

DECLARATION OF COVENANTS AND RESTRICTIONS FOR  
WELLESLEY AT BOYNTON BEACH

THIS DECLARATION OF COVENANTS AND RESTRICTIONS is made this day of \_\_\_\_\_, 198\_\_\_\_, by BURG & DIVOSTA CORPORATION, a Florida corporation, hereinafter called the "DEVELOPER", and by the WELLESLEY AT BOYNTON BEACH HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit, hereinafter called the "ASSOCIATION".

W I T N E S S E T H:

WHEREAS, Developer is the owner of the real property described in Exhibit "A" to this Declaration; and the Developer desires to create thereon a planned community of Wellesley dwelling units with permanent open spaces, traffic, and parking areas for the benefit of the community; and

WHEREAS, Developer desires to provide for the preservation and enhancement of the property values, amenities and opportunities in said community and for the maintenance of the properties and improvements thereon, and to this end desires to subject the real property described in Exhibit A to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the powers of owning, maintaining, and administering the community properties and facilities; administering and enforcing the covenants and restrictions; collecting and disbursing the assessments and charges hereinafter created; and promoting the recreation, convenience, safety and welfare of the residents; and

WHEREAS, Developer has incorporated under the laws of the State of Florida the WELLESLEY AT BOYNTON BEACH HOMEOWNERS ASSOCIATION, INC. as a not-for-profit corporation for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Developer hereby declares that the real property described in Exhibit A is and shall be held, transferred, sold, conveyed and occupied subject to the terms, conditions, covenants, provisions, restrictions, easements, servitudes, and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth, which shall be binding on all persons, their heirs, successors and assigns having any right, title or interest in or to the real property, and shall inure to the benefit of each Wellesley unit owner.

ARTICLE I

DEFINITIONS

1. "Articles" shall mean the Articles of Incorporation of the Association.
2. "Assessment" means a share of the funds which are required for the payment of Association Expenses, which from time to time is assessed against the Wellesley unit owner.
3. "Association" shall mean and refer to the Wellesley at Boynton Beach Homeowners Association, Inc., its successors and assigns.
4. "Association Expenses" shall mean the expenses payable by owners to the Association as shall be set forth in this Declaration.
5. "Association Property" shall mean all real and personal property transferred to the Association for the benefit of all members.
6. "Board" shall mean the Board of Directors of the Association.
7. "Common Area" shall mean those areas of real property shown on the plat of Wellesley at Boynton Beach, together with all improvements thereto, which are devoted to the common use and enjoyment of the members of the Association. The term "Common Area" may sometimes be used interchangeably with the term "Association Property".
8. "County" shall mean Palm Beach County, Florida.
9. "Declaration" shall mean the covenants, conditions, restrictions, easements, and all other terms set forth in this document, and as may be amended from time to time.
10. "Developer" shall mean and refer to BURG & DIVOSTA CORPORATION, a Florida corporation, its successors and assigns.
11. "General Plan of Development" means Wellesley at Boynton Beach as defined herein, which represents the development and uses of the real property which has been platted under the name of WELLESLEY AT BOYNTON BEACH.
12. "Homeowners Documents" means in the aggregate this Declaration, the Articles, the By-Laws of the Association, The Meadows 300 Declaration of Covenants and Restrictions, the Articles of Incorporation and the By-Laws of The 300 Property Owners Association, Inc., the Contract for Purchase and Sale of a Wellesley Lot, the Escrow Agreement, and all of the instruments and documents referred to herein and executed in connection with the general plan of development.

13. "Institutional Mortgagee" shall mean any lending institution having a first lien on a Wellesley unit, including any of the following institutions: an insurance company or subsidiary thereof, a federal or state savings and loan association, a federal or state building and loan association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a federal or state banking association, the Palm Beach County Housing Authority or similar entity, a real estate investment trust, or any mortgage banking company authorized to do business in the State of Florida.
14. "Member" shall mean a member of the Association.
15. "Occupant" shall mean the occupant of a Wellesley unit who shall be the owner, the lessee, or their respective guest.
16. "Owner" shall mean the fee simple title holder of any Wellesley lot, whether one or more persons or entities.
17. "Property" shall mean all of the real and personal property subject to this Declaration. The real property is described in Exhibit A, attached hereto and made a part hereof.
18. "Rules and Regulations" shall mean the rules, regulations, and policies which are attached to and incorporated into this Declaration, and as may be adopted by the Board from time to time by resolution duly made and carried.
19. "Single-family" means one person or a group of two or more persons living together and interrelated by bonds of consanguinity, marriage, or legal adoption, or not more than two persons living together who may or may not be interrelated.
20. "The Meadows 300" shall mean the property shown on the plat of The Meadows 300, Plat No. 1 recorded in Plat Book 43, at Page 58; Plat No. 2, recorded in Plat Book 48, at Page 194; Plat No. 3, recorded in Plat Book 48, at Page 196 of the Public Records of Palm Beach County, Florida, and such other properties as may be submitted to The Meadows 300.
21. "The 300 Property Owners Association, Inc." shall mean that certain entity created to manage, maintain, and control the common areas of The Meadows 300. It may also be referred to as the "Property Owners Association" or "POA".
22. "Transfer Date" shall mean the date that the Developer relinquishes the right to appoint a majority of the Directors to the Board of Directors of the Association and conveys legal title to the Common Area to the Association. The transfer date shall occur 120 days after the Developer has closed the sales of 70% of the Wellesley units contemplated by the general plan of development, or three years after the Developer has closed the sale of the first Wellesley unit in the general plan of development, or after the Developer elects to relinquish its

control of the Association, whichever shall first occur.

21. "Wellesley at Boynton Beach" is the name given to a planned Wellesley unit development located in the Town of Boynton Beach, Florida.

22. "Wellesley Lot" shall include the Wellesley unit, use of two parking spaces, and a membership interest in the Wellesley at Boynton Beach Homeowners Association, Inc.

23. "Wellesley Unit" shall mean the structure and underlying real property, which are owned in fee simple; and which is located in a structure containing four (4) separate Wellesley units. Each Wellesley unit is designed and intended for use and occupancy solely as a single-family residence.

ARTICLE II

GENERAL PLAN OF DEVELOPMENT

1. Developer intends to build two hundred eighty-eight (288) Wellesley units in Wellesley at Boynton Beach.

2. If sales response warrants the development, it is the intention of the Developer to develop the Wellesley units in two (2) phases. All phases may not be completed in their entirety, but the Developer will complete any Wellesley unit for which a City of Boynton Beach building permit is obtained. Development of the first phase shall be commenced within 90 days of the recording of this Declaration in the public records of Palm Beach County, Florida. The phases may be developed in any sequence. The anticipated sequence of construction of the phases, and the units to be contained in the respective phases are set forth below:

<u>Phase</u>	<u>Wellesley Unit Building Numbers</u>
1	1 to 27 inclusive, and 66 to 72 inclusive.
2	28 to 75, inclusive.

The above-stated phases may be jointly or severally submitted to this Declaration by the execution of an Amendment to this Declaration by the Developer, its successors or assigns, and such Amendment shall not require the execution or consent of any Wellesley unit owner other than the Developer. Any such Amendment shall become effective upon recordation in the public records of Palm Beach County, Florida.

3. Those portions of the Common Areas shown as roadways on the Site Plan shall be kept and maintained by the Association as private roadways for ingress to and egress from Wellesley units, other areas of Wellesley at Boynton Beach, and the publicly and privately dedicated roads of The Meadows 300.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

1. The owner of the fee simple title of record of each Wellesley unit shall be a mandatory member of the Association, and of the Property Owners Association.

2. Each Wellesley unit owner shall become a member of the Association and of the Property Owners Association upon acceptance of the special warranty deed to his Wellesley unit. As a member of the Association, the owner shall be governed by the Articles of Incorporation and the By-Laws of the Association; and shall be entitled to one (1) vote for each Wellesley unit owned. Provided, however, the Developer shall retain the right to appoint a majority of the directors to the Board of Directors of the Association until the Transfer Date. As a member of the Property Owners Association, the owner shall be governed by the Articles of Incorporation and the By-Laws of the Property Owners Association.

ARTICLE IV

USE OF PROPERTY

1. The Wellesley units shall be used solely as single-family residences. Nothing herein shall be deemed to prevent an owner from leasing a Wellesley unit to a single family, subject to all of the terms, conditions and covenants contained in this Declaration.

2. The Wellesley unit owner shall not permit any nuisance to exist upon his property so as to be detrimental to any other property or to its owners. No Wellesley unit owner or lessee shall make or permit any noise that will disturb or annoy the occupants of any other Wellesley unit, or do or permit anything to be done which will interfere with the rights, comfort or convenience of other Wellesley unit occupants.

3. No Wellesley unit owner or lessee shall do or permit any act or failure to act which shall cause any insurance policy on the Wellesley units to become void or suspended, nor which would cause any increase in premiums payable by the Association.

4. The Wellesley unit shall not be further subdivided or separated by any owner; and no portion less than all of any such Wellesley unit, nor any easement or other interest granted herein, shall be conveyed or transferred by an owner; provided, however, that this shall not prevent corrective deeds, deeds to resolve boundary disputes and other similar corrective instruments.

5. The Wellesley unit shall not be used in any trade, business, professional or commercial capacity, except that the Wellesley unit may be leased as a single-family residence. Nothing contained herein shall prohibit the Developer from carrying on any and all types of construction activity necessary to accomplish the general plan of development, including the construction and operation of a sales model and office by the Developer until all of the Wellesley units in the general plan of development have been sold.

6. A Wellesley unit owner shall not keep more than one (1) pet in his unit without the prior written consent of the Board. A pet shall be defined as a domestic or household dog, cat, fish or bird. Pets shall not be permitted in any of the common areas unless under leash. Each pet owner shall be required to clean up after the pet in order to properly maintain the common areas. Each Wellesley unit owner shall indemnify the Association, and hold it harmless against any loss or liability resulting from his, his family member's, or lessee's ownership of a pet. If a dog or any other animal becomes obnoxious to other Wellesley unit owners by barking or otherwise, the Wellesley unit owner shall remedy the problem or upon written notice from the Association, he will be required to dispose of the pet.

7. All draperies, curtains, shades, or other window coverings installed in a Wellesley unit, and which are visible from the exterior of a Wellesley unit shall have a white backing unless otherwise approved in writing by the Board. No sign, notice, or advertisement shall be inscribed or exposed on or at any window or other part of a Wellesley unit or common areas without the prior written approval of the Board.

8. Unless permitted in accordance with the procedures described in the Rules and Regulations, no motorcycle, all-terrain vehicle (excluding passenger cars with four-wheel drive, i.e. Jeeps, Broncos, Blazers, and similar vehicles), truck, trailer, boat, van, camper, motorhome, bus, commercial, or other similar vehicle shall be permitted within the confines of the general plan of development, except for trucks delivering goods or furnishing services, and except upon such areas as the Board may, in its sole discretion, allow. In the event that there is a dispute concerning the type of vehicle, then the State of Florida vehicle registration shall control. The Association shall have the right to authorize the towing away of any vehicles in violation of this rule with the costs to be borne by the vehicle owner or violator.

9. The exterior walls, roof, and courtyard fencing shall not be painted, stained, decorated, pressure cleaned or modified by any owner in any manner, without the prior written consent of the Association, which consent may be withheld on purely aesthetic grounds within the sole discretion of the Board.

10. The private roadways within the general plan of development shall be governed by the Association, and the maximum

speed limit on said roadways shall not be greater than 25 miles per hour.

11. Each Wellesley unit owner who intends to be absent from his unit during the hurricane season (June 1 - November 30 of each year) shall prepare his unit prior to his departure by doing the following:

- A. Removing all furniture, potted plants, and other movable objects from his courtyard and balconies; and
- B. Designating a responsible person or firm, satisfactory to the Association, to care for his unit should it suffer hurricane damage. Such person or firm shall also contact the Association for permission to install temporary hurricane shutters, which must be removed when no longer necessary for storm protection. At no time shall hurricane shutters be permanently installed, without the prior written consent of the Board.

12. The Wellesley unit owners shall abide by each and every rule and regulation promulgated from time to time by the Board. The Board shall give an owner in violation of the Rules and Regulations, written notice of the violation by U.S. Certified Mail, return receipt requested, and fifteen (15) days in which to cure the violation.

13. Should the Association be required to seek enforcement of any provision of the Declaration or the Rules and Regulations, then and in that event, the offending Wellesley unit owner (for himself or for his family, guests, invitees, or lessees) shall be liable to the Association for all costs incurred in the enforcement action, including reasonable attorneys' fees, whether incurred in trial or appellate proceedings or otherwise.

#### ARTICLE V

#### EASEMENTS

1. The Developer hereby grants a perpetual non-exclusive easement to the Association and to the Wellesley unit owners, their families, guests, and lessees upon, over, and across the sidewalks, walkways, and rights-of-way and other common areas.

2. The Developer hereby also grants a perpetual non-exclusive easement to all utility or service companies servicing the general plan of development upon, over, across, through, and under the common areas for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and systems including, but not limited to water, irrigation, sewer, gas, telephone, electricity, television cable or communication lines and systems. It shall be expressly

permissible for the Developer or the providing utility or service company to install and maintain facilities and equipment on said property, to excavate for such purposes and to affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of the Wellesley units, providing such company restores any disturbed area to the condition existing prior to their activity; provided, however, that no utility service line or system may be installed or relocated within the common areas without the consent of the Association.

3. The Developer hereby grants an easement for encroachment in the event any improvements upon the common areas now or hereafter encroaches upon a Wellesley unit, or in the event that any Wellesley unit now or hereafter encroaches upon the common area, as a result of minor inaccuracies in survey, construction, reconstruction, or due to settlement or movement or otherwise. The encroaching improvements shall remain undisturbed as long as the encroachment exists. This easement for encroachment shall also include an easement for the maintenance and use of the encroaching improvements. Provided, however, that at no time shall there be any encroachment onto any surface water management systems, without the written consent of the South Florida Water Management District.

4. Each Wellesley unit owner grants to all other Wellesley unit owners owning a unit in the same building, a perpetual easement for encroachment of not more than six inches (6") upon the exterior of the party wall for minor fence and patio encroachments.

#### ARTICLE VI

#### UTILITY EASEMENTS

1. Each Wellesley unit owner grants to all other owners owning a Wellesley unit in the same building a perpetual utility easement for water, sewer, power, telephone and other utility and service company lines and systems installed beneath or within the Wellesley unit.

2. Any expense caused by the necessary access of authorized personnel of the utility or service company to service lines located beneath or within the Wellesley unit building shall be shared equally by each of the Wellesley unit owners in the building affected; provided, however, that where the necessary access by authorized personnel of the utility or service company is required because of the intentional or negligent misuse of the utility or service company line or system by a Wellesley unit owner, any expense arising therefrom shall be borne solely by such wrongdoer. Any expense caused by the necessary access of authorized personnel of the utility or service company to service lines located within the common areas shall be borne by the Association.



## ARTICLE VII

### COMMON WALLS AND ROOFS

1. The Wellesley units comprising each building are residential units with common walls, known as "party walls", between each unit that adjoins another unit. The center line of a party wall is the common boundary of the adjoining unit.

2. Each common wall in a Wellesley unit shall be a party wall, and any party to said wall, his heirs, successors, and assigns shall have the right to use same jointly with the other party to said wall as herein set forth. The term "use" shall and does include normal interior usage such as paneling, plastering, decoration, erection of tangent walls and shelving but prohibits any form of alteration which would cause an aperture, hole, conduit, break or other displacement of the original concrete forming said party wall. Each Wellesley unit owner grants to all other Wellesley unit owners owning a unit in the same building, a perpetual easement for encroachment of not more than six inches (6") upon the exterior of the party wall for minor fence and patio encroachments.

3. The entire roof of the Wellesley unit building, any and all roof structure support, and any and all appurtenances to such structures, including without limitation, the roof covering, roof trim, and roof drainage fixtures, shall be collectively referred to as "common roofing".

4. If a Wellesley unit is damaged through an act of God or other casualty, the affected unit owner shall promptly have his unit repaired and rebuilt substantially in accordance with the architectural plans and specifications of the Wellesley unit building. The Association shall have the right to specially assess all members of the Association if insurance proceeds are insufficient to repair or rebuild the affected Wellesley units in accordance with this paragraph. The assessment and collection of any special assessment authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Association expenses.

In the event such damage or destruction of a party wall or common roof is caused solely by the neglect or willful misconduct of a Wellesley unit owner, any expense incidental to the repair or reconstruction of such wall or common roof shall be borne solely by such wrong-doer. If the Wellesley unit owner refuses or fails to pay the cost of such repair or reconstruction, the Association shall have the right to complete such repair and reconstruction substantially in accordance with the original plans and specifications of the affected building, and the Association shall thereafter have the right to specially assess said Wellesley unit owner for the costs of such repair and reconstruction. The assessment and collection of such assessment

authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Association expenses.

5. The cost of maintaining each side of a party wall shall be borne by the Wellesley unit owner using said side, except as otherwise provided herein.

6. No unit owner shall authorize the painting, refurbishing or modification of the exterior surfaces of his Wellesley unit or of the Wellesley unit building. Normal maintenance of the exterior surfaces, such as pressure cleaning, repainting and refinishing, shall be done uniformly at the same time for the entire Wellesley unit building by the Association and as an Association expense. Normal maintenance of the common roof, such as cleaning, refinishing or re-covering, shall be done uniformly at the same time for the entire common roof by the Association and as an Association expense.

#### ARTICLE VIII

##### MAINTENANCE OF EXTERIOR OF THE WELLESLEY UNIT

1. The Association shall at all times be responsible for the maintenance and care of the exterior surfaces of the Wellesley units. The term exterior of the Wellesley unit shall include, but not be limited to, the exterior walls, courtyard fences, exterior lights, excluding patio lights, and exterior doors. The Association shall not be responsible for the repair or replacement of any screens on any Wellesley unit, nor shall the Association be responsible for the replacement of any glass. Repair and replacement of any screens or glass and the maintenance of any landscaping or shrubbery located within the courtyard of a Wellesley unit shall be the responsibility of a Wellesley unit owner.

2. The assessment and collection of any special assessments required to maintain the exterior of the Wellesley units by the Association in accordance with this paragraph shall be made pursuant to the assessment powers and lien rights of the Association for Association expenses, and shall be payable to the Association on an equal basis by all Wellesley unit owners.

#### ARTICLE IX

##### MAINTENANCE OF COMMON AREAS

The Association shall maintain the common areas as are shown on the general plan of development, which shall include, but not be limited to, the private roadways, guard house, security equipment, all grounds, recreational areas, landscaped areas, identification signage, street lighting, mailbox structures, and all sanitary sewer lines less than eight inches in diameter

(which are not located within or beneath a Wellesley unit). The cost to the Association of maintaining the common areas shall be assessed equally among the Wellesley unit owners, as part of the Association expenses pursuant to the provisions of this Declaration. The determination of any expenses shall not lie solely within an individual Wellesley unit owner's discretion, but shall rest on the determination of the Board of Directors of the Association.

## ARTICLE X

### ARCHITECTURAL CONTROL

No residence, fence, wall or other structure shall be commenced, erected or maintained upon the common area or Wellesley unit property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, location, and costs of the same have been submitted to and approved in writing as to harmony of external design and location in relation to the surrounding structures and topography by the Board. In the event the Board fails to approve or disapprove such design and location within thirty (30) days after such plans and specifications are submitted to it, then approval shall be deemed granted and this article shall be deemed to have been fully complied with; provided the size and location of the residence, fence, wall or structure are not in violation of any other of the covenants and provisions of this Declaration. Further, the Board does not have the right to approve of plans that are in violation of any county ordinance and/or regulations and/or the Southern Standard Building Code. Further, should said municipalities, county, and/or the Southern Standard Building Code require as a condition precedent, approval of a municipality, county, and/or a regional commission, said approval shall be a condition precedent to submission to the Board. The Architectural Board shall be the Board of Directors of the Association.

## ARTICLE XI

### ASSOCIATION EXPENSES, METHOD OF DETERMINING ASSESSMENTS, AND MAINTENANCE OF EXTERIOR AREAS

1. The costs and expenses incurred by the Association with regard to the ownership, operation, maintenance and repair of the common areas described above shall be Association expenses. The assessments, costs and expenses assessed by the Property Owners Association shall be collected from the unit owners as an Association expenses. Common area expenses and and the Property Owners Association assessments shall be payable to the Association on an equal basis by all Wellesley unit owners.

2. To defray the Association expenses, there is hereby imposed upon each Wellesley unit and its owner, the affirmative

covenant and obligation to pay to the Association, and upon the Association the obligation to assess, collect and expend, the Association's expenses and those individual unit owners expenses hereinafter set forth.

A. Taxes. All taxes levied or assessed upon the common areas, by any and all taxing authorities, including all taxes, charges and assessments, imposition and liens for public improvements, special charges and assessments; and, in general, all taxes on personal property and improvements which are now and which hereinafter may be placed in the common area, including any interest penalties and other charges which may accrue on such taxes.

B. Utility and Trash Collection Charges. All charges levied for utility services to the common areas, 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 service. All charges for trash collection levied by the Town of Boynton Beach against the common areas and against each Wellesley unit.

C. Insurance. The premiums on any policy or policies of insurance required herein, together with the costs of such other policies of insurance, as the Board, with the consent of the unit owners at any meeting thereof, shall determine to be in the best interest of the Association, provided however, that fire and extended coverage on common areas shall be maintained on a current replacement cost basis in an amount not less than 100% of the insurable value based on a current replacement cost.

D. Insurance Trustee. All expenses necessary to retain and continue to retain a lending institution in Palm Beach County, Florida, having a trust department to act as "Insurance Trustee". The functions of the Insurance Trustee shall include holding all original policies purchased by the Association, being named as loss payee, distributing proceeds of such insurance, assisting in the reconstruction of improvements from insurance premiums and performing such other functions as shall be agreed upon.

E. Fidelity Coverage. The cost to the Association of purchasing adequate fidelity insurance or bonds to protect against dishonest acts on the part of officers, directors, trustees, agents and employees of the Association and all other persons who handle or are responsible for handling of the Association. Each fidelity insurance shall meet the following requirements.

(i) All such fidelity insurance or bonds shall name the Association as an obligee; and

(ii) Such fidelity insurance or bonds shall be written in the amount equal to at least 150% of three months operating expenses of the Association, and the amount in reserve

as of the end of each fiscal year of the Association; and

(iii) Such fidelity insurance or bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or a similar expression; and

(iv) Such insurance or bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premiums) without at least thirty (30) days prior written notice of the servicer or the insured.

**F. Reconstruction of buildings and improvements.** All sums necessary to repair, replace, construct or reconstruct ("repair") any buildings or improvements located in the common areas damaged by any casualty to the extent insurance proceeds are insufficient for repair. Any difference between the amount of insurance proceeds received on behalf of the Association with respect to repair and the actual cost of the repair ("repair sums") shall be an Association expense for which the Association shall levy a special assessment against all owners, if any, to obtain the funds necessary to pay for such repair sums within ninety (90) days from the date such damage was incurred. The Association shall establish an account with an Institutional Mortgagee located in the County, and deposit into such account all repair sums and all insurance proceeds collected by the "Insurance Trustee", if any, so that the amounts on deposit will equal the costs of repair. The Association shall proceed so that repairs shall be completed within one (1) year from the date of damage, if possible.

**G. Maintenance, repair and replacement.** All expenses necessary to (a) maintain and preserve the exterior of the unit buildings pursuant hereto, common areas and private road rights-of-way abutting the common areas, including such expenses as grass cutting, trimming, sprinkling and the like, and (b) keep, maintain, repair and replace any and all building improvements, fixtures and equipment upon such areas in a manner consistent with the structure and improvements contained therein, the covenants and restrictions contained herein, and all orders, ordinances, rules and regulations of any and all federal, state and city governments having jurisdiction thereof, as well as the Statutes and laws of the State of Florida and the United States.

**H. Optional expenses.** The costs of administration for the Association, including any secretaries, bookkeepers and other employees necessary to carry out the obligations and covenants of the Association under the Declaration, notwithstanding the fact that some of these services may be expanded in providing services to collecting sums owed by a particular unit. In addition, the Association may retain a managing company or contractors to assist in the operation of the Association and to perform or assist in the performance of certain obligations of the Association hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be part of

the Association's expense.

I. Indemnification. The costs to the Association to indemnify and save harmless Developer from and against any and all claims, suits, actions, damages and/or causes of action arising from any personal injury, loss of life and/or damage to property in or about the common areas, if any, from and against all costs, counsel fees, expenses, liabilities occurring in and about such claim, the investigation thereof, or the defense at any level of any action or proceeding brought which may enter therein. Included in the foregoing provisions for indemnification are any expenses the Developer may be compelled to incur and bring suit for the purposes of enforcing rights thereunder, or for the purpose of compelling this specific enforcement of the provisions, conditions, covenants and restrictions, contained in the Declaration to be kept and performed by the Association and/or the owners, including the payment of Association expenses.

Further, the cost of the Association indemnifying its officers and members of the Board for all costs and expenses whatsoever incurred in pursuance of their duties, obligations and functions hereunder. Nothing in the provisions of this subparagraph shall require any institutional mortgagee to pay the Association expenses or portion thereof attributable to costs of the Association to indemnify and save harmless Developer in accordance with such paragraph. Any such Association expense shall be reallocated amongst the owners other than the institutional mortgagees.

J. Reserve funds. The costs to establish an adequate reserve fund for replacement and/or capital refurbishment of the common areas (the "capital contributions") in the amounts determined proper and sufficient by the Board. Each owner acknowledges, understands and consents that capital contributions are the exclusive property of the Association as a whole, and that no owner shall have any interest, claim or right to any such capital contributions or funds composed of the same. The Association shall be responsible for maintaining the capital contribution in a separate reserve account and to use such funds only for capital costs and expenses as aforesaid.

K. Special assessments. Any special assessment that shall be levied to defray (a) extraordinary items of Association expense other than those contemplated by capital contribution; and (b) such other Association expenses determined by the Board to be payable by the Association and which are not inconsistent with the terms of this Declaration, the Articles of Incorporation or the By-Laws.

L. First mortgagees. First mortgagees of Wellesley units may, jointly or singularly, pay taxes or other charges which are in default, and which may or have become a charge or encumbrance against the common areas, and may pay overdue premiums on hazard insurance policies or new hazard coverage upon

lapse of a policy with respect to the common areas, with a right of immediate reimbursement from the Association.

M. The 300 Property Owners Association, Inc.. All expenses due and payable to the POA for the maintenance and repair of the common areas of the The Meadows 300. The Association is obligated to maintain that portion of The Meadows 300 surface water management system located within the common areas, if any. If the Association fails to maintain such portions of the surface water management system, then the POA is permitted to maintain same, and to include the cost of such maintenance in the assessments of the POA.

3. Method of Determining Assessments. The "assessments" (as hereinafter defined) for Association expenses shall be levied and paid as follows:

A. It is hereby declared and all owners and the Association agree that the Association expenses shall be paid by the Association out of funds assessed and collected from and paid by all Wellesley unit owners, provided, however, that the Developer shall not be required to contribute any amounts for Association expenses on units owned by the Developer until no remaining units are being sold in the ordinary course of business. Each individual unit owner other than Developer shall be required to pay the Association expenses.

B. As provided in the By-Laws of the Association, the Board shall prepare an estimated annual budget which shall reflect the estimated Association expenses. Thereupon the Board shall allocate an equal share of the Association expenses to all Wellesley units.

For the purpose of determining an equal share of Association expenses the number of units in the general plan of development shall include only such units as have been conveyed to purchasers. The total number of units in Wellesley at Boynton Beach conveyed to purchasers shall be used as the denominator and the number "1" shall be used as the numerator for the calculation of equal shares of Association expenses. For example, if all of the units have been conveyed to purchasers, the total number of units shall be two hundred eighty-eight (288), and therefore each Wellesley unit shall be liable for 1/288 of the Association expenses.

C. The assessments may be adjusted as necessary to allow for any change in the amount of Association expenses. The adjustment may be made by dividing the total anticipated Association expenses for the remainder of the calendar year by the total number of units the general plan of development conveyed to purchasers.

D. The assessments shall be payable no less frequently than quarter-annually, in advance, on the first day of January, April, July, and October, or otherwise as the Board may determine.

ARTICLE XII

INSURANCE

1. Casualty. The Association shall maintain a master policy or policies to insure all unit buildings and improvements on the real property against casualty loss. This coverage shall insure 100% of the current replacement cost of the common area improvements, personal property and supplies, and the individual Wellesley units, and shall be in such amounts so that the insured will not be a co-insurer except under deductible clauses required to obtain coverages at a reasonable cost.

A. The coverages will EXCLUDE the following:

(i) Land, foundations, excavations or other items that are usually excluded from insurance coverage;

(ii) Floor, wall, and ceiling coverings; and

(ii) Any increase in the value of a unit as a result of special improvements, alterations and betterments not common to comparable units.

B. The coverage will INCLUDE the following:

(i) Loss or damage by fire or other hazards covered by a standard extended coverage endorsement;

(ii) All other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement;

(iii) Agreed Amount and Inflation Guard Endorsement, when it can be obtained;

(iv) Demolition Cost Endorsements, Contingent Liability from Operation of Building Laws Endorsement, and Increased Cost of Construction Endorsement;

(v) Steam Boiler Endorsement, if applicable, providing at least \$50,000.00 coverage for each accident at each location;

(vi) A standard mortgagee clause naming, when appropriate, the Federal National Mortgage Association (FNMA) or the servicers for mortgages held by FNMA, their successors and assigns;

(vii) Appliances delivered as original equipment in each Wellesley unit, such as dishwasher, washer, dryer, refrigerator, oven, range, and water heater, or replacements of like kind and quality;

(viii) Cabinets installed as original cabinets in



