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ORB 6132 Pg 1814

DECLARATION OF COVENANTS AND RESTRICTIONS

FOR

SOVEREL HARBOUR

ORB 6132 Pg 1815

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TABLE OF CONTENTS

<u>Article</u>		<u>Page</u>
1	DEFINITIONS.....	2
2	PROPERTY SUBJECT TO THIS DECLARATION.....	7
3	SOVEREL HARBOUR ASSOCIATION, INC.....	8
4	COMMON PROPERTY.....	16
5	EASEMENTS.....	21
6	ASSESSMENTS AND FINES.....	28
7	MAINTENANCE OF PROPERTY AND VESSELS.....	36
8	USE RESTRICTIONS.....	38
9	SOVEREL HARBOUR.....	52
10	INSURANCE.....	53
11	SALE OR OTHER ALIENATION OF UNITS.....	53
12	INDEMNIFICATION OF DIRECTORS, OFFICERS AND COMMITTEE MEMBERS.....	58
13	GENERAL PROVISIONS.....	59

ORE 6132 Pg 1816

DECLARATION OF COVENANTS AND RESTRICTIONSFORSOVEREL HARBOUR

THIS DECLARATION OF COVENANTS AND RESTRICTIONS, made and executed this 18th day of July, 1989, by SOVEREL DEVELOPMENT PALM BEACH, INC., a Florida corporation ("Developer"), joined by SOVEREL HARBOUR ASSOCIATION, INC., a Florida not-for-profit corporation,

W I T N E S S E T H:

WHEREAS, Developer is the owner of that real property located in the City of Palm Beach Gardens, Palm Beach County, Florida legally described in Exhibit "A" attached hereto and made a part hereof (the "Initial Property"); and

WHEREAS, it is the intent of Developer to establish a general plan and uniform scheme of development and improvement of the Property (as hereinafter defined) as a marina facility, through the creation of marine yacht slip Units (as hereinafter defined) and Common Property and Limited Common Property (as hereinafter defined) within the Property; and

WHEREAS, for the purpose of carrying out the foregoing intent, Developer wishes to subject the Property to the covenants, restrictions, easements, reservations, assessments, charges, liens and other provisions hereinafter set forth.

NOW, THEREFORE, Developer hereby declares that the

ORE 6132 Pg 1817

Property is and shall be held, transferred, sold, conveyed and utilized subject to the covenants, restrictions, easements, reservations, assessments, charges, liens and other provisions hereinafter set forth in this Declaration of Covenants and Restrictions.

ARTICLE 1
DEFINITIONS

The following terms, as used in this Declaration, shall have the following meanings:

- 1.1 "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association as they may exist from time to time.
- 1.2 "Assessment" shall mean and refer to those charges made by the Association from time to time, against each Unit within the Property for the purposes, and subject to the terms, set forth herein.
- 1.3 "Association" shall mean and refer to SOVEREL HARBOUR ASSOCIATION, INC., a Florida not-for-profit corporation, its successors and assigns.
- 1.4 "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Association.
- 1.5 "By-Laws" shall mean and refer to the by-laws of the Association as they may exist from time to time.
- 1.6 "Commercial Areas" shall mean and refer to the Tracts and Units 64 through 71 and 98 through 101, all as shown on the Site Plan; provided, however, that Developer reserves

ORB 4132 Pg 1818

the right to convert Units 64 through 71 and 98 through 101 to non-commercial use, at any time, in the Developer's sole discretion.

1.7 "Common Expenses" shall mean and refer to all expenses incurred by the Association in connection with its maintenance, management and other obligations set forth herein.

1.8 "Common Property" shall mean and refer to all portions of the Property which are intended for the common use and enjoyment of the Owners and which shall be owned by the Developer, and all real and personal property which may be acquired by the Developer for the benefit and private, common use and enjoyment of all Owners. The Common Property shall include, without limitation, the Marina Basin, finger piers adjacent to the Units, the sidewalk, the perimeter roadway and parking land, all of which are shown on the Site Plan. The Common Property shall not include any portion of the Property which is now or hereafter designated by the Developer as a Unit.

1.9 "County" shall mean and refer to Palm Beach County, Florida.

1.10 "Declaration" shall mean and refer to this instrument, and all exhibits hereto, as the same may be amended from time to time.

1.11 "Developer" shall mean and refer to Soverel Development Palm Beach, Inc., a Florida corporation, and its successors and assigns.

1.12 "Improvements" shall mean and refer to all structures of any kind, including, without limitation, any

ORE 6132 Pg 1819

dock, finger pier, piling, walkway, dolphin, bulkhead, cleat, wall, fence, sign, screen enclosure or screening of any type, disposal system, planting, and any and all other types of structures or improvements, whether or not the purpose thereof is purely decorative or otherwise, and any and all additions, alterations, modifications, or changes thereto or thereof.

1.13 "Initial Property" shall mean and refer to that real property legally described in Exhibit "A", attached hereto and made a part hereof.

1.14 "Institutional Mortgagee" shall mean and refer to any bank, bank holding company, trust company or subsidiary thereof, savings and loan association, Federal National Mortgage Association, insurance company, union pension fund, mortgage company approved by Developer, an agency of the United States Government, or Developer, which holds a first mortgage of public record on any Unit, and the holder of any mortgage of public record given or assumed by Developer, whether a first mortgage or otherwise, and their successors. The term Institutional Mortgagee shall specifically include First Union National Bank, a national banking association.

1.15 "Limited Common Property" shall mean and refer to those portions of the Common Property consisting of the finger piers and pilings, which are reserved for the exclusive benefit and use of a specific Owner or Owners, as set forth herein or as otherwise established by the Developer, the maintenance of which shall be a Common Expense.

1.16 "Marina" shall mean and refer to the Initial Property and all additions thereto as are now or hereafter made subject to this Declaration and which are intended to be made

ORE 6132 Pg 1820

part of the common scheme of development in the manner described herein.

1.17 "Marina Appearance Board" or "M.A.B." shall mean and refer to that permanent committee of the Association created for the purpose of establishing and enforcing criteria for regulating the appearance of the Common Property and of all Vessels moored or kept within the Marina.

1.18 "Marina Basin" shall mean and refer to that portion of the Common Property identified as the marina basin on the Site Plan.

1.19 "Member" shall mean and refer to a member of the Association.

1.20 "Owner" or "Unit Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit, excluding, however, any mortgagee unless and until such mortgagee has acquired the fee simple title pursuant to foreclosure or any proceeding in lieu of foreclosure.

1.21 "Property" shall mean and refer to the Initial Property and such additional property as may be subjected to this Declaration by Developer from time to time, pursuant to Section 2.2 of this Declaration.

1.22 "Site Plan" shall mean and refer to that certain graphic depiction of the Property, attached hereto as Exhibit "B" and made a part hereof, as it may be amended from time to time.

1.23 "Soverel Harbour" shall mean and refer to that certain real property and the improvements thereon commonly known as Soverel Harbour located adjacent to the Property, and

ORB 6132 Pg 1821

which is identified as Sovereign Harbour Developable Land on the Site Plan.

1.24 "Tender" shall mean and refer to a boat or other water craft which is normally stored on the primary Vessel occupying a Unit.

1.25 "Tract" shall mean and refer to each of those areas of the Marina identified as Tract A, Tract B and Tract C, as shown on the Site Plan.

1.26 "Unit" shall mean and refer to the fee simple title to the submerged land, together with riparian rights and air rights, within the Marina, and designated as a Unit on the Site Plan and as each Unit is specifically described in the initial conveyance from the Developer to the initial Unit Owner of each Unit, being the area to be used and occupied by a Vessel, excluding therefrom any Improvements or portions of Improvements contained in such Unit. The Unit shall consist of an envelope of submerged land, water and air space, with the submerged land as its lower boundary, and shall have as its perimetrical boundaries, the vertical planes coincident to the perimeter boundaries of the Unit, extended to their planar intersections with each other and with the lower boundary, including the column of water located within the boundaries of the Unit at any given time (subject, however, to all rights of the public in and to such water). Each Unit shall be utilized for the sole purpose of mooring a Vessel, which shall be subject to the approval of the M.A.B. The Developer shall have the right to designate additional Units within the Initial Property from time to time.

ORE 6132 Pg 1822

1.27 "Vessel" shall mean and refer to any Owner's leisure or recreational motor boat, sailboat or other water craft which is self-propelled and in a seaworthy condition, together with any Tender kept thereon; provided, however, that this term shall exclude any houseboat (except houseboats located within the Commercial Areas), floating home, house-like barge, seaplane, nondisplacement (i.e., air cushion) or commercial marine vessels. In the event of any dispute as to whether a particular vessel or boat is permitted to be kept in a Unit or otherwise operated within the Marina, the determination of the Association made in its sole discretion shall be dispositive. The term "Vessel" shall include all vessels kept in a Unit or otherwise operated within the Marina.

ARTICLE 2

PROPERTY SUBJECT TO THIS DECLARATION

2.1 Initial Property. The Initial Property subject to this Declaration upon the recordation hereof in the County Public Records is the property described in Exhibit "A" attached hereto and made a part hereof.

2.2 Additional Property. Developer may, at any time and from time to time, subject additional property within the Marina to this Declaration, including without limitation, Units and Common Property, by recording in the public records of the County an amendment to this Declaration, describing such additional property and setting forth any use restrictions, voting rights, maintenance requirements, user fees, dues or

ORB 6132 Pg 1823

other provisions pertaining to such property. Notwithstanding the fact that the Developer's submission of additional property to the Declaration may result in an overall increase of Assessments attributable to each Unit, or may result in an overall increase of the total number of votes or Members in the Association, such amendment(s) by Developer shall not require the joinder or consent of the Association, other Owners or mortgagees of any portion of the Marina, or any other person or entity. Any property submitted to the Declaration pursuant to the terms hereof shall be included in the term "Property" and shall be part of the Marina. Any of the Units created within such additional property may be used for commercial marine activities, in the discretion of the Developer.

ARTICLE 3

SOVEREL HARBOUR ASSOCIATION, INC.

3.1 Formation. Developer has caused the Association to be formed by the filing of the Articles of Incorporation therefor in the office of the Secretary of State of Florida. The Association is formed to operate and maintain the Common Property; to enforce the covenants, conditions, restrictions, and other provisions set forth in this Declaration and to have such other specific rights, obligations, duties and functions as are set forth in this Declaration and in the Articles of Incorporation and the By-Laws of the Association. Subject to the additional limitations provided herein and in the Articles of Incorporation and the By-Laws of the Association, the

ORE 6132 Pg 1824

Association shall have all of the powers and be subject to all the limitations of a not-for-profit corporation as contained in Florida Statutes, Chapter 617, Part I (1987) (the "Florida Not for Profit Corporation Act"), in existence as of the date of recording the Declaration in the public records of the County.

3.2 Membership. A person or entity shall automatically become a Member of the Association upon acquisition of a fee simple title to any Unit, by filing a deed therefor in the public records of the County. The Developer shall automatically become a Member of the Association upon the recordation of this Declaration in the public records of the County. Membership shall continue until such time as the Member transfers or conveys his interest of record or the interest is transferred or conveyed by operation of law, at which time membership, with respect to the Unit conveyed, shall automatically be conferred upon the transferee. Membership shall be appurtenant to, and may not be separated from, ownership of Unit(s) subject to this Declaration. No person or entity holding an interest of any type or nature whatsoever in a Unit only as security for the performance of an obligation shall be a Member. Developer, by including additional property within the imposition of this Declaration, may cause additional membership in the Association and may designate the voting rights and Assessments attributable to such property.

3.3 Voting. The Association shall have one (1) class of voting membership. Each Member, including Developer, shall be entitled to one (1) vote for each Unit owned by such member as

ORB 6132 Pg 1825

to matters on which the membership shall be entitled to vote (as set forth herein), which vote may be exercised or cast by the Member in such manner as may be provided in the By-Laws of the Association. Any Member who owns more than one (1) Unit, shall be entitled to exercise or cast one (1) vote for each such Unit. When more than one (1) person owns a Unit, all such persons shall be Members of the Association; provided, however, in no event shall more than one (1) vote be cast with respect to each Unit. If more than one (1) person, a corporation, or other entity owns a Unit, they shall file a certificate with the Secretary of the Association naming the person authorized to cast votes for said Unit. If the certificate is not on file, the Owner(s) shall not be qualified to vote and the vote of such Owner(s) shall not be considered nor shall the presence of such Owner(s) at a meeting be considered in determining whether the quorum requirement has been met. If a Unit shall be owned by husband and wife as tenants by the entirety, no certificate need be filed with the Secretary naming the person authorized to cast votes for said Unit, and either spouse, but not both, may vote in person or by proxy and be considered in determining whether the quorum requirement has been met at any meeting of the members, unless prior to such meeting, either spouse has notified the Secretary in writing that there is a disagreement as to who shall represent the Unit at the meeting, in which case the certificate requirements set forth above shall apply. Developer, by including additional property within the imposition of this Declaration, may designate the

ORE 6132 Pg 1826

voting rights appurtenant to such property.

3.4 Administration of the Association. The affairs of the Association shall be administered by the Board of Directors in accordance with this Declaration, the Articles of Incorporation and the By-Laws of the Association. A committee to be comprised of Unit Owners (the "Steering Committee") shall be established in accordance with subsection 3.4.1 hereof to advise and make recommendations to the Board of Directors on certain matters affecting the Association. The Articles of Incorporation and the By-Laws may be amended in the manner set forth therein; provided, however, that no such amendment shall conflict with the terms of this Declaration or adversely affect the rights of Developer, without the prior written approval of Developer; and provided further that no amendment, alteration or rescission may be made which adversely affects the rights or privileges of any Institutional Mortgagee, without the express prior written consent of the Institutional Mortgagee so affected, and provided further that no amendment, alteration or rescission of the Articles of Incorporation or the By-Laws shall be made without the Association's prior written approval. Any attempt to amend contrary to these prohibitions shall be of no force or effect.

3.4.1 Steering Committee. Upon the closing of the initial sale of forty-two (42) Units, the Board of Directors shall appoint three (3) Unit Owners other than the Developer as the initial members of the Steering Committee. When thirty-eight (38) additional Units are closed (80 Units total), the Board of

ORB 6132 Pg 1827

Directors shall appoint two (2) additional Unit Owners other than the Developer as members of the Steering Committee. Upon the closing of all Units to be sold in Soverel Harbour, an additional two (2) Unit Owners other than the Developer shall be appointed by the Board of Directors to the Steering Committee (a total of seven (7) members to be appointed to the Steering Committee after all closings in Soverel Harbour have occurred). The Steering Committee shall advise and make recommendations to the Board as to social and operational matters and exercise all those powers that the Board may delegate to the Steering Committee from time to time in the Board's discretion. Notwithstanding the foregoing, the Board may or may not choose to act on the Steering Committee's recommendations. The Steering Committee shall serve in an advisory capacity only, unless the Board shall determine otherwise for a particular matter. The Steering Committee shall at all times be comprised of Unit Owners only.

3.5 Suspension of Membership Rights. No Member shall have any vested right, interest or privilege in or to the assets, functions, affairs or franchises of the Association, or any right, interest or privilege which may be transferable, or which shall continue after his membership ceases, or while he is not in good standing. A Member shall be considered "not in good standing" during any period of time in which he is delinquent in the payment of any Assessment or fine, or in violation of any provision of this Declaration or of any rules or regulations promulgated by the Association. While not in

ORE 6132 Pg 1828

good standing, the Member shall not be entitled to vote or exercise any other right or privilege of a Member of the Association, but shall continue to be responsible for all obligations appurtenant to membership in the Association.

3.6 Control By Developer. Anything contained herein to the contrary notwithstanding, Developer shall have the right to retain control of the Association until the tenth (10th) regular annual meeting of the Association. At the time of turnover of control of the Association, the Association shall record a notice of turnover in the public records of the County. Initially, the Board of Directors of the Association shall consist of three (3) individuals, all appointed by the Developer. At the annual meeting of the Association in 1990, the Board of Directors of the Association shall be increased to consist of five (5) individuals, three (3) of whom shall be appointed by the Developer and two (2) of whom shall be elected by Owners other than the Developer. Subsequent to the turnover of control of the Association (as described above) the Owners other than the Developer shall elect all members of the Board of Directors; provided, however, ~~that the Developer shall have~~ the right to appoint one (1) member of the Board of Directors so long as the Developer owns any Unit, Tract or any Common Property. The Board of Directors shall never consist of more than five (5) members, without the written consent of the Developer. Each Director shall have one (1) vote with respect to all matters coming before the Board. At the annual meeting of the Association in 1990 and subsequent thereto, those Board

ORB 6132 Pg 1829

Members selected by the Owners other than the Developer shall be elected in accordance with the provisions of the By-Laws. By acceptance of membership in the Association, each Owner acknowledges that the members of the Board and the Officers appointed by the Developer represent the interests of the Developer only, and in the event of any conflict between the interests of the Developer and the interests of the other Owners, the Directors and Officers appointed by the Developer shall act on behalf of the Developer and not on behalf of the other Owners.

3.7 Fundamental Issues. When Unit Owners other than the Developer elect members to the Board of Directors certain issues affecting the Association (the "Fundamental Issues") shall be subject to mutual agreement by a majority of the Directors appointed by the Developer and no less than one (1) of the Directors elected by Unit Owners other than the Developer. These fundamental issues shall consist of: (a) a proposed annual budget which exceeds the most recent annual budget by 25% or more (excluding, however, the budgeted amounts for real property taxes and insurance premiums for the Common Property); and (b) any amendments to the Articles of Incorporation, By-Laws or rules and regulations of the Association which would materially impair the value of the Owners' Units or Common Property. In the event that the Board cannot agree upon any one or more of the Fundamental Issues, as described above, then the disputed issue shall be subject to binding arbitration, in accordance with the following procedure

ORE 6132 Pg 1830

(provided, however, that if the disputed issue is a proposed annual budget which exceeds the most recent annual budget by 25% or more, the increase shall go into effect pending final resolution of the arbitration proceeding): The arbitrator shall be selected by the American Arbitration Association within five (5) days after receipt of notice by either party and shall be an accounting firm which is nationally recognized in property owners association/homeowners association/yachting association accounting or such other person as the members of the Board elected by the Unit Owners other than the Developer and those appointed by the Developer shall mutually agree upon. The members of the Board elected by the Unit Owners other than the Developer and those appointed by the Developer shall each submit a proposal setting forth its resolution of the issue(s) submitted to arbitration within ten (10) days of notice of selection of the arbitrator. The decision of the arbitrator, where appropriate, shall take into account the operation of the Marina in comparison of the operation of similar marinas in the State of Florida. The arbitrator shall investigate the facts and shall hold hearings at which the parties may present evidence and arguments, be represented by counsel and conduct cross examination. The arbitrator shall render a written decision upon the matter presented to it by selecting either of the proposals within thirty (30) days after the date upon which the last party submitted its proposal to the arbitrator. Judgment upon the decision rendered in such arbitration may be entered by any court having jurisdiction

ORB 4132 Pg 1831

thereof. The arbitration proceedings shall be governed by the rules of the American Arbitration Association then in force. If necessary, the parties shall advance on an equal basis any costs of the arbitration, such as reporters fees and arbitrators fees. The prevailing party shall be entitled to recover as part of the award all such advanced costs and reasonable attorneys fees and related costs, fees and expenses of the arbitration. Any fees and costs required to be paid by the Association shall be obtained through a special Assessment levied against all Owners other than the Developer. In the event of any dispute over any such fees and costs, each party may apply to the arbitrator within thirty (30) days of the decision on the merits for a determination of an award of fees, costs and expenses. The arbitrator shall enter an award on such application within thirty (30) days from its receipt, without a hearing, but with consideration of any factual material or brief submitted by the parties, and such award shall be paid within thirty (30) days from the date of such award.

ARTICLE 4

COMMON PROPERTY

4.1 Title to Common Property. Fee simple title to the Common Property shall be held by the Developer. As of the date of recordation of this Declaration, all of the issued and outstanding capital stock of the Developer shall be retained by the shareholders of the Developer. On February 1, 1999 (or

ORB 6132 Pg 1832

such earlier date as the shareholders shall elect), the shareholders of the Developer shall convey all of the issued and outstanding capital stock of the Developer to all Unit Owners existing at the time of the conveyance, as tenants in common each as to an undivided equal interest. This conveyance shall be made without additional financial consideration. All Unit Owners existing at the time of the conveyance shall be obligated to accept the capital stock of the Developer. Each Unit Owner's interest in the Developer shall thereafter be an appurtenance to his Unit, may not be separated from the Unit, and shall pass with title to the Unit. The stock certificate evidencing the transfer shall be retained in the office of the Association, and it shall contain a legend prohibiting the Unit Owners from transferring their interest in the stock to any other party, except in connection with a conveyance of a Unit. At the time of conveyance, the only assets of the Developer shall be the Common Property.

Notwithstanding the manner in which fee simple title to the Common Property is held, the Association shall be responsible for the management, maintenance and operation of the Common Property from and after the date of recordation of this Declaration.

4.2 Rules and Regulations Governing Use of Common Property. The Association, through its Board of Directors, shall regulate the use of the Common Property (including the

ORB 6132 Pg 1833

Limited Common Property) by Owners, and may from time to time promulgate such rules and regulations consistent with this Declaration, governing the use thereof as it may deem to be in the best interest of its Members. A copy of all rules and regulations established hereunder and any amendments thereto shall be made available to all Members at the office of the Association. Such rules and regulations and all provisions, restrictions and covenants as now or hereafter provided, including, without limitation, all occupancy and use restrictions contained in this Declaration, may be enforced by legal or equitable action of the Association.

4.3 Owner's Easements of Enjoyment. Subject to the provisions herein, each Owner shall have a right and non-exclusive easement of enjoyment in and to the Common Property, which easement shall be appurtenant to, and shall pass with, the title to each Unit.

4.4 Extent of Owner's Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

4.4.1 The right of the Developer to borrow money for the purpose of improving the Common Property and, in connection therewith, to mortgage the Common Property.

4.4.2 The right of the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure.

4.4.3 The right of the Association to suspend the enjoyment rights and easements of any Owner for any period during which an Assessment remains unpaid by the Owner and for

ORB 6132 Pg 1834

any period during which such Owner is in violation of this Declaration or any rules and regulations promulgated by the Association.

4.4.4 The right of the Association to properly maintain the Common Property. For the purpose of performing its maintenance obligations and all of the removal, maintenance and other work and inspections permitted under this Declaration, the Association, through its duly authorized agents, employees or independent contractors, shall have the right, after reasonable notice to the Owner, to enter upon any Unit or Vessel at reasonable hours on any day, and an easement therefor is hereby expressly granted. Such notice shall not be required in the event of an emergency where a delay in entry would result in damage to any Unit, Vessel, Common Property or persons or other property.

4.4.5 The rules and regulations governing the use and enjoyment of the Common Property, as promulgated by the Association.

4.4.6 All of the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association and all exhibits thereto, all rules and regulations adopted by the Association, as same may be amended from time to time.

4.4.7 Such easements as may be granted or reserved separately by the Developer or the Association, including without limitation, the following easements appurtenant to the Property (i) that certain Mutual Easement Grant dated April 18, 1977 by and between Soverel Marine Harbor, Inc. and 6136, Inc.

ORE 6132 Pg 1835

recorded in Official Records Book 2668, Page 1424 of the Public Records of Palm Beach County, Florida, as modified by that certain Modification of Easement Agreement dated September 23, 1988 by and between Soverel Harbour, Inc. (formerly known as Soverel Marine Harbor, Inc.) and Harbour Village Associates recorded in Official Records Book 5842, Page 397 of the Public Records of Palm Beach County, Florida, as may be further amended, and (ii) that certain Landscape and Maintenance Easement dated August 30, 1978 by and between Soverel Marine Harbor, Inc. and 6136, Inc. as it may be amended from time to time; and such other easements as may be granted or reserved pursuant to the provisions of this Declaration.

4.4.8 The right and duty of the Association to levy assessments against each Unit for the purpose of maintaining the Common Property and facilities in compliance with the provisions of this Declaration and for such other purposes as may be authorized pursuant to the provisions hereof.

4.4.9 The right of fire, police, coast guard, health and sanitation and other public service personnel and vehicles to have access to, and use of, the Common Property for the purpose of performing their duly authorized duties.

4.4.10 In case of any emergency originating in, or threatening any Unit, regardless of whether the Owner is present at the time of such emergency, the Board of Directors of the Association or any other person authorized by the Association, or the management agent under a management agreement, shall have the right to enter such Unit and the Vessel located therein for the purpose of remedying or abating the cause of such emergency.

ORE 6132 Pg 1836

4.4.11 The right of the Developer to develop the Soverel Harbour Developable Land (as shown on the Site Plan), including the construction of Improvements thereon, which may include additional Units.

4.4.12 The right of hotel guests, invitees, employees and other designees of the Developer to park their vehicles (the term "vehicles" to include construction vehicles and other heavy equipment necessary for the construction of Soverel Harbour facilities, including without limitation, a hotel and related facilities) on that portion of the Parking Area (as hereinafter defined) shown on the Site Plan.

4.4.13 The right of the Developer and its designees, successors and assigns, to dredge the submerged land in the Marina Basin as deemed necessary by the Developer from time to time.

4.4.14 The right of the Association to require an Owner of a Unit to relocate his Vessel due to the construction of Improvements within the Commercial Areas.

4.4.15 The right of any party who may have the exclusive right to provide Vessel repair service within the Marina, to have access to, and use of, portions of the Property in order to provide such service.

ARTICLE 5

EASEMENTS

5.1 Easement Grants. The following easements are hereby granted and/or reserved over, under, across and through the Property:

JRB 6132 Pg 1837

5.1.1 The Developer reserves the right (but shall have no obligation) to grant easements for utilities throughout the Property, including communications, security and cable television facilities. Each appropriate utility company or agency may have an easement for the purpose of maintaining all utility lines, connections and equipment now or hereafter located on the Common Property or within Units.

5.1.2 Each Owner (a "Benefitted Owner") of a Unit (a "Benefitted Unit") which is immediately adjacent and contiguous to another unit (a "Burdened Unit") and not separated from the adjacent unit by Common Property (such as finger piers, docks and walkways) shall have a nonexclusive easement, appurtenant to the Benefitted Unit for reasonable use of dolphins and pilings, if any, on or immediately proximate to the common boundary between such units for the purpose of attaching a mooring line(s) in connection with mooring a Vessel within the Benefitted Unit. The Benefitted Owner will use reasonable care and good navigation in connection with use and enjoyment of the easement and will exercise his rights hereunder in a reasonable manner to minimize interference with or inconvenience to the Owner of the Burdened Unit. The Benefitted Owner will not be responsible for ordinary wear and tear to dolphins or pilings as to which the Benefitted Owner exercises its rights hereunder, but shall reimburse the Owner of the Burdened Unit for any damage or destruction caused by the negligence or willful misconduct of the Benefitted Owner in connection with the use of the easement granted hereby. The

ORB 6132 Pg 1838

Developer and its successors and assignees, and the management company contracted by the Association, shall be indemnified and held harmless from and against any and all expenses or liabilities incurred as a result of damage or destruction in connection with the use of the easement granted hereby.

5.1.3 The Common Property is hereby declared to be subject to a perpetual non-exclusive easement in favor of (i) the Unit Owners, their guests and invitees, and (ii) any management entity or agent contracted by the Association, in order that such management entity or agent may carry out their duties and have access over the Common Property.

5.1.4 A non-exclusive easement is hereby granted for ingress and egress for pedestrian and vehicular traffic over, through and across that certain real property which is part of the Common Property and designated as a parking area (the "Parking Area") as shown on the Site Plan. The Parking Area shall consist of a total of 254 individual parking spaces, and shall be for the use and benefit of Soverel's designees, employees of the other facilities within Soverel Harbour, and the Unit Owners and their guests and invitees. The use and benefit of the Parking Area shall be apportioned as follows:

(i) one (1) parking space for each two (2) Units (i.e., sixty-five (65) parking spaces) shall be designated for the exclusive use of Owners of Units 1-129 collectively; (ii) of the remaining one hundred eighty-nine (189) surplus parking spaces, sixty-four (64) spaces shall be available for use by the guests, invitees, licensees and crew members of Unit Owners

ORB 41-32-P-1839

1-129 and R1-R12 on a non-exclusive basis and in common with Soverel's designees and assignees, including employees of other facilities within Soverel Harbour. Soverel shall have the right to relocate the vehicles of the crew members (including the captain) of any Vessel to another portion of the Parking Area, as Soverel may deem necessary or appropriate from time to time. The Developer, the Association and the Unit Owners shall consent to any modification of the foregoing parking space allocation which may be required by any governmental agency.

5.1.5 An easement is hereby granted over the Common Property to each Institutional Mortgagee for the purpose of access to the property subject to its mortgage, which easement shall be exercised in the manner as set forth in such mortgage.

5.1.6 Easements are hereby granted throughout the Common Property to Developer's designees and Soverel Harbour Realty, Inc. ("Soverel Harbour Realty") for the use of their agents, employees, licensees and invitees, for all purposes in connection with development, sales and leasing of Units throughout the Marina. Developer and its designees, and Soverel Harbour Realty, shall also have the right to post and display signs on the Common Property.

5.1.7 If (a) any portion of the Common Property encroaches upon any Unit; (b) any Unit encroaches upon any portion of the Common Property; or (c) the Vessel of any Owner shall encroach upon an adjoining Unit or Common Property as the result of, but only as the result of (i) a wake caused by the movement of other Vessels through the Marina channel, (ii)

ORB 6132 Ps 1840

tidal movement, (iii) storms or other acts of God, or (iv) as permitted by duly adopted rules of the Association, then in any such event, a valid easement shall exist for such encroachment. Notwithstanding any of the foregoing, however, an Owner shall be liable for all damages to the Unit or Vessel of another Owner or to the Common Property where the cause of such damage is the failure of such Owner to properly secure (or, if required, remove) his Vessel to (or from) its mooring piles or dolphins.

5.1.8 A non-exclusive easement is hereby granted, across and through the waters of the Marina Basin for purposes of Vessel ingress and egress to and from the Units and the waters of the Intracoastal Waterway for the use and benefit of the Owners, their tenants, guests and invitees, any party which has the exclusive right to service Vessels within the Marina, and Developer's designees. (Developer's designees shall include any and all third parties that Developer may designate in its sole discretion).

5.1.9 A non-exclusive easement is hereby granted to Developer's designees (including all licensees, invitees and contractors), across and through the waters and submerged land of the Marina Basin for purposes of dredging the submerged land in the Marina Basin as deemed necessary by the Developer from time to time.

5.1.10 An easement is hereby granted to each Owner, and the Owners' guests and invitees, for use in common with Developer and 6136, Inc., a Florida corporation, over, across,

ORE 6132 Pg 1841

in and upon a roadway from PGA Boulevard to Soverel Harbour as described in that certain Mutual Easement Grant, dated April 18, 1977 by and between Soverel Marine Harbor, Inc. and 6136, Inc., and recorded in Official Records Book 2668, Page 1424, Public Records of Palm Beach County, Florida, as modified by that certain Modification of Easement Agreement dated September 23, 1988 by and between Soverel Harbour, Inc. (formerly known as Soverel Marine Harbor, Inc.) and Harbour Village Associates recorded in Official Records Book 5842, Page 397 of the Public Records of Palm Beach County, Florida, as may be further amended.

5.1.11 The Association shall have a non-exclusive easement over and across each Unit for purposes of relocating a Vessel at the request of the Owner. The Association, Developer and the management company shall not be liable for any damage or destruction to a Vessel caused by the negligence of the Developer, Association or management company in connection with the relocation of any Vessel in Soverel Harbour.

5.1.12 A license is hereby granted to each Owner, and the Owner's guests and invitees, for use in common with (i) Developer and its designees, and (ii) the employees, guests and invitees of any of the facilities located within Soverel Harbour, for the use of the shower facilities in the dockmaster's office located within Soverel Harbour. The size and location of the dockmaster's office shall be determined by the Developer from time to time. The license granted hereby shall be subject to the rules and regulations promulgated by the Developer which may be amended from time to time.

ORB 6132 Pg 1842

5.1.13 An easement is hereby granted to any party who may have the right to service and repair Vessels within the Marina and its employees and invitees, throughout the Common Property for all purposes in connection with the provision of such boat service and repair work.

5.1.14 An easement is hereby granted to the owners and occupants of all Tracts shown on the Site Plan (including their respective invitees, licensees, employees and guests) over and across the Common Property as necessary or appropriate for access to the Tracts. This easement shall also include the right to utilize the parking spaces within the Parking Area.

5.1.15 An easement is hereby granted to the Association on behalf of each Owner to provide the maintenance, repair and reconstruction provided in Article 7 of this Declaration.

5.2 Restriction on Owner Easements. No Owner shall grant any easement upon any portion of the Property (including any Unit) to any person or entity without the prior written consent of the Association and the Developer.

5.3 Intended Creation of Easements. Should the intended creation of any easement fail by reason of the fact that at the time of creation, there is no grantee in being having the capacity to take and hold such easement, any such grant of easement deemed not to be so created shall nevertheless be considered as having been granted directly to the Association for the purpose of allowing the original party or parties to whom the easements were originally granted the benefit of such

ORE 6132 Pg 1843

easements; the Owners hereby designate the Developer and/or Association as their lawful attorney in fact to execute any instrument on their behalf as may hereafter be required or deemed necessary for the purpose of creating such easement.

ARTICLE 6

ASSESSMENTS AND FINES

6.1 Authority of Association. The Association, through its Board of Directors, shall have the power and authority to make and collect Assessments and to impose and collect fines as hereinafter set forth.

6.2 General Assessments. General Assessments shall be determined annually for the purpose of maintenance and management of the Association and the Common Property, as provided in this Declaration, and for the purpose of promoting the safety and welfare of the Owners. Without limiting the foregoing, general Assessments shall be used for payment of: operation, maintenance and management of the Association and the Common Property; insurance coverage for Common Property and Units; legal and accounting fees; management fees; security costs; emergency services; concierge, transportation and additional special services offered to the Unit Owners through the Association; repairs and replacements for such property required to be maintained by the Association, pursuant to the terms of this Declaration; charges for utilities provided to the Units and the Common Property; a percentage of all expenses associated with the Marina Basin, including without limitation,

ORE 6132 P 1844

maintenance and dredging expenses (the Association's percentage shall equal the total expenses associated with the Marina Basin, multiplied by a fraction determined as follows: (i) the numerator shall equal the number of Units owned by Unit Owners other than the Developer on the first day of the Association's current fiscal year, and (ii) denominator shall equal the total number of Units in the Marina); a percentage of all expenses associated with the Parking Area, including without limitation, maintenance and landscaping expenses (the Association's percentage shall equal the total expenses associated with the Parking Area multiplied by a fraction of one hundred and forty-one (141) over two hundred and fifty-four (254)); charges for cable television provided to the Units; expenses associated with the maintenance obligations of Soverel Marine Harbor, Inc., as set forth in that certain Landscape and Maintenance Easement Agreement dated August 30, 1978, as it may be amended from time to time, by and between Soverel Marine Harbor, Inc. and 6136, Inc. with respect to the landscaping and maintenance of that certain real Property described in said easement; cleaning services for such property required to be maintained by the Association, pursuant to the terms of this Declaration; expenses and liabilities incurred by the Association in the enforcement of its rights and duties against the Members or others; maintenance of vacant property; the payment of real estate taxes on individual Units and/or the Common Property, if applicable; the creation of reasonable reserves; and all other expenses deemed by the Board of Directors of the Association to

ORE 6132 Pg 1845

be necessary and proper for management, maintenance, repair, operation and enforcement.

6.3 Basis and Collection of General Assessments. The Association shall annually prepare a budget of the estimated Common Expenses it expects to incur and the period of time involved therein and shall assess its Members sufficient monies to meet this estimate. The Units (other than those owned by the Developer) shall be assessed in accordance with a schedule of assessments prepared by the Association, based upon the length of each Unit, so that the amount of the general assessment shall vary among the Units. Should the Association at any time determine that the Assessments made are insufficient to pay the Common Expenses, the Board of Directors shall have the authority to amend the current budget to reflect the additional Common Expenses and levy and collect additional general Assessments to meet such needs. General Assessments, shall be collectible in advance monthly, quarterly, semi-annually or annually, as the Board of Directors shall determine in its sole and absolute discretion. As additional property is subjected to this Declaration by amendment hereto, the Board of Directors in its sole and absolute discretion may designate in such amendment the basis on which such property shall be assessed and shall have the right to designate different levels of Assessments for the Units located within the additional property. In lieu of the payment of any Assessments, the Developer shall be responsible only for the payment of that portion of the Common Expenses which exceeds

ORB 6132 Pg 1846

the amount paid by Owners other than the Developer, (the "Deficit"). The Developer shall pay the Deficit on a periodic basis, as needed for the continued operation of the Association. Developer may elect at any time prior to ten (10) days before the end of any fiscal year to pay Assessments attributable to each Lot owned by the Developer, rather than to pay the Deficit during the forthcoming fiscal year. The Developer shall have no obligation to fund reserves or any other monies for the Association at any time. If the Developer elects to advance any monies on behalf of the Association, the Association shall be obligated to refund such monies to the Developer immediately upon request of Developer.

6.4 Special Assessments. The Association shall have the power and authority to levy and collect special Assessments from each Member for payment of the following: the acquisition of property, including the Common Property, by the Developer; the cost of the construction of capital Improvements to the Common Property; the cost of construction, reconstruction, unexpected repair or replacement of a capital Improvement, including the necessary fixtures and personal property related thereto; and the expense of indemnification of each director, officer and M.A.B. member of the Association. Special Assessments shall be levied on an equitable basis, as determined by the Board of Directors in its sole and absolute discretion and shall be collected in such manner as the Board of Directors shall determine, in its sole and absolute discretion.

ORE 6132 Pg 1847

6.5 Emergency Special Assessments. The Association may levy an emergency special Assessment when, in the sole and absolute determination of the Board of Directors, there is potential danger of damage to persons or property. Emergency special Assessments may be utilized to pay for preventative, protective or remedial construction, reconstruction, improvements, repairs or replacements. Events justifying emergency special Assessments include, but are not limited to, hurricanes, floods and fires. Emergency special Assessments shall be levied on an equitable basis as determined by the Board of Directors in its sole and absolute discretion and shall be collectible in such manner as the Board of Directors shall determine in its sole and absolute discretion.

6.6 Individual Assessments. The Association shall have the power and authority to levy and collect an individual Assessment against a particular Unit for the cost of maintenance, repairs or replacements within or without the Unit, which the Owner thereof has failed or refused to perform, and which failure or refusal has, in the opinion of the Association, endangered or impaired the use or value of other portions of the Property. An individual Assessment may also be levied to collect a surcharge against particular owners who use a disproportionate amount (as determined by the Association) of electricity or water (if those utilities are commonly metered). The Association shall have the right of entry onto each Unit to perform necessary maintenance, repairs and replacements, including the right to abate or eliminate any

ORB 6132 Pg 1848

nuisance. The individual Assessment may include an administrative fee charged by the Association in an amount to be determined by the Board of Directors in its discretion from time to time. All individual Assessments shall be collectible in such manner as the Association shall determine.

6.7 Fines. The Association may levy reasonable fines against Owners for violations by Owners, or by any Owner's family members, lessees, guests, licensees, invitees, employees or agents, of the provisions contained in this Declaration, the Articles of Incorporation, the By-Laws, and the rules and regulations promulgated by the Association from time to time. The Association may levy fines according to a schedule of fines to be adopted by the Board of Directors. Any Owner who violates any of the foregoing documents or rules shall be entitled to notice and a hearing before the Board of Directors of the Association prior to the imposition of any fine. Fines are individual Assessments and shall be collectible as such and upon any delinquency in the payment of any fine the Association shall have all rights as set forth in this Declaration, including, without limitation, lien rights against the Owner's Unit.

6.8 Effect of Non-Payment of Assessments or Fines. All notices of Assessments or fines from the Association to the Owners shall designate when the Assessment or fine is due and payable. If an Assessment or fine is not paid on the date when due, it shall then become delinquent and shall bear interest at the maximum rate allowed by the civil usury laws of the State

ORE 6132 Pg 1849

of Florida, from the date when due until paid. The Assessment or fine, together with interest thereon and the costs of collection thereof, including attorneys' fees, shall be a continuing lien against the Unit against which the Assessment or fine is made and shall also be the continuing personal obligation of the Owner thereof. The Association may also record a claim of lien in the public records of the County, setting forth the amount of the unpaid Assessment or fine and the rate of interest due thereon. If any Assessment or fine, or any installment thereof, shall not be paid within thirty (30) days following the due date, the Association may declare the entire Assessment or fine immediately due and payable. The Association may at any time thereafter bring an action to foreclose the lien against the Unit assessed, in the manner in which mortgages on real property are foreclosed, and/or a suit on the personal obligation of the Owner. There shall be added to the amount of the Assessment or fine the costs of such action, including attorneys' fees incurred by the Association. Regardless of the date of recordation of any claim of lien, the effective date thereof shall relate back, and it shall take priority, as of the date of recordation of this Declaration. Any successor in title to a Unit shall be held to have constructive notice of the records of the Association to determine the existence of any delinquency in the payment of Assessments or fines and shall be held liable and responsible for the payment of any delinquent Assessments or fines on the Unit.

ORE 6132 Pg 1850

6.9 Certificate of Assessments. The Association shall prepare a roster of the Units and Assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by all the Members. At the request of an Owner, the Board of Directors shall prepare a Certificate of Assessments signed by an officer of the Association, setting forth whether the Owner's Assessments have been paid and/or the amount which is due as of the date of the Certificate. As to parties without knowledge of error who rely thereon, such certificate shall be presumptive evidence of payment or partial payment of any Assessment therein stated as having been paid or partially paid.

6.10 Subordination of Lien to Mortgages. Regardless of the effective date of the lien of any Assessments or fines made by the Association, the lien of such Assessments or fines shall be superior to all liens but shall be subordinate and inferior to the lien of the mortgage of any Institutional Mortgagee. Such subordination shall, however, apply only to the Assessments or fines which have become due and payable prior to a final sale or transfer of the mortgaged Unit pursuant to a decree of foreclosure, or in any other proceeding or conveyance in lieu of foreclosure of the mortgage. No sale or other transfer shall relieve any Unit from liability for any Assessment or fine becoming due thereafter, nor from the lien of any such subsequent Assessment or fine. Any delinquent Assessments or fines which are extinguished pursuant to a sale or transfer in connection with the foreclosure of a mortgage,

ORF 6132 Pg 1851

or any proceeding or deed in lieu of foreclosure, shall be reallocated and assessed to all Owners as a Common Expense. The written opinion of the Association that the lien for an Assessment or fine is subordinate to a mortgage lien shall be dispositive of any question of subordination.

6.11 Exempt Property. The following property shall be permanently exempt from the payment of all Assessments:

6.11.1 All Common Property.

6.11.2 Any portion of the Property dedicated to the County or the City of Palm Beach Gardens.

6.11.3 Any portion of the Property owned by the Developer, including, without limitation, the Common Property, unless the Developer elects to submit its property to Assessments as provided hereinabove.

ARTICLE 7

MAINTENANCE OF PROPERTY AND VESSELS

7.1 Unit Owner Responsibility. Each Owner shall keep his Unit and Vessel at all times in a neat, attractive and safe condition, and the Association may levy a fine and/or individual assessment against such Owner for the cost of maintaining the appearance and safety of his Unit and Vessel, plus an administrative fee of not more than twenty-five percent (25%) of such cost. Notwithstanding the foregoing, the Association shall have no liability to any Owner or other person or entity for any damage caused by the failure of an Owner to keep his Unit or Vessel in a safe condition.

ORB 6132 Pg 1852

7.2 Association Responsibility. The Association shall, either by virtue of appointment of a management agent, or through its own personnel, be responsible for the maintenance of all the Common Property; provided, however, that the expense of any maintenance, repair or reconstruction of any portion of the Common Property necessitated by the negligent or willful acts of an Owner, or his lessees, invitees, licensees, family or guests shall be borne solely by such Owner, and his Unit shall be subject to an individual Assessment for such expense. The Association shall be obligated to repair or reconstruct the Common Property in the event of damage or destruction. The Association shall use insurance proceeds to fund such repair or reconstruction, to the extent that the insurance proceeds are sufficient to do so. Any excess funds necessary to complete the repair or reconstruction shall be obtained through a special Assessment against all Owners. All repair and reconstruction shall be completed in a good and workmanlike manner and in accordance with plans and specifications approved by the Developer. In the event that the Association fails to repair or reconstruct as required by this Declaration, then either the Developer shall have the right to do so, and all expenses incurred in connection therewith shall be reimbursed by the Association.

7.2.1 Developer, its parents, subsidiaries, affiliates, their successors and/or assigns, may be the management agent for the Association and may hire such employees, including but not limited to: attorneys.

ORB 6132 Pg 1853

accountants, bookkeepers, gardeners, and laborers, as the Developer may deem necessary in order to maintain the property described herein. No management agreement between the Association and Developer or its parents, subsidiaries, affiliates, or their successors and/or assigns shall be held invalid solely for the reason that at the time of entering into the management agreement, the employees, officers, or agents of Developer, or its parents, subsidiaries or affiliates or their successors and/or assigns are officers, directors and/or employees of the Association.

7.3 Maintenance of Additional Property. As additional property, including without limitation Units and Common Property, is subjected to this Declaration, the Developer shall have the absolute right to change, amend, or alter the maintenance provisions set forth herein and to add additional maintenance provisions for such additional property as deemed appropriate by Developer in its sole and absolute discretion.

ARTICLE 8

USE RESTRICTIONS

8.1 Restrictions on Use of Units and Common Property.

8.1.1 Use. Except as provided below in this Declaration, each Unit shall be used only for the mooring of one (1) Vessel in seaworthy condition, provided, however, that Units 18, 38, 39 and 55 as shown on the Site Plan may be used for the mooring of two (2) Vessels so long as both Vessels fit within the confines of the Unit in accordance with the

ORB 6132 Pg 1854

requirements of this Declaration. Whenever any Unit is owned or leased by a non-natural person such as but not limited to a corporation or partnership or other entity (other than the Developer), the agent of such entity shall designate, at the time of the closing of the purchase of the Unit, a particular family or individual who shall be entitled to occupy the Unit. In the event that the entity owning the Unit wishes to designate another family as being entitled to use the Unit, the Association shall have the right to approve the occupancy of the Unit by the new family in the same manner as if the Unit had been sold or transferred to the new family, and the provisions of this Declaration relating to transfers shall govern the action taken by the Association. The adult members of the family designated by the non-natural entity to occupy the Unit shall execute a written covenant in favor of the Association, agreeing to comply with the terms and provisions of this Declaration and the Rules and Regulations. Upon demand by the Association to the non-natural entity to remove any party who has been given permission to use or occupy the Unit for failure to comply with the terms and conditions of the above-mentioned documents, the Owner shall forthwith cause such occupying party to vacate the Unit.

8.1.2 Commercial Activities. Except with respect to the Commercial Areas, no drilling, mining, manufacturing, trade, business, commerce, industry, profession or other occupation whatsoever shall be conducted or carried on upon any Unit or any part thereof. The foregoing shall not apply to the

ORE 6132 Pg 1855

sales or leasing activities of the Developer, nor to the Commercial Areas, nor to any lawful dredging operation nor to fuel tanks and equipment installed by Developer for the purpose of providing fuel to Vessels, nor shall the foregoing prohibit or interfere with the right of the Developer to utilize or lease units owned by the Developer for commercial marine purposes. In addition, nothing contained herein shall be construed to prohibit or limit the operation of the other facilities which may be located within the Soverel Harbour Developable Land, as shown on the Site Plan.

8.1.3 Commercial Areas. Certain commercial uses not inconsistent with the operation of the Marina, as determined by the Developer, including without limitation, yacht brokerage, real estate brokerage, stock brokerage companies; a bank, savings and loan or similar type institution; retail sales offices, shall be permitted in the Commerical Areas.

8.1.4 Pets. No pets or other animals shall be permitted in or about the Marina except for the purpose of embarking or disembarking from Vessels. All pets brought into the Marina shall be leashed (when not on a Vessel) and attended at all times. The Board of Directors shall have the right to order the removal of any pet which is considered a nuisance, in the Board's sole and absolute discretion. In such event, the Board of Directors shall give written notice thereof to the pet owner, and the pet shall immediately thereafter be permanently removed from the Property.

ORE 6132 Pg 1856

8.1.5 Mooring. Each Owner is solely responsible for the proper mooring of his Vessel and is required to maintain mooring lines in good condition and sufficiently strong to secure the Vessel at all times. Any special mooring rules or procedures issued by the Association shall be complied with at all times. No Owner may install a boat lift for the dry storage of Vessels, nor shall dry storage of Vessels be permitted by any other means whatsoever.

8.1.6 Hurricane and High Wind Threat. During hurricanes and other high velocity wind threats, each Owner shall be responsible for following all safety precautions that may be issued or recommended by the National Hurricane Center, National Weather Service, U.S. Coast Guard, the Association or any other applicable agency. If an Owner's Vessel sinks as a result of a storm, or for any other reason, the Owner must remove the sunken Vessel from the Marina immediately after the occurrence of such event and, if not so removed within twenty-four (24) hours after the sinking, the Association may, (but shall not be obligated to) remove the sunken Vessel and impose an individual Assessment against the Owner for the cost of such removal. Each Owner agrees to indemnify, defend and save the Association, its agents, employees and designees for and from any and all loss or damage incurred in connection with the exercise or nonexercise of the Association's rights hereunder. If an Owner plans to be absent during the hurricane season, such Owner must prepare his Unit and secure or remove, as appropriate, his Vessel prior to his departure in accordance

ORB 6132 Pg 1857

with the standards established by the Board of Directors (or in the absence thereof, with all due care), designate a responsible firm or individual to care for his Unit and Vessel should there be a hurricane or other storm, and furnish the Association with the name, address and telephone number of such firm or individual. Such firm or individual shall be subject to the approval of the Association. The Owner shall be liable for all damages caused to the Common Property and to the Units, Vessels or other property of other Owners for such Owner's improper preparation or failure to remove, as the case may be, of his Unit and Vessel for hurricanes and other storms. Notwithstanding anything contained herein to the contrary, the Association may also levy fines in accordance with the rules and regulations if the Unit Owner fails to abide by the provisions of this paragraph. Notwithstanding the right of the Association to enforce the foregoing requirements, neither the Association, the Developer nor any management company shall be liable to any Owner or other person or entity for any damage to persons or property caused by a hurricane or other high wind.

8.1.7 Improvements. No Owner shall erect or maintain any fence, gate or other barrier, or other Improvement on any portion of the Common Property without the prior written approval of the M.A.B. and the Developer (so long as the Developer holds legal title to the Common Property).

8.1.8 Open Fires. No open fires shall be permitted on any Vessel, Unit or any Common Property, except in any areas which may be approved for such use by the Board, and no

ORB 4132 Pg 1858

charcoal, starting fluids or similarly used substances shall be kept in any portion of the Property.

8.1.9 Cleaning of Fish. No fish or other marine life of any kind shall be cleaned, prepared or processed in any manner on the Common Property except in those portions of the Common Property specifically designated for such use by the Board. All fish carcasses shall be placed in plastic bags and disposed of in the same manner as other garbage as determined by the Association.

8.1.10 Garbage and Other Waste. No garbage, or other waste of any kind, including without limitation, fish carcasses, shall be dumped, deposited or emptied into the water located in any Unit or the Marina Basin. Violation of this paragraph shall give the Association the right to levy fines against the Owner of the Unit which was the source of such dumping or depositing, in addition to all other remedies.

8.1.11 Inspection and Removal of Vessels. The Association shall have the right to inspect any Vessel in the Marina to determine its seaworthiness, cleanliness and compliance with all applicable city, County, state and federal fire, safety and other regulations, as well as to determine whether the Vessel fits within the applicable Unit. The Association shall have the right (but shall not be required) to remove any Vessel from the Marina which fails to comply with said regulations or fails to fit within the applicable Unit. Each Owner shall indemnify, defend and save the Association, its agents, employees and designees from and against any loss

ORB 6132 Pg 1859

or damage incurred in connection with the exercise or nonexercise of the Association's rights hereunder.

8.1.12 Public Authorities. Notwithstanding anything contained herein to the contrary, the Developer and/or the Association may permit police, U.S. Coast Guard and similar watercraft of public authorities to tie up to and be kept on any portion of the Common Property designed for such use by the Association or the Developer.

8.1.13 Enforcement of Violations. The Association shall have the right to levy reasonable fines against Owners for parking violations by the Owners or their family members, guests, invitees, licensees, employees or agents and such fines shall be treated as individual Assessments and shall be collectible as such and upon any delinquency in the payment of any parking violation fine the Association shall have all rights as set forth in this Declaration, including, without limitation, lien rights against the Owner. In addition, the Association will have the right to have any vehicle which is in violation of a parking regulation towed at the Owner's expense.

8.1.14 Temporary Structures. No structure or object of a temporary character such as, but not limited to, trailers, vans, tents, shacks, sheds, dock boxes (other than the dock box provided by the Developer on each finger pier) or temporary or accessory buildings or structures, shall be erected, kept or maintained on the Property, or any part thereof. This restriction shall not apply to temporary structures used by Developer for development, construction, sale or leasing of Units.

ORB 6132 Pg 1860

8.1.15 Nuisances. No use or practice which is either an annoyance to Owners or an interference with the peaceful possession and proper use of the Property by the Owners shall be allowed. No Owner shall commit or permit any nuisance or any immoral or illegal activity in or about the Property. For greater clarification, no Owner shall knowingly or willfully make or create any unnecessary, excessive or offensive noise or disturbance which destroys the peace, quiet and/or comfort of the Owners, or allow any such noise or disturbance to be made within the Property.

8.1.16 Access to Units. Whenever the Association is permitted or required by this Declaration to enter any Unit for the purpose of correction, repair, cleaning, clearing, or in the event of an emergency, or any other required or permitted activity, such entrance shall not be deemed a trespass.

8.1.17 Signs. Except in connection with development, sales or leasing of Units by or through the Developer or Soverel Harbour Realty, and except in connection with the sales of Vessels by the Developer or its designee, no signs, advertisements or notices of any kind, shall be displayed to the public view on any Unit, any Vessel or on the Common Property, without the prior written approval of the M.A.B., provided, however, that the Developer and owners and occupants of the Commercial Areas shall be permitted to post and maintain signs or advertisements in the Commercial Units. The foregoing shall not prohibit lettering, registration

JRE 6132 Pg 1861

numbers, flags and other displays customarily found on recreational watercraft.

8.1.18 Community Appearance.

8.1.18.1 No Improvement shall be erected, placed or altered on any Unit or Common Property by any Owner other than the Developer. Any change in the exterior appearance of any Improvement and any change in the appearance of any landscaping, shall be accomplished only by the M.A.B. The M.A.B. shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this Declaration.

8.1.18.2 No Unit may be occupied by a Vessel unless such Vessel meets the standards of the Association. The minimum standards, as promulgated by the Association, shall be enforced by the M.A.B. and shall require the Vessel to comply with the terms hereof, the rules and regulations adopted by the Association and all other documents in connection therewith. The M.A.B. shall have the right to (i) approve or disapprove any Vessel which the M.A.B. determines does not meet the standards of the M.A.B., or (ii) cause the immediate removal of any Vessel which is not in compliance with this Declaration, the rules and regulations or any other documents in connection therewith. The rights and powers granted to the M.A.B. under this Declaration, including the right to approve or disapprove any Vessel, or remove any Vessel as aforesaid, shall not be deemed to create any liability of the M.A.B. or the Association or of their officers, directors or members as to the unsafe or

ORE 6132 Pg 1862

unseaworthy condition of any Vessel or any damage to persons or property arising therefrom.

8.1.18.3 The M.A.B. shall be a permanent committee of the Association and shall administer and perform the functions described below. The M.A.B. shall consist of three (3) members, two (2) of whom shall be appointed by those members of the Board of Directors selected by the Developer and one (1) member to be appointed by the member of the Board elected by Unit Owners other than the Developer (at such time when the Unit Owners other than the Developer have elected a member of the Board). All three (3) members of the M.A.B. shall be appointed by the members of the Board elected by Unit Owners other than the Developer when the Association is turned over to the Owners other than the Developer upon the tenth regular annual meeting of the Association. The Board of Directors shall also provide for the terms of the members of the M.A.B. and shall determine which member of the M.A.B. shall serve as its chairman. There shall be no requirement that any member of the M.A.B. also be a member of the Association or a Unit Owner. A majority of the M.A.B. shall constitute a quorum to transact business in any meeting, and the action of a majority present shall constitute the action of the M.A.B.

8.1.18.4 Neither the Developer, the directors or officers of the Association, the members of the M.A.B., nor any person acting on behalf of any of them, shall be liable for any costs or damages incurred by any Owner or any other party due to any mistakes in judgment, negligence or any action of

ORB 6132 Pg 1863

the M.A.B. in connection with the approval or disapproval of any proposed Improvements or any Vessel. Each Owner and occupant of any property within the Marina, by acquiring title thereto or an interest therein, or by assuming possession thereof, agrees that they shall not bring any action or suit against the Developer, the directors or officers of the Association, the members of the M.A.B. or their respective agents, in order to recover any damages caused by the actions of the M.A.B. The Association shall indemnify, defend and hold harmless the M.A.B. and each of its members from all costs, expenses and liabilities, including attorneys fees, of all nature resulting by virtue of the acts of the M.A.B. or its members.

8.1.19 Commercial Vehicles. Unless as otherwise permitted under Section 4.4.12 of this Declaration, no trucks, commercial vehicles, campers, mobile homes, motor homes, house trailers or trailers of any other type, recreational vehicles, or vans shall be permitted to be parked or to be stored at any place on the Common Property, nor shall any boat or watercraft be stored or parked on any portion of the Property except that each Owner may moor a Vessel in his Unit. This section shall specifically prohibit vehicles to be located on any portion of the Property used for purposes of transporting or discharging fuel to Vessels except that the foregoing shall not apply to such vehicles authorized by Developer or its designees. Any vehicle or Vessel parked or stored in violation of these or other restrictions contained herein or in the rules and

ORE 6132 Pg 1864

regulations now or hereafter adopted may be towed or removed by the Association at the sole expense of the Owner of such vehicle or Vessel. The Association shall not be liable to the Owner for trespass, conversion or otherwise, nor guilty of any criminal act by reason of such lawful towing.

8.1.20 Garbage and Trash Disposal. No garbage, refuse, trash or rubbish shall be deposited except in trash receptacle as permitted by the Association. The requirements from time to time of the County or other applicable jurisdiction for disposal or collection of solid waste shall be followed. The equipment, trash bins or trash cans for the storage or disposal of such material shall be provided by the Association at various locations in the Marina. The Association shall be responsible for keeping the equipment in a clean and sanitary condition and for disposing of all garbage, refuse, trash or rubbish in compliance with all applicable requirements.

8.1.21 Hazardous or Toxic Waste. The handling, storage, transportation and disposal of hazardous or toxic materials shall be prohibited within the Marina; provided, however, that this shall not prohibit the proper handling, storage and transportation of petroleum products used by an Owner in connection with the operation of his Vessel. The Association shall have the right to immediately remove, or cause the removal of, any hazardous or toxic material within the Marina.

ORB 4132 Pg 1865

8.1.22 Pumping of Bilges. Each Owner is responsible to insure that any bilge water pumped into the waters of the Marina does not contain any petroleum or other hazardous or toxic materials. For purposes of this paragraph, hazardous or toxic materials shall be as defined by Federal, Florida and common law. Each Owner shall indemnify, defend and save the Developer, the Association and any management company harmless from and against any damages, claims and liability resulting from or arising out of the violation of the requirements of this paragraph by such Owner. All expenses incurred by the Developer and the Association in connection with compliance with all environmental and related laws shall be a Common Expense of the Association.

8.1.23 Sanitary Equipment. Each Vessel must have such sanitary equipment on board as is required by all applicable federal, state and local authorities. No Vessel shall be deemed to be in compliance with this section if such equipment is not fully operational or if such equipment such as a holding tank or approved marine sanitary system is bypassed or altered contrary to such requirements. The Association shall have the right to board all Vessels upon reasonable notice to inspect same for compliance with this requirement.

8.1.24 Laundry. No portion of the Common Property, and no Vessel, shall be used for the displaying or hanging of laundry.

8.1.25 Swimming. No recreational swimming shall be permitted within the waters of the Marina, and no recreational

ORB 4132 Pg 1866

diving shall be permitted from the Common Property or from any Vessel.

8.1.26 Live Aboards. No "live aboards" shall be permitted within the Marina.

8.1.27 Vessel Size. Each Vessel must fit within the boundaries of its Unit, including all bowsprits, booms, pulpits and other projections and overhangs.

8.1.28 Vessel Requirements. All Vessels must: (a) be fully equipped and operable for operation on the sea (except during a period of temporary repairs not to exceed fifteen (15) days); (b) be equipped with all safety of life at sea equipment required by U.S. Coast Guard Regulations and federal, state and local laws; and (c) comply with all licensing and registration requirements.

8.1.29 Temporary Removal of Vessels. From time to time, the Developer or the Association may require that all Vessels and Common Property be removed for maintenance, repairs and dredging at which time the Unit may be entered for such period as may be necessary. To the extent that submerged land may be removed from the Unit, it will be treated as the property of the Developer or the Association, and need not be replaced.

8.1.30 Subdivision of Units. No Unit shall be resubdivided by an Owner to form a smaller Unit. Notwithstanding the foregoing prohibition, the Developer shall have the right to make minor adjustments in the boundary lines of any Units owned by the Developer, provided that such

ORE 6132 Pg 1867

adjustment does not materially and adversely affect the interests of any other Unit Owner.

8.1.31 Additional Protective Covenants. Developer may include in any contract or conveyance documents for any Unit, additional protective covenants and restrictions not inconsistent with those contained herein.

8.1.32 Developer. The foregoing use restrictions set forth in this section 8.1 shall not apply to the Developer in connection with its development, sales or leasing activities.

8.2 Rules and Regulations. No person shall use the Common Property or any Unit, in any manner contrary to, or not in accordance with, the rules and regulations which may be promulgated by the Association whether or not such rules and regulations are restated herein in whole or in part.

8.3 Restrictions on Use of Additional Property. As additional property (including without limitation, Units, and Common Property) is subjected to this Declaration in accordance with section 2.2 hereof, the Developer shall have the absolute right to change, amend, or alter the use restrictions set forth in this Article 8 and to add additional use restrictions for such additional property as deemed necessary or appropriate by Developer, in its sole and absolute discretion.

ARTICLE 9

SOVEREL HARBOUR

Ownership of a Unit shall not confer upon the Owner thereof the right to use any facilities located outside of the Property.

In order to maintain a community of congenial Owners who are financially responsible and thus protect the value of the property, the transfer of a Unit by any Owner other than Developer shall be subject to the following provisions, which provisions each Owner covenants to observe:

SALE OR OTHER ALIENATION OF UNITS

ARTICLE 11

10.1 The Association. The Association is hereby authorized to purchase insurance on the Common Property in such amounts, with such deductibles, and with such companies as the Board of Directors shall deem appropriate.

10.2 Mandatory Vessel Coverage. Each Owner shall maintain liability insurance on the Vessel occupying his Unit in the amount specified by the Association from time to time, and the policy for this insurance shall name the Association, and the management company or entity, and the Developer as additional insureds.

INSURANCE

ARTICLE 10

Notwithstanding the foregoing, Developer may make such facilities available to the Owners, on a fee basis. Developer shall have the right (but no obligation) to develop, construct, alter and convey the properties comprising the Sovereign Harbour Developable Land, as shown on the Site Plan, in its discretion.

ORB 6132 Pg 1868

ORR 6132 Pg 1849

11.1 Approval from the Association.

11.1.1 No Owner, other than the Developer, may sell or convey his interest in a Unit except by first giving notice to the Association (the "Owner's Notice"). The Owner's Notice shall include the applicable proposed contract and a duly completed Association application for membership and shall state the terms of the proposed transaction and such other information that the Board of Directors may reasonably require. The Owner shall submit in writing such further information with respect to the transaction as the Board of Directors may reasonably request. Not later than fifteen (15) days after receipt of the Owner's Notice, together with such further information as may have been requested, the Association or its designees shall approve or disapprove, as the case may be, the proposed transaction. If the Association does not give written notice to the Owner within the fifteen (15) day period, the proposed transaction shall be deemed approved by the Association and a certificate in recordable form, executed and acknowledged by an authorized agent of the Association shall be delivered to the Owner, stating that the provisions of this Article have been satisfied by the Owner. The Association shall have the right to charge a reasonable administrative fee, payable in advance, in connection with the furnishing of such certificate.

11.1.2 The conveyance documents to a proposed grantee of a Unit shall provide or shall be deemed to provide that the acceptance thereof shall constitute an assumption of

ORB 6132 Pg 1870

the provisions of this Declaration, the Articles of Incorporation and By-laws of the Association, the applicable rules and regulations and all of the documents or instruments pertaining to the Association and the Marina, all as may be amended from time to time.

11.1.3 Any purported sale of the Unit in violation of this Declaration shall be voidable at the election of the Association. The Owner shall reimburse the Association for all expenses, including attorney's fees and disbursements, incurred in connection with the voiding of such sale, including those for appeals or conveyance.

11.2 Transfer Fee. Upon the re-sale of each Unit, the Seller thereof shall pay to the Association a transfer fee in an amount equal to three percent (3%) of the gross sales price of the Unit, as certified by the Seller, which amount shall be retained by the Association and shall be deposited in a reserve fund to be expended for capital improvements, repair and replacement of the Common Property. Transfer of a Unit to an Institutional Mortgagee by reason of foreclosure proceedings or a deed-in-lieu of foreclosure shall not require payment of the three percent (3%) transfer fee.

11.3 Leasing of Units.

11.3.1 No Owner, other than the Developer, may lease, and no lessee may sublease, a Unit except in accordance with this section. All references herein to leases shall be deemed to also include applicable subleases and lessees to include sublessees. Any lease of a Unit must be for the entire

ORB 6132 Pg 1871

Unit, including all appurtenances thereto. All leases shall be in the form promulgated by the Association from time to time, or in the absence of such a form, on such form of lease as is submitted to the Association and approved thereby, which approval may be withheld by the Association in its sole discretion. The lessor and lessee of the Unit shall promptly supply to the Association such additional information as it may reasonably require in connection with its determination of whether or not to grant its approval. The Association shall have the right (but not the obligation) to approve or disapprove any and all leases, lessees or occupants of a Unit.

11.3.2 The minimum standards for the approval of a lease shall be:

11.3.2.1 The lease shall provide that the lessee (and his family, guests, licensees, invitees and agents) shall comply with all provisions of this Declaration and all applicable rules and regulations of the Association;

11.3.2.2 The lease shall provide that the Owner and the lessee shall jointly and severally indemnify the Association, the Developer, the management company or entity, and all other Owners for any negligent or intentional acts or omissions of the lessee committed within the Marina;

11.3.2.3 The lease shall provide that it may be terminated by the Association or the M.A.B. immediately for the Owner's or lessee's failure to comply with the provisions of this Declaration and all rules and regulations of the Association;

ORE 6132 Pg 1872

11.3.2.4 The lease shall provide that the Vessel shall comply with this Declaration and the rules and regulations and that the M.A.B. shall have the right to approve or disapprove a Vessel and cause the immediate removal of any Vessel which is not in compliance with this Declaration, the rules and regulations and all other documents in connection with Soverel Harbour.

11.3.2.5 The Owner or lessee, as they between themselves may decide, shall deliver to the Association: (a) a security deposit in an amount determined by the Association, from which the Association may deduct the costs of any repairs or extraordinary maintenance necessitated by the acts or omissions of the lessee, the balance to be returned to the Owner or lessee, as appropriate, following termination or expiration of the lease and the vacating of the Unit by the lessee and (b) evidence of insurance on the Vessel as required by this Declaration, or as the Association may otherwise require;

11.3.2.6 Such other standards as the Association may from time to time adopt.

11.3.2.7 Notwithstanding anything contained herein to the contrary, for the protection of Units, Vessels and Common Property and in order to maintain a first quality marine facility, the Association may establish a brokerage company to act as the leasing agent for Units located within Soverel Harbour. Each Owner who elects to utilize the services of the brokerage company shall enter into an exclusive

ORE 4132 Ps 1873

brokerage agreement with the brokerage company. The leasing of Units shall be accomplished by the Association in accordance with the rules and regulations of the Association which may be adopted from time to time.

11.4 Estoppel Certificate. No Owner may lease, sell or convey his interest in a Unit unless all sums due to the Association shall be paid in full and an estoppel certificate to such effect shall have been received by the Owner. If all such sums shall have been paid, the Association shall deliver such certificate within ten (10) days following receipt of a written request therefor. The Association shall have the right to charge a reasonable administrative fee to cover the cost of examining the records and preparation of this certificate.

11.5 Restrictions on Auctions. No Unit or Vessel within the Marina may be sold by public or private auction.

11.6 Exceptions. The foregoing provisions of this Article 11 shall not apply to an Institutional Mortgagee that acquires its title as the result of owning a mortgage upon the Unit concerned, and this shall be so, whether the title is acquired by conveyance from the mortgagor, his successors or assigns, or through foreclosure. Neither shall such provisions apply to any transfer by the Developer; the Developer shall have the right to transfer and lease its Units without the approval of any other party.

ORE 6132 Pg 1874

ARTICLE 12INDEMNIFICATION OF DIRECTORS, OFFICERSAND COMMITTEE MEMBERS

The Association agrees to indemnify its directors, officers and committee members and may indemnify its employees and agents, to the fullest extent permitted by the provisions of the Florida Not-For-Profit Corporation Act (Fla. Stats. Chp. 617(1987)), from and against any and all of the expenses or liabilities incurred in defending a civil or criminal proceeding, or other matters referred to in or covered by said provisions, including advancement of expenses prior to the final disposition of such proceedings and amounts paid in settlement of such proceedings, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any by-law, agreement, vote of Members or disinterested directors, officers or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, committee member, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person and an adjudication of liability shall not affect the right to indemnification for those indemnified. The indemnification contained herein shall apply with respect to circumstances in which the indemnitee may be found guilty of simple negligence.

ORE 6132 Pg 1875

ARTICLE 13

GENERAL PROVISIONS

13.1 Assignment.

13.1.1 All of the rights, powers, obligations, easements and estates reserved by, or granted to, Developer or the Association may be assigned by Developer or the Association as the case may be. After such assignment, the assignee shall have the same rights and powers, and be subject to the same obligations and duties as were the Developer or the Association prior to the assignment, and Developer or the Association shall be relieved and released of all obligations with respect to such rights, powers, obligations, easements or estates.

13.1.2 Any of the rights, powers or obligations of the Developer may be partially assigned by Developer. After such partial assignment, the assignee shall have such rights, powers and obligations as were specifically assigned to the assignee, and Developer shall be relieved and released of those rights, powers and obligations which were specifically assigned to the assignee.

13.2 Amendment. This Declaration may be amended upon the recordation of an appropriate instrument in the public records of the County, subject however, to the following provisions:

13.2.1 Except as provided hereinbelow, an amendment initiated by any party other than Developer must obtain the approval of at least sixty-seven (67%) of the votes of Members; provided, however, that all amendments must include the joinder and consent of Developer.

ORE 6132 Pg 1876

13.2.2 So long as Developer owns any property within the Marina, the Developer shall have the right to make reasonable modifications, changes or cancellations to any or all of the provisions pertaining to the development of the Marina contained in this Declaration including, but not limited to, provisions relating to the addition of property subject to this Declaration, use restrictions and Assessments, without the joinder or consent of the Owners, the Association, Institutional Mortgagees or any other individual or entity and the foregoing parties hereby waive any right to consent to such changes. Such changes may affect the entire Property or only specific portions of the Property, but shall be subject to applicable governmental approvals.

13.2.3 Any duly adopted amendment to this Declaration shall run with and bind the Property for the same period and to the same extent as do the covenants and restrictions set forth herein.

13.3 Duration. All of the covenants, restrictions and other provisions of this Declaration shall run with and bind the Property for a term of fifty (50) years from the date of recordation of this Declaration, after which time they shall be automatically extended for successive periods of ten (10) years each, unless an instrument executed by at least seventy-five percent (75%) of the votes of the membership then existing, and by all Institutional Mortgagees, has been recorded, agreeing to change or terminate these covenants and restrictions.

ORB 4132 Pg 1877

13.4 Covenants Running with the Property. The agreements, covenants, conditions, restrictions, Assessments, fines, liens and other provisions contained herein shall constitute a servitude upon the Property and each portion thereof shall run with the Property, shall be binding upon the Owners of any portion thereof, and shall inure to the benefit of Developer, the Association and the Owners.

13.5 Enforcement. Enforcement of the covenants, restrictions, conditions, obligations, reservations, rights, powers, Assessments, fines, liens and other provisions contained herein shall be by a proceeding at law or in equity against any persons or entities violating or attempting to violate same and/or against the Property subject hereto to enforce any lien created by this Declaration. In the event that the Association fails to enforce the terms of this Declaration, then the Developer shall have the right to do so. In the event that Developer and the Association fail to enforce the terms of this Declaration then any Member may do so. The failure or refusal of Developer, the Association, or any Member to enforce any of the provisions of this Declaration shall in no event be deemed to constitute a waiver of the right to do so thereafter.

13.6 Developer's Rights. Notwithstanding any other provision in this Declaration to the contrary, Developer, its agents, employees and officers, including without limitation, any management and marketing agents, are irrevocably empowered to sell or lease Units on any terms to any purchasers or

ORB 6132 Pg 1878

lessees, for so long as Developer owns any Unit(s) in the Marina. Also, for so long as Developer owns or has any use rights to any property in the Marina, Developer, its agents, employees and officers, including without limitation, any management and marketing agents, shall have the right to transact any business necessary to consummate sales of Units throughout the Marina, to post and display a sign or signs on the Common Property; to use the Common Property; to show Units to prospective purchasers or lessees; and to utilize and/or lease certain Units owned by the Developer for commercial marine purposes. Signs and all other structures and appurtenances pertaining to the sale or leasing of Units shall not be considered Common Property and shall remain the property of the Developer.

13.7 Non-Condominium/Non-Cooperative.

13.8.1 The Association created pursuant to this Declaration and the Articles of Incorporation of the Association is expressly not intended to be a condominium association or a cooperative association and is not created in accordance with Florida Statutes, Chapter 718, or in accordance with Florida Statutes Chapter 719, in existence as of the date of recording this Declaration in the public records of the County.

13.8.2 The Common Property is not intended to be condominium property under Florida Statutes, Chapter 718, or cooperative property under Florida Statutes Chapter 719, in existence as of the date of recording this Declaration in the

CRB 4132 Pg 1879

public records of the County, and are not part of the common elements of any condominium or cooperative.

13.9 Notice. Any notice required or permitted to be given by this Declaration shall be given or made in writing by personal delivery or by certified mail addressed:

to the Developer at: Soverel Development Palm Beach, Inc.
Post Office Box 30549
2385 P.G.A. Boulevard
Palm Beach Gardens, FL 33410

or to Owner at: the last known address of Owner as appears on the records of the Association at the time of such delivery or mailing.

or to the Association at: Soverel Harbour Association, Inc.
Post Office Box 30549
2385 P.G.A. Boulevard
Palm Beach Gardens, FL 33410

Any notice given in accordance with the provisions of this subsection shall be deemed to be effective, if personally delivered, on the date of such delivery, or if mailed by registered or certified mail, on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be. Each party may give notice to each of the other parties of a change of its address for the purposes of giving notice under this subsection, which thereafter, until changed by like notice, shall be the address of such party for all purposes of this Declaration.

13.10 Right of Termination. Notwithstanding anything contained in this Declaration to the contrary, Developer shall

ORB 6132 Pg 1880

have the right to terminate this Declaration prior to the recordation of the first documents of conveyance of a Unit to an Owner other than the Developer. Upon the exercise of this right of termination, this Declaration and all the covenants and restrictions contained herein shall be deemed null and void and of no force or effect.

13.11 Standards for Consent, Approval and Interpretation.

Whenever this Declaration shall require the consent, approval or interpretation by the Developer, the Association or the M.A.B., such consent, approval or interpretation may be withheld in the sole and unfettered discretion of the party requested to give such consent, approval or interpretation.

13.12 Conflict. This Declaration shall take precedence over conflicting provisions in the Articles of Incorporation of the Association, the By-Laws of the Association and the rules and regulations, and the Articles of Incorporation shall take precedence over the By-Laws and the Rules and Regulations.

13.13 Gender and Number. The use of the singular herein shall include the plural, and the use of any gender shall include all genders.

13.14 Severability. Invalidation of any one of the covenants or restrictions contained herein by judgment or court order shall in no way affect any other provision hereof, which shall remain in full force and effect.

13.15 Captions. The captions used in this Declaration and exhibits annexed hereto are inserted solely as a matter of convenience and shall not be relied upon or used in construing

ORB 6132 Pg 1881

the text of this Declaration or any exhibits hereto or amendments thereof.

13.16 Effective Date. This Declaration shall become effective upon its recordation in the public records of the County.

IN WITNESS WHEREOF, Developer has caused this Declaration to be executed this 18th day of July, 1989.

Signed, sealed and delivered in the presence of:

Jerry E. Aron
Charles Kuyper

SOVEREL DEVELOPMENT PALM BEACH, INC., a Florida corporation

By: [Signature]
Its: President

(CORPORATE SEAL)



ORE 6132 Pg 1882

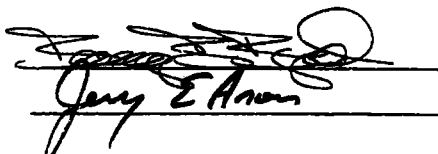
(FRM268.T-[12,7]-01/20/89-slw)

JOINDER OF FIRST UNION NATIONAL BANK OF FLORIDA

First Union National Bank of Florida, a national banking association,
(the "Lender") hereby joins in this Declaration of Covenants and
Restrictions for Sovereign Harbour for the purpose of acknowledging that the
mortgage of the Lender shall be subject to the terms, conditions,
covenants, easements and other restrictions contained herein: provided
that this Joinder shall not constitute the consent to further amendment or
modification of this Declaration.

Signed, sealed and delivered
in the presence of:

FIRST UNION NATIONAL BANK OF
FLORIDA, a national banking
association



Gary E. Aron



Its: Vice President

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

The foregoing instrument was acknowledged before me this 8 day of
June, 1989, by Richard T. Powers, Jr., the
Vice President of FIRST UNION NATIONAL BANK OF FLORIDA, a
national banking association, on behalf of the banking association.





Notary Public, State of Florida
My Commission expires:

Notary Public State of Florida at Large
My Commission April 6, 1990
Bonded Thru Cornelius Johnson & Clark, Inc.

CRE 6132 Pg 1883

070789

EXHIBIT "A"

SOVEREL HARBOUR
LEGAL DESCRIPTION

A parcel of land situate in the Northeast quarter (NE 1/4) of Section 5, Township 42 South, Range 43 East, Palm Beach County, Florida, more particularly described as follows:

Commence at the Southwest corner of said Northeast Quarter (NE 1/4); thence South 88° 26' 17" East, along the South line of said Northeast Quarter (NE 1/4), a distance of 1293.75 feet to the West line of the Southeast quarter (SE 1/4) of said Northeast quarter (NE 1/4); thence North 01° 38' 37" East, along said West line, a distance of 73.75 feet to a point on the North right-of-way line of P.G.A. Boulevard as shown on the Right-of-Way Map recorded in Road Plat Book 5, Pages 186 through 190, inclusive, Public Records of Palm Beach County, Florida, said point being a point on a curve from which the radius point bears North 00° 16' 30" West a distance of 11,504.41 feet; thence Westerly, along the arc of said curve and said right-of-way line, a distance of 67.26 feet, through a central angle of 00° 20' 06"; thence North 89° 56' 24" West, continuing along said right-of-way line, a distance of 332.91 feet; thence North 01° 32' 27" East a distance of 289.50 feet to the POINT OF BEGINNING of the hereinafter described parcel: thence South 65° 01' 28" West a distance of 184.57 feet to the beginning of a curve from which the radius point bears North 24° 58' 32" West a distance of 133.95 feet; thence Southwesterly, along the arc of said curve, a distance of 62.04 feet through a central angle of 26° 32' 15"; thence North 88° 26' 17" West a distance of 344.01 feet; thence North 01° 32' 27" East a distance of 808.59 feet; thence South 87° 48' 23" East a distance of 243.17 feet; thence South 12° 58' 03" East a distance of 230.65 feet; thence South 38° 59' 50" East a distance of 285.19 feet; thence North 67° 44' 10" East a distance of 409.44 feet; thence South 69° 02' 19" East a distance of 317.30 feet; thence South 06° 33' 38" West a distance of 55.75 feet; thence North 82° 10' 34" East a distance of 161.45 feet; thence North 87° 45' 54" East a distance of 99.76 feet to a point lying on the Westerly right-of-way line of the Intracoastal Waterway; thence Southerly along said Westerly right-of-way line South 02° 14' 06" East, a distance of 90.00 feet; thence departing said Westerly right-of-way line South 87° 45' 54" West a distance of 120.93 feet; thence South 66° 46' 45" West a distance of 154.20 feet; thence North 75° 26' 48" West a distance of 290.93 feet; thence North 24° 58' 32" West a distance of 43.52 feet; thence South 55° 01' 28" West a distance of 323.89 feet; thence South 24° 58' 32" East a distance of 50.00 feet; thence South 65° 01' 28" West a distance of 22.31 feet; thence South 01° 32' 27" West a distance of 49.32 feet to the POINT OF BEGINNING.

EXHIBIT "B"

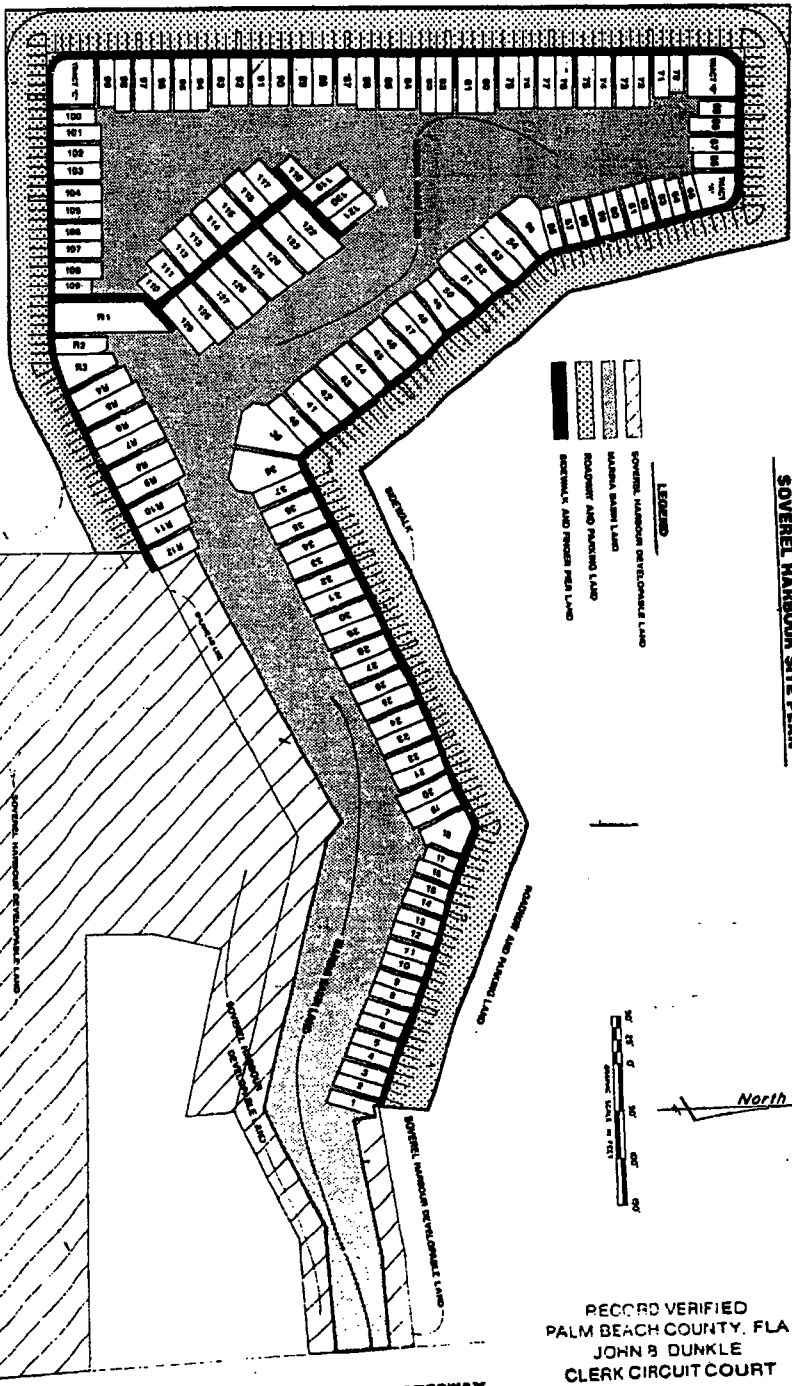
ORB 6132 Pg 1883A

PALACE SURVEYING
CORPORATION
176 ALTERNATE A1A, LAKE PARK, FLORIDA 33403 • 407/842-4233

ROADWAY AND PARKING LAND

NON-EXCLUSIVE ACCESS EASEMENT

P.O.A. BOULEVARD



SOVEREIGN HARBOUR SITE PLAN

RECORD VERIFIED
PALM BEACH COUNTY, FLA
JOHN B DUNKLE
CLERK CIRCUIT COURT

This is An "A" page.