

DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
PINEAPPLE WALK I

THIS DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR PINEAPPLE WALK I (hereinafter referred to as the "Declaration") is made this third day of July, 1964 by CFW EQUITIES, INC., a Florida corporation, its corporate successors and assigns (the "Developer") and joined in by PINEAPPLE WALK I HOMEOWNERS' ASSOCIATION, INC., a Florida corporation not-for-profit (the "Association").

WHEREAS, the Developer is the owner in fee simple of the real property (the "Land") included within Plat No. 1 of Pineapple Walk (the "Plat") as recorded in Plat Book 47 at Pages 8 through 9 of the Public Records of Palm Beach County, Florida (the "County"), said real property included within the Plat being hereinafter referred to as "PINEAPPLE WALK I"; and

WHEREAS, Developer desires by this Declaration to provide for the preservation of the values and amenities of Pineapple Walk I; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values and amenities established as aforesaid to create a corporation known as the Pineapple Walk I Homeowners' Association, Inc. to which there has been and will be delegated and assigned certain powers and duties of ownership, operation, administration, maintenance and repair of Pineapple Walk I, the enforcement of the covenants, restrictions, easements, reservations, regulations, burdens and liens contained herein and the collection and disbursement of the assessments and charges hereinafter provided.

NOW, THEREFORE, in consideration of the premises and covenants herein contained, Developer hereby declares that Pineapple Walk I shall be owned, held, used, transferred, sold, conveyed, demised and occupied subject to the covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter set forth, all of which shall run with Pineapple Walk I and any part thereof and which shall be binding upon all parties having any right, title or interest in Pineapple Walk I or any part thereof, their heirs, successors and assigns.

ARTICLE I

DEFINITIONS

A. Unless defined in this Declaration to have a different meaning, or unless the context clearly requires another meaning, any terms used herein which are defined in the Declaration shall have the same meaning as therein set forth, provided that the provisions hereof shall only be applicable to Pineapple Walk I.

B. "Association" means the Pineapple Walk I Homeowners' Association, Inc.

C. "Association Articles" means the Articles of Incorporation of the Association, a copy of which is attached hereto as Exhibit "A."

D. "Association Board" means the Board of Directors of the Association.

E. "Association By-Laws" means the By-Laws of the Association, a copy of which is attached hereto as Exhibit "B."

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F. "Association Director" means a member of the Association Board.

G. "Association Property" means such portions of Pineapple Walk I as are dedicated to the Association in the Plat, said lands being labelled "Tract 'A'" and "Pineapple Walk Drive" on the Plat, or conveyed to the Association or stated to be Association Property by this Declaration and includes the "Recreation Parcel," "Landscape and Open Areas," "Ingress and Egress Areas," and the "Parking Areas."

H. "Association Rules and Regulations" means the Rules and Regulations adopted by the Association.

I. "Block" means one of the parcels of land included within the Plat upon which a series of more than two attached single-family "Dwelling Units" (each such Dwelling Unit being referred to as a "Residence"), are to be constructed (a building constructed on a Block and containing Residences being hereinafter referred to as a "Block Building") and which Blocks are designated as such on the Plat with the portions thereof upon which individual Residences may be constructed being designated by arabic numbers on the Plat.

J. "Common Structural Elements" means certain physical elements, features or parts which are structural elements of a Block Building or of more than one (1) Residence contained in said Block Building, as more specifically described in Article X of this Declaration.

K. "Declaration" means this instrument.

L. "Institutional Mortgagee" means (a) any lending institution having a first mortgage lien upon a Residence, including any of the following institutions: a Federal or State Savings and Loan or Building and Loan Association, or bank or real estate investment trust, or mortgage banking company doing business in the State of Florida or a life insurance company; or (b) any "Secondary Mortgage Market Institution" including the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Housing Administration and Veterans Administration and such other secondary Mortgage Market Institution as the Board shall hereafter approve in writing which has acquired a first mortgage upon a Residence; or (c) any and all investors or lenders, or the successors and assigns of such investors or lenders (herein referred to as "Lenders") which have loaned money to Developer to acquire, or construct improvements upon Pineapple Walk I and who have a mortgage lien on Pineapple Walk I securing such a loan.

M. "Member" means a member of the Association.

N. "Operating Expenses" means the expenses for which Owners are liable to the Association as described in the Pineapple Walk I Documents and includes, but is not limited to:

1. "Block Expenses" which are those expenses incurred or to be incurred by the Association with respect to the operation, administration, maintenance, repair or replacement of the property included within a Block or a Block Building and the improvements constructed thereon under the provisions of any Pineapple Walk I Documents including, but not limited to, this Declaration; and

2. "Association Expenses" means and includes the costs and expenses described in the Pineapple Walk I Documents as such and includes those incurred by the Association in administering, operating, reconstructing, maintaining, repairing and replacing the Association

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Property as well as all property for which the Association has such obligations as set forth in the Pineapple Walk I Documents or as may be set forth on the Plat and the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas and Parking Areas or any portions of any of the foregoing or any improvements constructed thereon.

O. "Owner" means the owner or owners of the fee simple title to a Residence in Pineapple Walk I and includes Developer for so long as it is the owner of the fee simple title to any portion of Pineapple Walk I.

P. "Pineapple Walk I Documents" means in the aggregate this Declaration, the Association Articles, the Association By-Laws, the Association Rules and Regulations, and all of the instruments and documents referred to therein or referred to herein.

Q. "Plat" means Plat No. 1 of Pineapple Walk recorded in Plat Book 47, Pages 8 through 9 of the Public Records of the County.

R. "Property Plan" means the Property Plan attached hereto as Exhibit "C."

ARTICLE II

OVERALL DEVELOPMENT PLANS

A. Developer is the owner of the Land and has established a Land Use Plan therefor. The Land Use Plan is shown on the Property Plan, which is Exhibit C hereto. The Property Plan shows the Blocks, the Recreation Parcel, the Landscape and Open Areas, Ingress and Egress Areas, Parking Areas and certain other easements. All of Pineapple Walk I will be administered by the Association. All owners shall be members of the Association, as set forth in the Pineapple Walk I Documents.

B. Boca Del Mar Improvement Association, Inc. ("Improvement Association") and the Declaration of Restrictions.

Certain real property, which includes Pineapple Walk I (the "Real Property") is owned subject to the Restrictions recorded in Official Records Book 2183, Page 1517, of the Public Records of Palm Beach County, Florida (the "Restrictions"). The Restrictions describe certain common property which serves all of the Real Property, and sets forth the procedure for the administration, maintenance and upkeep of such common property and provides that the costs thereof be assessed by the Improvement Association and sets forth certain remedies for the enforcement of such assessments, including, but not limited to, lien rights against each "Unit." The Restrictions also set forth certain restrictions on the use of all Units. The term "Unit" under the Restrictions includes, but is not limited to, the Residence. Pursuant to the Restrictions and the Articles and By-Laws of the Improvement Association, each Residence Owner shall be a member of the Improvement Association.

ARTICLE III

CERTAIN LAND USE CLASSIFICATIONS; CERTAIN EASEMENTS; RULES AND REGULATIONS; CONVEYANCE OF CERTAIN PROPERTY

In consideration of the benefits hereinafter contained and the payment of the Operating Expenses, Developer does hereby declare and the Association agrees that the following provisions shall be applicable to Pineapple Walk I:

A. Recreation Parcel

"Recreation Parcel" is that portion of Pineapple Walk I designated as the Recreation Parcel on the Property Plan and shall be used for recreational and social purposes by the Association and the Owners and their family members, guests, invitees and lessees in accordance with this Declaration. Such portion of the Recreation Parcel upon which Developer has constructed, or hereafter constructs, improvements shall be kept and maintained for use in a manner consistent with the nature of such improvements located, or to be located, thereon.

B. Landscape and Open Areas

"Landscape and Open Area" is that portion of Pineapple Walk I designated on the Property Plan as a Landscape and Open Area or improved as same by Developer and shall be used, kept and maintained as beautification and landscape and open area and not for residential, commercial or industrial purposes of any kind. Notwithstanding the foregoing, should a Residence which is constructed within a Block encroach upon a Landscape and Open Area, such encroachment shall not be deemed violative of the provisions hereof. Bicycle and jogging paths as the Developer or the Association shall designate or construct, if any, shall be permitted on the Landscape and Open Area with this recitation not being construed to limit bicycle and jogging paths to the Landscape and Open Area nor construed to limit that which otherwise would be permitted on Landscape and Open Area. Further, mailboxes and trash dumpsters as the Association shall allow, if any, may be placed on portions of the Landscape and Open Area designated by the Association. The Landscape and Open Area shall be kept and maintained in a manner consistent with the nature and style of the plantings located, or to be located, thereon.

C. Ingress and Egress Areas

"Ingress and Egress Areas" are those portions of Pineapple Walk I designated by Developer for use as Ingress and Egress Areas or shown on the Property Plan as such and shall be used, kept and maintained as private drives for the use of the Association, the Developer and the Owners and their family members, guests, licensees, lessees and invitees; provided that there is hereby granted and reserved to any municipality of which Pineapple Walk I may hereafter be a part (Pineapple Walk I presently being located in unincorporated Palm Beach County), the County, the State of Florida and the United States of America (the foregoing being hereinafter collectively referred to as the "Governmental Authorities") a nonexclusive easement for ingress and egress over and across the Ingress and Egress Areas for all activities of the Governmental Authorities in providing all governmental services including, but not limited to, police and fire protection, garbage collection, mail delivery, building inspections, etc. (collectively the "Governmental Purposes"). The easements in favor of the Governmental Authorities herein granted for Governmental Purposes (the "Governmental Easements") shall inure to the benefit of and run exclusively to such Governmental Authorities and no other persons or entities shall have any rights, claims or interests by reason of or arising under the easements herein granted in favor of the Governmental Authorities. Notwithstanding the foregoing, should a Residence which is constructed within a Block encroach upon an Ingress and Egress Area, such encroachment shall not be deemed violative of the provisions hereof. The Ingress and Egress Areas are subject to easements which are hereby granted and imposed upon the Ingress and Egress Areas in favor of the County, utility companies and the Association, and the designees of the Developer and the Association for

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the construction, operation and maintenance of underground utility and drainage facilities.

D. Parking Areas

"Parking Areas" are those portions of Pineapple Walk I designated on the Property Plan as such or constructed for such use by Developer and shall be used for parking of vehicles not precluded from being parked thereon under the Pineapple Walk I Documents. The Parking Areas are subject to easements which are hereby granted and imposed upon the Parking Areas in favor of the County, the utility companies and the Association and the designees of the Developer and the Association for the construction, operation and maintenance of underground utility and drainage facilities and also the Governmental Easements. Further, mailboxes and trash dumpsters as the Association shall allow, if any, may be placed on portions of the Parking Areas designated by the Association so long as such placement does not preclude any parking space from being used as such.

E. Certain Easements

The Developer hereby reserves unto itself, and hereby grants to the Association and such appropriate utility and other service companies or providers of the services hereinafter set forth as are from time to time designated by the Developer or the Association, such easements over, under, in and upon the Blocks, Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas and Parking Areas and/or any other portions of Pineapple Walk I as may be necessary to provide utility services and for ingress and egress for persons and vehicles to provide and maintain such utility services, including, but not limited to, power, electric, sewer, water, drainage, telephone, gas, lighting facilities, irrigation, television transmission and cable television facilities, telecommunications, security service and facilities in connection therewith for Pineapple Walk I or "Pineapple Walk II" (as hereinafter defined) or portions thereof; provided that all facilities for any of the foregoing shall be installed underground except those aboveground facilities as shall be permitted in writing by the Association. The foregoing shall not preclude such easements under then-existing improvements other than buildings or structures (such as, but not limited to, a fence, Ingress and Egress Areas or Parking Area) provided that the use and enjoyment of the easement and installation of the facilities in connection therewith would not result in other than minor, temporary alterations to such improvements other than a building or structure (such as, but not limited to, temporary alteration or removal of a fence or temporary excavation within an Ingress and Egress Area or Parking Area) and provided that same is repaired and/or restored, as the case may be, by the one making use of such easement at its expense and within a reasonable time thereafter. Pineapple Walk I shall also be subject to such easements as may be shown on the Plat.

F. Association Rules and Regulations

The Association shall, from time to time, impose Association Rules and Regulations regulating the use and enjoyment of the Recreation Parcel, the Blocks, the Landscape and Open Area, the Ingress and Egress Areas, the Parking Areas, and other portions of Pineapple Walk I. The Association Rules and Regulations so promulgated shall, in all respects, be consistent with the provisions of the Pineapple Walk I Documents. In the event of any conflict, the following documents shall control in the order stated: this Declaration and amendments, Association Articles,

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Association By-Laws and the Association Rules and Regulations.

G. Conveyance of Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas and Parking Areas

Developer agrees that it shall convey to the Association fee simple title to the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas and Parking Areas subject to the terms and provisions of this Declaration; all applicable Pineapple Walk I Documents and the Plat; real estate taxes for the year of such conveyance; all applicable zoning ordinances; such facts as an accurate survey would show; and all covenants, easements, restrictions and reservations of record or common to the subdivision. While Developer shall have the right to convey such portions or all of the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas and Parking Areas as Developer shall from time to time determine, the conveyance of the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas and Parking Areas shall be effected no later than the "Transfer Date" which shall be ninety (90) days after the "Pineapple Walk II Transfer Date," as defined in Article IV of this Declaration.

H. Reservation by Developer

Notwithstanding anything to the contrary herein contained, no improvements constructed by Developer shall be subject to either approval of the Board or the provisions and requirements of this Declaration. Further, in recognition of the fact that Developer will have a continuing and substantial interest in the development and administration of Pineapple Walk I and Pineapple Walk II, Developer hereby reserves for itself and its successors and assigns, and the Association hereby acknowledges that Developer and its successors and assigns shall have the complete right and privilege to the use of and to go on all Association Property for all purposes required in conjunction with and as part of a program of sale, leasing, construction and development including, but not limited to, the right to maintain models and a sales office, place signs, employ sales personnel, use the Association Property, and show Residences without any cost to Developer, its successors and assigns, for such rights and privileges. Any such models, sales area, sales office, signs, or other such items shall not be considered a part of the Association Property and shall remain the property of Developer. Further, Developer may, pursuant to its program of construction, temporarily suspend or interrupt the use of Association Property. In the event Developer damages improvements to the Association Property, it shall restore same to substantially the original condition or such other condition as it determines consistent with the Declaration. For purposes of this Article III, Paragraph H, the term "Developer" shall include any Lender which has loaned money to Developer to acquire or construct improvements upon Pineapple Walk I or its successors and assigns if such Lender or its successors or assigns acquires title to any portion of Pineapple Walk I as the result of the foreclosure of any mortgage encumbering Pineapple Walk I securing any such loan to Developer or acquires title thereto by deed in lieu of foreclosure. Developer's rights and privileges and obligations set forth in this Article III, Paragraph H, as well as Developer's other rights and privileges and obligations as set forth in the Declaration, may be assigned in whole or in part to another developer or such person or entity as Developer in its sole and absolute discretion determines. These rights and privileges herein set forth, which are in addition to and in no way limit any other rights or privileges of Developer under any of the other Pineapple Walk I Documents, shall terminate upon Developer,

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its successors and assigns or other designated person or entity, no longer owning any portion of Pineapple Walk I, or upon Developer's notifying the Association in writing of Developer's voluntary written election to relinquish the aforesaid rights and privileges of use.

I. Disputes as to Use

In the event there is any dispute as to whether the use of a portion of Pineapple Walk I or any portion thereof complies with the covenants, conditions and restrictions contained in this Declaration, such dispute shall be referred to the Developer, and a determination rendered by the Developer with respect to such dispute shall be final and binding on all parties concerned therewith, provided, however, any use by Developer in accordance with subparagraph 20 of Paragraph J of this Article III shall be deemed a use which complies with the Declaration.

J. Additional Provisions for the Preservation of the Values and Amenities of Pineapple Walk I

In order to preserve the values and amenities of Pineapple Walk I, the following provisions shall be applicable to Pineapple Walk I:

1. Plans, Specifications and Locations of Buildings: No building or structure of any kind, including, without limitation, additions, improvements, alterations, pools, fences, walls, patios, terraces, screened enclosures, or barbecue pits shall be erected or altered until the plans and specifications, exteriors, including exterior colors, location and sealed plot plan thereof, in detail and to scale, shall have been submitted to and approved by Developer in writing before any construction has begun. Failure to submit the plans, specifications, exteriors, location, and plot plan, in detail and to scale, or failure to acquire the approval of Developer, shall be deemed a material breach of this restriction. Developer shall then have the right to proceed in the courts to obtain a mandatory injunction requiring any construction done without approval to be torn down forthwith. The plans and specifications and location of all construction thereunder, and every alteration of any building or structure shall be in accordance with the building, plumbing, electrical and water management requirements of all regulatory codes. Developer will not assume any responsibility in this regard before, during, or after construction. No exterior colors on any building or structure on the property shall be permitted that, in the sole judgment of Developer, would be inharmonious or discordant or incongruous with the property. Any and all future exterior changes, including but not limited to color changes, must be first approved by Developer in writing.

2. Parking: No parking shall be permitted on the Ingress and Egress Areas.

3. Antennas and Flagpoles: No outside antennas, antenna poles, antenna masts, electronic devices, antenna towers or flagpoles shall be permitted.

4. Tents, Shacks or Accessory Buildings: No tents, shacks or accessory or temporary buildings or structures shall be constructed or otherwise placed within Pineapple Walk I except in connection with the construction, development or sales activities permitted under this Declaration or with the prior written consent of the Developer.

5. Animals and Pets: Only common household pets may be kept in a Residence but in no event for the purpose of breeding or for any commercial purposes whatsoever. No

other animals, livestock or poultry of any kind shall be kept, raised, bred or maintained on any portion of Pineapple Walk I. All Owners keeping pets in a Residence must obtain from the Secretary of the Association and fill out a "Pet Permission Slip." Permitted pets shall only be kept subject to and in accordance with such rules and regulations as shall be promulgated from time to time by the Association Board.

6. Barbecues: Owners shall be permitted to locate and utilize barbecues only upon the respective courtyard of their respective Residences and upon such portions, if any, of the Landscape and Open Area as are, from time to time, designated by the Association Board provided, however, that barbecuing shall be subject to such rules and regulations as may be promulgated from time to time by the Association Board.

7. Courtyard: No Owner may create any situation which the Association deems to be unsightly in the courtyard in front of the Residence if same can be seen from the Parking or Ingress and Egress Areas.

8. Signs: No signs shall be erected or displayed on the Land or on any structure, unless the placement and character, form, size, and time of placement of such sign be first approved in writing by Developer. No free standing signs shall be permitted unless approved in writing by Developer. Said signs must also conform with local regulatory ordinances.

9. Maintenance of Premises: No weeds, underbrush, or other unsightly growths shall be permitted to grow or remain upon any portion of Pineapple Walk I, and no refuse or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. In the event that the Association shall fail or refuse to keep Pineapple Walk I free of weeds, underbrush or other unsightly growths or objects, then Developer may enter upon Pineapple Walk I and remove the same at the expense of the Owner or the Association and such entry shall not be deemed a trespass. Pineapple Walk I and any landscaping, buildings, improvements and appurtenances thereon shall be kept in a good, safe, clean, neat and attractive condition, and all buildings and structures shall be maintained in a finished, painted and attractive condition. Upon the failure to maintain Pineapple Walk I and any landscaping, buildings, structures, improvements and appurtenances thereon to the satisfaction of Developer, and upon the Association's failure to make such corrections within thirty (30) days of written notice by Developer, Developer may enter upon Pineapple Walk I and make such improvements or corrections as may be necessary, the cost of which shall be paid for by the Association as a specially assessed Operating Expense. Developer may require the Association to deposit with Developer the estimated cost thereof as determined by the Developer. If any Owner or the Association fails to make payment within fifteen (15) days after requested to do so by Developer, then the payment requested shall be a lien in accordance with the provisions of the Declaration.

10. Mining or Drilling: There shall be no mining, quarrying or drilling for minerals, oil, gas or otherwise ("Mining Activity") undertaken within any portion of Pineapple Walk I. Activities of Developer or the Association in dredging any lakes or creating, excavating or maintaining drainage or other facilities or easements shall not be deemed Mining Activities nor will the installation of wells or pumps, in compliance with applicable governmental requirements, or for sprinkler systems for any portions of Pineapple Walk I be deemed a Mining Activity.

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11. Nuisances: No Owner shall cause or permit any unreasonable or obnoxious noises or odors and no nuisances or illegal activities shall be permitted or maintained on Pineapple Walk I. It is intended, however, that noises or odors which are the reasonably expected result of such uses of Pineapple Walk I as are specifically permitted or contemplated by this Declaration, shall not be deemed unreasonable, obnoxious or a nuisance.

12. Removal of Sod and Shrubbery, Alteration of Drainage, Etc.: Except for Developer's acts and activities in the development of Pineapple Walk I, no sod, topsoil, muck, trees or shrubbery shall be removed from Pineapple Walk I and no change in the condition of the soil or the level of the land of any portion of Pineapple Walk I shall be made which results in permanent change in the flow or drainage of surface water of or within Pineapple Walk I without the prior written consent of Developer.

13. Radio Equipment: No ham radios or radio transmission equipment shall be operated or permitted to be operated without the prior written consent of the Developer.

14. Boats, Motor Vehicles, Trailers, Etc.:

A. No boats, boat trailers, house trailers, motor homes, trucks, "Commercial Vehicles," (as hereinafter defined) vans, motorcycles, motor scooters, go carts, or other motor vehicles or trailers, whether of recreational nature or otherwise, other than in connection with construction, development or sales activities permitted under this Declaration and other than four-wheel passenger non-commercial automobiles and non-commercial vans, shall be placed, parked or stored within Pineapple Walk I; except for temporary periods during which time lawful and permitted work associated therewith is being conducted (e.g., deliveries or repairs to a Residence), but in no event overnight; and except for such four-wheel non-commercial vehicles as Developer shall specifically approve in writing prior to their being placed, parked or stored in Pineapple Walk I.

B. No maintenance or repair to any such boats, trailers, motorcycles, motor scooters, go carts, motor bikes or other motor vehicles (including, but not limited to, any permitted four-wheel passenger automobiles) shall be permitted at Pineapple Walk I.

C. For purposes of this Paragraph 14, the term "Commercial Vehicles" shall include all automobiles, trucks, vans and vehicular equipment, including stationwagons which bear signs or shall have printed on the sides, front, or rear of same reference to any commercial undertaking or enterprise.

D. The Association may promulgate in the Association Rules and Regulations other restrictions and limitations on boats, motor vehicles, trailers, etc.

15. Nonliability of Developer or Association: Developer or the Association shall not in any way or manner be held liable or responsible for approval given hereunder or for any violation of these restrictions by any person or entity other than itself.

16. Owner Compliance; Leases and Tenants:

(a) The covenants, restrictions and servitudes imposed by the Declaration shall apply not only to an Owner or to the Association, but also to any person or persons, entity or entities, occupying the Owner's or the Association's premises under lease from the Owner or the

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Association or by permission or invitation of an Owner or the Association or its tenants, expressed or implied.

(b) Failure of the Owner or Association to notify said persons or occupants of the existence of said restrictions shall not in any way act to limit or divest the right of Developer or the Association of enforcement of these restrictions or any other provision of the Pineapple Walk I Documents and, in addition, the Owner or Association shall be responsible for all violations of these restrictions by its employees, tenants, licensees, invitees or guests, and by employees, guests, licensees and invitees of its tenants at any time.

(c) The Association may enforce the provisions of this Declaration against any person occupying a Residence whether Owner, lessee, tenant, invitee, guest or other person. Further, each Owner hereby irrevocably delegates to the Association the power for the Association to enforce any provisions of any lease or license or other agreement permitting occupancy of the Residence to the extent it may against an Owner. The right of enforcement includes the right to evict such lessee, tenant, invitee, guest or other such person pursuant to Florida Statutes, in the event any such person violates any of the provisions of this Declaration. Developer shall be entitled to all costs thereof including, but not limited to, attorneys' fees.

17. No Implied Waiver: The failure of Developer or the Association to object to an Owner's or other party's failure to comply with the covenants or restrictions contained herein or in any other of the Pineapple Walk I Documents (including the Association Rules and Regulations now or hereafter promulgated) shall in no event be deemed a waiver by Developer or the Association or of any other party having an interest therein of its right to object to same and to seek compliance therewith in accordance with the provisions of the Pineapple Walk I Documents.

18. Basis of Approval: Approval or disapproval of plans and specifications by Developer or the Association shall be based on aesthetic values and conformance with the Declaration only, and shall not be deemed to be approved or disapproved under any applicable regulations of any regulatory agency having jurisdiction. Neither Developer nor the Association shall assume any responsibility for the adequacy of design of any plans or specifications submitted for approval.

19. Delegation to Association: Developer reserves the right to delegate to the Association any or all of the rights of review and approval set forth in this Article III, or elsewhere in this Declaration. Such delegation shall be in writing and may, in Developer's sole and absolute discretion, be on a temporary or permanent basis.

20. No Subdivision: No portion of Pineapple Walk I shall be divided, subdivided or sold except as a whole without the written approval of Developer.

ARTICLE IV

PINEAPPLE WALK II

It is Developer's intention to also develop on property contiguous to Pineapple Walk I a residential development by the name of Pineapple Walk II (which term shall also include any changes to such name). Because of the proximity of the two developments and the natural geographic inter-relationship, Developer has reserved under Article III, paragraph H of this Declaration, certain rights for the benefit of Pineapple Walk II including, but not limited to,

the right of Developer to use and transact business on the Land, to make repairs, to maintain a sales office, to construct facilities without the approval of the Board, and the right to assign such rights. Should Developer develop Pineapple Walk II, Developer will also reserve in the land use documents for Pineapple Walk II similar rights which Developer may exercise in its discretion for the benefit of Pineapple Walk I.

A. Pineapple Walk II Turnover Date

There shall be a homeowners' association administering certain common areas available for all the owners in Pineapple Walk II. These common areas will not be available for use by Pineapple Walk I Owners. The date that Developer gives up controlling the appointment, designation or election of a majority of the board of administration of this master association shall be herein referred to as the Pineapple Walk II Turnover Date.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS
IN THE ASSOCIATION; ASSOCIATION BOARD

A. Membership and Voting Rights

Membership in the Association shall be established by the acquisition of ownership of fee title to a Residence as evidenced by the recording of an instrument of conveyance amongst the public records of the County. Further, Developer shall be a Member until such time as Developer owns no portion of Pineapple Walk I. Each Member shall be entitled to the benefit of, and be subject to, the provisions of the Pineapple Walk I Documents as same may be amended from time to time. The voting rights of the Members shall be as set forth in the Association Articles.

B. Association Board

The Association shall be governed by the Association Board which shall be appointed, designated or elected, as the case may be, as set forth in the Association Articles.

ARTICLE VI

COVENANT TO PAY ASSESSMENTS FOR OPERATING
EXPENSES; ESTABLISHMENT AND ENFORCEMENT OF LIENS;
CERTAIN RIGHTS OF DEVELOPER AND INSTITUTIONAL MORTGAGEES

A. Affirmative Covenant to Pay Operating Expenses

In order to (1) fulfill the terms, provisions, covenants and conditions contained in this Declaration; and (2) maintain, operate and preserve the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and any other Association Property for the use, safety, welfare and benefit of the Owners and their guests, invitees, lessees and licensees, there is hereby imposed upon each Residence within Pineapple Walk I and each owner

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of a Residence the affirmative covenant and obligation to pay to the Association (in the manner herein set forth) all "Assessments" (as hereinafter provided) including, but not limited to, the "Individual Residence Assessments," "Interim Assessments" and "Special Assessments" as hereinafter provided. Each Owner by acceptance of a deed or other instrument of conveyance conveying a Residence, whether or not it shall be so expressed in such deed or instrument, shall be obligated and agrees to pay to the Association all Assessments for Operating Expenses in accordance with the provisions of the Pineapple Walk I Documents, provided that the Owner shall only be personally obligated for Assessments that fall due during the time the Owner owns the Residence unless otherwise assumed by such Owner, notwithstanding the fact that the Residence may be subject to a lien for Assessments in addition thereto.

B. Establishment of Liens

Any and all Assessments made by the Association in accordance with the provisions of this Declaration or any of the Pineapple Walk I Documents (the "Assessments"), with interest thereon at the highest rate allowed by law and costs of collection, including, but not limited to, reasonable attorneys' fees as hereinafter provided, are hereby declared to be a charge and continuing lien upon the Residences against which each such Assessment is made. Each Assessment against a Residence, together with interest thereon at the highest rate allowed by law and costs of collection thereof, including, but not limited to, reasonable attorneys' fees as hereinafter provided, shall be the personal obligation of the Owner of such Residence. Said lien shall be effective only from and after the time of the recordation amongst the Public Records of the County of a written, acknowledged statement by the Association setting forth the amount due to the Association as of the date the statement is signed. Upon full payment of all sums secured by that lien, the party making payment shall be entitled to a satisfaction of the statement of lien in recordable form. Notwithstanding anything to the contrary herein contained, where an "Institutional Mortgagee" of record obtains title to a Residence as a result of foreclosure of its mortgage or deed in lieu of foreclosure, such acquirer of title, its successors or assigns, shall not be liable for the share of Assessments pertaining to such Residence or chargeable to the former Owner of such Residence thereof which became due prior to the acquisition of title as a result of the foreclosure or deed in lieu thereof unless the Assessment against the Residence in question is secured by a claim of lien for Assessment that is recorded prior to the recordation of the mortgage which was foreclosed or with respect to which a deed in lieu of foreclosure was given.

C. Collection of Assessments by Association

In the event any Owner shall fail to pay any Assessment, or installment thereof, charged to such Owner within fifteen (15) days after the same becomes due, then the Association shall have any and all of the following remedies to the extent permitted by law, which remedies are cumulative and which remedies are not in lieu of, but are in addition to, all other remedies available to the Association:

1. To accelerate the entire amount of any Assessments for the remainder of the calendar year, notwithstanding any provisions for the payment thereof in installments.

2. To advance on behalf of the Owner(s) in default funds to accomplish the needs of the Association up to and including the full amount for which such Owner(s) is liable to the Association and the amount or amounts of

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monies so advanced, together with interest at the highest allowable rate, and all costs of collection thereof, including, but not limited to, reasonable attorneys' fees, may thereupon be collected by the Association and such advance by the Association shall not waive the default.

3. To file an action in equity to foreclose its lien at any time after the effective date thereof. The lien may be foreclosed by an action in the name of the Association in like manner as a foreclosure of a mortgage on real property.

4. To file an action at law to collect said Assessment plus interest at the highest rate allowed by law plus court costs and reasonable attorneys' fees without waiving any lien rights or rights of foreclosure in the Association.

D. Collection by Developer

In the event for any reason the Association shall fail to collect the Assessments, then in that event, the Developer shall at all times have the right (but not the obligation): (1) to advance such sums as the Association could have advanced as set forth above; and (2) to collect such Assessments and, if applicable, any such sums advanced by Developer; using the remedies available to the Association as set forth above, which remedies (including, but not limited to, recovery of attorneys' fees) are hereby declared to be available to the Developer.

E. Rights of Developer and Institutional Mortgagees to Pay Assessments and Receive Reimbursement

The Developer and any Institutional Mortgagees shall have the right, but not the obligation, jointly or singly, and at their sole option, to pay any of the Assessments which are in default and which may or have become a charge against any Residences. Further, the Developer and any Institutional Mortgagees shall have the right, but not the obligation, jointly or singly, and at their sole option, to pay insurance premiums or fidelity bond premiums or other required items of Operating Expenses on behalf of the Association where the same are overdue and where lapses in policies or services may occur. The Developer and any Institutional Mortgagees paying overdue Operating Expenses on behalf of the Association will be entitled to immediate reimbursement from the Association plus any costs of collection including, but not limited to, reasonable attorneys' fees and the Association shall execute an instrument in recordable form to this effect and deliver the original of such instrument to each Institutional Mortgagee who is so entitled to reimbursement and to the Developer if the Developer is entitled to reimbursement.

ARTICLE VII

**METHOD OF DETERMINING ASSESSMENTS
AND PROPERTY AND OWNERS TO ASSESS**

A. Determining Amount of Assessments

The total anticipated Operating Expenses for each calendar year shall be set forth in a budget prepared by the Association Board as required under the Pineapple Walk I Documents. The total anticipated Operating Expenses (other than those Operating Expenses which are properly the subject of a "Special Assessment" as hereinafter set forth) shall be apportioned equally among the Residences by dividing the total anticipated Operating Expenses as reflected by the Association Budget, other than those Operating Expenses which are properly the subject of a Special Assessment

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(adjusted as hereinafter set forth), by the Total Number of Residences which are located at Pineapple Walk I and which have received a Certificate of Occupancy from the applicable governmental entity, with the quotient thus arrived at being the "Individual Residence Assessment."

B. Assessment Payments

The Individual Residence Assessments shall be payable quarterly, in advance, on the first day of each of January, April, July and October of each year or monthly as determined from time to time by the Association Board. The Individual Residence Assessment and all installments thereof shall be adjusted from time to time by the Association Board to reflect changes in the number of Residences (thus apportioning all such Assessments and installments thereof among all Residences which have received a Certificate of Occupancy from the applicable governmental entity in existence at the time such installment is due) or changes in the Association Budget or in the event that the Association Board determines that the Assessments or any installment thereof is either less than or more than the amount actually required.

C. Special Assessments

"Special Assessments" include, in addition to other Assessments designated as Special Assessments in the Pineapple Walk I Documents, those Assessments which are levied for capital improvements which include the costs (whether in whole or in part) of constructing or acquiring improvements for, or on, the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and any other Association Property or the cost (whether in whole or in part) of reconstructing or replacing such improvements. Special Assessments shall be assessed in the same manner as the Individual Residence Assessment and shall be in addition to any Interim Assessment, provided that no Residence for which Developer is responsible for paying the Individual Residence Assessment shall be subject to any Special Assessments without the prior written consent of Developer. Special Assessments shall be paid in such installments or in a lump sum as the Association Board shall, from time to time, determine.

D. Developer's Interim Assessment Not the Obligation of Institutional Mortgagees

Notwithstanding anything to the contrary herein contained, it is specifically understood and declared and each Owner by the acceptance of a deed or other instrument of conveyance of a Residence within Pineapple Walk I shall be deemed to have acknowledged and agreed that no Institutional Mortgagee (as defined in this Declaration), or any successors or assigns of such Institutional Mortgagee, or any person acquiring title to any part of Pineapple Walk I by reason of the foreclosure of an Institutional Mortgage or deed taken in lieu of such foreclosure shall be deemed to have made, assumed or otherwise undertaken any covenants or obligations of the Developer: (1) to guarantee the level and/or duration of any Interim Assessments provided for under any of the Pineapple Walk I Documents; or (2) to pay the difference between the actual Operating Expenses and the Interim Assessments, if any, assessed against Residences and the Owners thereof during any "Interim Period" as may be provided for in any of the Pineapple Walk I Documents.

E. Liability of Owners for Individual Residence Assessments

By the acceptance of a deed or other instrument of conveyance of a Residence in Pineapple Walk I, each Owner thereof acknowledges that each Residence and the Owners

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thereof are jointly and severally liable for their own Individual Residence Assessment and their applicable portion of any Special Assessments (as to Special Assessments, subject to the limitations thereon relating to Residences owned by Developer), as well as for all Assessments for which they are liable as provided for herein. Such Owners further recognize and covenant that they are jointly and severally liable with the Owners of all Residences for the Operating Expenses (subject to any specific limitations provided for herein such as, but not limited to, the limitation with respect to matters of Special Assessments insofar as Developer is concerned). Accordingly, subject to such specific limitations, it is recognized and agreed by each Owner, for himself and his heirs, executors, successors and assigns, that in the event Owners fail or refuse to pay their Individual Residence Assessment or any portion thereof or their respective portions of any Special Assessments or any other Assessments, then the other Owners may be responsible for increased Individual Residence Assessments or Special or other Assessments due to the nonpayment by such other Owners, and such increased Individual Residence Assessment or Special or other Assessment can and may be enforced by the Association and the Developer in the same manner as all other Assessments hereunder as provided in this Declaration. The limitations applicable to Residences owned by Developer insofar as Special Assessments are concerned also apply to any portion of an Assessment arising from the failure of any Owner to pay a Special Assessment or any portion thereof.

F. "Interim Assessment" During "Interim Period"

Individual Residence Assessment During Interim Period: The term "Interim Period" shall mean a period of time commencing with the date of recordation in the Public Records of Palm Beach County, Florida, of this Declaration and continuing through December 31, 1984. Developer reserves the right to extend the Interim Period beyond December 31, 1984, and thereafter on one or more occasions to again extend it. The Association shall be advised in writing of any such extension of the Interim Period at least thirty (30) days prior to the termination of the Interim Period or an extension thereof. During the Interim Period, it is covenanted and agreed by Developer and the Association that the Individual Residence Assessment for each Residence shall not exceed an annual amount of Eight Hundred and Twenty-Eight and 00/100 (\$828.00) Dollars ("Interim Assessment") through December 31, 1984. Each Residence shall pay its Interim Assessment to the Association as provided herein. During the Interim Period, Developer covenants and agrees with the Association and the Owners of the Residences that Developer will pay the difference, if any, between the Operating Expenses (other than those Operating Expenses which are properly the subject of a Special Assessment) incurred by the Association during the Interim Period and the amount assessed as the Interim Assessment. Notwithstanding anything contained herein the Interim Period shall terminate upon the "Turnover Date" (as that term is defined in the Association Articles). In consideration of Developer establishing the Interim Assessment during the Interim Period and any extension thereof, notwithstanding any provision of this Declaration, Developer, during the Interim Period or any extension thereof, shall not pay the Individual Residence Assessments for Residences it owns.

G. Notwithstanding anything contained herein, any Residences which have received a Certificate of Occupancy from an applicable governmental entity shall be required to pay the Individual Residence Assessments (except for Residences owned by Developer during the Interim Period). In the event of any dispute as to whether a Residence has received a Certificate of Occupancy from an applicable

governmental entity, said dispute shall be referred to the Developer whose determination shall be final and binding on all parties thereto.

ARTICLE VIII
OPERATING EXPENSES;
CERTAIN ASSESSMENT CLASSIFICATIONS

The following expenses of the Association Property, including the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, and Parking Areas, are hereby declared to be Operating Expenses which the Association is obligated to assess and collect and which the Owners are obligated to pay as provided herein or as may be otherwise provided in the Pineapple Walk I Documents.

A. Taxes

Any and all taxes or special assessments levied or assessed at any and all times upon any Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas or any other Association Property or any improvements thereto or thereon by any and all taxing authorities, including, without limitation, all taxes, charges, assessments and impositions and liens for public improvements, special charges and assessments, and water drainage districts, and in general all taxes and tax liens which may be assessed against the said Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas or any other Association Property and against any and all personal property and improvements, which are now or which hereafter may be placed thereon, including any interest, penalties and other charges which may accrue thereon as opposed to any such levies or assessments against an individual Residence which shall be paid by the Owner thereof.

B. Utility Charges

All charges levied for utilities providing services for the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas or any other Association Property or providing services for the individual Residences though not separately metered to such Residences, whether supplied by a private or public firm, including, without limitation, all charges for water, gas, electricity, telephone, sewer, and any other type of utility or any other type of service charge.

C. Telecommunications

All charges levied for telecommunications or cable television reception and transmission, including but not limited to cable or satellite reception, if any, as approved by the Board, not separately metered or charged to the individual Residences.

D. Insurance

The premiums on any policy or policies of insurance required to be maintained under the Pineapple Walk I Documents and the premiums on any policy or policies of insurance which the Association determines to maintain even if not required to be so maintained under the Pineapple Walk I Documents.

E. Maintenance, Repair and Replacement

Any and all expenses necessary to (1) maintain and preserve the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and any other Association Property; and (2) keep, maintain, operate, repair and replace any and all buildings, improvements,

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fences, personal property and furniture owned by the Association, fixtures and equipment upon the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and any other Association Property in a manner consistent with the development of Pineapple Walk I and in accordance with the covenants and restrictions contained herein and in the Pineapple Walk I Documents, and in conformity with all applicable federal, state, County or municipal laws, statutes, ordinances, orders, rulings and regulations; and (3) maintain and repair the portions of Pineapple Walk I, including but not limited to, the Common Structural Elements, which are the responsibility of the Association as provided for in the Pineapple Walk I Documents.

F. Administrative and Operational Expenses

The costs of administration for the Association in the performance of its functions and duties under the Pineapple Walk I Documents including, but not limited to, costs for secretarial and bookkeeping services, salaries of employees, legal and accounting fees and contracting expenses. In addition, the Association may retain a management company or companies or contractors (any of which management companies or contractors may be, but are not required to be, a subsidiary, affiliate, or an otherwise-related entity of Developer) to assist in the operation of the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and any other Association Property, or portions thereof, and to perform or assist in the performance of certain obligations of the Association under the Pineapple Walk I Documents and the fees or costs of any management company or contractor so retained shall be deemed to be part of the Operating Expenses.

G. Compliance with Laws

The Association shall take such action as it determines necessary or appropriate in order for the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and any other Association Property and the improvements thereon to be in compliance with all applicable laws, statutes, ordinances and regulations of any governmental authority, whether federal, state or local, including, without limitation, any regulations regarding zoning requirements, setback requirements, drainage requirements, sanitary conditions and fire hazards, and the cost and expense of such action taken by the Association shall be an Operating Expense.

H. Indemnification

The Association covenants and agrees that it will indemnify and hold harmless Developer from and against any and all claims, suits, actions, causes of action and/or damages arising from any personal injury, loss of life and/or damage to property sustained on or about the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and any other Association Property and improvements thereof and thereon, and from and against all costs, expenses, counsel fees (including, but not limited to, all trial and appellate levels and whether or not suit be instituted) and liabilities incurred by Developer arising from any such claim, the investigation thereof, or the defense of any action or proceedings brought thereon, and from and against any orders, judgments and/or decrees which may be entered thereon. The Association shall also indemnify Developer for any expense Developer may incur in bringing any suit or action for the purpose of enforcing the rights of Developer under any of the Pineapple Walk I Documents or of compelling the specific enforcement of the terms, conditions and covenants contained in any of the

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Pineapple Walk I Documents to be kept or performed by the Association or the Owners. The costs and expense of fulfilling this covenant of indemnification set forth in this Paragraph shall be an Operating Expense, provided that the amount of any Assessment arising therefrom shall be in addition to, and not part of, any Interim Assessment provided for in the Pineapple Walk I Documents.

I. Failure or Refusal of Pineapple Walk I Contributing Unit Owners to Pay Assessments

Funds needed for Operating Expenses due to the failure or refusal of Owners to pay Assessments levied shall, themselves, be deemed to be Operating Expenses and properly the subject of an Assessment provided, however, that any Assessment for any such sums so needed to make up a deficiency due to the failure of Owners to pay a Special Assessment shall, itself, be deemed to be a Special Assessment subject to the limitations thereon with respect to Residences owned by Developer.

J. Extraordinary Items

Extraordinary items of expense under the Pineapple Walk I Documents such as expenses due to casualty losses and other extraordinary circumstances shall be the subject of a Special Assessment subject to the limitations thereon with respect to Residences owned by Developer.

K. Matters of Special Assessments Generally

Amounts needed for capital improvements, as hereinbefore set forth, or for other purposes or reasons as determined by the Association Board to be the subject of a Special Assessment which are not inconsistent with the terms of any of the Pineapple Walk I Documents must also be approved by the affirmative vote (at any meeting thereof having a quorum) of the Association Members, except that no such approval need be obtained for a Special Assessment for the replacement or repair of a previously existing improvement on the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas or Association Property which was destroyed or damaged, it being recognized that the sums needed for such capital expenditures shall be the subject of a Special Assessment. Special Assessments shall be in addition to Interim Assessments and Developer shall not be obligated for Special Assessments.

L. Costs of Reserves

The funds necessary to establish an adequate reserve fund (the "Reserves") for depreciation and/or deferred maintenance of the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parkings Areas and any other Association Property and the facilities and improvements thereupon in amounts determined sufficient and appropriate by the Association Board from time to time shall be an Operating Expense. The Reserves shall be deposited in a separate account to provide such funds and reserves. The monies collected by the Association on account of Reserves shall be and shall remain the exclusive property of the Association and no Owner shall have any interest, claim or right to such Reserves or any fund composed of same.

M. Miscellaneous Expenses

The cost of all items of costs or expense pertaining to or for the benefit of the Association or the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas or any other Association Property, or any part thereof, not herein specifically enumerated and which is determined to be an appropriate item

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of Operating Expense by the Association Board shall be an Operating Expense.

ARTICLE IX

INSURANCE

The Association shall purchase the following insurance coverages subject to the following provisions, and the cost of the premiums therefor shall be a part of the Operating Expenses:

A. Public Liability Insurance

A comprehensive policy or policies of public liability insurance naming the Association and, until the Transfer Date, the Developer as named insureds thereof and including the Owners as insureds thereunder insuring against any and all claims or demands made by any person or persons whomsoever for injuries received in connection with, or arising from, the operation, maintenance and use of the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and any other Association Property and any improvements and buildings located thereon as well as the "Common Structural Elements" (as may be set forth in the Declaration) of the various Block Buildings and for any other risks insured against by such policies with limits of not less than \$1,000,000.00 for damages incurred or claims for personal injury for any one occurrence (with no separate limit stated for the number of claims) and not less than \$100,000.00 for property damage incurred or claimed for any one occurrence (with no separate limit stated for the number of claims). Such coverage shall include as appropriate, without limitation, protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others and such other risks as are customarily covered with respect to areas similar to the Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas, Parking Areas and Association Property in developments similar to Pineapple Walk I in construction, location and use. The insurance purchased shall contain a "Severability of Interest Endorsement." or equivalent coverage, which would preclude the insurer from denying the claim of an Owner because of the negligent acts of either the Association, the Developer or any other Owners or deny the claim of either the Developer or Association because of negligent acts of the other or the negligent acts of an Owner.

B. Building Insurance

Insurance for the Block Buildings and all buildings constructed on the Recreation Parcel or other Association Property in an amount equal to one hundred (100%) percent of the "Replacement Value" thereof with an "agreed amount of Inflation Guard Endorsement." if available, a "Construction Code Endorsement" (including a "Demolition Cost Endorsement" "Contingent Liability from Operation of Building Laws Endorsement," and an "Increased Cost of Construction Endorsement") or its equivalent, if necessary. The term "Replacement Value" shall mean one hundred (100%) percent of the current replacement costs exclusive of land, foundation, excavation, items of personal property and other items normally excluded from coverage. The Association Board may determine the kinds of coverage and proper and adequate amount of insurance. Such insurance shall afford protection against at least the following:

1. loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by debris removal, cost of demolition, vandalism, malicious mischief, windstorm and water damage; and

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2. such other risks as shall customarily be covered with respect to areas similar to the Blocks, Recreation Parcel and Association Property in developments similar to Pineapple Walk I in construction, location and use.

The Association may also obtain, provided same is available, flood insurance sponsored by the federal government on all buildings constructed on the Recreation Parcel or Association Property and the Block Buildings. If the Association does not obtain flood insurance, then the Residence Owner may obtain same at Residence Owner's expense.

C. Conditions of Insurance

All insurance purchased by the Association pursuant to this Article shall be subject to the following provisions:

1. The Institutional Mortgagee holding the highest dollar indebtedness encumbering Residences in Pineapple Walk I (the "Lead Mortgagee") shall have the right, for so long as it holds such highest dollar indebtedness, to approve the form of such insurance policies, the amounts thereof, the company or companies which shall be the insurers under such policies, the insurance agent or agents and the designation of an "Insurance Trustee" (as hereinafter defined), if it deems the use of an Insurance Trustee to be necessary, and a successor Insurance Trustee, which approval shall not be unreasonably withheld or delayed. If the use of an Insurance Trustee is requested in writing, as stated above, then the Lead Mortgagee shall be deemed to have approved the Insurance Trustee unless the Lead Mortgagee's written disapproval is received by the Association within thirty (30) days after notice from the Association of the identity of the proposed Insurance Trustee. If no Insurance Trustee is required, the Association Board shall receive, hold and expend insurance proceeds in the manner hereinafter provided as if it were the Insurance Trustee. The Association shall also have the right to designate an Insurance Trustee (the "Insurance Trustee") to act as an Insurance Trustee in the manner provided in this Declaration, which Insurance Trustee shall be a commercial bank or trust company which is authorized to do business in the State of Florida and which has its principal office in Palm Beach County, Broward County or Dade County, Florida, and thereafter, at any time and from time to time, the Association shall have the right to change the Insurance Trustee to another such bank or trust company.

2. If an Insurance Trustee is required, then all policies of insurance purchased by the Association shall be deposited with the Insurance Trustee upon its written acknowledgment that the policies and any proceeds thereof will be held in accordance with the terms hereof. Said policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Insurance Trustee, and the Insurance Trustee may deduct from the insurance proceeds collected a reasonable fee for its services as Insurance Trustee. The Association Board is hereby irrevocably appointed agent for each Owner to adjust all claims arising under insurance policies purchased by the Association in which Owners have or may have an interest. The Insurance Trustee shall not be liable in any manner for the payment of any premium on policies, the renewal of policies, the sufficiency of the coverage of any such policies or any failure to collect any insurance proceeds under any policies.

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3. In the event of any damage to a Block Building, no mortgagee shall have any right to participate in the determination of whether the Block Building is to be rebuilt nor shall any mortgagee have the right to apply insurance proceeds received by the Insurance Trustee to the repayment of its loan, unless such proceeds are distributed to Owners and/or their respective mortgagees.

4. The duty of the Insurance Trustee shall be to receive any and all proceeds from the insurance policies held by it as such Insurance Trustee and to hold such proceeds in trust for the Association, Owners and Institutional Mortgagees under the following terms:

(a) In the event a loss insured under the policies held by the Insurance Trustee occurs to any improvements within any of the Residences without any loss to any improvements within the Common Structural Elements, the Insurance Trustee shall immediately pay all insurance proceeds received as a result of such loss directly to the Owners of the Residences damaged and their Institutional Mortgagees, if any, as their interests may appear, and it shall be the duty of such Owners to use such proceeds to effect the necessary repairs to the Residences and to return the Residences to their prior condition according to the standards required under the Pineapple Walk I Documents. The Insurance Trustee must rely upon the written statement of the Association as to whether a Residence or a Common Structural Element or both have suffered damage insured under any policies held by the Insurance Trustee.

(b) In the event that a loss of Fifty Thousand (\$50,000.00) Dollars or less, as determined by detailed estimates or bids for repair and reconstruction obtained by the Association Board, occurs to any Common Structural Elements or to any Residences and Common Structural Elements which are contiguous, the Insurance Trustee shall pay the proceeds received as a result of such loss to the Association. Upon receipt of such proceeds, the Association shall promptly cause the necessary repairs to be made to the Common Structural Elements and to any such damaged contiguous Residences. In such event, should insurance proceeds be sufficient for the repair of the damaged Common Structural Elements but insufficient for the repair of all of the damage to the Residences contiguous thereto, the proceeds shall be applied first to completely repair the Common Structural Elements, and the balance of the funds shall be apportioned by the Association to repair the damage to the Residences, which apportionment shall be made to each Residence in accordance with the proportion of damage sustained by each of such Residences as estimated by the insurance company or companies whose policies cover such damages. Any deficiency between such proceeds apportioned to a damaged Residence and the cost of the repair of such damaged Residences shall be made up by a Special Assessment against the Owner of such damaged Residence. In the event the insurance proceeds are insufficient to pay for the cost of repair of the Common Structural Elements, the Association Board shall hold a special meeting to determine a Special Assessment against all of the Residences of the affected Block Building to obtain any necessary funds to repair and restore the damaged Block Building and to obtain any necessary funds to repair and restore the damaged Common Structural Elements. Such Special Assessment need not be uniform as to all Residences, but may be in accordance with such factors as the Association Board shall consider to be fair and equitable under the circumstances. Upon the determination by the Association Board of the amount of such Special Assessment, the Association Board shall immediately levy such Special Assessment against the respective Residences in the affected Block Building setting forth the date or dates for payment of same.

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(c) In the event the Insurance Trustee receives proceeds in excess of Fifty Thousand (\$50,000.00) Dollars as a result of damages to any Common Structural Elements or to any Residences and Common Structural Elements which are contiguous, then the Insurance Trustee shall hold in trust all insurance proceeds received with respect to such damages, together with any and all other monies paid to the Insurance Trustee pursuant to the following subparagraph (c) (iii) and shall distribute such funds in the following manner:

(i) The Association Board shall obtain detailed estimates or bids for the cost of rebuilding and reconstruction of such damaged property for the purpose of determining whether such insurance proceeds are sufficient to pay for the same.

(ii) In the event the insurance proceeds are sufficient to rebuild and reconstruct all of such damaged improvements or if the insurance proceeds, together with the funds described in subparagraph (c)(iii) below are sufficient for such purpose, then such damaged improvements shall be completely repaired and restored. The Association Board shall negotiate for the repair and restoration of such damaged Block Building, and the Association shall negotiate and enter into a construction contract with a contractor to do the work on a fixed price basis or on any other reasonable terms acceptable to the Association Board, which contractor shall post a performance and payment bond with respect to such work. The Insurance Trustee shall disburse the insurance proceeds and other applicable funds held in trust in accordance with provisions for progress payments to be contained in such construction contract; provided, however, prior to any payment of such funds, the payees of such funds shall deliver to the Insurance Trustee any paid bills, waivers of liens under any lien laws and executed affidavits required by law, the Association or any respective Institutional Mortgagees.

(iii) In the event the insurance proceeds are insufficient to repair and replace all of the damaged improvements, the Association Board shall hold a special meeting to determine a Special Assessment of Block Expenses against all of the Residences in the affected Block Building (the "Affected Residences" and "Affected Block Building." respectively) to obtain any necessary funds to repair and to restore such damaged improvements. Such Special Assessment need not be uniform as to all Affected Residences, but may be in accordance with such factors as the Association Board shall consider to be fair and equitable under the circumstances. Upon the determination by the Association Board of the amount of such Special Assessment, the Association Board shall immediately levy such Special Assessment against the respective Affected Residences setting forth the date or dates of payment of the same, and any and all funds received from the Owners of the Affected Residences pursuant to such Special Assessment shall be delivered to the Insurance Trustee and disbursed as provided in subparagraph (c)(ii) immediately preceding. In the event the deficiency between the estimated cost of the repair and replacement of the damaged Block Building and the insurance proceeds exceeds the sum of One Hundred Thousand (\$100,000.00) Dollars, and three-fourths (3/4) of the Owners of the Affected Residences advise the Association Board in writing on or before the date for the first payment thereof that they are opposed to a Special Assessment, then the Insurance Trustee shall divide the net insurance proceeds into equal shares and shall promptly pay each share of such proceeds to the Owners of the Affected Residences and Institutional Mortgagees of record thereof as their interests may appear (an "Insurance Proceeds Distribution"). In making such Insurance Proceeds Distribution to the Owners of the Affected Residences and

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the Institutional Mortgagees thereof, the Insurance Trustee may rely upon a certificate of an abstract company as to the names of the then Owners of the Affected Residences and their respective Institutional Mortgagees.

(d) In the event that after the completion of and payment for the repair and reconstruction of the damage to the Block Building, and after the payment of the Insurance Trustee's fee with respect thereto, any excess insurance proceeds remain in the hands of the Insurance Trustee, then such excess shall be disbursed in the manner of the Insurance Proceeds Distribution. However, in event such repairs and replacements were paid for by any Special Assessment as well as by the insurance proceeds, then it shall be presumed that the monies disbursed in payment of any repair, replacement or reconstruction were first disbursed from insurance proceeds and any remaining funds held by the Insurance Trustee shall be distributed to the Owners in proportion of their contributions by way of Special Assessment.

(e) In the event the Insurance Trustee has on hand, within ninety (90) days after any casualty or loss, insurance proceeds and, if necessary, funds from any Special Assessment sufficient to pay fully for any required restoration and repair with respect to such casualty or loss, then no mortgagee shall have the right to require the application of any insurance proceeds or Special Assessment to the payment of its loan. Any provision contained herein for the benefit of any Institutional Mortgagee may be enforced by an Institutional Mortgagee.

(f) Any repair, rebuilding or reconstruction of damaged Block Buildings shall be substantially in accordance with the architectural plans and specifications for (i) the originally constructed Block Building, (ii) a previously reconstructed Block Building, or (iii) new plans and specifications approved by the Association Board (as defined in the Declaration); provided, however, any material or substantial change in new plans and specifications approved by the Association Board from the plans and specifications of the previously constructed Block buildings (except such as are required by applicable law or building codes) shall require approval by the Lead Mortgagee. Additionally, until the "Turnover Date" (as defined in the Association Articles) any such material or substantial change in new plans and specifications approved by the Association Board from the plans and specifications of the previously constructed Block Building (except such as are required by applicable law or building codes) shall also require the consent of fifty (50%) percent of the "Purchaser Members" (as defined in the Association Articles) which consent may be evidenced by a writing signed by the required number of Purchaser Members or by the affirmative vote of the required number of Purchaser Members at any regular or special meeting of the Association called and held in accordance with the Association By-Laws evidenced by a certificate of the Secretary or an assistant Secretary of the Association. Notwithstanding anything contained herein, in the event any Block Building is destroyed and the Block Building is reconstructed, then such Block Building shall be reconstructed in accordance with the original plans and specifications as to the number of Residences contained therein, which shall not exceed the original number of the overall dimensions of such Block Building.

(g) The Association Board shall determine, in its sole and absolute discretion, whether damage or loss has occurred to improvements within Residences alone or to improvements within Common Structural Elements contiguous thereto, or both.

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D. Form of Policies

Nothing herein contained shall prohibit the Association from obtaining a "master" or "blanket" form of insurance for all of Pineapple Walk I or portions thereof, provided that the coverages required hereunder are fulfilled.

E. Fidelity Coverage

Adequate fidelity coverage to protect against dishonest acts of the officers and employees of the Association and the Association Directors and all others who handle and are responsible for handling funds of the Association. Such coverage is to be in the form of fidelity bonds which meet the following requirements to the extent same are reasonably obtainable at a reasonable cost in the judgment of the Association Board:

1. Such bonds shall name the Association as an obligee;
2. Such bonds shall be written in an amount equal to at least the sum of three (3) months' Assessments on all Residences, plus the reserves; and
3. Such bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

F. Cancellation or Modification

All insurance policies purchased by the Association shall provide that they shall not be cancelled (including for nonpayment of premiums) or substantially modified without at least ten (10) days' prior written notice to the Association and to each first mortgage holder named in the mortgage clause.

G. Errors and Omissions Liability Coverage

Adequate errors and omissions liability coverage is to protect the Board against errors or omissions liability.

ARTICLE X
COMMON STRUCTURAL ELEMENTS

Each Block Building contains or shall contain certain elements, features or parts which are structural elements of the Block Building or of more than one Residence contained in said Block Building (hereinafter referred to as "Common Structural Elements"). The Common Structural Elements of each Block Building include the following:

A. Utility Lines

All utility lines, ducts, conduits, pipes, wires and other utility fixtures and appurtenances which are located on or within the "Block Property" (being the particular Block in question and the Block Building located thereon) and which directly or indirectly in any way service more than one Residence in the Block Building in question, all of which are collectively referred to herein as the "Utility Lines."

B. Party Walls

All division walls beginning at the unfinished surface of each side of such wall (hereinafter referred to as "Party Walls") between two Residences located upon a Lot line between two Residences (hereinafter referred to as "Lot Lines"), provided that the mere fact that such a division

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wall between two Residences is found to be not on a Lot line shall not preclude that division wall from being a Party Wall.

C. Roofing

The entire roof of the Block Building, any and all roof support structures, and any and all appurtenances to such roof and roof support structures, including, without limitation, the roof covering, roof trim and roof drainage fixtures, all of which are collectively referred to herein as the "Roofing." Should the Roofing or a part thereof extend beyond the Residences, same shall not be deemed to violate the provisions of this Declaration and such easements as may be necessary to accommodate and permit the Roofing as same shall be constructed are hereby imposed.

D. Siding

Any and all siding, finish, trim, exterior sheathings and other exterior materials and appurtenances on the exterior of the Block Building, all of which are collectively referred to herein as the "Siding." Should the Siding or a part thereof extend beyond the Residences, same shall not be deemed to violate the provisions of this Declaration and such easements as may be necessary to accommodate and permit the Siding as same shall be constructed are hereby imposed.

E. Foundation

The entire concrete floor slab or wood floor system if utilized in lieu thereof and all foundational and support structures and appurtenances thereto, all of which are collectively referred to as the "Foundation." Should the Foundation or a part thereof extend beyond the Residences, same shall not be deemed to violate the provisions of this Declaration and such easements as may be necessary to accommodate and permit the Foundation as same shall be constructed are thereby imposed.

ARTICLE XI

USE AND MAINTENANCE OF BLOCK PROPERTY

A. Covenants for Use

1. Each Owner, by acceptance of a deed or other instrument of conveyance conveying a Residence within Pineapple Walk I, whether or not it shall be so expressed in such deed or instrument, covenants and agrees that the Residence and the Block Property shall be used, held, maintained and conveyed solely in accordance with the covenants, reservations, easements, restrictions and lien rights regarding same as are or may be set forth in the Pineapple Walk I Documents including, but not limited to, this Declaration.

2. No Owner shall in any way damage, injure or impair the Common Structural Elements.

B. Maintenance and Repair of Block Property

The maintenance and repair of the Block Property is either the responsibility of the Owners or the Association as hereinafter more particularly set forth:

1. Responsibility of Owners.

(a) Each Owner shall maintain in good condition and repair and at his own expense (i) all portions of his Residence; (ii) courtyard and fence serving the Residence; (iii) all utility lines, ducts, conduits, pipes, wires and

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other utility fixtures and appurtenances which service only his Residence; and (iv) all glass and screens in windows and doors in his Residence, in a manner consistent and in uniformity with the Block Property. Each Owner shall perform promptly all such maintenance and repairs and shall be liable for any damages that arise due to his failure to perform such maintenance and repairs. Furthermore, should the negligence or willful misconduct of an Owner result in the need for work (including, but not limited to, work in the nature of maintaining or repairing portions of the Block Property or Association Property including, but not limited to, Recreation Parcel, Landscape and Open Area, Ingress and Egress Areas or Parking Areas) which would otherwise be the responsibility of the Association, the Owner in question shall be liable to the Association for the cost and expense so incurred and shall be subject to a Special Assessment therefor.

(b) Notwithstanding any provision herein to the contrary, no Owner shall undertake the painting, refurbishing, staining or varnishing of or make any other modification to any outside or exterior portion or surfaces of his Residence or the Block Building. However, each Owner shall be responsible for painting the fence serving the Residence which shall be maintained in a good and aesthetically pleasing and sightly manner, provided that no Owner may change the color of the fence or the finish or the type of paint used by Developer without the Association's prior written approval.

(c) Each Owner shall promptly report to the Association any defect known to such Owner which requires repair of the Block for which the Association or a party other than that Owner is responsible.

2. Responsibilities of the Association.

(a) The Association shall maintain and repair the Common Structural Elements and the other portions of the Block which are not the responsibility of any Owner. All painting, refurbishing, staining or varnishing of any outside or exterior portion or surfaces of the Residences or the Block Building, except the fences serving the Residences, shall be the obligation of the Association and the cost thereof shall be a Block Expense.

(b) In the case of a situation deemed an emergency by the Association Board, the Association Board may repair, replace or maintain those portions of the Common Structural Elements or other portions of a Residence and/or the Block which are otherwise the responsibility of any Owner and levy a Special Assessment against such Owner for same.

(c) The Association shall have such other responsibilities for maintenance and repair of the Block and the Block Buildings thereon as may be provided for in this Declaration.

3. Provisions for Interpretation of Responsibilities.

Notwithstanding any provision in this Declaration to the contrary, in the event any Common Structural Element or part thereof located within a Residence (including without limitation Roofing, Siding, pipes for water or sewage or wires or cables for utilities) requires maintenance, repair or replacement and the Association Board determines that the necessity for such maintenance, repair or replacement was due to any act or failure to act on the part of the Owner of the Residence in question and that the cost of such maintenance, repair or replacement would result in an inequitable and unfair burden upon any other

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Residences, then upon such determinations by the Association Board the cost of such maintenance, repair or replacement shall be determined to be the subject of a Special Assessment against such Residences. Decisions of the Association Board with respect to the foregoing shall be consistent.

ARTICLE XII
EASEMENTS

A. Recognition of Existing Easements

Each Owner, by acceptance of a deed or other instrument of conveyance, recognizes and consents to the easements reserved and/or granted with respect to the Block Property under this Declaration.

B. Grant and Reservation of Easements

Developer hereby reserves and grants the following perpetual easements over and across the Block Property as covenants running with the Block Property for the benefit of the Owners, the Association and Block Property as hereinafter specified for the following purposes:

1. Utility and Governmental Services Easements. Easements to provide utility services and for Governmental Purposes as is more particularly set forth in Article III hereof including, but not limited to, rights of access to maintain, repair, replace or install fixtures and appurtenances necessary for such utility services and Governmental Purposes subject to the limitations set forth in said Article III.

2. Easement for Encroachment. An easement for the encroachment in favor of all Owners in the event any portion of the Association Property or of any of the Residences now or hereafter encroaches upon any of the other Residences or other portions of Pineapple Walk I as a result of minor inaccuracies in survey, construction or reconstruction or due to settlement or movement. The encroaching improvements shall remain undisturbed for so long as the encroachment exists. Any easement for encroachment shall include an easement for the maintenance and use of the encroaching improvements in favor of each of the Owners or their designees.

3. Structural Cross Easements. Cross easements of support and use over, upon, across, under, through and into the Common Structural Elements in favor of the Association, the Owners or their designees for the continued use, benefit and enjoyment and continued support, service, maintenance, repair and design of all Residences and Common Structural Elements within any of the Block Properties.

4. Right of Association to Enter Upon Block Property. An easement or easements for ingress and egress in favor of the Association by the Association Board or the designees of the Association Board to enter upon the Block Property for the purpose of fulfilling its duties and responsibilities of ownership, administration, maintenance and/or repair in accordance with the Pineapple Walk I Documents, including the making of such repair, maintenance or reconstruction to prevent damage or risk of loss to other Owners.

5. Assignments. The easements reserved hereunder may be assigned by the Association in whole or in part to any city, county or state government or agency thereof, or any duly licensed or franchised public utility, or any other designee of Developer. The Owners hereby

authorize Developer and/or the Association to execute, on their behalf and without further authorization, such Grants of Easement or other instruments as may from time to time be necessary to grant easements over and upon the Block Property or portions thereof in accordance with or to complement the provisions of this Declaration or applicable Declarations subject to the limitations as to then existing buildings or other permanent structures or facilities constructed within Pineapple Walk I in accordance with this Declaration and the Pineapple Walk I Documents and prior to the use of such easements as is provided in Article III.E hereof.

ARTICLE XIII

MAINTENANCE OF PINEAPPLE WALK I

In order to further establish and preserve Pineapple Walk I, the Owners covenant and shall be obligated at all times to maintain the Pineapple Walk I property as provided for herein and in the Pineapple Walk I Documents in a neat and aesthetically pleasing and proper condition and good repair. In the event that any Owner fails to maintain his Residence and otherwise provide any maintenance required under the Pineapple Walk I Documents (the "Defaulting Owner") the Association shall have the right, though not the obligation, upon thirty (30) days' written notice, to enter the property of the Defaulting Owner for the purpose of performing such maintenance and/or repairs described in the notice. The cost of performing such maintenance and/or repairs and the expense of collection (including, but not limited to, court costs and reasonable attorneys' fees for the services of the Association's attorneys through and including all appeals and whether or not suit be instituted) shall be assessed against the Defaulting Owner and shall become a lien upon the Residence of the Defaulting Owner. Said lien shall be effective only from and after the time of recordation amongst the Public Records of the County of a written statement claiming such a lien on behalf of the Association and setting forth the amount due which shall bear interest from the date thereof at the highest rate allowed by law. The Association shall have all rights and remedies with respect to the enforcement and collection of such lien as the Association would have with respect to liens for Assessments as provided for in this Declaration. Upon full payment of all sums secured by that lien, the party making payment shall be entitled to a satisfaction thereof in recordable form. Furthermore, in the event that the Association fails to maintain such portions of the Pineapple Walk I property as the Association is required to maintain in accordance with the Pineapple Walk I Documents including, but not limited to, this Declaration, the Developer, until the Transfer Date, shall have the right, but not the obligation, upon thirty (30) days written notice, to enter upon the Pineapple Walk I property for the purpose of performing the maintenance and/or repairs described in the notice. The cost of performing the maintenance and/or repairs and the expense of collection (including, but not limited to, court costs and reasonable attorneys' fees for the services of the Developer's attorneys through and including all appeals and whether or not suit be instituted) shall be assessed by the Developer against the Owners as if same were a Special Assessment (and thus subject to the limitations with respect to Special Assessments as provided for in the Pineapple Walk I Documents) and shall be assessed, levied, collected and enforced by the Developer in the same manner as the Association might assess, levy, collect and enforce same, with the Developer having all of the rights of the Association to so assess, levy, collect and enforce the same.

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ARTICLE XIV

GENERAL PROVISIONS

A. Conflict With Declaration

In the event of any conflict between the provisions of any other Pineapple Walk I Documents and the provisions of this Declaration, the provisions of this Declaration shall control.

B. Notices

Any notice or other communication required or permitted to be given or delivered hereunder shall be deemed properly given and delivered upon the mailing thereof by United States mail, postage prepaid, to: (1) any Owner, at the address of the person whose name appears as the Owner on the records of the Association at the time of such mailing and, in the absence of any specific address, at the address of the Residence owned by such Owner; and (2) the Association, certified mail, return receipt requested, at Post Office Box 273463, Boca Raton, Florida 33427, or such other address as the Association shall hereinafter notify Developer, and the Owners of in writing; and (3) the Developer, certified mail, return receipt requested, at Post Office Box 273463, Boca Raton, Florida 33427, or such other address or addresses as the Developer shall hereafter notify the Association of in writing, any such notice to the Association of a change in Developer's address being deemed notice to the Owners. Upon request of an Owner, the Association shall furnish to such Owner the then current address for Developer as reflected by the Association records.

C. Protect Legal Title to Association Property

Until the Transfer Date, no one may grant, lease, convey, pledge, encumber, assign, hypothecate or mortgage any interest in the Association Property without Developer's prior written consent, which consent may not be unreasonably withheld. Further, except for Developer, no one may incur any indebtedness giving a right to a lien of any kind or character upon the right, title or any interest of Developer in and to that portion of the Association Property owned by it, and no person shall ever be entitled to any such lien. All persons contracting with the Association, or Owners or persons furnishing materials or labor thereto, as well as all persons whomsoever, shall be bound by the provisions hereof.

D. Enforcement

1. The covenants and restrictions herein contained may be enforced by Developer, the Association, any Owner of at least ten (10) Residences and any Institutional Mortgagee holding a mortgage on any portion of Pineapple Walk I in any judicial proceeding seeking any remedy recognizable at law or in equity, including damages, injunction or any other form of relief against any person, firm or entity violating or attempting to violate any covenant, restriction or provision hereunder. The failure by any party to enforce any such covenant, restriction or provision herein contained shall in no event be deemed a waiver of such covenant, restriction or provision or of the right of such party to thereafter enforce such covenant, restriction or provision. The prevailing party in any such litigation shall be entitled to all costs thereof including, but not limited to, reasonable attorneys' fees.

2. Fines: Notwithstanding the availability of the remedies set forth in Article XIV, Paragraph D.1 above,

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the Association shall also have the power to assess reasonable fines as set forth in Section 8 of the By-Laws to enforce any of the provisions of the Pineapple Walk I Documents.

E. Captions, Headings and Titles

Article and Paragraph captions, headings and titles inserted throughout this Declaration are intended as a matter of convenience only and in no way shall such captions, headings or titles define, limit or in any way affect the subject matter or any of the terms and provisions thereunder or the terms and provisions of this Declaration.

F. Context

Whenever the context so requires or admits, any pronoun used herein may be deemed to mean the corresponding masculine, feminine or neuter form thereof, and the singular form of any nouns and pronouns herein may be deemed to mean the corresponding plural form thereof and vice versa.

G. Attorneys' Fees

Any provision herein for the collection or recovery of attorneys' fees shall be deemed to include, but not be limited to, attorneys' fees for the attorneys' services at all trial and appellate levels and, unless the context clearly indicates a contrary intention, whether or not suit is instituted.

H. Severability

In the event any of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect, and any provisions of this Declaration deemed invalid by a court of competent jurisdiction by virtue of the term or scope thereof shall be deemed limited to the maximum term and scope permitted by law. Further, the invalidation of any of the covenants or restrictions or terms and conditions of this Declaration or reduction in the scope or term of the same by reason of judicial application of the legal rules against perpetuities or otherwise shall in no way affect any other provision which shall remain in full force and effect for such period of time and to such extent as may be permitted by law.

I. Subordination

The Developer and the Association agree that their respective interests as provided for in this Declaration shall be and are subordinate to the lien, encumbrance and operation of any existing (as of the date hereof) mortgages encumbering any portion of Pineapple Walk I and any additional or replacement or subsequent mortgages obtained by the Developer for the purpose of financing the construction of improvements to take place upon any portion of Pineapple Walk I. While the provisions of this Paragraph are self-operative, the Association and the Corporation nevertheless agree to execute such instruments in recordable form as may be necessary or appropriate to evidence the foregoing subordination of their respective interests to any such mortgages and shall do so forthwith upon request of Developer.

J. Amendment and Modification

The process of amending or modifying this Declaration shall be as follows:

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1. Until the Turnover Date, as provided in the Association Articles, all amendments or modifications shall only be made by the Developer without the requirement of the Association's consent or the consent of the Owners, provided, however, that the Association shall, forthwith upon request of Developer, join in any such amendments or modifications and execute such instruments to evidence such joinder and consent as Developer shall, from time to time, request.

2. After the Turnover Date, as provided for in the Association Articles, this Declaration may be amended by (a) the consent of the Owners owning two-thirds (2/3) of all Residences together with (b) the approval or ratification of a majority of the Association Board. The aforementioned consent of the Owners owning two-thirds (2/3) of the Residences may be evidenced by a writing signed by the required number of Owners at any regular or special meeting of the Association called and held in accordance with the Association By-Laws evidenced by a certificate of the Secretary or an assistant Secretary of the Association.

3. Amendments for correction of scrivener's error or other non-material changes may be made by the Developer alone until the Turnover Date as provided for in the Association Articles and by the Association Board thereafter and without the need of consent of the Owners.

4. Notwithstanding the foregoing provisions of this Paragraph J, no amendment to the Declaration shall be effective which shall impair or prejudice the rights or priorities of Developer, the Association, or any Institutional Mortgagee under the Declaration or any other of the Pineapple Walk I Documents without the specific written approval of such Developer, Association or Institutional Mortgagee affected thereby; and (b) the approval of Institutional Mortgagees holding first mortgages encumbering at least fifty-one percent (51%) of the Residences encumbered by mortgages held by Institutional Mortgagees shall be required to materially amend any provisions of this Declaration or to add any material provision hereto, which establish, provide for, govern or regulate any of the following: (1) voting; (2) assessments, assessment liens or subordination of such liens; (3) reserves for maintenance, repair and replacement of the Association Property; (4) insurance or fidelity bonds; (5) rights to use the Association Property; and (6) responsibility for maintenance and repair of the Association Property. Furthermore, notwithstanding anything to the contrary herein contained, no amendment to the Declaration shall be effective which would increase the liabilities of a Residence Owner or prejudice the rights of the Residence Owner or his family members, guests, invitees and lessees to utilize or enjoy the benefits of the Association Property unless the Residence Owner or Residence Owners and the holder, insurer, or guarantor, if any, of the Residence so affected consent to such amendment in writing (or unless such amendment is adopted in accordance with the procedures required for adoption of an amendment to the Declaration after the Turnover Date) and approved by fifty-one percent (51%) of the Institutional Mortgagees holding first mortgages on Residences encumbered by such mortgages.

5. A true copy of any amendment to this Declaration shall be sent certified mail (herein called the "Mailing") by the Association to the Developer and to all Institutional Mortgagees holding a mortgage on any portion of Pineapple Walk I requesting notice pursuant to Paragraph B above. The amendment shall become effective upon the recording of a Certificate of Amendment to this Declaration setting forth the amendment or modification amongst the Public Records of the County, but the certificate shall not

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be recorded until thirty (30) days after the Mailing, unless such thirty-day period is waived in writing by Developer, the Corporation and all Institutional Mortgagees holding mortgages on any portion of Pineapple Walk I.

K. Delegation

The Association, pursuant to a resolution duly adopted by the Association Board, shall have the continuing authority to delegate all or any portion of its responsibilities for maintenance, operation and administration, as provided herein, to any managing agency or entity selected by the Association Board from time to time and whether or not related to Developer.

L. (a) Assignment of Parking Spaces to a Block Building.

There is shown on the Property Plan certain parking spaces which have the same numerical designation as the Block Building. The use of these parking spaces are reserved for the Owners of Residences in such Block Building.

(b) Individual Assignment of Parking Spaces.

The Association may, but shall not be obligated to, assign one (1) Parking Space to each Owner on a fair and equitable basis.

M. Certain Vacations of Plats Prohibited

No portion of the Plat which constitutes exterior open area required by the Planned Unit Development section of the Palm Beach County Zoning Ordinance may be vacated unless the entire Plat is vacated.

N. Condemnation

In the event the Association receives any award or payment arising from any taking of the Association Property or any part thereof as a result of the exercise of the right of condemnation or eminent domain, the net proceeds thereof shall first be applied to the restoration of the remaining Association Property and improvements thereon to the extent deemed advisable by the Association and approved by Owners owning at least two-thirds (2/3) of the Residences, and the remaining balance of such net proceeds, if any, shall then be divided into forty-eight (48) equal shares and one (1) of such shares shall be made payable jointly to each Residence Owner and to the holder of any mortgage encumbering the Residence as its respective interest may appear and the balance of such shares shall be distributed to the Developer. The Association shall represent the Owners in any condemnation proceedings or in negotiation settlement and agreements with a condemning authority for acquisition of the Association Property or a part thereof by the condemning authority. Any condemnation award made payable to an Owner attributable to the taking of Association Property shall be paid to the Owners and their respective mortgagees as their interest may appear.

O. Term

The covenants, reservations, restrictions and other provisions of this Declaration shall run with and bind Pineapple Walk and shall inure to the benefit of Developer and all Owners, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, but not more than forty (40) years from the date of this

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Declaration, after which time these covenants, conditions, restrictions, and other provisions shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by at least two-thirds (2/3) of the Owners has been recorded agreeing to change or terminate (if not prohibited by other provisions of this Declaration) these covenants, conditions, restrictions or provisions in whole or in part.

P. Approval of Association Lawsuits by Owners

Notwithstanding anything contained herein to the contrary, the Association shall be required to obtain the approval of three-fourths (3/4) of all Owners (at a duly called meeting of the Owners at which a quorum is present) prior to the payment of legal or other fees to persons or entities engaged by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

- (a) the collection of Assessments;
- (b) the collection of other charges which Owners are obligated to pay pursuant to the Pineapple Walk I Documents;
- (c) the enforcement of the use and occupancy restrictions contained in the Pineapple Walk I Documents, including but not limited to those against tenants; or
- (d) in an emergency where waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to the Association Property or to Owners.

Q. Rights of Mortgagees

1. Right to Notice

The Association shall make available for inspection upon request, during normal business hours or under reasonable circumstances, the Pineapple Walk I Documents and the books, records and financial statements of the Association to Owners and the holders, insurers or guarantors of any first mortgages encumbering Residences. In addition, evidence of insurance shall be issued to each Owner and mortgagee holding a mortgage encumbering a Residence upon written request to the Association.

2. Rights of Listed Mortgagee

Upon written request to the Association, identifying the name and address of the holder, insurer, guarantor (such holder, insurer or guarantor is herein referred to as a "Listed Mortgagee") of a mortgage encumbering a Residence and the legal description of such Residence, the Association shall provide such Listed Mortgagee with timely written notice of the following:

- (a) Any condemnation, loss or casualty loss which affects any material portion of Pineapple Walk or any Residence encumbered by a first mortgage held, insured or guaranteed by such Listed Mortgagee;
- (b) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- (c) Any proposed action which would require the consent of mortgagees holding a mortgage encumbering a Residence; and

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execution thereof was their free act and deed as such officers for the uses and purposes therein expressed and that the said instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 3 day of July, 1984.

Notary Public, State of Florida at Large
My Commission Expires July 29, 1984
Banded This Very False Instrument In

Notary Public
My Commission Expires:



STATE OF FLORIDA)
: ss.
COUNTY OF PALM BEACH)

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to take acknowledgments, Ira L. Farmer and B.F. Hattaway, the President and Secretary, respectively, of PINEAPPLE WALK I HOMEOWNERS' ASSOCIATION, INC., to me known to be the persons who signed the foregoing instrument as such officers, and they severally acknowledged that the execution thereof was their free act and deed as such officers for the uses and purposes therein expressed and that the said instrument is the act and deed of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 3 day of July, 1984.

Notary Public, State of Florida at Large
My Commission Expires July 29, 1984
Banded This Very False Instrument In

Notary Public
My Commission Expires:

(SEAL)



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