the applicable provisions of the declaration or similar instrument giving rise to such assessments, but all costs and expenses of exercising such rights shall nevertheless be paid by the applicable Neighborhood Association (which shall be entitled to receive payment of any such costs and expenses which are ultimately recovered).

The Foundation may change from time to time by sixty (60) days prior written notice to a Neighborhood Association, the procedures set forth in this Section 4 in whole or in part. Such change may include, without limitation, the delegation by the Foundation of all or some of the collection or enforcement functions provided for herein to a Neighborhood Association(s) (to which delegation the Neighborhood Association(s) and their members shall be deemed to have automatically agreed).

All fidelity bonds and insurance maintained by the Foundation shall reflect any duties to be performed by it pursuant hereto and the amounts to be received and disbursed by it pursuant to such delegation and shall name all applicable Neighborhood Association(s) as obligees/insured parties for so long as their assessments are being collected and remitted by the Foundation.

The Foundation may delegate any duties delegated to it pursuant hereto to a Management Company.

In the event of any change in assessment collection procedures elected to be made by the Foundation, the relative priorities of assessment remittances and liens (i.e., the Foundation first and the Neighborhood Associations) shall nevertheless still remain in effect, as shall the Foundation's ability to modify or revoke its election from time to time.

Section 5. Delegation of Other Duties. The Foundation shall have the right to delegate to a Neighborhood Association(s) on an exclusive or non-exclusive basis, such additional duties not specifically described in this Article as the Foundation shall deem appropriate. Such delegation shall be made by written notice to the Neighborhood Association,

which shall be effective no earlier than thirty (30) days from the date it is given. Any delegation made pursuant hereto may be modified or revoked by the Foundation at any time.

Section 6. Acceptance of Delegated Duties. Whenever the Foundation delegates any duty to a Neighborhood Association pursuant to Sections 3, 4 or 5 hereunder, the Neighborhood Association shall be deemed to have automatically accepted same and to have agreed to indemnify, defend and hold harmless the Foundation for all liabilities, losses, damages and expenses (including attorneys' fees actually incurred and court costs, through all appellate levels) arising from or connected with the Neighborhood Association's performance, non-performance or negligent performance thereof.

Section 7. Expense Allocations. The Foundation may, by written notice given to the affected Neighborhood Association at least thirty (30) days prior to the end of the Neighborhood Association's fiscal year, allocate and assess to the Neighborhood Association a share of the expenses incurred by the Foundation which are reasonably allocable to the Neighborhood Association or such property (Lots, Units, common areas/elements) under its jurisdiction, whereupon such expenses shall thereafter be deemed common expenses of the members of the Neighborhood Association, payable by assessments upon the Lots within the jurisdiction of such Neighborhood Association, as provided in Article VI, Section 1 and 3 of this Declaration. By way of example only, the Foundation could so allocate the share of the costs of maintaining security or patrol services or street lighting and other facilities for The Properties attributable to a Neighborhood Association (or the property within its jurisdiction) (based, for instance, on the number of Lots or linear feet of roadways adjacent to the applicable property) whereupon such allocated share would become a common expense of the members of a Neighborhood Association and a sum payable by the Neighborhood Association.

Without limiting the generality of the foregoing, the Foundation shall maintain lakes located within portions of The Properties which are administered by a Neighborhood Association as part of the Surface Water Management System, but the costs of doing so shall be allocated to the Owners within such Neighborhood Association.

In the event of the failure of a Neighborhood Association to budget or assess its members for, or to pay, expenses allocated to it by the Foundation, the Foundation shall be entitled to pursue all available remedies afforded same under this Declaration and the declaration for the Neighborhood Association, withhold such assessments from amounts collected on behalf of the Neighborhood Association (a lien on such amounts being hereby granted the Foundation for such purpose), or specially assess all Owners/Lots subject to the Neighborhood Association for the sums due. The exercise of one of the foregoing remedies shall not be deemed a waiver of the right to exercise any other.

It is contemplated that, initially, the Foundation will allocate expenses in the foregoing manner for community-wide patrol services, if any, maintenance of Landscaping and Pedestrian Areas and landscaping along or within public road rights-of-way, and assessment collection costs.

Section 8. Certain Reserved Functions of the Foundation. Notwithstanding anything to the contrary contained in this Declaration or in the declaration or similar instrument for any Neighborhood Association the following powers, rights and duties (and all remedies necessary or convenient to exercise or enforce same) are hereby reserved to the Foundation

or DRB, as appropriate (unless subsequently waived or delegated in a written instrument expressly intended to have such effect):

(a) all restrictions, requirements, duties and procedures set forth in Article VII, VIII and X of this Declaration as same apply to Neighborhood Associations and their common areas/elements and activities within The Properties;

(b) the provisions of Article VIII, Sections 3, 6, 11, 13, 19, 20, 22, 25, 26 and 28 as to Owners and their Lots, Units and activities within The Properties (particularly, but without limitation, as to activities within the Common Areas); and

(c) any and all provisions of this Declaration as to Owners and their Lots, Units and activities to the extent that a Neighborhood Association is initially responsible therefor but has failed to perform such responsibility.

As used in this Section, the term Owner shall include any family member, guest, tenant, agent, invitee, licensee, contractor or subcontractor of an Owner. Any action taken by the Foundation or the DRB pursuant to this Section shall not alter, waive or impair the Foundation's or DRB's right to compel a Neighborhood Association to take any action required of it in the same or different instances. Further, in the event that a Neighborhood Association fails to take any action required of it hereunder, under its own declaration or pursuant to a delegation made pursuant to this Article, the Foundation shall have the additional, non-exclusive remedy of imposing a reasonable fine on such Neighborhood Association if such failure continues for more than fifteen (15) days after notice is given by the Foundation.

ARTICLE XII

ADDITIONAL RIGHTS OF THE DECLARANT

Section 1. General. Notwithstanding any other provision in this Declaration to the contrary, the Declarant and each affiliate of the Declarant shall have, in addition to its other rights, the rights described below in Paragraphs (a) through (f). There is hereby created and reserved a blanket easement for the Declarant and each affiliate of the Declarant to enable each of them and (to the extent authorized in writing by Declarant) the Declarant's Permittees or Participating Builders to exercise those rights free of any interference by the Foundation, by any Neighborhood Association or by any Owner:

- (a) Effectuation of General Plan of Development. The right to execute all documents and take all actions affecting any portion of The Properties owned or controlled by it which, in its sole discretion, are desirable or necessary to effectuate or facilitate the development of Winston Trails;
- (b) Platting. The right to plat, re-plat, subdivide and re-subdivide any portion or portions of The Properties owned or controlled by it;
- (c) Development Planning. The right to determine, in its sole discretion, the type of Improvements, if any, to be constructed on any portion of The Properties and the Common Areas owned or controlled by it and the right to revise its plans concerning such Improvements;

- (d) Construction. The right to construct and maintain, on any portion of The Properties or the Common Areas owned or controlled by it, any Improvements it considers desirable (which right shall include, but not be limited to, a right of ingress and egress by any and all types of vehicles and equipment to, through, over and about the Common Areas during whatever period of time the Declarant, Declarant's Permittees or a Participating Builder is engaged in any construction or improvement work on or within Winston Trails as well as an easement for the parking and storage of materials, vehicles, tools, equipment and the like which are being utilized in such work), and the right to construct walks, drives, ramps and parking facilities flush against and as a continuance of similar Improvements located on portions of The Properties not owned or controlled by it even if doing so entails an encroachment upon the latter property;
- (e) Marketing. The right to sell, lease and otherwise dispose of existing and planned Units (and portions thereof), which right shall include (though not be limited to) the right to construct and maintain sales offices and models on any portion of The Properties and Common Areas owned or controlled by it, to solicit and receive the visits of unlimited numbers of prospective purchasers and tenants (all of whom shall have the right while visiting to use parking spaces on the Common Areas), and to place signs and other promotional devices on any portion or portions of The Properties or Common Areas owned or controlled by it without regard to the size or aesthetic appeal of such signs or devices.
- (f) Assignment. Without limiting the generality of Article I, Section 10 hereof, the right to assign the foregoing rights, in whole or in part, to any one or more Declarants or Declarant's assignees.

Section 2. Injunctive Relief for Interference. The Declarant and each affiliate or assignee of the Declarant shall be entitled to injunctive relief for any actual or threatened interference with its or their rights under this Article, in addition to whatever remedies at law it or they might be entitled to.

ARTICLE XIII

ADDITIONAL RIGHTS OF FIRST MORTGAGEES

Section 1. Enumeration of Rights. In addition to all other rights herein set forth, every First Mortgagee and every insurer and governmental guarantor of a First Mortgage held by a Mortgagee shall have the right, upon written request to the Foundation identifying itself and the Lots subject to a First Mortgage it holds or has insured or guaranteed, to:

- (a) Examine, during normal business hours or other reasonable circumstances, the Foundation's books, records and financial statements, and current copies of this Declaration, of the Articles and Bylaws, and of its rules and regulations;
- (b) Receive notice of the Foundation's meetings and attend such meetings;

- (c) Receive notice of an alleged default by any Owner whose Lot is subject to a Mortgage it holds or has insured or guaranteed, if the default is not cured within sixty (60) days after notice of the default to the Owner;
- (d) Receive notice of any condemnation or casualty loss which affects a major portion of the Common Areas;
- (e) Receive a copy of, within reasonable time after it requests it, financial statement of the Foundation for the immediately preceding fiscal year;
- (f) Receive notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Foundation;
- (g) Receive notice of any proposed action by the Foundation which would require hereunder the consent or constant approval of a specified percentage of Mortgages;
- (h) Pay, singly or jointly, taxes or other charges that are delinquent and have resulted or may result in a lien against any portion of the Common Areas and receive immediate reimbursement from the Foundation; and
- (i) Pay, singly or jointly, any overdue premiums on any hazard insurance policy covering Common Areas or obtain, singly or jointly, new hazard insurance coverage on Common Areas upon the lapse of a policy and, in either case, receive immediate reimbursement from the Foundation.

ARTICLE XIV

AMENDMENTS TO DECLARATION

This Declaration may be amended only by (1) the affirmative vote or written consent of two-thirds (2/3rds) of each class of the Members (through their respective Voting Members) or (2) the affirmative vote or written approval of the Class B Member alone (without any other party's consent or joinder) as to any amendments to this Declaration that are necessary to correct errors or omissions or which are requested or required by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, Federal Housing Administration, Veterans Administration or any other governmental, quasi-governmental or government-chartered entity, including one which owns or expects to own one or more Mortgages on Lots within Winston Trails or to insure the payment of one or more such Mortgages or that are requested or required by any institutional First Mortgagee to enhance the salability of its Mortgages on Lots to one or more of the foregoing. Nothing contained herein shall affect the right of the Declarant to make whatever amendments or Supplemental Declarations are otherwise expressly permitted hereby without the consent or approval of any Owner or Mortgagee. Notwithstanding anything to the contrary contained herein, any amendment hereto which shall affect the operation of the Surface Water Management System, including the water management portions of the Common Areas, must have the prior approval of the South Florida Water Management District.

ARTICLE XV

EFFECT AND DURATION OF COVENANTS

The Covenants and Restrictions shall run with, bind, benefit and burden all of The Properties, and shall run with, bind, and be enforceable by and against the Foundation, every Owner, every Mortgagee, and the respective legal representatives, heirs, successors and assigns of each, for a term of fifty (50) years from the date the Initial Declaration is recorded. After that time they shall be automatically extended for successive periods of ten (10) years each unless an instrument has been recorded in which ninety percent (90%) of the then Owners and ninety percent (90%) of the holders of the then outstanding First Mortgages agree by signing it to revoke the Covenants and Restrictions in whole or in part.

ARTICLE XVI

GENERAL PROVISIONS

Section 1. Exculpation. Notwithstanding anything herein to the contrary, the representations, covenants, undertakings and agreements made in the Declaration by Declarant are not made and intended as personal representations, covenants, undertakings and agreements by the Declarant or for the purpose or with the intention of binding or the Declarant personally but are made and intended for the purpose of binding the trust property. This Declaration is executed and delivered by Joshua A. Muss, not personally, but solely in the exercise of the powers conferred upon him as Trustee under Land Trust Agreement dated March 8, 1989. No personal liability is assumed by nor shall at any time be asserted or enforceable against the Declarant on account of any representation, covenant, undertaking or agreement of the Declarant contained in this Declaration either expressed or implied. All such personal liability, if any, is expressly waived and released by the Foundation, the Neighborhood Associations, the Owners and by all persons claiming by, through or under any of the foregoing.

Section 2. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Foundation at the time of such mailing. It shall be the duty of each Neighborhood Association to keep the Foundation advised of the names and addresses of the Neighborhood Association's members and any changes therein.

Section 3. Enforcement. Enforcement of these Covenants and Restrictions shall be accomplished by means of a proceeding at law or in equity against any person or persons violating or attempting to violate any Covenant or Restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants. Failure of the Foundation, any Mortgagee, the DRB, any Neighborhood Association or any Owner to enforce any Covenant or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 5. Performance of Foundation's Duties by Declarant. Declarant shall have the right from time to time at its sole discretion, to perform at Declarant's expense the duties and obligations required hereunder to be performed by the Foundation. In connection therewith Declarant shall have the right to reduce the budget of the Foundation and the Assessments for Common Expenses payable by the Owners; provided however that any such performance on the part of Declarant may be discontinued by Declarant at any time, and any such performance shall not be deemed to constitute a continuing obligation on the part of Declarant.

Section 6. Conflict. This Declaration shall take precedence over conflicting provisions in the Articles and Bylaws of the Foundation and the Articles shall take precedence over the Bylaws.

Section 7. Effective Date. This Declaration shall become effective upon its recordation in the Public Records of the County.

Section 8. Standards for Consent, Approval, Completion, Other Action and Interpretation. Whenever this Declaration shall require the consent, substantial completion, or other action by the Declarant or its affiliates, the Foundation or the Development Review Board, such consent, approval or action may be withheld held in the sole and unfettered discretion of the party requested to give such consent or approval or take such action. All matters required to be completed or substantially completed by the Declarant or its affiliates, the Foundation or the DRB shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Declarant, Foundation or DRB, as appropriate. This Declaration shall be interpreted by the Board of Directors and an opinion of counsel of the Foundation rendered in good faith that a particular interpretation is not unreasonable shall establish the validity of such interpretation.

Section 9. Easements. Should the intended creation of any easement provided for in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then any such grant of easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Foundation as agent for such intended grantees for the purpose of allowing the original party or parties to whom the easements were originally to have been granted the benefit of such easement. The Owners hereby designate the Declarant and the Foundation (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein. Formal language of grant or reservation with respect to such easements, as appropriate, is hereby incorporated in the easement provisions hereof to the extent not so recited in some or all of such provisions.

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

Section 11. Blasting and Other Activities. ALL OWNERS, OCCUPANTS AND USERS OF THE PROPERTIES ARE HEREBY PLACED

ON NOTICE THAT DECLARANT OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES MAY BE, FROM TIME TO TIME, PERFORMING BLASTING, EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO WINSTON TRAILS. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTIES, EACH SUCH OWNER, OCCUPANT AND USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (i) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (ii) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO WINSTON TRAILS WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (iii) DECLARANT AND THE OTHER AFORESAID RELATED PARTIES SHALL NOT BE LIABLE BUT, RATHER, SHALL BE HELD HARMLESS FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, (iv) ANY PURCHASE OR USE OF ANY PORTION OF WINSTON TRAILS HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING, AND (v) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DECLARANT TO SELL, CONVEY, LEASE OR ALLOW THE USE OF THE APPLICABLE PORTION OF WINSTON TRAILS.

Section 12. Covenants Running with the Land. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING AND WITHOUT LIMITING THE GENERALITY (AND SUBJECT TO THE LIMITATIONS) OF SECTION 1 HEREOF, IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY (AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THESE COVENANTS AND RESTRICTIONS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTIES. WITHOUT LIMITING THE GENERALITY OF SECTION 4 HEREOF, IF ANY PROVISION OR APPLICATION OF THIS DECLARATION WOULD PREVENT THIS DECLARATION FROM RUNNING WITH THE LAND AS AFORESAID, SUCH PROVISION OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THESE COVENANTS AND RESTRICTIONS TO SO RUN WITH THE LAND; BUT IF SUCH PROVISION OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION OR APPLICATION SHALL BE UNENFORCEABLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES AFFECTED HEREBY (THAT THESE COVENANTS AND RESTRICTIONS RUN WITH THE LAND AS AFORESAID) BE ACHIEVED.

Section 13. Limitation on Foundation. Anything in this Declaration to the contrary notwithstanding, the existence or exercise of any easement, right, power, authority, privilege or duty of the Foundation as same pertains to any condominium located within The Properties which would cause the Foundation to be subject to Chapter 718, Florida Statutes, shall be null, void and of no effect to the extent, but only to the extent, that such existence or exercise is finally determined to subject the Foundation to said Chapter 718. It is the intent of this provision that the Foundation not be deemed to be a condominium association, nor the Common Areas be deemed to be common elements of any such condominium, within the meaning of applicable laws or administrative rules for any purpose.

Section 14. Notices and Disclaimers as to Water Bodies. NEITHER DECLARANT, THE FOUNDATION, NOR ANY NEIGHBORHOOD ASSOCIATION NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, CANAL, CREEK, STREAM OR

OTHER WATER BODY WITHIN WINSTON TRAILS, EXCEPT (i) AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY OR CONTRACTED FOR WITH AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY OR (ii) TO THE EXTENT THAT ARTICLE VIII, SECTIONS 13 AND 19 HEREOF WOULD OTHERWISE APPLY, IF AT ALL. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF WINSTON TRAILS LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

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

Section 15. Public Park Site; Haverhill Road. All persons are hereby notified that the proposed park/civic site located on the northern boundary of Winston Park may at some time be lighted at night and that an extension of Haverhill Road is planned by Palm Beach County to extend through Winton Trails to the south, as provided in the Palm Beach County Thoroughfare Plan.

Section 16. Participating Builders. Declarant has sold and will sell various portions of Winston Trails to Participating Builders for their respective independent development, construction and sale of Units. Declarant is not a partner, co-venturer or affiliate of any Participating Builder and, accordingly, makes no representations or warranties whatsoever with respect to any development, construction, sale or legal objective of any Participating Builder. Any agreement between Declarant and a Participating Builder is solely between, and for the benefit of, such parties and no third party beneficiary rights shall arise from any such agreement in favor of the Foundation or any Neighborhood Association, Owner, Mortgagee or other user of The Properties.

ARTICLE XVII

DISCLAIMER OF LIABILITY OF FOUNDATION

NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BY-LAWS OR ANY RULES OR REGULATIONS OF THE FOUNDATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE FOUNDATION OR ANY NEIGHBORHOOD ASSOCIATION (COLLECTIVELY, THE "ASSOCIATION DOCUMENTS"), THE FOUNDATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTIES INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(a) IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY THE FOUNDATION AND WHICH GOVERN OR REGULATE THE USES OF THE PROPERTIES HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE PROPERTIES AND THE VALUE THEREOF;

(b) THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN ENTITY WHICH ENFORCES

OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, STATE OF FLORIDA, PALM BEACH COUNTY AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES; AND

(c) THE PROVISIONS OF ANY ASSOCIATION DOCUMENTS SETTING FORTH ANY USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY AND/OR WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS PERTAINING TO THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF THE FOUNDATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH PURPOSE.

EACH OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS LOT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE PROPERTIES (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USE) SHALL BE BOUND BY THIS ARTICLE AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE FOUNDATION ARISING FROM OR CONNECTED WITH ANY MATTER FOR WHICH THE LIABILITY OF THE FOUNDATION HAS BEEN DISCLAIMED IN THIS ARTICLE.

AS USED IN THIS ARTICLE, "FOUNDATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF FOUNDATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS. THE PROVISIONS OF THIS ARTICLE SHALL ALSO INURE TO THE BENEFIT OF DECLARANT, PARTICIPATING BUILDERS AND ALL NEIGHBORHOOD ASSOCIATIONS, WHICH SHALL BE FULLY PROTECTED HEREBY.

EXECUTED as of the date first above written.

Signed in the presence of: DECLARANT:

Mark F. Bideau

Joan V. Dalie

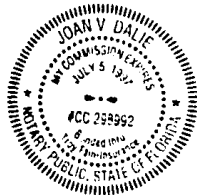
Joshua A. Muss, as Trustee
under Land Trust dated
March 8, 1989

STATE OF FLORIDA :
COUNTY OF PALM BEACH : SS:

The foregoing instrument was acknowledged before me this 28th day of July, 1993, by Joshua A. Muss who is personally known to me or / / who has produced as identification and who did (did not) take an oath.

(NOTARY SEAL)

Notary Public, State of Florida
Print Name: Joan V. Dalie
My Commission Expires: 7/5/97



**JOINDER IN DECLARATION OF COVENANTS
AND RESTRICTIONS FOR
WINSTON TRAILS**

THE UNDERSIGNED, being the record title owner of a portion of "The Properties" defined in, and being subjected to, the foregoing Declaration of Covenants and Restrictions for Winston Trails, does hereby join therein for the purpose of subjecting such property owned by the undersigned to the covenants, restrictions, easements, charges and liens of such Declaration; provided, however, that this joinder shall not make the undersigned the Declarant of or under such Declaration nor in any manner liable for the acts, omissions or obligations thereof.

IN WITNESS WHEREOF, this Joinder has been executed this 27 day of July, 1993.

PULTE HOME CORPORATION,
a Michigan corporation

Print Name: Amnee P. Berger

Amnee P. Berger
Amnee P. Berger

By:

STEVEN J. FELDMAN
Authorized Signatory
President, South Florida Division
Address: 1350 East Newport Center Drive
Suite 200
Deerfield Beach, Florida 33442

(CORPORATE SEAL)

STATE OF FLORIDA)
COUNTY OF BROWARD) SS:

The foregoing instrument was acknowledged and sworn to before me this 27 day of July, 1993, by STEVEN J. FELDMAN, as Authorized Signatory, of PULTE HOME CORPORATION, a Michigan corporation, on behalf of the corporation. He is personally known to me.

**and President, South Florida Division

CHRISTINE CARPITANO
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE

CHRISTINE CARPITANO
(Name - please print, type or stamp)

NOTARY PUBLIC
Comm. Exp. Date Serial No., if any



CHRISTINE CARPITANO
MY COMMISSION # 00255276 EXPIRES
February 13, 1997
BONDED THRU TROY FARM INSURANCE, INC.

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A parcel of land lying in a portion of section 2 and 3, Township 45 South, Range 42 East, AND Lot One and that portion of Lot Two lying East of the Lake Worth Drainage District E-3 Canal in Tract 38 of the "Hiatus" between Township 44 and 45 South, Range 42 East (also known as Township 44 1/2 South, Range 42 East), lying North of the Lake Worth Drainage District Lateral Number 17 being more particularly described as follows:

Commencing at the Southwest corner of the Southeast 1/4 of said Section 3; thence North 00 degrees 47' 13" West along the West line of the East 1/2 of said Section 3, a distance of 142.96 feet; thence South 89 degrees 48' 13" East, a distance of 40.01

feet to a POINT OF INTERSECTION of the Northerly Right-of-Way line of Hypoluxo Road (as now laid out and in use) as recorded in Road Book 4, Page 1, with the Easterly Right-of-Way line of Jog Road (as now laid out and in use) as recorded in Road Book 4, Page 136; thence North 00 degrees 47' 13" West, along the said easterly Right-of-Way line of Jog road, same line also being 40 feet east of (as measured at right angles) and parallel with the said West line of the East 1/2 of Section 3, a distance of 2400.97 feet to a POINT OF INTERSECTION with the centerline of the Lake Worth Drainage District Lateral Number 17 Canal as described in Official Record Book 2411, Page 114 said POINT OF BEGINNING of this description; thence continuing North 00 degrees 47' 13" West, along said Easterly Right-of-Way of Jog Road, a distance of 2770.69 feet to a POINT OF INTERSECTION with the Southerly Right-of-way line of the Lake Worth Drainage District Lateral Number 16 Canal, as described in Official Record Book 2393, Page 1134; thence North 89 degrees 11' 55" east along the said Southerly Right-of-Way Line of the Lake Worth Drainage district Lateral Number 16 Canal, same line also being 35.00 feet south (as measured at right angles) and parallel with the north line of the said East 1/2 of Section 3, a distance of 2686.02 feet to the West line of said Section 2; thence North 89 degrees 24' 10" East continuing along the said Southerly Right-of-Way Line of the Lake Worth Drainage District Lateral Number 16 Canal, same line also being 35.00 feet South (as measured at right angles) and parallel with the North line of the West 1/2 of said section 2, a distance 2002.52 feet; thence South 00 degrees 26' 12" East, a distance of 655.79 feet; thence North 89 degrees 37' 00" East, a distance of 213.35 feet to a POINT OF INTERSECTION with the Westerly Right-of-Way line of Lake Worth Drainage District E-3 Canal as described in Official Record Book 2393, Page 1133; thence South 05 degrees 28' 31" East along the said Westerly Right-of-Way Line of the Lake Worth Drainage District E-3 Canal, a distance of 2158.29 feet to a POINT OF INTERSECTION with the said centerline of the Lake Worth Drainage District Lateral Number 17 Canal; thence North 89 degrees 46' 25" West along the said centerline of the Lake Worth Drainage District Lateral Number 17 Canal, a distance of 2403.05 feet; thence continuing along said centerline of the Lake Worth Drainage District Lateral Number 17 Canal South 89 degrees 14' 14" West, a distance of 2671.59 feet to the POINT OF BEGINNING.

TOGETHER WITH the following described parcel.

Commencing at the Northeast corner of said Section 2; thence South 00 degree 19' 58" East along the East line of said Section 2, a distance of 20.00 feet to the POINT OF BEGINNING of this description; thence continuing South 00 degrees 19' 58" East along said East line of Section 2, same line also being the Northerly projection of and the West line of Plat of Concept Homes of Lantana Plat No. 2 and Plat No. 3 as recorded in Plat Book 38, Page 13 and 14 and Plat Book 39, Page 123 thru 125, a distance of 2790.84 feet to the Southeast corner of the Northeast 1/4 of said Section 2; thence North 89 degrees 46' 27" West,

along the South line of the said Northeast 1/4 of Section 2, a distance of 2665.22 feet to the center of said Section 2; thence North 89 degrees 46' 25" West, along the South line of the Northwest 1/4 of said Section 2, a distance of 169.69 feet to the Easterly Right-of-Way Line of the Lake Worth Drainage District E-3 Canal as described in Official record Book 2393, Page 1133; thence North 05 degrees 28' 31" West along the said Easterly Right-of-Way Line of Lake Worth Drainage District E-3 Canal, a distance of 2086.51 feet; thence North 89 degrees 37' 00" East, a distance of 353.56 feet to the West line of the Northeast 1/4 of said Section 2; thence North 00 degrees 25' 10" West along the said West line of the Northeast 1/4 of Section 2, a distance of 673.28 feet; thence North 89 degrees 25' 14" East along a line 20.00 feet South (as measured at right angles) and parallel with the North line of the said Northeast 1/4 of Section 2, same line also being the Southerly Right-of-Way Line of the Lake Worth Drainage District Lateral Number 16 Canal as described in Official Record Book 2393, Page 1133, a distance of 2669.27 feet to the POINT OF BEGINNING;

TOGETHER WITH the following described parcel:

Commencing at the Northeast Corner of said Lot One, Hiatus Tract 38, same point also being the Southeast Corner of Section 35, Township 44 South, Range 42 East; thence South 38 degrees 28' 00" East along the Easterly Line of said Lot One, a distance of 52.25 feet to the POINT OF BEGINNING; thence continuing South 38 degrees 28' 00" East along the Easterly Line of said Lot One, a distance of 693.39 feet to a POINT OF INTERSECTION with the Northerly Right-of-Way Line of Lake Worth Drainage District Lateral Number 16 Canal as described in Official Record Book 2393, Page 1133 said point being North 38 degrees 28' 00" West, a distance of 63.34 feet from the Northeast Corner of Section 2 of said Township 45 South, Range 42 East; thence South 89 degrees 25' 14" West along the said Northerly Right-of-Way Line of Lake Worth Drainage District Lateral Number 16 Canal, same line also being 50.00 feet North (as measured at right angles) and parallel with the South line of said Lot One, Hiatus Tract 38, a distance of 2670.86 feet crossing into said Lot Two, Hiatus Tract 38; thence continuing along said Northerly Right-of-Way Line of Lake Worth Drainage District Lateral Number 16 Canal, same line also being 50.00 feet North (as measured at right angles) and parallel with the South line of said Lot Two, Hiatus Tract 38, South 89 degrees 24' 10" West, a distance of 376.88 feet to a POINT OF INTERSECTION with the Easterly Right-of-Way Line of Lake Worth Drainage District E-3 Canal as described in Official Record Book 2411, Page 1114; thence North 03 degrees 20' 59" West along the said Easterly Right-of-Way Line of Lake Worth Drainage District E-3 Canal, a distance of 647.74 feet to a POINT OF INTERSECTION with the Southerly Right-of-Way line of Lantana Road, also known as State Road 812, (as now laid out and in use) as shown on State Road Department Right-of-Way Map, Section 9353-150, Sheets 1 and 2 of 2, dated 1952; thence South 88 degrees 25' 44" East along the said Southerly Right-of-Way line of Lantana

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Road, same line also being 40.00 feet South (as measured at right angles) and parallel with the North line of said Lot One, Hiatus, Tract 38, a distance of 2655.10 feet to the POINT OF BEGINNING, AND in a portion of Sections 2 and 3, Township 45 South, Range 42 East, lying South of the Lake Worth Drainage District Lateral Number 17 being more particularly described as follows:

A portion of Sections 2 and 3, Township 45 South, Range 42 East, lying South of the Lake Worth Drainage District Lateral Number 17 being more particularly described as follows:

Commencing at the Southwest corner of the Southeast 1/4 of said Section 3; thence North 00 degrees 47' 13" West along the West line of the East 1/2 of said Section 3, a distance of 142.96 feet; thence South 89 degrees 48' 13" East, a distance of 40.01 feet to a POINT OF INTERSECTION of the Northerly Right-of-Way line of Hypoluxo Road (as now laid out and in use) as recorded in Road Book 4, Page 1, with the Easterly Right-of-Way line of Jog Road (as now laid out and in use) as recorded in Road Book 4, Page 136. Said POINT OF BEGINNING of this description; thence North 00 degrees 47' 13" West, along the said Easterly Right-of-Way line of Jog Road, same line also being 40.00 feet East (as measured at angles) and parallel with the said West line of the East 1/2 of Section 3, a distance of 2400.97 feet to a POINT OF INTERSECTION with the centerline of the Lake Worth Drainage District Lateral Number 17 Canal as described in Official Record Book 2411, Page 114; thence North 89 degrees 14' 14" East along said centerline of the Lake Worth Drainage District Lateral Number 17 Canal, a distance of 2671.59 feet; thence continuing along said centerline of the Lake Worth Drainage District Lateral Number 17 Canal, South 89 degrees 46' 25" East, a distance of 2403.05 feet to a POINT OF INTERSECTION with the Westerly Right-of-Way line of Lake Worth Drainage District E-3 Canal as described in Official Record Book 2393, Page 1133; thence South 05 degrees 28' 31" East along the said Westerly Right-of-Way line of the Lake Worth Drainage District E-3 Canal, a distance of 1926.42 feet; thence North 89 degrees 10' 50" West, a distance of 571.95 feet; thence South 00 degrees 24' 33" East, a distance of 561.02 feet to a POINT OF INTERSECTION with the said Northerly Right-of-Way Line of Hypoluxo Road; thence North 89 degrees 00' 34" West along the said Northerly Right-of-Way Line of Hypoluxo Road, same line also being 100.00 feet North (as measured at right angles) and parallel with the South line of the Southwest 1/4 of said Section 2, a distance of 1996.38 feet; thence North 89 degrees 48' 13" West along the said Northerly Right-of-Way Line of Hypoluxo Road, a distance of 1.86 feet to a POINT OF INTERSECTION with the East Line of said Section 3; thence continuing North 89 degrees 48' 13" West along the said Northerly Right-of-Way Line of Hypoluxo Road, a distance of 2659.41 feet to the POINT OF BEGINNING.

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EXHIBIT "B"

ARTICLES OF INCORPORATION
OF
WINSTON TRAILS FOUNDATION, INC.

The undersigned incorporator, for the purpose of forming a not for profit corporation pursuant to Chapter 617, Florida Statutes, as amended, hereby adopts the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation shall be WINSTON TRAILS FOUNDATION, INC., which is hereinafter referred to as "the Foundation".

ARTICLE II

PURPOSES AND POWERS

The objects and purposes of the Foundation are those objects and purposes as are authorized by the Declaration of Covenants and Restrictions for Winston Trails recorded (or to be recorded) in the Public Records of Palm Beach County, Florida, as hereafter amended and supplemented from time to time (the "Declaration"), the definitive in which are incorporated herein by this reference. The further objects and purposes of the Foundation are to preserve the values and amenities in The Properties and to maintain the Common Areas thereof for the benefit of the Members of the Foundation.

The Foundation is not organized for profit and no part of the net earnings, if any, shall inure to the benefit of any Member or individual person, firm or corporation.

The Foundation shall have the power to contract for the management of the Foundation and to delegate to the party with whom such contract has been entered into (which may be an affiliate of the Declarant) the powers and duties of the Foundation, except those which require specific approval of the Board of Directors or Voting Members.

The Foundation shall have all of the common law and statutory powers of a not for profit corporation which are not in conflict with the terms of these Articles and the Declaration above identified. The Foundation shall also have all of the powers necessary to implement the purposes of the Foundation as set forth in the Declaration and to provide for the general welfare of its membership.

As stated in Article IV hereof, the Foundation shall exist in perpetuity; however, if the Foundation is dissolved, the property consisting of the Surface Water Management System shall be conveyed to an appropriate agency of local government. If such property is not accepted by such agency, then the Surface Water Management System must be dedicated to a similar non-profit corporation. Moreover, in the event of such dissolution, the other assets of the Foundation shall be conveyed to a similar association or to an appropriate public agency having similar purpose.

The definitions set forth in the Declaration are incorporated herein by this reference.

ARTICLE III

MEMBERS

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot shall be a Member of the Foundation, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member.

Section 2. Voting Rights. The Foundation shall have three (3) classes of Voting Members, each to be selected and to cast the numbers of votes set forth below:

Class A. Each Neighborhood Association for Residential Lots (other than noncondominium apartment Buildings) shall elect or designate one (1) Class A Voting Member who shall cast as many votes as there are Residential Lots subject to the jurisdiction of the Neighborhood Association. Each Neighborhood Association shall elect its Voting Members in the same manner, and subject to the same terms as to duration of office, removal and qualifications, as it elects its own directors or shall designate one of its directors to act as its Voting Member.

Class B. The Class B Voting Member shall be the Declarant. The Class B Voting Member shall be entitled to three (3) votes for each vote which the Class A and Class C Voting Members are entitled to cast from time to time, provided that the Class B Membership shall cease and terminate on the earlier of (i) the date upon which seventy-five percent (75%) of the Lots within Winston Trails have been sold and conveyed, (ii) January 20, 2003 or (iii) at any time prior to that date at the election of the Declarant.

Class C. Each Class C Voting Member shall represent the Owners of a Commercial Lot or of Residential Land (which for purposes of voting shall include noncondominium apartment Buildings) with the exception of the Declarant. (As long as the Class B Membership shall exist, the Declarant shall be a Class B Voting Member, and thereafter the Declarant shall be a Class C Voting Member to the extent it otherwise would qualify). Each Class C Voting Member who represents the Owner of a Commercial Lot shall have four (4) votes for each acre in the Commercial Lot for which he acts as Voting Member.

Each Class C Voting Member who represents the Owner of Residential Land (which for voting purposes shall include noncondominium apartment Buildings) shall be entitled to cast as many votes as there are Residential Lots for which he acts as Voting Member. If such Residential Land is not platted or otherwise subdivided into Lots, for voting purposes it will be deemed to contain as many Residential Lots as there are Residential Units permitted to be constructed thereon by the Master Plan (or its equivalent).

If the Commercial Lot or Residential Land is subject to a Neighborhood Association, the Class C Voting Member therefor shall be elected or designated in the same manner and be subject to the same provisions, as a Class A Voting Member. If not, the Owner of each

Commercial Lot or Residential Land shall appoint his Voting Member by written notice to such effect to the Foundation as provided in Section 3 of this Article (such notice to contain such term of office for the Voting Member as the Owner shall state therein). In the case of multiple ownership of a Commercial Lot or Residential Land, all such Owners shall execute or join in the aforesaid notice.

Section 3. Selection of Voting Members. Each Neighborhood Association or Owner, as applicable under Section 2, above, shall give written notice to the Foundation of the person elected or designated as its Voting Member, such notice to be given at or before the first meeting of the Foundation which the Voting Member is to attend. The Foundation and all other Voting Members (and their constituents) shall be entitled to rely on such notices as constituting the authorization of the Neighborhood Association (and their members) or Owner, as applicable, to the designated Voting Member to cast all votes of the Neighborhood Association (and their members) or Owner and to bind same in all Foundation matters until such notice is changed, superseded or revoked.

Section 4. Meetings of Voting Members. The Bylaws of the Foundation shall provide for an annual meeting of Voting Members, and may make provisions for regular and special meetings of Voting Members other than the annual meeting. A quorum for the transaction of business at any meeting of the Voting Members shall exist if Voting Members entitled to cast 33-1/3% of the total votes shall be present in person or by proxy at the meeting.

Section 5. General Matters. When reference is made in this Declaration, or in the Articles or Bylaws or other relevant documents to a majority or specific percentage of Members, such reference shall be deemed to be reference to a majority or specific percentage of the votes of Members represented by their respective Voting Members at a duly constituted meeting thereof (i.e., one for which proper notice has been given and at which a quorum exists) and not of the Members themselves or of their Lots. To the extent lawful, the foregoing shall apply to, without limitation, the establishment of a quorum at any applicable meeting.

ARTICLE IV

CORPORATE EXISTENCE

The Foundation shall have perpetual existence.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Management by Directors. The property, business and affairs of the Foundation shall be managed by a Board of Directors, which shall consist of not less than three (3) persons, but as many persons as the Board of Directors shall from time to time determine. A majority of the directors in office shall constitute a quorum for the transaction of business. The Bylaws shall provide for meetings of Directors, including an annual meeting.

Section 2. Original Board of Directors. The names and addresses of the first Board of Directors of the Foundation, who shall hold office until the first annual meeting of the Voting Members and thereafter until qualified

successors are duly elected or appointed and have taken office, shall be as follows:

Name	Address
Joshua A. Muss	8000 Ironhorse Boulevard West Palm Beach, FL 33412
Marvin Dennen	8000 Ironhorse Boulevard West Palm Beach, FL 33412
David Webber	8000 Ironhorse Boulevard West Palm Beach, FL 33412

Section 3. Declarant's Appointees. The Declarant shall have the right to appoint all of the Directors until the date on which the Class B Membership terminates. Thereafter, the Declarant shall have the right to appoint one (1) director so long as the Declarant owns any Lot. The Declarant may waive its right to appoint one or more Directors by written notice to the Foundation, and thereafter such Directors shall be elected by the Voting Members. When the Declarant no longer owns any Lot within Winston Trails, all of the Directors shall be elected by the Voting Members in the manner provided in the Bylaws.

Section 4. Election of Members of Board of Directors. Except as otherwise provided herein and for the first Board of Directors, Directors shall be elected by the Voting Members of the Foundation at the annual meeting of the Voting Members as provided by the Bylaws of the Foundation, and the Bylaws may provide for the method of voting in the election and for removal from office of Directors. All Directors shall be Members of the Foundation residing in The Properties or shall be authorized representatives, officers, or employees of corporations, partnerships or trusts that are Members of the Foundation, or designees of the Declarant.

Section 5. Duration of Office. Voting Members elected to the Board of Directors shall hold office until the next succeeding annual meeting of Voting Members, and thereafter until qualified successors are duly elected and have taken office.

Section 6. Vacancies. If a Director elected by the Voting Members shall for any reason cease to be a Director, the remaining Directors so elected may elect a successor to fill the vacancy for the balance of the term.

ARTICLE VI

OFFICERS

Section 1. Officers Provided For. The Foundation shall have a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time elect.

Section 2. Election and Appointment of Officers. The officers of the Foundation, in accordance with any applicable provision of the Bylaws, shall be elected by the Board of Directors for terms of one (1) year and thereafter until qualified successors are duly elected and have taken office. The Bylaws may provide for the method of voting in the election, for the removal from office of officers, for filling vacancies and for the duties of the officers. The President shall be a director; other officers may or may not be directors of the Foundation. If the office of President shall become vacant for any reason, or if the President shall be unable or

unavailable to act, the Vice President shall automatically succeed to the office or perform its duties and exercise its powers. If any office shall become vacant for any reason, the Board of Directors may elect or appoint an individual to fill such vacancy.

Section 3. First Officers. The names and addresses of the first officers of the Foundation, who shall hold office until the first annual meeting of directors and thereafter until successors are duly elected and have taken office, shall be as follows:

<u>Name and Office</u>	<u>Address</u>
<u>President:</u> Joshua A. Muss	8000 Ironhorse Boulevard West Palm Beach, FL 33412
<u>Vice-President:</u> David Webber	8000 Ironhorse Boulevard West Palm Beach, FL 33412
<u>Secretary/Treasurer:</u> Marvin Dennen	8000 Ironhorse Boulevard West Palm Beach, FL 33412

ARTICLE VII

BYLAWS

The Board of Directors shall adopt Bylaws consistent with these Articles. Such Bylaws may be altered, amended or repealed in the manner set forth in the Bylaws.

ARTICLE VIII

AMENDMENTS AND PRIORITIES

Section 1. Amendments to these Articles of Incorporation shall be proposed and approved by the Board of Directors and thereafter submitted to a meeting of the Voting Members of the Foundation for adoption or rejection (by affirmative vote of 66-2/3% of the Voting Members), all in the manner provided in and in accordance with the notice provisions of Section 617.017, Florida Statutes (1991).

Section 2. In case of any conflict between these Articles of Incorporation and the Bylaws, these Articles shall control; and in case of any conflict between these Articles and the Declaration, the Declaration shall control.

Section 3. Any amendment made by Declarant and any amendment made by the Voting Members prior to the completion of 75% of the Units that may be constructed within Winston Trails must be approved by the Federal Housing Administration or by the Veterans Administration if any Mortgage encumbering a Lot is guaranteed or insured by either such agency or if same owns a Lot(s). Such approval shall specifically not be required where the amendment is made to correct errors or omissions or is required by any governmental or quasi-governmental entity or by any institutional First Mortgagee so that such Mortgagee will make, insure or guarantee mortgage loans for the Lots, or is required by any governmental authority. Such approval shall be deemed given if either agency fails to deliver written notice of its disapproval of any amendment to Declarant or to the Foundation within twenty (20) days after a request for such approval is delivered to the agency by certified mail, return receipt requested, or equivalent delivery, and such approval shall be conclusively evidenced by a certificate of Declarant or the Foundation that the approval was given or deemed given.

ARTICLE IX

INCORPORATOR

The name and address of the incorporator of this Foundation is:

Name

Address

Joshua A. Muss

8000 Ironhorse Boulevard
West Palm Beach, FL 33142

ARTICLE X

INDEMNIFICATION

Section 1. The Foundation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer, committee member or agent of the Foundation, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) it is determined by a court of competent jurisdiction, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or that he acted in a manner he believed to be not in or opposed to the best interest of the Foundation, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court further determines specifically that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner which he believed to be not in or opposed to the best interest of the Foundation, and with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

Section 2. To the extent that a Director, officer, employee, committee member or agent of the Foundation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 above or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually incurred by him in connection therewith.

Section 3. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Foundation in advance of the final disposition of such action, suit or proceeding through all available appeals upon receipt of an undertaking by or on behalf of the Director, officer, employee, committee member or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Foundation as authorized in this Article.

Section 4. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of Voting Members or otherwise, both as to action in his official capacity while holding such office or otherwise, and shall continue as to a person who has ceased to be director, officer, employee or agent and shall inure to the

benefit of the heirs, executors and administrators of such person.

Section 5. The Foundation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, committee member or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee, committee member or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Foundation would have the power to indemnify him against such liability under the provisions of this Article.

Section 6. The provisions of this Article X shall not be amended.

ARTICLE XI

REGISTERED AGENT

Until changed, Corporation Company of Miami shall be the registered agent of the Foundation and the registered office shall be at 100 Chopin Plaza, 1500 Miami Center, Miami, Florida 33131.

IN WITNESS WHEREOF, the aforesaid incorporator has hereunto set his hand this _____ day of _____, 1992.

Joshua A. Muss

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

The foregoing instrument was acknowledged before me this _____ day of _____, 1992, by _____ who / is personally known to me or who / has produced _____ as identification and who did (did not) take an oath.

(NOTARY SEAL)

Notary Public, State of _____
Print Name _____
My Commission Expires: _____

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

In compliance with the laws of Florida, the following
is submitted:

First -- That desiring to organize under the laws of
the State of Florida with its principal office, as indicated in
the foregoing articles of incorporation, at City of West Palm
Beach, County of Palm Beach, State of Florida, the corporation
named in said articles has named _____
located at _____
as its statutory registered agent.

Having been named the statutory agent of the above
corporation at the place designated in this certificate, I
hereby accept the same and agree to act in this capacity, and
agree to comply with the provisions of Florida law relative to
keeping the registered office open.

REGISTERED AGENT

DATED this _____ day of _____,
1992

EXHIBIT "C"

BYLAWS

OF

WINSTON TRAILS FOUNDATION, INC.

ARTICLE I

GENERAL INTRODUCTION

Section 1. Name. The name of the corporation is WINSTON TRAILS FOUNDATION, INC., hereinafter referred to as the "Foundation". Until changed, the principal office of the Foundation shall be located in Palm Beach County, Florida.

Section 2. Effect. All present and future Voting Members, and, where applicable, all Owners, and their tenants, future tenants, guests and invitees that might use the facilities of The Properties in any manner, are subject to the covenants, restrictions and regulations set forth in these Bylaws and in the Declaration of Covenants and Restrictions for Winston Trails (the "Declaration"), recorded or to be recorded in the Public Records of Palm Beach County, Florida.

ARTICLE II

VOTING RIGHTS, MAJORITY, QUORUM, PROXIES

Section 1. Voting Rights. The Foundation shall have three (3) classes of Voting Members with voting rights, as provided in the Declaration and Articles.

Section 2. Majority of Quorum. Unless a higher percentage is required expressly in these Bylaws or in the Declaration or Articles, any action which is required to be taken by Voting Members of the Foundation may be so taken by a vote of a majority of a quorum of the votes of Voting Members of the Foundation, and for purposes hereof and of the Declaration and Articles, the term "majority of Voting Members" or reference to some specific percentage of Voting Members shall mean a majority or specific percentage of the votes of Voting Members present at a meeting of the Foundation at which a quorum is attained and not of the Voting Members themselves.

Section 3. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of at least a majority of the total votes of the Voting Members of the Foundation shall constitute a quorum of the Voting Members. Such Voting Members present at a duly called or held meeting at which a quorum thereof is present may continue to accomplish the business of the meeting until adjournment, notwithstanding the withdrawal during the meeting of enough Voting Members to leave less than such quorum. In the event, however, the required quorum is never present, the meeting may be rescheduled subject to the notice requirements set forth herein.

Section 4. Proxies. Votes of Voting Members may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary at least twenty-four (24) hours before the appointed time of each meeting. Every proxy shall be revocable, but shall continue as valid until so revoked or until it terminates.

ARTICLE III

ADMINISTRATION

Section 1. Foundation Responsibilities. The Foundation shall have the responsibility of administering the Common Areas, approving the annual budget, establishing and collecting all Assessments enforcing applicable rules and regulations and performing all other obligations of the Foundation hereunder and under the Declaration, including, but not limited to, arranging for the management of the Common Areas pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of the Management Company. The Management Company may be an affiliate of the Declarant.

Section 2. Place of Meetings of Voting Members. Meetings of the Voting Members shall be held on the Winston Trails property or such other suitable place in Palm Beach County as may be designated by the Board of Directors.

Section 3. Annual Meeting of Voting Members. The first annual meeting of Voting Members shall be held on the date at the place and at the time determined by the Board of Directors, provided, however, that said meeting shall be held within sixty (60) days after there is duly elected a Class A Voting Member. Thereafter, the annual meetings of the Voting Members shall be held on the date, and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and no later than thirteen (13) months after the last preceding annual meeting, if possible. At each annual meeting there shall be elected by ballot of the Voting Members a Board of Directors, in accordance with the requirements of these Bylaws, but subject to the Articles of Incorporation. At the first annual meeting, the Directors shall be elected to serve until the second annual meeting, and at the second annual meeting, directors shall be elected for a term of one (1) year beginning with the second annual meeting. Unless a Director resigns before the expiration of his term of office, each director shall hold his office until his successor has been elected and has taken office. The term of office of any director elected to fill a vacancy created by the resignation of his predecessor shall be the balance of the unserved term of his predecessor. The Voting Members may also transact such other business of the Foundation as may properly come before the meeting. Each First Mortgagee of a Lot may designate a non-voting representative to attend all annual meetings of the Voting Members.

Section 4. Special Meetings of Voting Members. Special meetings of the Voting Members may be called at any time by a majority of a quorum of the Board of Directors, or upon a petition signed by Voting Members holding at least one-third (33 1/3%) of the voting power of the Voting Members. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice. Each First Mortgagee of a Lot may designate a non-voting representative to attend all special meetings of the Voting Members.

Section 5. Notice of Meetings of Voting Members. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of Voting Members, stating the purpose thereof as well as the day, hour and place where it is to be held, to each Voting Member and to each First Mortgagee of a Lot which has filed a written request for such notice with the Secretary, at least ten (10), but not more than sixty (60), days prior to such meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting.

The mailing of a notice, postage prepaid, in the manner provided in this Section, shall be considered notice served. If no address has been furnished the Secretary, notice shall be deemed to have been given to a Voting Member if delivered to his Lot and posted in a conspicuous place on the Common Areas. Meetings of Voting Members shall be open to all Members and First Mortgagees of any Lot (neither Members or First Mortgagees shall, however, be recognized or entitled to vote).

Section 6. Adjourned Meetings. If any meeting of Voting Members cannot be organized because a quorum is not attained, the Voting Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days, nor more than sixty (60) days, from the time the original meeting was called. Such adjourned meeting may be held only upon a new notice thereof as provided in this Article, except when notice shall be given by announcement at the meeting at which such adjournment is taken. If a meeting is adjourned for more than sixty (60) days, notice of the adjourned meeting shall be given as in the case of an original meeting.

Section 7. Order of Business. The order of business at all meetings of the Voting Members shall (unless waived) be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) committee reports; (f) elections; (g) unfinished business; (h) new business; and (i) adjournment. Meetings of Voting Members shall be conducted by the officers of the Foundation, in order of their priority.

Section 8. Action Without Meeting. Any action which under the provisions of Florida law may be taken at a meeting of the Voting Members, may be taken without a meeting if authorized in writing by the requisite percentage of all Voting Members who would be entitled to vote at a meeting of Voting Members for such purpose, and if thereafter filed with the Secretary.

Section 9. Minutes. Presumption of Notice. Minutes or a similar record of the proceedings of meetings of Voting Members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Number and Qualification. The property, business and affairs of the Foundation shall be governed and managed by a Board of Directors composed of at least three (3) persons. The directors need not be an Owner of a Lot or Unit. The Board of Directors may increase, by resolution, the authorized number of members of the Board. Directors shall not receive any stated salary for their services as directors unless compensation is granted by a majority of the Voting Members; provided, however, that (1) nothing herein contained shall be construed to preclude any director from serving the Foundation in some other capacity and receiving compensation therefor, and (2) any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 2. Powers and Duties. The Board of Directors has the powers and duties necessary for the administration of the affairs of the Foundation and may take all such acts and do

such things as are not by law, the Declaration, the Articles or by these Bylaws required to be exercised and done exclusively by the Voting Members.

Section 3. Special Power and Duties. Without prejudice to the foregoing general powers and duties and such powers and duties as are set forth in the Declaration and the Articles, the Board of Directors is vested with, and responsible for, the following powers and duties:

- (a) To select, appoint and remove all officers, agents and employees of the Foundation, to prescribe such powers and duties for them as may be consistent with law, with the Articles, the Declaration and these Bylaws, to fix their compensation, if any, and to require from them security for faithful service when deemed advisable by the Board.
- (b) To conduct, manage and control the affairs and business of the Foundation, and to make and enforce such rules and regulations therefor consistent with law, with the Articles, the Declaration and these Bylaws, as the Board may deem necessary or advisable.
- (c) To change the principal office for the transaction of the business of the Foundation; to designate any place for the holding of any annual or special meeting or meetings of Voting Members consistent with the provisions hereof; and to adopt and use a corporate seal and to alter the form of such seal from time to time, as the Board, in its sole judgment, may deem best, provided that such seal shall at all times comply with the provisions of law.
- (d) To borrow money and to incur indebtedness for the purposes of the Foundation, and to cause to be executed and delivered therefor, in the Foundation's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and security therefor, provided no action authorized hereunder shall be taken without the prior written consent of the Declarant as long as the Declarant owns any Lots or Units.
- (e) To fix and levy from time to time Common Assessments, Special Assessments, and Reconstruction Assessments upon the Owners, as provided in, and subject to the requirements of, the Declaration; to fix and levy from time to time in any fiscal year Capital Improvement Assessments for Capital Improvements to the Common Areas; to determine and fix the due date for the payment of such Assessments, and the date upon which the same shall become delinquent; provided, however, that such Assessments shall be fixed and levied only to provide for the payment of the expenses of the Foundation and for taxes and governmental assessments upon real or personal property owned, leased, controlled, occupied or used by the Foundation, or for the payment of expenses for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such property or for the payment of any and all

obligations in relation thereto, or in performing or causing to be performed any of the purposes of the Foundation for the general benefit and welfare of its Members, all in accordance with the provisions of the Declaration. The Board of Directors is hereby authorized to incur any and all such expenditures for any of the foregoing purposes and to provide, or cause to be provided, adequate reserves for replacements as it shall deem to be necessary or advisable, if any, in the interest of the Foundation or for the welfare of its Members. The funds collected by the Board of Directors from the Owners, attributable to replacement reserves for maintenance recurring less frequently than annually, for Reconstruction of Common Areas, or for Capital Improvements to the Common Areas, shall at all times be held in trust for the Owners and shall not be comingled with other Assessments collected from the Owners. Disbursements from such trust reserve fund shall be made only in accordance with the provisions of the Declaration. Such Common Assessments, Reconstruction Assessments, Special Assessments and Capital Improvement Assessments shall be fixed in accordance with the provisions of the Declaration. Should any Owner fail to pay such Assessments before delinquency, the Board of Directors in its discretion is authorized to enforce the payment of such delinquent Assessments as provided in the Declaration. Nothing herein shall require the establishment of reserves.

- (f) To enforce the provisions of the Declaration, the Articles, these Bylaws, applicable rules and regulations and other agreements of the Foundation.
- (g) To contract and pay for fire, casualty errors and omissions, blanket liability, malicious mischief, vandalism, fidelity bonds, and other insurance, insuring the Owners, the Foundation, the Board of Directors and other interested parties, in accordance with the provisions of the Declaration, covering and protecting against such damages or injuries as the Board deems advisable, which may include, without limitation, medical expenses of persons injured on the Common Areas, and to bond the agents and employees of any management body, if deemed advisable by the Board. The Board shall review not less frequently than annually, all insurance policies and bonds obtained by the Board on behalf of the Foundation.
- (h) To contract and pay for maintenance, gardening, utilities materials and supplies, and services relating to the Common Areas, and to employ personnel necessary for the operation of the Common Areas and the Foundation, including legal and accounting services (subject to limitations set forth in the Articles regarding claims against the Declarant), and to contract for and pay for Improvements to Common Areas. In case of damage by fire or other casualty to the Common Areas, if insurance proceeds exceed Twenty-five Thousand Dollars (\$25,000.00), or the cost of repairing or rebuilding exceeds available insurance proceeds by more than Five Thousand Dollars (\$5,000.00), then the Board of Directors shall obtain firm bids from two or more responsible contractors to rebuild any portions

of the Common Areas, in accordance with the original plans and specifications with respect thereto.

- (i) To delegate its powers according to law.
- (j) To grant or relocate easements where necessary for utilities, sewer facilities and other services over the Common Areas.
- (k) To fix, determine and name from time to time, if necessary or advisable, the public agency, fund, foundation or not for profit corporation or foundation, which is then organized, to which the assets of this Foundation shall be distributed upon liquidation or dissolution, according to the Articles of the Foundation. The assets so distributed shall be those remaining after satisfaction of all just debts and obligations of the Foundation, and after distribution of all property held or acquired by the Foundation under the terms of a specific trust or trusts.
- (l) To adopt such rules and regulations as the Board may deem necessary for the management of the Common Areas, which rules and regulations shall become effective and binding after (1) they are adopted by a majority of the Board at a meeting called for that purpose, or by the written consent of such number of directors attached to a copy of the rules and regulations of the Foundation, and (2) they are posted in a conspicuous place in the Common Areas. Such rules and regulations shall not materially adversely affect the rights, privileges or preferences of Declarant as established by the Declaration, the Articles of the Foundation and these Bylaws without the prior written approval of Declarant. Such rules and regulations may concern, without limitation, use of the Common Areas; signs, parking restrictions, minimum standards of property maintenance consistent with the Declaration and the procedures of the Foundation or Tribunal; and any other matter within the jurisdiction of the Foundation as provided in the Declaration; provided, however, that such rules and regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles of Incorporation and these Bylaws.

Section 4. Management Agent. The Board of Directors may select a managing agent to manage the Common Areas and the affairs of the Foundation, who shall perform such duties and services as the Board shall authorize.

Section 5. Election and Term of Office. Except as otherwise provided in the Declaration, Articles, or these Bylaws, at each annual meeting of the Voting Members, directors shall be elected by written ballot by a majority of Voting Members, 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. In the event that an annual meeting is not held, or the Board is not then elected, the Board may be elected at a special meeting of the Voting Members held for that purpose. Each director shall hold office until his successor has been elected and has qualified or until his death, resignation, removal or judicial adjudication of mental incompetence. Any person serving as a director may be re-elected, and there shall be no limitation on

the number of terms during which he may serve. Notwithstanding the foregoing, for so long as the Class B Membership exists, the Directors may be appointed by written action of the Class B Members.

Section 6. Books: Summary. The Board of Directors shall cause to be maintained a full set of books and records showing the financial condition of the Foundation in a manner consistent with accounting practices established by the Foundation or Management Company.

Section 7. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the Voting Members of the Foundation shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Voting Members of the Foundation, or at a special meeting of the Voting Members called for that purpose. A vacancy or vacancies shall be deemed to exist in case of death, resignation, removal or judicial adjudication of mental incompetence of any director, increases in the size of the Board or in case the Voting Members fail to elect the full number of authorized directors at any meeting at which such election is to take place.

Section 8. Removal of Directors. At any regular or special meeting of the Voting Members duly called, any one or more of the directors (other than Declarant's designees) may be removed with or without cause by a majority vote of the Voting Members of the Foundation, and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Voting Members shall be given an opportunity to be heard at the meeting. If any or all of the directors are so removed, new directors may be elected at the same meeting.

Section 9. Organization Meeting. The first regular meeting of a newly elected Board of Directors shall be held within thirty (30) days of election of the Board, at such place as shall be fixed and announced by the directors at the meeting at which such directors were elected for the purpose of organization, election of officers and the transaction of other business. No notice shall be necessary to the newly elected directors in order legally to constitute such meeting, provided a majority of the whole Board shall be present.

Section 10. Other Regular Meetings. Other regular meetings of the Board of Directors shall be open to the Members (who shall not be recognized or entitled to participate) and may be held at such time and place within Palm Beach County as shall be determined, from time to time, by a resolution adopted by a majority of a quorum of the directors; provided, however, that such meeting shall be held no less frequently than annually. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least seventy-two (72) hours prior to the date named for such meeting, and shall be posted at a prominent place or places within the Common Areas.

Section 11. Special Meetings. Special meetings of the Board of Directors shall be open to all Members (who shall not be recognized or entitled to participate) and may be called by the President (or, if he is absent or refuses to act, by the Vice President) or by any two (2) directors. At least seventy-two (72) hours' notice shall be given to each director, personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and the purpose of the meeting, and shall be posted at a prominent

place or places within the Common Areas. If served by mail, each such notice shall be sent, postage prepaid, to the address reflected on the records of the Foundation, and shall be deemed given, if not actually received earlier, at 5:00 o'clock P.M. on the second day after it is deposited in a regular depository of the United States mail as provided herein. Whenever any director has been absent from any special meeting of the Board, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such meeting was given to such director, as required by law and as provided herein.

Section 12. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. The transactions at any meeting of the Board, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs such written waiver of notice, a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the records of the Foundation or made a part of the minutes of the meeting.

Section 13. Quorum and Adjournment. Except as otherwise expressly provided herein, at all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transaction without further notice.

Section 14. Action Without Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the vote or written consent of all the directors. Any action so approved shall have the same effect as though taken at a duly constituted meeting of the directors.

Section 15. Fidelity Bonds. The Board of Directors may obtain adequate fidelity bonds for all officers and employees of the Foundation handling or responsible for Foundation funds. The premiums on such bonds shall be paid by the Foundation.

Section 16. Committees. The Board of Directors by resolution may, from time to time, designate such committees as it shall desire, and may establish the purposes and powers of each such committee created. The resolution designating and establishing the committee shall provide for the appointment of its members, as well as a chairman, and shall state the purposes of the committee, and shall provide for reports, termination and other administrative matters as deemed appropriate by the Board.

ARTICLE V

OFFICERS

Section 1. Designation. The principal officers of the Foundation shall be President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in their judgment may be necessary. Officers need not be directors. Any two offices may be held by the same person, but the office of President and Secretary may not be held by the same person.

Section 2. Election of Officers. The officers of the Foundation shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors, and each officer shall hold his office at the pleasure of the Board of Directors, until he shall resign or be removed or otherwise disqualified to serve or his successor shall be elected and have qualified to serve.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the entire Board of Directors, any officer may be removed, with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary of the Foundation. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein, and unless otherwise specified in said notice, acceptance of such resignation by the Board shall not be necessary to make it effective.

Section 4. Compensation. Officers, agents and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board. Appointment of any officers, agent or employee shall not of itself create contractual rights of compensation for services performed by such officer, agent or employee.

Section 5. President. The President shall be the chief executive officer of the Foundation. He shall preside at all meetings of the Foundation and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of a corporation. The President shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business of the Foundation. The President shall be ex officio a member of all standing committees, and he shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws of the Foundation.

Section 6. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent, disabled or refuses or is unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or these Bylaws.

Section 7. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Voting Members of the Foundation at the principal office of the Foundation or at such other place as the Board of Directors may order. The Secretary shall keep the seal of the Foundation in safe custody and shall have

charge of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all of the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Voting Members of the Foundation and of the Board of Directors required by these Bylaws or by law to be given. The Secretary shall maintain a list of Owners, listing the names and addresses of the Owners as furnished to the Foundation, and such list shall be changed only at such time as satisfactory evidence of a change in ownership is presented to the Secretary. The Secretary shall perform such other duties as may be prescribed by the Board of Directors.

Section 8. Treasurer. The Treasurer shall have responsibility for Foundation funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts, tax records and other records of business transactions of the Foundation, including accounts of all assets, liabilities, receipts and disbursements in books belonging to the Foundation. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Foundation in such depositories as may from time to time be designated by the Board of Directors. All checks in excess of \$2,000 must be co-signed by the Treasurer. The Treasurer shall disburse the funds of the Foundation as may be ordered by the Board of Directors in accordance with the Declaration, shall render to the President and directors, upon request, an account of all of his transactions as Treasurer and of the financial condition of the Foundation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

ARTICLE VI

OBLIGATIONS OF OWNERS

Section 1. Assessments.

- (a) All Owners are obligated to pay, in accordance with the provisions of the Declaration, all Assessments imposed by the Foundation to meet all expenses (and reserves, if imposed) of the Foundation, which may include, without limitation, liability insurance policy premiums and insurance premiums for a policy to cover repair and reconstruction work in case of hurricane, fire, flood or other hazards, as more fully provided in these Bylaws. Except as otherwise provided in the Declaration with respect to the collection of Special Assessments, the Assessments shall be allocated among the Lots subject to Assessments under the Declaration as provided therein or in any Supplemental Declaration.
- (b) All delinquent Assessments shall be enforced, collected or foreclosed in the manner provided in the Declaration.

Section 2. Maintenance and Repair.

- (a) As further provided in the Declaration, all plans for alterations and repair of Improvements to the Common Areas and other Improvements on the Properties must receive the prior written consent of the Development Review Board. The Development Review Board shall establish reasonable

procedures for the granting of such approval, in accordance with the Declaration.

- (b) As further provided in the Declaration, each Member shall reimburse the Foundation for any expenditures incurred in repairing or replacing any portion of the Common Areas which is damaged through the fault of such Member. Such expenditures shall include all court costs and reasonable attorneys' fees incurred in enforcing any provision of these Bylaws or the Declaration, including such costs and attorneys' fees incurred in appellate proceedings.

ARTICLE VII

AMENDMENTS TO BYLAWS

Section 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.

Section 2. A resolution to amend these Bylaws may be proposed either by any director, or by or at the direction of ten (10%) or more of the Voting Members of the Foundation. No Bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Bylaw _____ for present text." Non-material errors or omissions in the Bylaw process shall not invalidate an otherwise properly promulgated amendment.

Section 3. A resolution for the adoption of the proposed amendment shall be adopted by not less than a majority of the votes of the Voting Members present in person or by proxy at a duly called meeting of the Foundation. Notwithstanding anything contained herein to the contrary, until a majority of the Board is elected by Lot Owners other than the Declarant, these Bylaws may be amended by majority vote of the Board without the vote or approval of the members of the Foundation.

Section 4. No amendment shall make any changes in the qualification for membership nor in the voting rights or property rights of Members without approval by all of the Voting Members affected and Mortgagees holding First Mortgages on all Lots affected. No amendment shall be made that is in conflict with the Declaration or the Articles. So long as the Declarant owns any Lot no amendment shall make any changes which would in any way affect any of the rights, privileges, powers or options herein provided in favor of, or reserved to, the Declarant, unless the Declarant shall join in the execution of the amendment, including but not limited to any right of the Declarant to appoint directors.

Section 5. No modification of, or amendment to, the Bylaws shall be valid until recorded in the public records of the County.

Section 6. Notwithstanding anything contained herein to the contrary, any amendment to these Bylaws made by

Declarant, or made by the members prior to the completion and conveyance by Declarant of seventy-five (75%) of all of the Lots which may be constructed within The Properties, must be approved by the Federal Housing Administration or by the Veterans Administration if any mortgage encumbering any Lot is guaranteed or insured by either such agency, and if such amendment materially and adversely affects the Owners or the general scheme of development created by the Declaration. Such approval shall specifically not be required where the amendment is made to correct errors or omissions or is required to comply with the requirements of any Institutional Lender so that such lender will make, insure or guarantee mortgage loans for the Lots, or is required by any governmental authority. Such approval shall be deemed given if either agency fails to deliver written notice of its disapproval of any amendment to Declarant or to the Foundation within twenty (20) days after a request for such approval is delivered to the agency by certified mail, return receipt requested, or equivalent delivery, and such approval shall be conclusively evidenced by a certificate of Declarant or the Foundation that the approval was given or deemed given.

ARTICLE VIII

NOTICES

Section 1. Notice to Foundation. An Owner who mortgages his Lot shall notify the Foundation, through the Management Company or the Secretary of the Board of Directors in the event there is no Management Company, of the name and address of his Mortgagee; and the Foundation shall maintain such information. Any such Owner shall likewise notify the Foundation as to the release or discharge of any such Mortgage.

Section 2. Notice of Unpaid Assessments. The Board of Directors of the Foundation shall at the request of a Mortgagee of a Lot report any unpaid Assessments due from the Owner of such Lot, in accordance with the provisions of the Declaration.

ARTICLE IX

MEANING OF TERMS

All capitalized terms appearing herein shall have the same meanings as are applied to such terms in the Declaration unless the context would prohibit such meaning.

ARTICLE X

CONFLICTING PROVISIONS

In case any of these Bylaws conflict with any provisions of the laws of the State of Florida, such conflicting Bylaws shall be null and void upon final court determination to such effect, but all other provisions of these Bylaws shall remain in full force and effect. In case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Except to the extent that such liability or damage or injury is covered by insurance proceeds, the Foundation shall pay expenses (including attorneys' fees and appellate attorneys' fees) incurred by, or to satisfy a judgment or fine rendered or levied against, a present or former Voting Member, director, officer, committee or tribunal member, employee or agent of the Foundation, in any action brought by a third party against such person, whether or not the Foundation is joined as a party defendant, to impose a liability or penalty on such person, or to impose criminal sanctions, for an act alleged to have been committed by such person while a Voting Member, director, officer, committee or tribunal member, employee or agent, unless a court of competent jurisdiction finally determines, after all appeals have been exhausted or not pursued by the proposed indemnitee, that such Voting Member, director, officer, committee or tribunal member, employee or agent did not act in good faith within what he reasonably believed to be the scope of his employment or authority and for a purpose which he reasonably believed to be in the best interests of the Foundation or its Members and such court further determines specifically that indemnification should be denied. Payments authorized hereunder include amounts paid and expenses incurred in settling any such action or threatened action. The provisions of this Article shall apply to the estate, executor, administrator, heirs, legatees or devisees of a Voting Member, director, officer, committee or tribunal member, employee or agent and may not be amended without the approval in writing of all persons who may be adversely affected by such amendment.

ARTICLE XII

MISCELLANEOUS

Section 1. Execution of Documents. The Board of Directors, except as in these Bylaws otherwise provided, hereby authorizes its President, or any Vice President, to enter into any contract or execute any instrument in the name and on behalf of the Foundation.

Section 2. Inspection of Records. The Foundation shall keep in its office for the transaction of business originals or copies of all of its books and records, which shall be open to inspection by the Owners and all First Mortgagees, in each case for proper purposes, at all reasonable times during office hours.

Section 3. Fiscal Year. The fiscal year of the Foundation shall be determined by the Board of Directors and having been so determined, is subject to change from time to time as the Board of Directors shall determine. In the absence of a specific determination, the fiscal year shall be the calendar year.

Section 4. Membership. The Foundation shall keep and maintain in its office for the transaction of business the name and address of each Member. Termination or transfer of Ownership of any Lot by an Owner shall be recorded, together with the date on which such Ownership was transferred, in accordance with the provisions hereof and of the Declaration.

Section 5. Board of Directors. Unless specific actions are specifically required to be taken by the Voting Members, all such actions may be taken by the Board through its proper officers with or without a specific authorization.

Section 6. Tenses and Genders. The use of any gender in the Bylaws shall refer to all genders wherever the context so requires.

Section 7. Partial Validity. Should any of the provisions hereof be void or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in full force and effect.

ARTICLE XIII

RULES AND REGULATIONS

From time to time the Board of Directors may enact rules and regulations governing the use, maintenance and appearance of, the Lots, and the use of The Properties, not in conflict with the Declaration, the Articles of these Bylaws. Any such rule or regulation may be enforced by the Foundation against any Member of the Foundation. Any such rule or regulation may be repealed, modified or amended by a vote of a majority of the Voting Board.

I HEREBY CERTIFY THAT the foregoing Bylaws of the Foundation were duly adopted by the Board of Directors of the Foundation on the ____ day of ____, 199__.

Approved:

Secretary

President

EXHIBIT "D"

A parcel of land lying in a portion of section 2 and 3, Township 45 South, Range 42 East, AND Lot One and that portion of Lot Two lying East of the Lake Worth Drainage District E-3 Canal in Tract 38 of the "Hiatus" between Township 44 and 45 South, Range 42 East (also known as Township 44 1/2 South, Range 42 East), lying North of the Lake Worth Drainage District Lateral Number 17 being more particularly described as follows:

Commencing at the Southwest corner of the Southeast 1/4 of said Section 1; thence North 00 degrees 47' 13" West along the West line of the East 1/2 of said Section 3, a distance of 142.96 feet; thence South 89 degrees 48' 13" East, a distance of 40.01

feet to a POINT OF INTERSECTION of the Northerly Right-of-Way line of Hypoluxo Road (as now laid out and in use) as recorded in Road Book 4, Page 1, with the Easterly Right-of-Way line of Jog Road (as now laid out and in use) as recorded in Road Book 4, Page 136; thence North 00 degrees 47' 13" West, along the said easterly Right-of-Way line of Jog road, same line also being 40 feet east of (as measured at right angles) and parallel with the said West line of the East 1/2 of Section 3, a distance of 2400.97 feet to a POINT OF INTERSECTION with the centerline of the Lake Worth Drainage District Lateral Number 17 Canal as described in Official Record Book 2411, Page 114 said POINT OF BEGINNING of this description; thence continuing North 00 degrees 47' 13" West, along said Easterly Right-of-Way of Jog Road, a distance of 2770.69 feet to a POINT OF INTERSECTION with the Southerly Right-of-way line of the Lake Worth Drainage District Lateral Number 16 Canal, as described in Official Record Book 2393, Page 1134; thence North 89 degrees 11' 55" east along the said Southerly Right-of-Way Line of the Lake Worth Drainage district Lateral Number 16 Canal, same line also being 35.00 feet south (as measured at right angles) and parallel with the north line of the said East 1/2 of Section 3, a distance of 2686.02 feet to the West line of said Section 2; thence North 89 degrees 24' 10" East continuing along the said Southerly Right-of-Way Line of the Lake Worth Drainage District Lateral Number 16 Canal, same line also being 35.00 feet South (as measured at right angles) and parallel with the North line of the West 1/2 of said section 2, a distance 2002.52 feet; thence South 00 degrees 26' 12" East, a distance of 655.79 feet; thence North 89 degrees 37' 00" East, a distance of 213.35 feet to a POINT OF INTERSECTION with the Westerly Right-of-Way line of Lake Worth Drainage District E-3 Canal as described in Official Record Book 2393, Page 1133; thence South 05 degrees 28' 31" East along the said Westerly Right-of-Way Line of the Lake Worth Drainage District E-3 Canal, a distance of 2158.29 feet to a POINT OF INTERSECTION with the said centerline of the Lake Worth Drainage District Lateral Number 17 Canal; thence North 89 degrees 46' 25" West along the said centerline of the Lake Worth Drainage District Lateral Number 17 Canal, a distance of 2403.05 feet; thence continuing along said centerline of the Lake Worth Drainage District Lateral Number 17 Canal South 89 degrees 14' 14" West, a distance of 2671.59 feet to the POINT OF BEGINNING.

TOGETHER WITH the following described parcel.

Commencing at the Northeast corner of said Section 2; thence South 00 degree 19' 58" East along the East line of said Section 2, a distance of 20.00 feet to the POINT OF BEGINNING of this description; thence continuing South 00 degrees 19' 58" East along said East line of Section 2, same line also being the Northerly projection of and the West line of Plat of Concept Homes of Lantana Plat No. 2 and Plat No. 3 as recorded in Plat Book 38, Page 13 and 14 and Plat Book 39, Page 123 thru 125, a distance of 2790.84 feet to the Southeast corner of the Northeast 1/4 of said Section 2; thence North 89 degrees 46' 27" West,

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along the South line of the said Northeast 1/4 of Section 2, a distance of 2665.22 feet to the center of said Section 2; thence North 89 degrees 46' 25" West, along the South line of the Northwest 1/4 of said Section 2, a distance of 169.69 feet to the Easterly Right-of-Way Line of the Lake Worth Drainage District E-3 Canal as described in Official record Book 2393, Page 1133; thence North 05 degrees 28' 31" West along the said Easterly Right-of-Way Line of Lake Worth Drainage District E-3 Canal, a distance of 2086.51 feet; thence North 89 degrees 37' 00" East, a distance of 353.56 feet to the West line of the Northeast 1/4 of said Section 2; thence North 00 degrees 25' 10" West along the said West line of the Northeast 1/4 of Section 2, a distance of 673.28 feet; thence North 89 degrees 25' 14" East along a line 20.00 feet South (as measured at right angles) and parallel with the North line of the said Northeast 1/4 of Section 2, same line also being the Southerly Right-of-Way Line of the Lake Worth Drainage District Lateral Number 16 Canal as described in Official Record Book 2393, Page 1133, a distance of 2669.27 feet to the POINT OF BEGINNING;

TOGETHER WITH the following described parcel:

Commencing at the Northeast Corner of said Lot One, Hiatus Tract 38, same point also being the Southeast Corner of Section 35, Township 44 South, Range 42 East; thence South 38 degrees 28' 00" East along the Easterly Line of said Lot One, a distance of 52.25 feet to the POINT OF BEGINNING; thence continuing South 38 degrees 28' 00" East along the Easterly Line of said Lot One, a distance of 693.39 feet to a POINT OF INTERSECTION with the Northerly Right-of-Way Line of Lake Worth Drainage District Lateral Number 16 Canal as described in Official Record Book 2393, Page 1133 said point being North 38 degrees 28' 00" West, a distance of 63.34 feet from the Northeast Corner of Section 2 of said Township 45 South, Range 42 East; thence South 89 degrees 25' 14" West along the said Northerly Right-of-Way Line of Lake Worth Drainage District Lateral Number 16 Canal, same line also being 50.00 feet North (as measured at right angles) and parallel with the South line of said Lot One, Hiatus Tract 38, a distance of 2670.86 feet crossing into said Lot Two, Hiatus Tract 38; thence continuing along said Northerly Right-of-Way Line of Lake Worth Drainage District Lateral Number 16 Canal, same line also being 50.00 feet North (as measured at right angles) and parallel with the South line of said Lot Two, Hiatus Tract 38, South 89 degrees 24' 10" West, a distance of 376.88 feet to a POINT OF INTERSECTION with the Easterly Right-of-Way Line of Lake Worth Drainage District E-3 Canal as described in Official Record Book 2411, Page 1114; thence North 03 degrees 20' 59" West along the said Easterly Right-of-Way Line of Lake Worth Drainage District E-3 Canal, a distance of 647.74 feet to a POINT OF INTERSECTION with the Southerly Right-of-Way line of Lantana Road, also known as State Road 812, (as now laid out and in use) as shown on State Road Department Right-of-Way Map, Section 9353-150, Sheets 1 and 2 of 2, dated 1952; thence South 88 degrees 25' 44" East along the said Southerly Right-of-Way line of Lantana

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Road, same line also being 40.00 feet South (as measured at right angles) and parallel with the North line of said Lot One, Hiatus, Tract 38, a distance of 2655.10 feet to the POINT OF BEGINNING, AND in a portion of Sections 2 and 3, Township 45 South, Range 42 East, lying South of the Lake Worth Drainage District Lateral Number 17 being more particularly described as follows:

A portion of Sections 2 and 3, Township 45 South, Range 42 East, lying South of the Lake Worth Drainage District Lateral Number 17 being more particularly described as follows:

Commencing at the Southwest corner of the Southeast 1/4 of said Section 3; thence North 00 degrees 47' 13" West along the West line of the East 1/2 of said Section 3, a distance of 142.96 feet; thence South 89 degrees 48' 13" east, a distance of 40.01 feet to a POINT OF INTERSECTION of the Northerly Right-of-Way line of Hypoluxo Road (as now laid out and in use) as recorded in Road Book 4, Page 1, with the Easterly Right-of-Way line of Jog Road (as now laid out and in use) as recorded in Road Book 4, Page 136; Said POINT OF BEGINNING of this description; thence North 00 degrees 47' 13" West, along the said Easterly Right-of-Way line of Jog Road, same line also being 40.00 feet East (as measured at angles) and parallel with the said West line of the East 1/2 of Section 3, a distance of 2400.97 feet to a POINT OF INTERSECTION with the centerline of the Lake Worth Drainage District Lateral Number 17 Canal as described in Official Record Book 2411, Page 114; thence North 89 degrees 14' 14" East along said centerline of the Lake Worth Drainage District Lateral Number 17 Canal, a distance of 2671.59 feet; thence continuing along said centerline of the Lake Worth Drainage District Lateral Number 17 Canal, South 89 degrees 46' 25" East, a distance of 2403.05 feet to a POINT OF INTERSECTION with the Westerly Right-of-Way line of Lake Worth Drainage District E-3 Canal as described in Official Record Book 2393, Page 1133; thence South 05 degrees 28' 31" East along the said Westerly Right-of-Way line of the Lake Worth Drainage District E-3 Canal, a distance of 1926.42 feet; thence North 89 degrees 10' 50" West, a distance of 571.95 feet; thence South 00 degrees 24' 33" East, a distance of 561.02 feet to a POINT OF INTERSECTION with the said Northerly Right-of-Way Line of Hypoluxo Road; thence North 89 degrees 00' 34" West along the said Northerly Right-of-Way Line of Hypoluxo Road, same line also being 100.00 feet North (as measured at right angles) and parallel with the South line of the Southwest 1/4 of said Section 2, a distance of 1996.38 feet; thence North 89 degrees 48' 13" West along the said Northerly Right-of-Way Line of Hypoluxo Road, a distance of 1.86 feet to a POINT OF INTERSECTION with the East Line of said Section 3; thence continuing North 89 degrees 48' 13" West along the said Northerly Right-of-Way Line of Hypoluxo Road, a distance of 2659.41 feet to the POINT OF BEGINNING.

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EXHIBIT "E"

IDENTIFICATION OF COMMON AREAS

The "Common Areas" under the foregoing Declaration shall consist of those portions of The Properties dedicated to the Foundation on various plats of portions of The Properties recorded from time to time in the public records of Palm Beach County, Florida.

The Common Areas shall also extend to and include, as and when appropriate, the portions of The Properties declared as such by way of a Supplemental Declaration(s) made by the Developer from time to time in accordance with Article I, Section 6 of the Declaration.

CONSENT OF MORTGAGEE

GRQ LIMITED, a Florida limited partnership ("Mortgagee"), being the owner and holder of that Purchase Money Mortgage and Security Agreement dated March 8, 1989 and recorded October 30, 1989 in Official Records Book 6243, Page 304 of the Public Records of Palm Beach County, Florida (the "Mortgage") does hereby consent to the execution and recording of the foregoing Declaration of Covenants and Restrictions for Winston Trails (the "Declaration") and agrees that the lien of, and security interest created by, the Mortgage, as now or hereafter modified, shall henceforth be subject and subordinate to the covenants, terms, provisions, easements, charges and liens of the Declaration and, accordingly, that no foreclosure or other enforcement or operation of the mortgage shall alter, impair or extinguish the Declaration in any respect.

The foregoing shall not, however, be deemed a waiver or release of such rights of Mortgagee as may be granted to it in the Declaration, whether as a mortgagee or an owner of any part of the land subject to the Declaration. Further, Mortgagee makes no warranty or representation of any kind or nature concerning the Declaration or any of its terms or provisions, nor does Mortgagee make any warranty or representation as to the administration of the Foundation named therein, the development, operation or sale of the property subject thereto, the performance by the Declarant, or Foundation of any of its obligations under the Declaration.

IN WITNESS WHEREOF, Mortgagee has executed this Consent on this 1st day of February, 1993.
March

Signed, sealed and delivered
in the presence of:

[Signature]
Print name: JOAN METZGER

[Signature]
Print name: JOAN METZGER

Print name:

Print name:

Print name:

Print name:

GRQ LIMITED, a Florida
Limited Partnership

By [Signature] (L.S.)
RICHARD A. DAVENPORT
General Partner

By _____ (L.S.)
WILLIAM W. COLE, JR.
General Partner

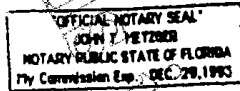
By _____ (L.S.)
R. REDDING STEVENSON
General Partner

Address of Partnership:

STATE OF FLORIDA)
COUNTY OF Palm Beach) SS:

The foregoing instrument was acknowledged before me this 1st
day of January, 1993 by RICHARD A. DAVENPORT, as General Partner of
GRQ LIMITED, a Florida limited partnership, on behalf of the
partnership. He personally appeared before me, / is personally
known to me or /X/ produced Florida Driver's License as identification,
and did not take an oath.

[NOTARIAL SEAL]



Notary: [Signature]
Print Name: JOHN F. METZGER
Notary Public, State of Florida
My commission expires: 12/29/93

STATE OF FLORIDA)
COUNTY OF) SS:

The foregoing instrument was acknowledged before me this ____
day of _____, 1993 by WILLIAM W. COLE, JR., as General
Partner of GRQ LIMITED, a Florida limited partnership, on behalf of
the partnership. He personally appeared before me, / is
personally known to me or / produced _____ as
identification, and did not take an oath.

[NOTARIAL SEAL]

Notary: _____
Print Name: _____
Notary Public, State of Florida
My commission expires: _____

STATE OF FLORIDA)
COUNTY OF) SS:

The foregoing instrument was acknowledged before me this ____
day of _____, 1993 by R. REDDING STEVENSON, as General
Partner of GRQ LIMITED, a Florida limited partnership, on behalf of
the partnership. He personally appeared before me, / is
personally known to me or / produced _____ as
identification, and did not take an oath.

[NOTARIAL SEAL]

Notary: _____
Print Name: _____
Notary Public, State of Florida
My commission expires: _____