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PART A
DECLARATION OF PROTECTIVE COVENANTS
FOR
VILLAS OF PALM BEACH
PROPERTY OWNERS ASSOCIATION, INC.

DECLARATION OF
THE PROTECTIVE COVENANTS FOR
VILLAS OF PALM BEACH

A. PREAMBLE

These covenants and restrictions are being promulgated upon that certain parcel of land situate in Palm Beach County, more particularly described as follows:

The Villas of Palm Beach Plat No. 1 as recorded in Plat Book 40 Page 198 in the Public Records of Palm Beach County, Florida.

These covenants and restrictions are being promulgated by NORMAN HOMES, INC., a Florida Corporation, P.O. Box 6199, Lake Worth, Florida, the owner and holder and Developer, declarant for the use and protection of the contemplated development of the said parcel of land described above. Declarant hereby declares that all of the properties described herein shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and the binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

B. AREA OF APPLICATION

(1) The entire above described parcel of land lying wholly situate in Palm Beach County, Florida as described above.

C. RESIDENTIAL AREA COVENANTS

(1) No building other than semi-detached, one-story single family dwelling units consisting of two units in one building hereinafter referred to as townhouses.

(2) No building shall be erected, placed, or altered on any lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Control Committee, as hereinafter designated, as to quality of workmanship and materials, harmony of external design with existing structures, and as to location with respect to topography and finished grade elevations. No fence or wall shall be erected, placed or altered

on any lot nearer to any street than the minimum building setback line unless similarly approved. Approval shall be as provided in paragraph D.

(3) No dwelling shall be permitted on any lot at a cost of 1 less than \$8,000.00 per dwelling unit based upon cost levels prevailing on the date these covenants are recorded, it being the intention and purpose of the covenant to assure that all dwellings shall be of a quality of workmanship and materials substantially the same or better than that which can be produced on the date these covenants are recorded at the minimum cost stated herein for the minimum permitted dwelling size. The ground floor area of the main structure, exclusive of one-story open porches and garages, shall not be less than 800 square feet for a one-story dwelling, per unit

(4) Building location.

(a) No building shall be located on any lot nearer to the front lot line or nearer to the side street line than the minimum building setback lines shown on the recorded plat. In any event, no building shall be located on any lot nearer than 25 feet to the front lot line, or nearer than 15 feet to street property lines of any street.

(b) No building shall be located nearer than 7½ feet to an interior lot line. No dwelling shall be located on any interior lot nearer than 15 feet to the rear lot line.

(c) For the purpose of this covenant, eaves and steps shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building to be closer than 5 feet to any property line. Notwithstanding anything to the contrary contained herein all building locations shall comply with County Zoning Laws.

(d) Each building consisting of two units shall contain and be subject to a party wall. The said wall shall contain and be located in an easement on the common lot line lying between the following listed lots:

SEE SCHEDULE D

(e) PARTY WALL DECLARATION

WHEREAS, NORMAN HOMES, INC. a Florida Corporation, is the Owner of all lots shown on plat of PALM BEACH

VILLAS as RECORDED in the public records of Palm Beach County, Florida, and

WHEREAS, the said NORMAN HOMES, INC. has constructed on the aforescribed premises a semi-detached dwelling, (townhome) consisting of two units in each building which building is located on the common lot line lying between the lots as described above in 4(d) with a common party wall for the two units comprising said building and which said wall is located in an easement further described below 4(e)(1).

WHEREAS, NORMAN HOMES, INC. proposes to sell each unit of the aforescribed building to different owners and thereby divide the ownership thereof.

NOW, therefore, in consideration of the premises, NORMAN HOMES, INC. does hereby make the following declaration in respect to the party wall.

(1) The party wall created in this Declaration shall be located on any easement 16 inches in width with 8 inches on each side of a center line running down the middle of the said easement and the said easement shall run over each parcel from the front line to the rear line of each lot along the common property line. This party wall shall remain a party wall in perpetuity.

(2) The owners of said unit shall not make any alterations or changes in said building, which would structurally weaken said party wall, and they shall not in any way interfere with or diminish the width of said party wall.

(3) The owners of said units shall at times maintain said party wall in a good state of repair.

(4) In the event it shall become necessary or desirable to perform maintenance thereon or to repair or rebuild the whole or any part of the party wall, such expense shall be shared equally by the record title holder of subject lot. Whenever any such wall or any part thereof shall be rebuilt, it shall be erected in the same manner and at the same location where it shall initially be constructed, and shall be of the same size and of the same or similar materials and of like quality applicable ordinances and statutes permitting. In the event repair or replacement of party wall

is required due to the negligence or willful damage by either party, that party shall repair or replace the party wall at his or her sole expense.

(5) The owners of said units shall keep and maintain their respective portions of said semi-detached building in good repair and they shall not suffer or permit any waste to be committed, nor shall they demolish any portion of said building.

(6) This Declaration is and shall be a covenant running with the land and shall be binding upon the successors and assigns of NORMAN HOMES, INC. and all other persons who from time to time may become the successive and respective owners of the aforescribed property.

(7) Color Control

No owner of any unit may change the existing color on his respective unit unless obtaining prior approval from the Architectural Control Committee established herein, and in the manner set forth by the rules of the said Architectural Control Committee.

(8) Lot Area and Width

No building shall be erected or placed on any lot having a width of less than 35 feet at the minimum building setback line nor shall any building be erected or placed on any lot having an area of less than 3,000 square feet. (Lot Area) All front lawn areas to be sod or shrubbery except for two parking spaces per unit.

(9) Each owner of a townhome sharing a party wall has a right to lien the property of the adjoining owner who shares the party wall for that adjoining owner's share of the cost of replacing or repairing the party wall when required.

(10) Either owner of the townhome on each side of the party wall shall have the right to enter upon the property of the other without being charged with trespass if this is necessary because of required repairs or replacement of the party wall in the event one of the parties does not cooperate in the required repair or replacement.

Mortgagees who obtain possession of Townhomes by foreclosure

or deed in lieu of foreclosure shall have the same rights to repair and trespass.

(5) EASEMENTS

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

(6) NUISANCES

No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

(7) TEMPORARY STRUCTURES

No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently.

(8) SIGNS

No sign of any kind shall be displayed to the public view on any lot except of professional sign of not more than one square foot, or signs used by a builder to advertise the property during the construction and sales period.

(9) OIL AND MINING OPERATIONS

No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.

(10) LIVESTOCK AND POULTRY

No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other

household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose.

(11) GARBAGE AND REFUSE DISPOSAL

No lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

(12) WATER SUPPLY

No individual water-supply system except for lawn irrigation shall be permitted on any lot unless such system is located, constructed and equipped in accordance with the requirements, standards and recommendations of Palm Beach County Health Department, or any other governmental agency having jurisdiction. Approval of such system as installed shall be obtained from such authority.

(13) SEWAGE DISPOSAL

No individual sewage-disposal system shall be permitted on any lot unless such system is designed, located and constructed in accordance with the requirements, standards and recommendation of Palm Beach County Health Department, or any other governmental agency having jurisdiction. Approval of such system as installed shall be obtained from such authority.

(14) SIGHT DISTANCE AT INTERSECTION

No fence, wall hedge or shrub planting which obstructs sightlines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and line connecting them at points 25 feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sightline limitations shall apply on any lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless foliage line is maintained at sufficient height to prevent obstruction of such sight lines. Notwithstanding anything to the contrary herein all sight distances at intersection shall comply the County Zoning Laws.

(15) LAND NEAR PARKS AND WATER COURSES

No building shall be placed nor shall any material or refuse be placed or stored on any lot within 15 feet of the property line of any park or edge of any open water course, except that clean fill may be placed nearer provided that the natural water course is not altered or blocked by such fill.

(16) No external antenna, wire, or other device for reception or transmission of television signals shall be permitted except for a Master Community System.

D. ARCHITECTURAL CONTROL

(1) No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, 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, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

(2) Procedure

The Committee's approval or disapproval as required in these covenants and restrictions shall be in writing. The original committee shall consist of:

Norman Rauch	3450 S. Ocean Boulevard, Palm Beach
Melvin Rauch	921 Landsend Road, Lantana
Harry Rauch	521 Muirfield Drive, Lantana

E. GENERAL PROVISIONS

(1) Term.

These covenants and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date this Declaration is recorded, after which time these covenants and restrictions shall be automatically extended for successive periods of 10 years unless as

instrument signed by a majority of the owners of the lots has been recorded, agreeing to change said covenants and restrictions in whole or in part.

(2) Enforcement.

Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant or restriction either to restrain violation or to recover damages.

(3) Severability.

Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way effect any of the other provisions which shall remain in full force and effect.

(4) An Association known as Villas of Palm Beach, Property Owners Association, Inc. has been formed for the purpose of acquiring and administering the "Common Area" to be owned by the Association for the common use and enjoyment of the owner. The "Common Area" to be owned by the Association at the time of the conveyance of the first lot is described as follows:

See Schedule C attached hereto & hereby made a part of hereof.

ARTICLE I

DEFINITIONS

Section 1 "Association" shall mean and refer to Villas of Palm Beach Property Owners Association, Inc., its successors and assigns.

Section 2 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3 "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may thereafter be brought within the jurisdiction of the Association.

Section 4 "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

See Schedule "C" attached hereto and hereby made a part hereof.

Section 5 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6 "Declarant" shall mean refer to Norman Homes, Inc., its successors and assigns if such successors or assigns should acquire more than one underdeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1 Owner's Easements of Enjoyment.

- (a) Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions: The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area. The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulation; the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes, and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds ($\frac{2}{3}$) of each class of members has recorded. Any owner may delegate, in accordance with the By-Laws, his right of an

enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

- (b) Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment. The Association shall have two classes of voting membership. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each lot owned. When more than one person holds interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot. The Class B member(s) shall be the Developer and shall be entitled to three (3) votes for each Lot owned.

The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier: When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership or on December 31, 1985.

- (c) Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay the Association:

- (1) Annual assessments or charges, and
- (2) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such

assessment together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and for the maintenance and operation of the drainage facilities and water management tracts located on the Properties. Until January 1 of the year immediately following the conveyance of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessments shall be thirty six dollars (\$36.00) per lot.

- (1) From, and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the pervious year without a vote of membership.
- (2) From, and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased above 5% by a vote of two-thirds ($\frac{2}{3}$) of each Class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (3) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.
- (d) In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment, applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, recreation, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related

thereto, provided that any such assessment shall have the assent of two-thirds ($\frac{2}{3}$) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose of taking any action authorized under this clause shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be held more than sixty (60) days following the preceding meeting. Both annual special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessments against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for the reasonable charge, furnish a certificate signed by an officer of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its insurance. Any assessment not paid within thirty (30) days after the date at the rate of 8% per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessment provided for herein

by non-use of the Common Area or abandonment of his Lot. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

(e) GENERAL PROVISIONS ENFORCEMENTS.

The Association, or any Owner, shall have the right to enforce by any proceeding at law or in equity all restrictions, condition covenants, reservations, liens and charges now or hereafter impose by the provisions of the Declaration. The party bringing the action shall be entitled to recover in addition to costs and disbursements allowed by Law, such sum as the Court may adjudge to be reasonable for the service of his attorney. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Invalidation of any one of the covenants or restriction by judgment or Court Order shall in no way affect any other provisions which shall remain in full force and effect. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners and thereafter by an instrument signed by not less than seventy five percent (75%) of the Lot Owners. Any amendment must be recorded. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds ($\frac{2}{3}$) of each

shall become subject to all of the terms, conditions, covenants, restrictions, reservations and easements of this Declaration. All owners of real property annexed as provided above shall become member of the Association as defined herein. All that part of this Declaration dealing the "Party Wall" namely Section C (4) (e) through and including Section C (4) (e) (4) shall be excluded from the aforementioned 30 year limitation, and shall run for perpetuity.

IN WITNESS WHEREOF, the undersigned declarant has affixed his hand and seal this 11th day of May, 1981.

SEAL:

NORMAN HOMES, INC.

SCHEDULE "C"

LEGAL DESCRIPTION (LAKE AND RECREATION AREA)

BEING A PARCEL OF LAND IN SECTION 12, TOWNSHIP 44 SOUTH, RANGE 42 EAST, PALM BEACH COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE EAST LINE OF THE SOUTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 12 AND THE EXISTING SOUTHERNLY RIGHT OF WAY LINE OF FOREST HILL BOULEVARD (A 100 FOOT WIDE RIGHT OF WAY AS NOW LAID OUT AND IN USE); THENCE N 88°46'16"W ALONG AFORESAID SOUTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 40.05 FEET; THENCE S 01°29'44"E A DISTANCE OF 410.58 FEET; THENCE S 83°30'16"W A DISTANCE OF 418.33 FEET TO THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL;

THENCE S 01°29'44"E A DISTANCE OF 245.96 FEET; THENCE N 88°30'16"E A DISTANCE OF 78.33 FEET; THENCE S 01°29'44"E A DISTANCE OF 26.39 FEET; THENCE S 88°30'16"W A DISTANCE OF 78.33 FEET; THENCE S 01°29'44"E A DISTANCE OF 248.61 FEET; THENCE S 50°41'03"E A DISTANCE OF 134.16 FEET; THENCE N 88°47'49"W A DISTANCE OF 295.08 FEET; THENCE N 01°30'05"W A DISTANCE OF 280.50 FEET; THENCE N 28°29'39"W A DISTANCE OF 99.11 FEET; THENCE N 68°26'32"W A DISTANCE OF 99.24 FEET; THENCE S 21°33'28"W A DISTANCE OF 69.04 FEET; THENCE S 01°30'05"E A DISTANCE OF 17.12 FEET; THENCE S 88°29'55"W A DISTANCE OF 46.67 FEET; THENCE N 01°30'05 W A DISTANCE OF 286.93 FEET; THENCE S 88°46'16"E A DISTANCE OF 403.74 FEET TO THE POINT OF BEGINNING.

CONTAINING 4.026 ACRES MORE OR LESS.

SCHEDULE D

1	&	2	109	&	110
3	&	4	111	&	112
5	&	6	113	&	114
7	&	8	115	&	116
9	&	10	117	&	118
11	&	12	119	&	120
12	&	13	121	&	122
15	&	16			
17	&	18			
19	&	20	255	&	256
21	&	22	257	&	258
23	&	24	259	&	260
25	&	26	261	&	262
27	&	28	263	&	264
29	&	30	265	&	266
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33	&	34	269	&	270
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			273	&	274
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			277	&	278

RETYPE FOR CLARITY FROM COPIES RECORDED IN THE PALM BEACH COUNTY
COURTHOUSE.

PART B
BY-LAWS
OF
VILLAS OF PALM BEACH
PROPERTY OWNERS ASSOCIATION, INC.

BY-LAWS
OF
Villas of Palm Beach
Property Owners Association, Inc.
A Corporation Not for Profit under the Laws of the State of Florida

BY-LAWS

These By-Laws are for the purpose of administering the management and operation of the "Common Areas" and the drainage facilities and water management tracts of the Villas of Palm Beach Subdivision.

ARTICLE I

DEFINITIONS

- Section 1 "Association" shall mean and refer to the Villas of Palm Beach Property Owners Association, Inc., a non profit corporation organized and existing under the Laws of the State of Florida.
- Section 2 The "Properties" shall mean and refer to the Villas of Palm Beach Plat No. 1, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.
- Section 3 "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any lot unit.
- Section 4 "Member" shall mean and refer to the all those Owners who are members of the Association as provided in Article III, Section 1, of the Articles of Incorporation of the Association.

ARTICLE II

LOCATION

- Section 1 The principal office of the Association shall be located at:
4539 VESPASIAN COURT
LAKE WORTH, FLORIDA
P.O. BOX 6199, Lake Worth, Florida
33461
CURRENT ADDRESS: P.O. BOX 16944, West Palm Beach,
Florida 33416-6944

ARTICLE IIIMEMBERSHIP

- Section 1 Membership of the Association is as set forth in Articles III, Section 1, of the Articles of Incorporation of the Association.
- Section 2 The rights of membership are subject to the payment of annual and special assessment is imposed against each Owner of, and becomes a lien upon, the Properties against which such assessments are made as provided by Article II of the Articles of Incorporation of the Incorporation of the Homeowner's Association to which the Properties are subject.
- Section 3 The rights of all members are further and subject to the Declaration of Protective Covenants and Restrictions for Palm Beach Villas recorded in Official Records Book _____, Page _____, Records Book of Palm Beach County.

ARTICLE IVBOARD OF DIRECTORS

- Section 1 The directors of the Association shall be elected at annual meeting of the members as specified in the Articles of Incorporation. The elections shall be decided by majority vote.
- Section 2 Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.
- Section 3 The first meeting of the duly elected Board of Directors, for the purpose of organization, shall be held immediately after the annual meeting of members, provided the majority of the members of the Board elected be present. Any action taken at such meeting shall be by a majority of the whole Board. If the majority of the members of the Board elected shall not be present at that time, or if the directors fail to elect officers, the meeting of the Board to elect officers shall then be held within thirty days after the annual meeting of the members upon three days notice in

writing to each member of the Board elected, stating the time, place and object of such meeting.

Section 4 Regular meeting of the Board of Directors may be held at any place or places within Palm Beach County, Florida, on such days and such hours as the Board of Directors may, by resolution, appoint.

Section 5 No notice shall be required to be given of any regular meeting of the Board of Directors.

Section 6 Special meetings of the Board of Directors may be called at any time by the President joined by any two members of the Board and may be held any place or places within Palm Beach County, Florida and at any time.

Section 7 Notice of each special meeting of the Board of Directors stating the time, place and purpose or purposes thereof, shall be given by or on behalf of the President or by or on behalf of the Secretary or by or on behalf of any two members of the Board to each member of the Board not less than three days by mail or one day by telephone or telegraph. Special meetings of the Board may also be held at any place and time without notice by unanimous waiver of notice by all of the directors.

ARTICLE V

OFFICERS

Section 1 Any officer may be removed at any time at the affirmative vote of a majority of the Board of Directors at any duly called regular or special meeting of the Board.

Section 2 The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the members of the Association and of the Board of Directors. He shall have the general powers and duties of supervision and management of the Association which usually pertain to his office, and shall perform all such duties as are properly required of him by the Board of Directors. In the absence or disability of the President, the Vice President shall perform the duties and exercise the powers of the President. The Secretary shall issue notices of all meetings of the membership of the Association and the

directors where notices of such meetings are required by law or in these By-Laws. He/she shall keep the minutes of the meetings of the membership and of the Board of Directors.

Section 3 The Treasurer shall have the care and custody of all the monies and securities of the Association. He/she shall enter on the books of the Association, to be kept by him for that purpose, fully and accurate accounts of all monies received by him/her on account of the Association. He/she shall sign such instruments as require his/her signature and shall perform all such duties as usually pertain to his/her office or as are properly required of him/her by the Board of Directors.

Section 4 Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular meeting or special meeting.

Special 5 At all meeting of members, each member may vote in person by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE VI

MEETINGS OF MEMBERS

Section 1 The regular annual meeting of the members shall be held Nov. 1 in each year beginning in 1980 at such time and place as shall determined by the Board of Directors.

Section 2 Special meetings of the members for any purpose may be called at any time by the President, the Vice President, or upon written request of the members who have a right to vote one-fourth of all votes of the entire membership, or who have a right to vote one-fourth of the votes of the Class A membership.

Section 3 Notice may be given to the member whether personally, or by sending a copy of the notice through the mail, postage thereon fully paid, to his address appearing on the records of the Corporation. Each member shall be mailed to him at such address. Notice of any meeting, regular or special,

shall be mailed or personally delivered at least six days before the meeting and shall set forth the general nature of the business to be transacted. Provided however, that if any business of any meeting shall involve any action governed by the Articles of Incorporation, notice of such meeting shall be given or sent as therein provided.

Section 4 The presence at the meeting of members entitled to cast 30% of the votes of each class of membership shall constitute a quorum for any action governed by these By-Laws except as otherwise provided in the Articles of Incorporation, the declaration, or these By-Laws.

ARTICLE VII

BOOKS AND PAPERS

Section 1 The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any member of the Association.

Section 2 Powers and Duties of the Board of Directors

The Board of Directors shall have power to:

(a) Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infractions thereof.

(b) Suspend the voting rights and right to use the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations.

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration.

(d) Declare the office of a member of the Board of Directors to be vacant in the even such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 3 It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (¼) of the Class A members who are entitled to vote.
- (b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.
- (c) As more fully provided in the Declaration to:
 - (1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period.
 - (2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) Foreclose the lien against any property for which assessments are not paid within thirty (30) after due date or to bring an action at law against the owner personally obligated to pay the same.
- (d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- (e) Procure and maintain adequate liability and hazard insurance on property owned by the Association.
- (f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.
- (g) Cause the Common Area to be maintained.

ARTICLE VIII

AMENDMENTS

Section 1 These By-Laws may be amended, at a regular or special meeting of the members, by a vote of members present in person or by proxy (but no individual may vote more than five votes by proxy), provided that the notice to the members of the meeting disclosed the information that the

amendment of the By Laws was to be considered, provided, however, the provisions which are governed by the Articles of Incorporation of the Association may not be amended except as provided further that any matters stated herein to be or which are in fact governed by the Homeowner's Association Covenants referred to herein may not be amended except as provided in such covenants.

Section 2 In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control and in the case of any conflict between said Homeowner's Association Protective Covenants and Restrictions and these By-Laws, the said Homeowner's Association Protective Covenants and Restrictions shall control.

Section 3 The Association shall appoint an Architectural Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By[Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

Section 4 These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

WE HEREBY CERTIFY that the foregoing By-Laws of the above named corporation were duly adopted by the Board of Directors of said Association in a meeting held for such purpose on the _____ day of _____, 19____.

VILLAS OF PALM BEACH PROPERTY
OWNERS ASSOCIATION, INC.

President (Seal)

Secretary

STATE OF FLORIDA
(COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me on
this _____ day of _____, 19____.

VILLAS OF PALM BEACH

PROPERTY OWNERS ASSOCIATION, INC., a Florida Corporation not for
profit, on behalf of the Corporation.

Notary Public

State of Florida at Large

My Commission Expires:

RETYPE FOR CLARITY FROM COPIES RECORDED IN THE PALM BEACH COUNTY
COURTHOUSE.

PART C
ARTICLES OF INCORPORATION
FOR
VILLAS OF PALM BEACH
PROPERTY OWNERS ASSOCIATION, INC.

CERTIFICATE OF INCORPORATION
OF THE VILLAS OF PALM BEACH
PROPERTY OWNERS ASSOCIATION, INC.

The undersigned subscribers, desiring to form a corporation not for profit under Chapter 617, Florida Statutes, as amended, hereby adopt the following Articles of Incorporation.

ARTICLE I

NAME

The name of the Corporation shall be Villas of Palm Beach Property Owners Association, Inc., which is hereinafter referred to as Villas of Palm Beach.

ARTICLE II

PURPOSE AND POWERS

The objects and purposes of the Association are those objects and purposes as are authorized by the Declaration of Protective Covenants and Restrictions for Villas of Palm Beach Subdivision located on all of the lots that may be platted and all dwelling units that may be declared on that certain parcel of land described as follows:

See Schedule B attached hereto and hereby made a part hereof.

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

The Association shall have the power, and such power shall be agreed to and accepted by each unit owner upon acceptance of a deed.

- A. To contract for the management of the Association and to delegate to the party with whom such contract has been entered the powers and duties of the Association except those which require specific approval of the Board of Directors or members.
- B. The Association shall have all of the common law and statutory powers of the corporation not for profit which are

not in conflict with the terms of the Articles and Covenants above identified. The Association shall also have all the powers necessary to implement the purpose of the Association.

- C. To provide for the maintenance and upkeep of the lakes, drainage facilities and water management tracts, park and other common areas of subdivision known as Villas of Palm Beach levying upon every Class A member as hereinafter defined, annual and special assessments. The annual and special assessments, together with such interest thereon and costs of collections there of as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as herein after provided, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due.

ARTICLE III

MEMBERS

Section 1 Membership.

Every person or entity who is a record owner of a fee or undivided fee interest in any lot or home is subject by covenants of record to assessment by the Association and shall be a member of the Association, provided that any such person or entity who hold such interest merely as a security for the performance of an obligation shall not be a member.

Section 2 Voting Rights.

The Association shall have two classes of voting membership.

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. Class B members shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership or
- (b) On December 31st, 1985.

Section 3 Meetings of Members.

The By-Laws of the Association shall provide for an annual meeting of members and may make provision for regular and special meetings of members other than the annual meeting. A quorum for the transaction of business at any meeting of the members shall exist if thirty percent (30%) of the total number of members in good standing in each class of stock shall be present or represented at the meeting.

ARTICLE V

CORPORATE EXISTENCE

The Association shall have perpetual existence.

ARTICLE VI

BOARD OF DIRECTORS

Section 1 Management by Directors.

The property business and affairs of the Association shall be managed by a Board of Directors, which shall consist of not less than three persons, but as many persons as the Board of Directors shall from time to time determine. A majority of the directors in office shall constitute a quorum for the transaction of business. The By-Laws shall provide for meetings of directors, including an annual meeting.

Section 2 Original Board of Directors.

The names and address of the first Board of Directors of the Association, who shall hold office until the first annual meeting of members in November 1980 and until qualified successors are duly elected and have taken office, shall be as follows:

SAME AS ARTICLE VII, SECTION 3

Section 3 Election of Members of Board of Directors.

Except for the first Board of Directors, directors shall be elected by the members of the Association at the annual meeting of the membership as provided by the By-Laws of the Association, and the By-Laws may provide for the method of voting in the election and for removal from the office of directors.

Section 4 Duration of Office.

Members elected to the Board of Directors, directors shall be elected to the Board of Directors shall hold office until the next succeeding annual meeting of members, and thereafter until qualified successors are duly elected and have taken office.

Section 5 Vacancies.

If a director elected by the general membership shall for any reason cease to be a director, the remaining directors so elected may elect a successor to fill the vacancy for the balance of the unexpired term.

ARTICLE VIIOFFICERSSection 1 Officers Provided for.

The Association shall have a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the Board of Directors may from time to time elect.

Section 2 Election and Appointment of Officers.

The Officers of the Association, in accordance with any applicable provision of the By-Laws, shall be elected by the Board of Directors for the terms of one year and until qualified successors are duly elected and have taken office. The By-Laws may provide for the method in the election, for the removal from office of Officers, for filling vacancies, and for the duties of the Officers. The President and Vice President shall be directors; other officers may or may not be directors of the Association. If the office of President shall become vacant for any reason, or if the President shall be unable or unavailable to act, any Vice President shall automatically succeed to the office or perform its duties and exercise its powers. If the office other than that of President shall become vacant for any reason, the

Board of Directors may elect or appoint an individual to fill such vacancy.

Section 3 First Officers.

The names and addresses of the first officers of the Association, who shall hold office until the annual meeting of directors in November 1980 and until successors are duly elected and have taken office, shall be as follows:

<u>OFFICE</u>	<u>NAMES</u>	<u>ADDRESS</u>
President	Norman Rauch	3450 S. Ocean Boulevard, Palm Beach
Vice President	Melvin Rauch	921 Landsend Road, Lantana
Secretary	Harry Rauch	521 Muirfield Drive, Lantana

ARTICLE VII - A

PURPOSES AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purpose for which it is formed is to provide for maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as: See schedule attached B. and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as any hereafter be brought within the jurisdiction of the Association for this purpose to:

- (a) Exercise all of the powers and privileges and to perform all of the duties and obligation of the Association as set forth in that certain Declaration of Covenants, Conditions and Restriction, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Clerk of the Circuit Court, Palm Beach County and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;
- (b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration: to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the

business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

- (c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (d) Borrow money, and with the assent of two-thirds ($\frac{2}{3}$) of each class of members mortgage, pledge, deed in trust, or hypothecate, any or all of its real or personal property as security for money borrowed or debts incurred;
- (e) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds ($\frac{2}{3}$) of each class of members, agreeing to such dedication, sale or transfer;
- (f) Participate in mergers and consolidations with other nonprofit corporations organized for the same purpose or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the consent of two-thirds ($\frac{2}{3}$) of each class of members;
- (g) Have and to exercise any and all powers, rights, and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Florida by law may now or hereafter have or exercise.
- (h) The Association may be dissolved with the consent given in writing and signed by not less than two-thirds ($\frac{2}{3}$) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation,

association, trust or other organization to be devoted to much similar purposes.

- (i) As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration; consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of the Articles.

ARTICLE VIII

BY-LAWS

The Board of Directors shall adopt By-Laws consistent with these Articles of Incorporation. Such By-Laws may be altered, amended or repealed by the membership in the manner set forth in the By-Laws.

ARTICLE IX

AMENDMENTS

Amendments to these Articles of Incorporation shall be proposed and approved by the Board of Directors and thereafter submitted to a meeting of the membership of the Association for adoption or rejection by assent of 75% of the entire membership.

ARTICLE X

SUBSCRIBERS

The names and addresses of the subscribers to these Articles of the Incorporation are:

<u>NAME</u>	<u>ADDRESS</u>
Norman Rauch	3450 S. Ocean Blvd., Palm Beach
Melvin Rauch	921 Landsend Rd., Lantana
Harry Rauch	521 Muirfield Dr., Lantana

ARTICLE XI

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional Properties, Mergers and Consolidations, Mortgaging of

Common Area, Dedication of Common Area, Dissolution and
Amendment of these articles.

INWITNESS WHEREOF, The said subscribers have hereunto set
their hands this 5th day of MAY, 1981

Norman Rauch

Melvin Rauch

Harry Rauch

STATE OF FLORIDA SS
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 5th day
of May, 1981.

Notary Public, State of
Florida at large.

Signatures on file, re-typed for clarity.

CERTIFICATE OF MEMBERSHIP
FOR
VILLAS OF PALM BEACH
PROPERTY OWNERS ASSOCIATION, INC.