



DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BEDFORD PARK AT TRADITION**

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BEDFORD PARK AT TRADITION

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
BEDFORD PARK AT TRADITION ("Declaration"), is made this 12 day of JUNE
 , 2003, by Tradition Development Company, LLC, a Florida limited liability company,
("Developer").

PART ONE - INTRODUCTION

ARTICLE I
INTENT OF DEVELOPER

1.1 Purpose and Intent Developer is the owner of the real property described in Exhibit "A" attached to this Declaration, and incorporated herein by reference, which property is within Tradition, a master planned community ("Tradition"). This Declaration imposes upon the Properties (defined herein) mutually beneficial restrictions under a general plan of improvement for the benefit of the owners of the Properties, and establishes a flexible and reasonable procedure for the overall development, administration, maintenance, and preservation of the Properties. The Properties are also subject to the Community Charter for Tradition, recorded at Book 1700, Page 868 of the Official Records of St. Lucie County, Florida, as it may be amended from time to time.

1.2 Effect of Declaration Developer declares that the property subjected to this Declaration and any additional property which may be subjected to this Declaration by a Subsequent Amendment (defined herein) shall be held, sold, used, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property subjected to this Declaration. The easements, covenants, conditions and restrictions found in this Declaration shall be binding on all persons or entities, and their heirs, successors, and assigns, having any right, title, or interest in the Properties, or any part thereof, subjected to this Declaration. This Declaration does not, and is not, intended to create a condominium within the meaning of Chapter 718, Florida Statutes.

ARTICLE II
DEFINITIONS

The terms used in this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

2.1 "ACC" shall mean the Architectural Control Committee as provided for herein.

2.2 "Articles" shall mean the Articles of Incorporation of Bedford Park at Tradition

Homeowners Association, Inc. as filed with the Florida Secretary of State, and attached as Exhibit "B".

2.3. "Assessment" shall mean Base Assessments (defined herein); Special Assessments (defined herein); and Master Assessments (defined herein), or any of them.

2.4. "Association" shall mean and refer to Bedford Park at Tradition Homeowners Association, Inc., its successors and assigns.

2.5. "Association Property" shall mean all real and personal property transferred to the Association for the benefit of all Members.

2.6. "Base Assessment" shall mean a share of the funds which are required for the payment of Common Expenses (defined herein), which from time to time is assessed against the Members (defined herein) of the Association (defined herein).

2.7. "Bedford Park at Tradition" shall mean the planned development on the property described in Exhibit "A".

2.8. "Board" shall mean the Board of Directors of the Association.

2.9. "Business" and "Trade" shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis, which involves the provision of goods or services to persons other than the provider's family, and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time, (b) such activity is intended to or does generate a profit, or (c) a license is required.

2.10. "By-Laws" shall mean and refer to the By-Laws of the Association, attached as Exhibit "C".

2.11. "Charter" shall mean the Tradition Community Charter that has been established for the Tradition master planned community and which is recorded at Official Record Book 1700, Page 868, of the Official records of St. Lucie County, Florida, as it may be amended from time to time.

2.12. "Class 'B' Control Period" shall mean the period of time during which the Class "B" Member is entitled to appoint a majority of the members of the Board, as provided in the By-Laws.

2.13. "Common Area" shall mean all real and personal property which the Association owns, leases, or over which it otherwise holds possessory or use rights for the common use and enjoyment of the Members. The term "Common Area" may sometimes be used interchangeably with

the term "Association Property" or "Common Property".

2.14. "Common Expenses" shall mean and include the actual and estimated expenses incurred or anticipated to be incurred by the Association for the general benefit of all Units (defined herein), including any reasonable reserve, as the Board may find necessary or appropriate pursuant to this Declaration, the By-Laws, and the Articles. Common Expenses shall not include any expenses incurred for initial development, original construction, installation of infrastructure, original capital improvements, or other original construction costs unless approved by the Members (defined herein) representing a majority of the total Class "A" vote of the Association as provided in the By-Laws.

2.15. "Community Association" shall mean the Tradition Community Association, Inc., a Florida not-for-profit corporation.

2.16. "Community Development District" shall mean any community development district established by the County or Municipality at the request of the Founder (defined herein) for Tradition (defined herein) pursuant to Chapter 190, *Florida Statutes*.

2.17. "Community-Wide Standard" shall have the same meaning as set forth in the Charter.

2.18. "Conservation Area" shall mean that portion of the Common Area, if any, which is subject to a Deed of Conservation Easement in favor of the South Florida Water Management District, and which is intended to be preserved and maintained by the Association in a natural state in perpetuity.

2.19. "County" shall mean St. Lucie County, Florida.

2.20. "Declaration" shall mean the easements, covenants, conditions, restrictions, and all other terms set forth in this document, and as may be amended from time to time.

2.21. "Developer" shall mean and refer to Tradition Development Company, LLC, a Florida limited liability company, its successors and assigns.

2.22. "Development and Sale Period" shall mean the period of time during which the Developer and/or its affiliates own property subject to this Declaration.

2.23. "Founder" shall mean the Tradition Development Company, LLC, a Florida limited liability company, its successors and assigns, the developer of Tradition.

2.24. "Founder Control Period" shall have the same meaning as set forth in the Charter.

2.25. "Homeowners Documents" shall mean in the aggregate this Declaration, the Articles, the By-Laws, and the Rules and Regulations of the Association; as well as all of the instruments and

documents referred to herein and executed in connection with Bedford Park at Tradition.

2.26. "Institutional Mortgagee" shall mean any lending institution having a first lien on any property subject to this Declaration, including, without limitation, any of the following institutions: an insurance company or subsidiary thereof, a federal or state savings and loan association, a federal or state building and loan association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a federal or state banking association, the St. Lucie County Housing Authority or similar entity, if any, a real estate investment trust, or any mortgage banking company authorized to do business in the State of Florida.

2.27. "Master Assessment" shall mean any assessment levied against the Property or a Unit (defined herein) by the Community Association.

2.28. "Member" shall mean a member of the Association.

2.29. "Mortgage" shall mean a mortgage, a deed to secure a debt, or any form of security deed.

2.30. "Mortgagee" shall mean a beneficiary or holder of a Mortgage. The term, "Mortgage", shall include the term, "Institutional Mortgagee", defined above.

2.31. "Mortgagor" shall mean a Person who gives a Mortgage.

2.32. "Municipality" shall mean the City of Port St. Lucie, Florida.

2.33. "Neighborhood Standard" shall mean the standard of appearance, conduct, maintenance, or activity generally prevailing throughout the Properties (defined herein). Such standard may be reasonably and more specifically determined by the Board

2.34. "Owner" shall mean and refer to one (1) or more Persons (defined herein) who hold the record title to any Unit, but excluding any party holding an interest merely as security for the performance of an obligation.

2.35. "Person" means a natural person, a corporation, a partnership, a trustee, or other legal entity.

2.36. "Property" or "Properties" shall mean all of the real and personal property subject to this Declaration. The real property is described in Exhibit "A".

2.37. "Recreational Facility" shall mean and refer to the pool, cabana, tot lot and other recreation facilities, if any, which may, at the Developer's sole and absolute discretion, be constructed within the Common Areas.

2.38. "Roads" shall mean and refer to any street or thoroughfare which is constructed by Developer within the Common Areas, and which is dedicated to the Association or to any governmental agency, whether same is designated, for example, by way of illustration and not as limitation, as a street, avenue, boulevard, drive, place, court, road, terrace, way, circle, lane, walk, or similar designation, and shall also mean any street or thoroughfare conveyed to the Association by the Community Association

2.39. "Rules and Regulations" shall mean the rules, regulations, and policies which are attached to and incorporated into this Declaration as Exhibit "D", and as may be adopted by the Board from time to time by resolution duly made and carried.

2.40. "Single Family" means one person or a group of two or more persons living together and interrelated by bonds of consanguinity, marriage, or legal adoption, or not more than two persons living together who may or may not be interrelated.

2.41. "Special Assessment" shall mean and refer to those assessments levied in accordance with the further terms of this Declaration.

2.42. "Subsequent Amendment" shall mean an amendment to this Declaration which may subject additional property to this Declaration, may withdraw property from the coverage of this Declaration, and may also, but is not required to, impose, expressly or by reference, additional restrictions and obligations on the Properties, or on any land submitted by a Subsequent Amendment to the provisions of this Declaration.

2.43. "Tradition" shall mean that master planned community in the City of Port St. Lucie, St. Lucie County, Florida.

2.44. "Transfer Date" shall mean the date that Class "B" Control Period ends. Unless the Developer elects to terminate control of the Association earlier, the end of the Class "B" Control Period shall occur as described in the Articles.

2.45. "Unit" shall mean a portion of the Properties intended for development, use, and occupancy as an attached or detached residence for a single family (as well as any land conveyed with such a residence), and shall, unless otherwise specified, include, without limitation, townhouse units and single family homes, on separately platted lots, as well as vacant land intended for development as such, all as may be provided in this Declaration and in Subsequent Amendments covering all or a part of the Properties. The term shall include all portions of the property owned by an Owner, including any structure thereon, and shall include any mother-in-law suite or guest house accessory to the main residence. In the case of a parcel of vacant land or land on which improvements are under construction, the parcel shall be deemed to contain the number of Units designated for residential use for such parcel on the site plan approved by the Founder, until such

time as a subdivision plat or a declaration of condominium is filed of record on all or a portion of the parcel. Thereafter, the portion encompassed by such plat or declaration shall constitute a separate Unit or Units, as determined above and the number of Units on the remaining land, if any, shall continue to be determined in accordance with this paragraph.

2.46. "Water Management System" shall mean and refer to those lakes, canals, and other facilities created and used for drainage, as shown on or described in the South Florida Water Management District Conceptual Surface Water Management Permit for Tradition f/k/a Westchester, and as amended from time to time.

ARTICLE III PROPERTY SUBJECT TO THIS DECLARATION

3.1. Initial Property. The Property which is initially subject to the easements, covenants, conditions, and restrictions imposed by this Declaration is described in Exhibit "A".

3.2. Additional Property. The Developer may subject additional property within Tradition to this Declaration, including without limitation, Common Areas, Recreational Facilities, Roads, vacant lands, and properties of all types, including undeveloped lands, platted subdivisions, and lots by recording in the public records of the County, a Subsequent Amendment to this Declaration describing the property to be subjected to this Declaration and setting forth any use restrictions, voting rights, maintenance requirements, user fees, dues, or other provisions pertaining to such additional property, if any. Despite the fact that Developer's submission of additional property to this Declaration may result in an overall increase in the Common Expenses, and a resulting increase in the Assessments payable by each Unit, or may result in an increase in the total number of votes or Members in the Association, the Developer shall not be required to obtain the joinder or consent of the Association, any Unit Owner, any other Person, or any Mortgagee, except for the approval, during the Founder Control Period, of the Founder and, if required, of the Municipality. Any property subjected to this Declaration by Subsequent Amendment, shall be included in the term "Property", and shall be part of Bedford Park at Tradition.

3.3. Withdrawal of Property. The Developer reserves the right to amend this Declaration so long as it has a right to annex additional property pursuant to this Article, without prior notice and without the consent of any Person except, during the Founder Control Period, of the Founder, for the purpose of removing property then owned by the Developer, its affiliates, or the Association from the coverage of this Declaration to the extent originally included in error or as a result of any changes in the Developer's plans for the Properties, provided such withdrawal is not contrary to the overall, uniform scheme of development of the Properties.

3.4. Additional Covenants and Easements. The Developer may unilaterally subject any portion of the property subjected to this Declaration initially or by Subsequent Amendment to additional covenants and easements, including covenants obligating the Association to maintain and

insure such property on behalf of the Owners, and obligating such Owners to pay the costs incurred by the Association through Assessments. Such additional covenants and easements shall be set forth in a Subsequent Amendment filed concurrent with, as part of, or after the annexation of the subject property and shall require the written consent of the owner(s) of such property, if other than the Developer, and, during the Founder Control Period, of the Founder.

3.5. Amendment. This Article shall not be amended without the prior written consent of the Developer so long as the Developer owns any property in Bedford Park at Tradition, and, during the Founder Control Period, of the Founder.

PART TWO - THE ASSOCIATION AND ITS ADMINISTRATION

ARTICLE IV

ASSOCIATION FUNCTION, MEMBERSHIP AND VOTING RIGHTS

4.1. Function of Association. The Association shall be the entity responsible for management, maintenance, operation and control of the Common Area within the Properties. The Association shall be the primary entity responsible for enforcement of this Declaration and such reasonable Rules and Regulation as the Board may adopt. The Association shall also be responsible for administering and enforcing the architectural standards and controls set forth in this Declaration. The Association shall perform its functions in accordance with this Declaration, the Articles, the By-Laws, and Florida Law.

In addition the Association shall be responsible for maintaining, in accordance with the Community-Wide Standard, any property which it owns or which this Declaration designates as being for the benefit of the Association, and, unless otherwise directed in writing by the Community Association, shall be responsible for payment to the Community Association of the full amount of any and all Master Assessments levied by the Community Association pursuant to the Charter, on Units within the Property, and for enforcement of obligations for payment of Master Assessments levied by the Community Association on Units within the Property.

4.2. Membership. The owner of the fee simple title of record of each Unit shall be a mandatory Member of the Association. Each Unit Owner shall become a Member of the Association upon acceptance of the deed to his Unit. As a Member of the Association, the Owner shall be governed by the Homeowners Documents; and shall be entitled to one (1) membership for each Unit owned. In the event that the Owner of a Unit is more than one (1) Person, voting rights and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the By-Laws. The membership rights of a Unit owned by a corporation or partnership shall be exercised by the individual designated by the Owner in a written instrument provided to the Secretary of the Association.

4.3. Voting. The Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

A. Class "A" Members shall be all Owners except the Class "B" Member. A Class "A" Member shall be entitled to one (1) vote for each Unit owned by such Member. Each Class "A" Member shall be entitled to cast one vote for those matters requiring a vote of the Members.

In any situation where a Member is entitled individually to exercise the vote for his or her Unit, and more than one (1) Person holds the interest in such Unit, the vote for such Unit shall be exercised as those Persons owning the Unit determine among themselves and have advised the Secretary of the Association in writing at least 30 days prior to casting their vote. In the absence of such advice, the Unit's vote shall be suspended if more than one (1) Person seeks to exercise it.

B. The Class "B" Member shall be the Developer. The rights of the Class "B" Member, including the right to approve or withhold approval of actions proposed under this Declaration and the By-Laws, are specified elsewhere in the Declaration and the By-Laws. The Class "B" Member shall be entitled to one (1) vote per Unit owned and, in addition, shall be entitled to appoint a majority of the members of the Board during the Class "B" Control Period. The Class "B" membership shall terminate and become converted to Class "A" membership on the Transfer Date.

ARTICLE V RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

5.1. Common Area The Association, subject to the rights of the Owners set forth in this Declaration, shall own, manage, and control the Common Area and all improvements thereon (including, without limitation, furnishings, equipment, and common landscaped areas), and shall keep the Common Area in good, clean, attractive, and sanitary condition, order, and repair, consistent with this Declaration and the Neighborhood Standard and the Community-Wide Standard. Any violation by any Person of any government agency permits applicable to Bedford Park at Tradition, shall be a violation hereof, and Developer or the Association shall have the right to enforce the provisions hereof against any such Person in violation thereof in the same manner as set forth herein below for the enforcement of provisions of this Declaration.

5.2. Personal Property and Real Property for Common Use. The Association may acquire, hold, and dispose of tangible and intangible personal property and real property. The Developer, the Founder and/or the Community Association may convey to the Association improved or unimproved real estate located within the Properties, personal property, and leasehold and other property interests. Such property shall be accepted by the Association, and thereafter shall be

maintained as Common Area by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the conveying deed or instrument.

5.3. Rules and Regulations. The Association, through its Board, may make and enforce reasonable rules governing the use of the Properties, in addition to, further defining or limiting, and, where specifically authorized hereunder, creating exceptions to those covenants, conditions and restrictions set forth in this Declaration. Such rules shall be binding upon all Owners, occupants, invitees, and licensees until and unless repealed or modified in a regular or special meeting by the vote of Members representing 51% of the total Class "A" votes in the Association, and by the Class "B" Member, so long as such membership exists.

5.4. Implied Rights: Board Authority. The Association may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in this Declaration, the By-Laws, Articles, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

5.5. Indemnification. The Association shall indemnify every officer, director, and committee member against all expenses, including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director and committee member harmless from any and all liability to others on account of any such contract, commitment or action. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

5.6. Dedication of Common Areas. The Association may dedicate portions of the Common Areas to the Municipality, the County, or to any other local, state, or federal governmental entity, subject to such approval as may be required by this Declaration, and, during the Founder Control Period, of the Founder.

5.7. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make Bedford Park at Tradition safer than it

otherwise might be. Neither the Association, the Developer, nor any successor developer shall in any way be considered insurers or guarantors of security within Bedford Park at Tradition, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or of ineffectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, alarm system, or other security system cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss, or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its lessees that the Association, its Board of Directors and committees, the Developer, and any successor developer are not insurers and that each person using or occupying Bedford Park at Tradition assumes all risks for loss or damage to persons, to Units, and to the contents of Units resulting from acts of third parties.

5.8. Recycling Programs. The Board may establish a recycling program and recycling center within the Properties and in such event, all occupants of Units shall support such program by recycling, to the extent reasonably practical, all materials which the Association's recycling program or center is set up to accommodate. The Association may, but shall have no obligation to, purchase recyclable materials in order to encourage participation and any income received by the Association as a result of such recycling efforts shall be used to reduce Common Expenses.

5.9. Surface Water Rights. All rights to ground water, surface water, and storm water runoff within the Properties are reserved for the Westchester Community Development District No. 1, its successors and assigns, subject to the terms of the master drainage permits for Tradition and certain rights reserved to the Founder for irrigation purposes. Certain rights to the lakes within Bedford Park at Tradition have been granted to the Community Association. No Person other than Westchester Community Development District No. 1, its successors and assigns, shall claim, capture, or collect rainwater, ground water, surface water or storm water runoff within the Properties without prior written permission of Westchester Community Development District No. 1, the Founder, the Community Association, and, if required by the terms of any permit, of the South Florida Water Management District or other permitting agency. The Founder and or Westchester Community Development District No. 1 may establish programs for reclamation of surface water and storm water runoff for appropriate uses within the Properties, and may require Owners and occupants of Units to participate in such programs to the extent reasonably practical. No Owner or occupant of a Unit shall have any right to be compensated for water claimed or reclaimed from Units. The bodies of water and any wetlands within the Properties are for the purpose of water management and are not designed as aesthetic features. The bodies of water and any wetlands may therefore be extremely shallow during several months of the year as a result of permitting requirements. No portion of the bodies of water or any wetlands may be altered, modified, expanded or filled without the written approval of the Founder.

5.10. Water Management System. As set forth in the Charter, one or more Community Development Districts are primarily responsible for the operation and maintenance of the Water Management System servicing Tradition including the Properties. The Community Development

District shall be responsible for owning, operating, maintaining, and monitoring all aspects of the Water Management System, including, without limitation, any wetland mitigation or monitoring which may be required by the South Florida Water Management District, the Municipality, and/or the County pursuant to any applicable permit. The Community Association may agree to assume maintenance obligations for the Water Management System as set forth in the Charter. The Association may agree to assume maintenance certain obligations for the Water Management System from the Community Development District, in the event that the Association deems it appropriate to do so, and the Founder and the Community Association consent in writing to such agreement. Such assumed maintenance obligations might include, for example, maintenance of grass and other plantings, lake banks and easements. All such maintenance shall, however, be in compliance with conditions of the permits, as required by the South Florida Water Management District, Corps of Engineers, the City of Port St. Lucie, St. Lucie County, or such other local governmental entity having permitting authority.

The Association may enter into an agreement with the Community Development District (subject to the rights and written agreement of the Community Association and the Founder) to allow the Association to use the water area of the Surface Water Management System; which agreement may require the Association to indemnify the Community Development District with respect to such use.

ARTICLE VI
ASSESSMENTS




6.1. Creation of Assessments. There are hereby created assessments for Common Expenses as may from time to time specifically be authorized by the Board to be commenced at the time and in the manner set forth in this Article. There shall be three (3) types of Assessments: (a) Base Assessments levied by the Board to fund expenses for the benefit of all Members of the Association; (b) Master Assessments as may be levied by the Community Association; and (c) Special Assessments levied by the Board as described in paragraph 8.3. below.

A. Base Assessments shall be levied equally on all Units of similar Unit type, as determined in the sole discretion of the Board. For example, assessments for irrigation may be levied at a lower rate on attached single family Units. Master Assessments shall be levied in accordance with the Charter. Special Assessments shall be levied as provided in paragraph 8.3. below. Each Owner, by acceptance of his or her deed is deemed to covenant and agree to pay these Assessments.

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

paid. The Association may require the advance payment of a processing fee not to exceed Fifty (\$50.00) Dollars for the issuance of such certificate.

C.  Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual Base Assessment for delinquent Members. Unless the Board otherwise provides, the Base Assessments shall be payable not less frequently than quarter-annually in advance. Base Assessments shall be billed on the fifteenth day of December, March, June, and September of each year for Assessments due and payable on the first day of January, April, July, and October, respectively of each year or such alternative schedule as the Board may approve. Quarterly Assessments not paid within thirty (30) days of their respective due dates will incur a late charge not to exceed Thirty (\$30.00) Dollars. Quarterly Assessments not paid within sixty (60) days of their respective due dates will incur a second late charge not to exceed Fifty (\$50.00) Dollars. Quarterly Assessments not paid within ninety (90) days of their respective due dates will incur an third late charge not to exceed Seventy (\$70.00) Dollars.

D. No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, including, by way of illustration and not limitation, by non-use of Common Areas or abandonment of the Unit. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution of abatement of Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of the Municipality or other governmental authority.

E. The Developer shall be obligated for the difference between the amount of Base Assessments levied on all Units on which Base Assessments have commenced, and which are subject to this Declaration as of the first day of any fiscal year, and the amount of actual expenditures required to operate the Association until the Transfer Date ("Shortfall Obligation"). The Shortfall Obligation lapses on the Transfer Date. So long as the Developer is obligated for the Shortfall Obligation, the Developer shall be exempted from any payment of any Base Assessments for Common Expenses and for any Capital Contributions (defined below). The Developer's obligation may be satisfied in the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these. The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services or materials or a combination of services and materials with the Developer or other entities for the payment of some portion of the Common Expenses.

6.2. Computation of Assessments. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during the coming year. The budget shall

set out separately any fees or charges for use of recreational amenities. The Board shall cause a copy of the budget and the amount of Base Assessments to be levied against each Unit for the following year to be delivered to each Owner at least thirty (30) days prior to the meeting at which such budget is to be adopted.

In the event the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year increased by 10% shall continue for the current year.

The budget may include, without limitation, the following listed line items:

A. All expenses necessary to meet the Association's responsibility to maintain the Common Areas in accordance with the requirements of this Declaration. Including, by way of illustration and not as limitation, such Common Area expenses as: irrigation, landscape maintenance, fertilization, pest control, and the like, in a manner consistent with the Neighborhood Standard.

B. All charges levied for utility services to the Common Areas, whether supplied by a private or public firm including, without limitation, all charges for water, electricity, telephone, sewer, cable tv, irrigation and any other type of utility or service charge. Notwithstanding any provision to the contrary in this Declaration or in the By-Laws of the Association, bulk rate charges for cable television service, irrigation and security monitoring service to Units may be assessed as Association Expenses, if the Association becomes a party to a single billing service for such services provided to all of the Owners. Such charges may also be levied as Master Assessments.

C. The premiums on any policy or policies of insurance required under this Declaration, together with the costs of such other policies of insurance, as the Board, with the consent of the Unit Owners at any meeting thereof, shall determine to be in the best interest of the Association. As well as all expenses necessary to retain and continue to retain a lending institution in the County, having a trust department to act as "Insurance Trustee". The functions of the Insurance Trustee shall include holding all original policies purchased by the Association, being named as loss payee, distributing proceeds of such insurance, assisting in the reconstruction of improvements from insurance premiums and performing such other functions as shall be agreed upon.


D. The costs of administration for the Association, including any secretaries, bookkeepers and other employees necessary to carry out the obligations and covenants of the Association under the Declaration, including the collection of sums owed by a particular Unit Owner. In addition, the Association may retain a managing company or contractors to assist in the operation of the Association and to perform or assist in the performance of certain obligations of the Association hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be part of the Association's expense.

E. All taxes levied or assessed upon the Common Areas, by any and all taxing authorities, including all taxes, charges and assessments (including non-ad valorem assessments), imposition and liens for public improvements, special charges and assessments; and, in general, all taxes on personal property and improvements which are now and which hereinafter may be placed in the Common Area, including any interest penalties and other charges which may accrue on such taxes.

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

Included also is the cost to the Association to indemnify its officers and members of the Board for all costs and expenses whatsoever incurred in pursuance of their duties, obligations and functions hereunder. Nothing in the provisions of this subparagraph shall require any Institutional Mortgagee to pay the Association expenses or portion thereof attributable to costs of the Association to indemnify and save harmless Developer in accordance with such paragraph. Any such Association expense shall be reallocated amongst the Unit Owners and not the Institutional Mortgagees.

G. The costs to establish an adequate reserve fund for replacement and/or capital refurbishment of the Common Areas and the payment of other common expenses (the "capital contributions") in the amounts determined proper and sufficient by the Board, if any. Each owner acknowledges, understands and consents that capital contributions are the exclusive property of the Association as a whole, and that no Owner shall have any interest, claim or right to any such capital contributions or funds composed of the same.

H.  The amount of the annual Master Assessment levied by the Community Association may be shown on the budget, and shall be collected by the Association.

6.3. Special Assessments.

A. The Association may levy a Special Assessment to cover unbudgeted Common Expenses or Common Expenses in excess of those budgeted. Any such Special Assessment

shall require the affirmative vote or written consent of a majority of the Board, and the affirmative vote or written consent of the Developer, during the Development and Sale Period. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

B. The Association may, by vote of the Board, levy a Special Assessment to obtain all sums necessary to repair, replace, construct or reconstruct ("repair") any buildings or improvements located in the Common Areas damaged by any casualty to the extent insurance proceeds are insufficient for repair. Any difference between the amount of insurance proceeds received on behalf of the Association with respect to repair and the actual cost of the repair ("repair sums") shall be a Common Expense for which the Association shall levy a Special Assessment against all Unit Owners to obtain the funds necessary to pay for such repair sums within ninety (90) days from the date such damage was incurred. The Association shall establish an account with an Institutional Mortgagee located in the County, and deposit into such account all repair sums and all insurance proceeds collected by the "Insurance Trustee" so that the amounts on deposit will equal the costs of repair. The Association shall proceed so that repairs shall be completed within one (1) year from the date of damage, if possible. Such Special Assessment shall be levied by vote of the Board.

C. The Association may also levy a Special Assessment against any Member to reimburse the Association for costs incurred in bringing a Member and his Unit into compliance with the provisions of the Declaration, any amendments thereto, the Articles, By-Laws, and the Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing.

6.4. Date of Commencement of Base Assessments. The Base Assessments provided for herein shall commence as to each Unit at the time that a certificate of occupancy is issued for the Unit by the appropriate governmental authority. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first Base Assessment shall be adjusted according to the number of days remaining in the fiscal year at the time Assessments commence on a Unit.

6.5. Subordination of the Lien to First Mortgagees. Unless such Assessments are secured by a claim of lien recorded prior to the recordation of the Mortgage, the lien of Assessments, including interest, late charges, and costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Unit as provided in this Declaration. The sale or transfer of any Unit shall not affect the Assessment lien. However, the sale or transfer of any Unit pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from lien rights for any Assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to remedies under the Mortgage, its successors and assigns shall not be liable for the share of the

Common Expenses or Assessments by the Association chargeable to such Unit which became due prior to the acquisition of title to such Unit by such acquirer. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns.

6.6. Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from the payment of Base Assessments and Special Assessments:

- A. all Common Areas; and
- B. all property dedicated to and accepted by any governmental authority or public utility.

ARTICLE VII
ESTABLISHMENT AND ENFORCEMENT OF LIENS

7.1. Lien for Assessments. All Assessments authorized in this Declaration (including Master Assessments), together with interest at a rate not to exceed the highest rate allowed by Florida law as computed from the date the delinquency first occurs, late charges, and costs of collection (including attorney's fees and expenses), shall be a charge on the land, and shall be a continuing lien upon the Unit against which each Assessment is made, and shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any recorded Mortgage made in good faith and for value having first priority over any other Mortgages on the Unit. Each such Assessment, together with interest, late charges, costs of collection, and reasonable attorney's fees, shall also be the personal obligation of the Person who was the Owner of such Unit at the time the Assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. The Board may suspend the voting rights of a Member for nonpayment of Base Assessments that are delinquent in excess of 90 days.

Although no further action is required to create or perfect the lien, the Association may, as further evidence and notice of the lien, execute and record a document setting forth as to any Unit the amount of delinquent sums due the Association as the time the document is executed, and the fact that lien exists to secure the payment thereof. However, failure of the Association to execute and record any such document shall not affect the validity, enforceability, or priority of such lien. Upon full payment of all sums secured by that lien and costs and fees accrued, the party making payment shall be entitled to a recordable Satisfaction of Lien.

7.2. Rights of First Mortgagees. When any first Mortgagee obtains title to a Unit as a result of a foreclosure of Mortgage, or deed (or assignment) is given in lieu of foreclosure, such acquirer of title, his successors and assigns, shall not be liable for the Assessments pertaining to such Unit or chargeable to the former owner which became due prior to the acquisition of title as a result

of the foreclosure or deed (or assignment) in lieu of foreclosure, unless such Assessments are secured by a Claim of Lien, and recorded prior to the recordation of the Mortgage. Such unpaid Assessments for which a Claim of Lien has not been recorded prior to the recording of the foreclosed Mortgage or deed given in lieu of foreclosure shall be deemed to be Assessments collectible from all Units.


7.3. Remedies. In the event any Owner shall fail to pay his or her Assessments within (15) days after the same becomes due, the Association, through its Board, shall have all of the following remedies to the extent permitted by law.


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

B. To advance on behalf of the Owner funds to accomplish the needs of the Association and the amount or amounts of money so advanced, including reasonable attorneys' fees and expenses which might have been reasonably incurred because of, or in connection with such advance, including costs and expenses of the Association if it must borrow to pay expenses because of said Owner, together with interest at the highest rate allowable by law, may thereupon be collected or enforced by the Association and such advance or loan by the Association shall not waive the default.

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

D. To file an action at law to collect said Assessments, plus interest at the highest rate allowable by law plus costs and attorneys' fees, without waiving any lien rights or rights of foreclosure by the Association.

E. To suspend any Person's right to use any Common Area facilities for any period of time during which any Assessment against such Owner's Unit remains delinquent if the charge is delinquent for more than 60 s; however, nothing herein shall authorize the Board to limit the ingress or egress to or from a Unit.

F. To suspend services the Association provides for a Unit if the Assessment is delinquent for more than 60 s; however, nothing herein shall authorize the Board to suspend essential services (i.e. electricity, water, or natural gas).

7.4. Rights upon Foreclosure. The Association, acting on behalf of the Owners, shall have the power to bid for the Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which the Unit is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no Base Assessment shall be assessed or levied on it; and (c) each other Unit shall be charged, in addition to its usual Base Assessment, its

equal pro rata share of the Base Assessment that would have been charged such Unit had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

ARTICLE VIII
INSURANCE

8.1. Common Area Insurance. The Association shall maintain a policy or policies to insure the Common Area improvements, personal property and supplies, if any, from physical damage and liability losses, and shall be in such amounts so that the insured will not be a co-insurer except under deductible clauses required to obtain coverages at a reasonable cost. Insurable improvements in the Common Areas shall include, without limitation, the Recreational Facilities, boundary walls or fences, Roads dedicated or conveyed to the Association, and lighting fixtures.

A. Casualty Insurance Exclusions. The coverages for physical damage losses will EXCLUDE the following:

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

ii. Floor, wall, and ceiling coverings.

B. Property Insurance Inclusions. The coverage for physical damage losses will INCLUDE, where applicable, the following:

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

ii. All other perils customarily covered for similar types of projects, including those covered by the standard special form endorsement;

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

iv. Demolition Cost Endorsements, Building Ordinance Endorsement, and Increased Cost of Construction Endorsement;

v. Boiler and Machinery Endorsement, if applicable, providing at least \$50,000.00 coverage for each accident at each location; and

vi. A standard mortgagee clause naming, when appropriate, the Federal

National Mortgage Association (FNMA) or the servicers for mortgages held by FNMA, their successors and assigns.

Prior to obtaining any policy of physical damage insurance or any renewal thereof, and at such intervals as the Board of Directors may deem advisable, the Board may obtain an appraisal from a general contractor or such other source as the Board may determine of the then current replacement cost of the Common Areas subject to insurance carried by the Association, for the purpose of determining the amount of physical damage insurance to be secured pursuant to this Article.

C. Policy Waivers. When appropriate and possible, the policies shall waive the insurer's right to:

- i. Subrogation against the Association and against the Owners, individually and as a group;
- ii. The prorata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk; and
- iii. Avoid liability for a loss that is caused by an act of the Board, or by a member of the Board or by one or more Owners.

D. Other Provisions. In addition, the policy shall provide that:

- i. Any Insurance Trust Agreement will be recognized;
- ii. The policy shall be primary, even if an Owner has other insurance that covers the same loss; and
- iii. The named insured shall be the Association for the use and benefit of the Unit Owners. The "loss payable" clause should show said Association or the designated insurance trustee as the trustee for each Owner and each Owner's mortgagee.

8.2. Unit Insurance. Each Unit Owner shall maintain a policy or policies to insure his or her Unit from all physical damage and liability losses. If a Unit is damaged by a casualty, the affected Unit Owner shall promptly have his Unit repaired and rebuilt substantially in accordance with the architectural plans and specifications of the Unit. The Board of Directors shall establish periodically the minimum physical damage and liability insurance coverage and endorsements to be maintained by each Unit Owner. Upon the request of the Association, each Owner will provide a certificate of insurance coverage to the Association to evidence compliance with the minimum physical damage and liability coverage and endorsements set by the Board of Directors.

8.3. Reconstruction and Repair after Casualty.

A. Determination. Under ordinary circumstances, Common Area improvements which are damaged by a casualty shall be reconstructed and repaired. If a dispute arises as to whether a Common Area improvement should be repaired or reconstructed, the Board of Directors shall make the determination to repair or reconstruct. The adjoining owners shall be bound by this determination. The Association shall have the right to specially assess all members of the Association if insurance proceeds are insufficient to repair or rebuild the affected Common Areas in accordance with this paragraph. The assessment and collection of any Special Assessment authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Association Expenses.

B. Plans and Specifications. Although it is impossible to anticipate all problems which may arise from a casualty, the intent is to try to assure that the general plan of development for Bedford Lakes at Tradition is maintained by requiring damaged Units to be rebuilt or repaired and that unsightly and dangerous conditions are remedied as soon as possible. Any reconstruction and repair must be substantially in accordance with the plans and specifications for such property as originally constructed, and in any event, according to plans and specifications approved by the ACC. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair to the Common Areas, for which the Association is responsible, or if at any time during the work or upon completion of the work the funds available for payment of the costs are insufficient, assessments shall be made by the Association against all Owners in sufficient amounts to provide funds for the payment of those costs. The Assessments shall be made as an Association Expense, except that the cost of construction, reconstruction and repair occasioned by special improvement made at the request of the Owner and not common to other Units shall be assessed to such Unit Owner.

8.4. General Liability Coverage. The Board of Directors shall obtain and maintain comprehensive general liability (including, without limitation, libel, slander, false arrest and invasion of privacy coverage and errors and omissions coverage for directors) and property damage insurance in such limits as the Board of Directors may from time to time determine, insuring each member of the Board of Directors, each Owner, and the Developer (prior to the Transfer Date) against any liability to the public or to the Owners (and their invitees, agents and employees) arising out of, or incident to the ownership or use of the Common Areas. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) cross liability endorsement under which the rights of a named insured under the policy shall be insured; (ii) hired and non-owned vehicle coverage (iii) host liquor liability coverage with respect to events sponsored by the Association; (iv) deletion of the normal products exclusion with respect to events sponsored by the Association; and (v) "severability of interest" endorsement which shall preclude the insurer from denying liability to an Owner because of negligent acts of the Association or of another Owner. The Board of Directors shall review such limits of coverage at least once each three (3) years, but in no event shall such insurance be less than One Million Dollars (\$1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence.

8.5. Workmen's Compensation Coverage. The Association shall obtain Workmen's Compensation Insurance as may be required by law.

8.6. Fidelity Bond Coverage. The Association shall obtain Fidelity Bonds covering officers, directors, employees and other persons who handle or are responsible for handling Association funds. The Fidelity Bonds (or insurance) shall meet the following requirements.

A. Association as Obligee. All such fidelity insurance or bonds shall name the Association as an obligee; and

B. Amount of Insurance. Such fidelity insurance or bonds shall be written in the amount equal to at least 150% of three months operating expenses of the Association, and the amount in reserve as of the end of each fiscal year of the Association; and

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

D. Notice of Cancellation. Such insurance or bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least ten (10) days prior written notice of the servicer or the insured.

8.7. Excess Coverage. The Board of Directors may obtain such excess liability or umbrella coverage as they deem appropriate from time to time.

8.8. Other Coverage. The Board of Directors may obtain such other insurance as they deem appropriate from time to time.

8.9. Flood Insurance. If any part of the Common Areas are in a special flood hazard area, and are insurable as defined by the Federal Emergency Management Agency, the Association shall insure same. The coverage shall be 100% of the current replacement cost of any Common Area improvements or structures and other insurable common property, or the maximum coverage available for such improvements, structures, or property under the National Flood Insurance Program.

8.10. Insurer. All insurance shall be issued by a company authorized to do business in the State of Florida.

8.11. Named Insured. For all policies obtained by the Association, the named insured shall be the Association individually and as trustee for Owners covered by the policy without naming them, and shall include Institutional Mortgagees who hold Mortgages upon Units covered by the

policy whether or not the Mortgagees are named. The Board may authorize the Insurance Trustee to maintain the policies and receive any proceeds of such policies.

8.12. Premiums. Premiums on policies purchased by the Association shall be paid as an Association Expense. However, if the amount of a premium is increased because a Unit or its appurtenances is misused or abandoned then the Owner of such Unit is liable for the amount of such increase. The Association will furnish evidence of premium payment to each mortgagee upon request.

8.13. Insurance Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their Mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association as trustee or to such institution in Florida with trust powers as may be designated as Insurance Trustee by the Board. The Trustee shall hold the proceeds for the benefit of the Unit Owners and their Mortgagees in the following shares:

A. Share of Proceeds. An undivided share for each Unit Owner, that share being the same as such Owner's undivided share in the Association Expenses.

B. Mortgagees. If a mortgagee endorsement of an insurance policy has been issued as to a Unit, the share of the Owner shall be held in trust for the Mortgagee and such Owner, as their interests may appear; however, that no Mortgagee shall have any right to determine or participate in the determination as to whether or not any such Unit shall be reconstructed or repaired, and unless provided by the terms of the mortgage, no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of proceeds made to the Owner and the Mortgagee.

8.14. First Mortgagees. This Article is additionally for the benefit of first Mortgagees of Units and may not be amended without the consent of all such Mortgagees.

8.15. Policy Cancellation. All insurance policies purchased by the Association shall require the insurer to notify in writing the Association or the designated Insurance Trustee and each first Mortgagee named in any Mortgage clause at least 10 days before it cancels or substantially changes the coverage.

8.16. Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each Mortgagee or other lienor of a Unit, and for each owner of any other interest in the property, to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

PART THREE - COMMUNITY STANDARDS

ARTICLE IX
USE RESTRICTIONS

9.1. Residential Uses. Except as otherwise provided in this Declaration, the Properties shall be used only for residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association or business offices for the Association), and limited portions of the Common Areas may be used in a commercial capacity as may more particularly be set forth in this Declaration, Subsequent Amendments hereto, or the ordinances or requirements of the Municipality. The Board shall have standing to enforce such standards. In the event of any conflict between the requirements of this Declaration, and its amendments, and the requirements or ordinances of the Municipality, the stricter requirements shall prevail.

9.2. Use Restrictions. The Board shall have the authority to make and enforce standards and restrictions governing the use of the Properties, in addition to those contained herein, and to impose reasonable user fees for use of the Recreational Facilities. Such regulations and use restrictions shall be binding upon all Owners and occupants until and unless overruled, canceled, or modified in a regular or special meeting of the Association by Members representing a majority of the Class "A" votes in the Association and by the vote of the Class "B" member, so long as such membership shall exist and with the written approval of the Founder, during the Founder Control Period.

A. Signs. No sign, symbol, name, address, notice, or advertisement shall be inscribed or exposed on or at any window or other part of a Unit or Common Areas without the prior written approval of the Board and approval as required under the Charter. The Board, the Developer, or the Founder shall have the right to erect signs as they, in their sole discretion, deem appropriate.

B. Parking and Garages. Vehicles shall be parked only in the garages or in the driveways serving the Units or in the appropriate spaces or designated areas in which parking may be assigned, and then subject to the reasonable Rules and Regulations adopted by the Board. Vehicles shall not be parked overnight on Roads or swales. All commercial vehicles, recreational vehicles, trailers, campers, camper trailers, boats, watercraft, motorcycles, and boat trailers must be parked entirely within a garage unless otherwise approved by the Board. No garage shall be used as a living area. No garage shall be altered in such a manner that the number of automobiles which may be parked therein after the alteration is less than the number of automobiles that could have reasonably been parked in the garage as originally constructed.

C. Occupants Bound. All provisions of the Homeowners Documents and of any Rules and Regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners, and which provide for sanctions against Owners, shall also apply to all occupants of any

Unit.

D. Animals and Pets. No animals may be raised, bred, or kept in any Unit, except that dogs, cats, or other household pets may be kept on the Unit, provided they are not kept, bred or maintained for any commercial purpose, or in numbers deemed unreasonable by the Board. Notwithstanding the foregoing, no animal may be kept in the Unit, which in the judgment of the Board results in a nuisance or is obnoxious to the residents in the vicinity. No Owner shall be permitted to maintain in his or her Unit any dog or dogs of mean or of violent temperament or otherwise evidencing such temperament. Pets shall not be permitted in any of the Common Areas unless under leash. Each pet owner shall be required to clean up after his or her pet. Each Owner by acquiring an Unit agrees to indemnify the Association, and hold it harmless against any loss or liability resulting from his or her, his or her family member's, or his or her lessee's ownership of a pet. If a dog or any other animal becomes obnoxious to other Unit Owners by barking or otherwise, the Owner shall remedy the problem, or upon written notice from the Association, he or she will be required to dispose of the pet.

E. Nuisance. No Unit shall be used, in whole or in part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept in any Unit that will emit a foul or obnoxious odor or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property or to Bedford Park at Tradition as a whole. No illegal, noxious, or offensive activity shall be carried on in any unit, nor shall anything be done thereon tending to cause a nuisance to any person using any property adjacent to the Unit. There shall not be maintained any plants, animals, devices, or things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Bedford Park at Tradition.

F. Unsightly Conditions. All weeds, rubbish, debris, or unsightly materials or objects of any kind shall be regularly removed from the Units, and shall not be allowed to accumulate thereon. All refuse containers (except on scheduled trash pick-up days), all machinery and equipment, and other similar items of personal property shall be obscured from view of adjoining streets, Units or Common Areas. All Units shall be kept in a clean and sanitary condition and no rubbish, refuse, or garbage shall be allowed to accumulate, or any fire hazard allowed to exist. In the event an Owner fails to maintain his Unit as required, for a period of at least thirty (30) days, the Association shall have the right, exercisable in its discretion, to clear any rubbish, refuse, or unsightly debris and/or growths from any Unit deemed by the Association to be a health menace, fire hazard or a detraction from the aesthetic appearance of Bedford Park at Tradition; provided, however, that at least fifteen (15) days prior notice shall be given by the Association to the Owner of such Unit before such work is done by the Association. In the event the Association, after such notice, causes the subject work to be done, then, and in that event, the costs of such work, together with interest thereon at the maximum rate permitted by the usury laws of the State of Florida, shall

be charged to the Owner and shall become a lien on the Unit, which lien shall be effective, have priority and be enforced pursuant to the procedures set forth in this Declaration.

G. Antennas. No exterior antennas, aerials, satellite dishes, or other apparatus for the reception or transmission of television, radio, or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Properties, including any Unit, without the prior written approval of the ACC.

H. Subdivision of Unit. Units shall not be further subdivided or separated by any Owner, and no portion less than all of any such Unit, nor any easement shall be conveyed or transferred by an Owner; provided, however, that this shall not prevent corrective deeds, deeds to resolve boundary disputes and other similar corrective instruments. Developer, however, hereby expressly reserves on behalf of Developer and/or the Founder, the right to subdivide, replat, or otherwise modify the boundary lines of any Unit or Units owned by the Developer. Any such division, boundary line change, or replatting shall not be in violation of the applicable County or municipal subdivision and zoning regulations. This provision is not intended to prohibit the lease or occupancy of a "mother-in-law" suite or guest house accessory to any Unit.

I. Pools. No above-ground pools shall be erected, constructed, or installed on any Unit.

J. Irrigation. No sprinkler or irrigation systems of any type which draw water from lakes, rivers, ponds, canals or other ground or surface waters within Bedford Park at Tradition shall be installed, constructed or operated by any Owner unless prior written approval from the ACC has been obtained. This shall not apply to such systems provided by Founder, the Community Association or an appropriate Community Development District.

K. Drainage and Septic Systems. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Person, other than the Developer, the Founder, an appropriate Community Development District or the South Florida Water Management District, may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Developer hereby reserves for itself and for Founder, a perpetual easement across the Properties for the purpose of altering drainage and water flow, however Developer shall not alter any drainage provided for Tradition. Septic systems are prohibited in Bedford Park at Tradition, except as may be permitted by the Municipality for model homes, and with the consent of the Founder.

L. Tree Removal. No trees shall be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved by the ACC and pursuant to applicable provisions of the Charter.

M. Sight Distance. All property located at street intersections shall be landscaped so as to permit safe sight across street corners. No fence, wall, hedge, shrub, or planting shall be placed or permitted to remain where it would create a traffic or sight problem.

N. Lighting. Except for seasonal decorative lights, which may be displayed between December 1 and January 10 only, all exterior lights must be approved by the ACC.

O. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of a Unit. Exterior sculpture, fountains, flags, and similar items must be approved by the ACC. No approval shall be required to display one (1) U. S. flag attached to a pole or dowel not larger than 1 inch in diameter which is wall mounted adjacent to the garage door of a Unit. Flagpoles may not be ground mounted, or attached to fascia. This paragraph shall not apply to the Founder or the Community Association.

P. Energy Conservation Equipment. All solar heating apparatus must conform to the standards set forth in the HUD Intermediate Minimum Property Standards Supplement, Solar Heating, and domestic Water Systems. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless it is an integral and harmonious part of the architectural design of a structure, as reasonably determined by the ACC. No solar panel, vents, or other roof-mounted, mechanical equipment shall project more than 1.5 feet above the surface of the roof of a Unit. All piping and other equipment leading to and from the solar heating panels shall be painted to match the color of the material which they abut, or to which they are affixed. Tanks, pumps and other associated mechanical equipment shall be screened from view from streets and adjoining properties by approved landscaping. This provision is not intended to prohibit the use of solar energy devices.

Q. Lakes and Water Bodies. All lakes, canals, and water bodies within the Properties that are not part of the Surface Water Management System, if any, shall be primarily aesthetic amenities and all other uses thereof, including, without limitation, fishing, boating, swimming, playing, or use of personal flotation devices, shall be subject to the Rules and Regulations of the Board. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of lakes, canals, or water bodies within the Properties.

The lakes, canals, and water bodies that are part of the Surface Water Management System are the responsibility of the Community Development District and shall be maintained as set forth in the Charter. Such water bodies are for the purpose of surface water management and are not designed as aesthetic features. The water level of these bodies of water may fluctuate from time to time any may be extremely shallow during several months of the year as a result of permitting requirements.

R. Recreational Facilities. All recreational facilities and playgrounds furnished

by the Association or erected within the Properties, if any, shall be used at the risk of the user, and the Association shall not be held liable to any person or persons for any claim, damage, or injury occurring thereon or related to use thereof.

S. Business Use. The Units shall be used solely for Single Family purposes. Nothing herein shall be deemed to prevent an Owner from leasing a home to a Single Family, subject to all of the terms, conditions, and covenants contained in this Declaration. The Units shall not be used in any trade, business, professional, or commercial capacity. Nothing contained herein shall prohibit the Developer from carrying on any and all types of construction activity necessary to complete Bedford Park at Tradition, including the construction and operation of a sales model and office by the Developer until all of the Units have been sold, nor shall anything contained herein prohibit Founder from carrying on any and all types of construction and/or sales activity necessary to complete the development of Tradition, including the operation of sales models and offices for Tradition.


T. Windows. All draperies, curtains, shades, or other window coverings installed in a Unit, and which are visible from the exterior of a Unit shall have a white backing, unless otherwise approved by the ACC. Reflective glass or reflective window tint is prohibited.

U. Vehicles. No motorcycle, truck, trailer, boat, van in excess of 17 feet in length, camper, motor home, bus, commercial vehicle of any type (i.e., any vehicle which has any exterior lettering or logo, or has tools or equipment), non-passenger van (i.e. any van which does not have a rear seat and side windows), or similar vehicle shall be parked on any part of the Common Areas or on any Unit, its driveway, or designated parking space within the Properties except: (1) within a garage, (2) commercial vehicles, vans, or trucks delivering goods or furnishing services temporarily during daylight hours, and (3) upon such portions of the Properties as the Board may jointly, in their discretion, allow. Vehicles over eighty (80") inches in height, or those vans or trucks which do not have windows completely circling the vehicle's exterior (similar to windows around a station wagon), and permanent installed seating for four or more passengers, shall be considered to be a prohibited vehicle, van, or truck. The Association shall have the right to authorize the towing away of any vehicles in violation of this rule with the costs and fees, including attorney's fees, if any, to be borne by the vehicle owner or violator.

V. Hurricane Season. Each Unit Owner who intends to be absent from his home during the hurricane season (June 1 - November 30 of each year) shall prepare his Unit prior to his departure by doing the following:

- (i) Removing all furniture, potted plants, and other movable objects from his yard; and
- (ii) Designating a responsible person or firm, satisfactory to the

Association, to care for his Unit should it suffer hurricane damage.

(iii)  no time shall hurricane shutters be permanently installed, without the consent of the ACC. Storm shutters, storm panels, and storm rollups shall meet the following standards:

a. Shutters shall be white or painted to match either the principal color or trim color of the structure to which they are attached.

b. Permanently installed hardware for storm shutters, storm panels and storm rollups shall be white or painted to match the principal color or trim color of the structure to which it is attached.

c. No permanently installed plywood panels are permitted.

(iv) Storm shutters and panels which are not permanently installed shall meet the following utilization standards:

a. they may be put in place or closed not more than seventy-two (72) hours before and seventy-two (72) hours after a storm event (a "storm event" is defined as a meteorological event in which winds in excess of 50 mph and rainfall has occurred, or is expected to occur) ;

b. they may be put in place or closed for two (2) periods of up to fifteen (15) days each between June 1 and November 30 when the Owner is absent from the Unit; and

c. they may be put in place on first floor rear windows during any period of time.

W. Golf Carts. All golf carts leased, owned, or otherwise used by Owners may be parked, placed, or stored only in the Unit garages. No golf cart shall be placed, parked, or stored on the lawn of any Unit or on any portion of the Common Areas, unless such area is specifically designated as a golf cart parking area by the Board. No golf cart shall be driven outside the entrance area or boundaries of Bedford Park at Tradition without the consent of the Founder, during the Founder Control Period, and the Community Association. Owners of golf carts, by operating same within Bedford Park at Tradition shall be presumed to have released the Developer and the Association of all liability arising from an Owner's use of his golf cart. Each year, the Owners of golf carts shall provide the Association with proof of liability insurance in connection with the operation of their golf carts, and such insurance shall have such limits as shall be approved by the Association in its sole discretion. Each such insurance policy shall name the Association as an

additional insured, and shall provide the Association with thirty (30) days notice prior to it cancellation. An Owner who uses a golf cart shall be held fully responsible for any and all damages resulting from the misuse of a golf cart caused by the Owner, his family members, guests, licensees, invitees, employees, or agents, and the Owner shall reimburse the Association for any and all damages the Association may sustain by reason of such misuse. Such damages shall be collectible as a Special Assessment pursuant to the procedures for such assessments set forth herein.

X. Rules and Regulations. The Unit Owners shall abide by each and every Rule and Regulation promulgated from time to time by the Board and by the Community Association. The Association may enforce Rules and Regulations adopted by the Community Association (if the Community Association has delegated such enforcement authority to the Association) as well as those adopted by the Board. If the Board determines that an Owner appears to be in violation of the Rules and Regulations (whether adopted by the Board or the Community Association), then the Board shall give written notice of the violation by U.S. Certified Mail, return receipt requested, and fifteen (15) days in which to cure the violation. Further enforcement of the Rules and Regulations shall be in accordance with Article XXII.

ARTICLE X
COVENANTS REGARDING SINGLE FAMILY HOMES

Without limiting the types of units which may be developed within Bedford Park at Tradition, the Developer, with the written approval of the appropriate design review authority under the Charter, may construct single family homes, which are neither Bedford Park at Tradition homes, nor attached single family homes. The restrictions, covenants, and provisions set forth herein shall apply to such single family homes, and may be modified, deleted, or supplemented by Subsequent Amendment.

10.1. Maintenance of Exterior of Home. Each Owner shall maintain the exterior of his single family home, including the walls and fences in good condition and repair, including cleaning and painting.

10.2. Failure to Maintain. In the event an Owner of a single family home shall fail to maintain the premises and the improvements thereon, as provided herein and in accordance with the Neighborhood Standard, the Association, after notice to the Owner, shall have the right to enter upon any lot to correct drainage and to repair, maintain and restore the exterior of the single family homes and any other improvements erected thereon. All costs related to such correction, repair or restoration shall become a Special Assessment against such lot.

10.3. Casualty Insurance. Each Owner of a single family home shall maintain physical damage insurance for such home in any amount equal to the replacement value of the home. The Association may require that each such Owner provide proof of insurance. Should any such Owner

fail to provide proof of insurance upon request, the Association may purchase the required insurance, and the costs of such insurance may be levied as a Special Assessment against such Unit.

ARTICLE XI
COVENANTS REGARDING TOWNHOMES

Without limiting the types of Units which may be developed within Bedford Park at Tradition, the Developer may construct single family townhomes within Bedford Park at Tradition. The restrictions, covenants, and provisions set forth herein shall apply to such townhomes, and may be modified, deleted, or supplemented by Subsequent Amendment.

11.1. Utility Easements.

A. Each townhome Owner grants to all other Owners owning a townhome in the same building a perpetual utility easement for water, sewer, power, telephone and other utility and service company lines and systems installed beneath or within the townhome.

B. Any expense caused by the necessary access of authorized personnel of the utility or service company to service lines affecting all Units within a townhome building, and which are located beneath or within the townhome building shall be shared equally by each of the townhome Owners in the building affected; provided, however, that where the necessary access by authorized personnel of the utility or service company is required because of the intentional or negligent misuse of the utility or service company line or system by a townhome Owner, his lessee, licensee, invitee, or agent, any expense arising therefrom shall be borne solely by such Owner. Any expense caused by the necessary access of authorized personnel of the utility or service company to service lines located within the Common Areas shall be paid by the Association as a Common Expense.

11.2. Common Walls and Roofs.

A. The townhome Units comprising each building are single family attached Units with common walls, known as "party walls", between each Unit that adjoins another Unit. The center line of a party wall is the common boundary of the adjoining Unit.

B. Each common wall in a townhome Unit shall be a party wall, and any party to said wall, his heirs, successors, and assigns shall have the right to use same jointly with the other party to said wall as herein set forth. The term "use" shall and does include normal interior usage such as paneling, plastering, decoration, erection of tangent walls and shelving but prohibits any form of alteration which would cause an aperture, hole, conduit, break or other displacement of the

original concrete or other material forming said party wall.

C. The entire roof of the townhome Unit building, any and all roof structure support, and any and all appurtenances to such structures, including without limitation, the roof covering, roof trim, and roof drainage fixtures, shall be collectively referred to as "shared roofing". The shared roofing shall not be considered as Common Area. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. All Owners who make use of the shared roofing shall share the cost of reasonable repair and maintenance of such shared roofing equally. If any portion of the shared roofing is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has use of the shared roofing may restore it. If other Owners also have use of the shared roofing, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from an Owner who may have a greater liability under any rule of law regarding liability for negligent or willful acts or omissions. The right of an Owner to contribution from any other Owner under this subparagraph shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

D. If a townhome Unit is damaged through an act of God or other casualty, the affected Owner shall promptly have his Unit repaired and rebuilt substantially in accordance with the architectural plans and specifications of the townhome Unit building. In the event such damage or destruction of a party wall or shared roof is caused solely by the neglect or willful misconduct of a townhome Owner, any expense incidental to the repair or reconstruction of such wall or shared roof shall be borne solely by such wrongdoer. If the townhome Owner refuses or fails to pay the cost of such repair or reconstruction, the Association shall have the right to complete such repair and reconstruction substantially in accordance with the original plans and specifications of the affected building, and the Association shall thereafter have the right to specially assess said townhome Unit Owner for the costs of such repair and re-construction.

E. The cost of maintaining each side of a party wall shall be borne by the townhome Owner using said side, except as otherwise provided herein.

F. No townhome Owner shall authorize the painting, refurbishing or modification of the exterior surfaces or shared roof of his townhome without the consent of the ACC.

G. Owners of Units within each townhome Unit building shall be responsible for termite control for the building and shall share equally in the cost of such control.

11.3. Maintenance of the Exterior of the Townhomes.

A. Each Owner shall at all times be responsible for the maintenance and care of

the exterior surfaces of his townhome Unit. The phrase "exterior surfaces of the townhome Unit" shall include, but not be limited to, the exterior walls and shared roofing. The Association shall be responsible for the periodic cleaning of the exterior walls and shared roofing, and for the periodic repainting of the exterior walls of the townhome Unit. Repainting of the exterior surfaces of a townhome Unit shall be done uniformly at the same time for the entire townhome building by the Association.

B. The Board shall determine the need for repainting from time to time. All costs reasonably related to said periodic repainting (including cleaning before repainting) by the Association shall be incurred as a Common Expense. If exterior repainting is required because of the specific actions of a townhome Owner or Owners, and not as a result of ordinary wear, then such cost may be assessed against the Unit Owner or Owners who have caused the need for the repainting.

C. The Assessment required to periodically clean and repaint the exterior of the townhome Units by the Association in accordance with this Article will be made pursuant to the assessment powers and lien rights set forth herein.

11.4. Casualty Insurance. Each Owner of a townhome shall maintain physical damage insurance for such home in any amount equal to the replacement value of the home. The Association may require that each such Owner provide proof of insurance. Should any such Owner fail to provide proof of insurance upon request, the Association may purchase the required insurance, and the costs of such insurance may be levied as a Special Assessment against such Unit.


11.5. Party Fences. Those walls or fences which are constructed between two adjoining lots and are to be shared by the Owners of said adjoining lots are to be known as and are hereby declared to be "Party Fences". Party Fences shall be the joint maintenance obligation of the Owners of the lots bordering the fences. Each Owner shall have the right to full use of said fence subject to the limitation that such use shall not infringe on the rights of the Owner of the adjacent lot or in any manner impair the value of said fence. Each Owner shall have the right and duty to maintain and to perform superficial repairs to that portion of a Party Fence that faces such Owners's lot. The cost of said maintenance and superficial repairs shall be borne solely by said Owner. In the event of damage or destruction of the Party Fence from any cause whatsoever, other than negligence or willful misconduct of one of the adjacent lot owners, the Owners of the adjacent lots shall, at their joint expense, repair and rebuild said fence within 30 days, unless extended by the Board. In the event it is necessary to repair or rebuild a Party Fence, the Owners shall agree on the cost of such repairs or rebuilding, and shall agree on the person or entity to perform such repairs, provided however, all such repairs must be performed by a qualified contractor. If the Owners cannot agree on the cost of such repairs or on the person or entity to perform such repairs, each Owner shall choose a member of the Board to act as their arbiter. The Board members so chosen shall agree upon and choose a third Board member to act as an additional arbiter. All of the said Board members shall thereafter choose the person or entity to perform the repairs and shall assess the costs of such repairs in equal shares to

the Owners. Whenever any such fence or any part thereof shall be rebuilt, it shall be erected in the same manner and be of the same size and of the same or similar materials and of like quality and color and at the same location where it was initially constructed. Provided, that if such maintenance, repair or construction is brought about solely by the neglect or the willful misconduct of one lot Owner, any expense incidental thereto shall be borne solely by such wrongdoer. If the lot Owner shall refuse to repair or reconstruct the fence within 30 days, unless extended by the Board, and to pay his share, all or part of such cost in the case of negligence or willful misconduct, the Association may have such fence repaired or reconstructed and shall be entitled to a lien on the lot of the Owner so failing to pay for the amount of such defaulting Owner's share of the repair or replacement. In the event repairs or reconstruction shall be necessary, all necessary entries on the adjacent lots shall not be deemed a trespass so long as the repairs and reconstruction shall be done in a workmanlike manner, and consent is hereby given to enter on the adjacent lots to effect necessary repairs and reconstruction.

ARTICLE XII
MAINTENANCE

12.1. Association's Responsibility.

A. The Association shall maintain and keep in good repair the Common Areas. The maintenance of the Common Areas shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all Roads and rights-of-way; all plantings and sodding of such rights-of-way; all perimeter plantings and sod; right-of-way, perimeter, and other Association irrigation facilities; perimeter walls or fences; bridges; bicycle/pedestrian paths; sidewalks; Recreational Facilities; office facilities; street lights; road and identification signage; security facilities and equipment; drainage facilities and water control structures; water and lake treatment facilities; Association parking facilities; sod, landscaping and other flora located on the Common Areas; and other structures and improvements situated upon the Common Area.

 The Association shall maintain the lawn, landscaping materials, and irrigation system as installed by the Developer on each lot.

C. The Association may maintain property which it does not own, including, without limitation, the lawn, landscaping materials, and irrigation system installed on each lot, as well as property dedicated to the public, including, without limitation, the landscaped portions of any road rights of way located adjacent to Bedford Park at Tradition.

D. The cost to the Association of maintaining: (i) the Common Areas, (ii) the lawn, landscaping materials, and irrigation system as installed by the Developer on each lot, and (iii) property dedicated to the public as approved by the Board, shall be assessed equally among the Unit Owners, as part of the Common Expenses pursuant to the provisions of this Declaration.

12.2. Owner's Responsibility. Each Owner shall maintain his or her own Unit and structures, parking areas, and other improvements comprising the Unit in a manner consistent with the Neighborhood Standard, and all applicable covenants. If any Owner fails to perform his or her maintenance responsibility, the Association may perform it and assess all costs incurred by the Association against the Unit and the Owner thereof in accordance with the further provisions of this Declaration; provided, however, except when entry is required due to an emergency situation, the Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry.

ARTICLE XIII
ARCHITECTURAL CONTROL

13.1. Architectural Control Committee. The Architectural Control Committee ("ACC") shall consist of three (3) or more persons appointed by the Board. The function of the ACC is to ensure that all architectural changes are in compliance with the requirements set forth below. The Board shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction the decisions of the ACC. This Article may not be amended without the Developer's written consent so long as the Developer owns any property subject to this Declaration or which may be subject to annexation to this Declaration by Subsequent Amendment.

13.2. Neighborhood Standard. The ACC shall regulate any construction, the external appearance, and property improvements in such a manner as to comply with and meet the Neighborhood Standard, to best preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. As regards the Developer, its successors and assigns, or the Founder, its successors and assigns, nothing herein shall give to the ACC the authority to regulate, control or determine external appearance, use or maintenance of property to be developed or under development, or dwellings to be constructed or under construction.

13.3. General Provisions

A. The address of the ACC shall be the principal office of the Association as designated by the Board. Such address shall be the place for the submittal of plans and specifications and the place where the current architectural standards, if any, shall be kept.

B. The ACC shall establish time limitations for the completion of any architectural improvements for which approval is required.

C. Plans and specifications are not approved for engineering design, and by approving such plans and specifications, neither the ACC, the members thereof, the Association, the

Members, the Board, the Developer, the Founder, nor the Community Association assumes liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications.

D. An application for architectural change shall be made by the applying Owner on forms prepared by the ACC and shall contain such information as the ACC shall reasonably require. The completed application together with all plans and specifications as well as any damage deposit fee and review fee shall be submitted to the ACC. The decision of the ACC will be returned to the applying Owner.

13.4. Failure to Approve. In the event the ACC fails to approve, modify, request additional information, or disapprove in writing an application within thirty (30) days after plans and specifications in writing have been submitted to it, in accordance with its adopted procedures, if any, approval will be deemed granted; however no approval, however granted, may be inconsistent with the Neighborhood Standards or the Homeowners Documents.

13.5. Disapproval. In the event plans and specifications submitted to the ACC are disapproved, the party or parties making such submission may appeal in writing to the Board. The written request must be received by the Board not more than thirty (30) days following the date of the final decision of the ACC. The Board shall have forty-five (45) days following receipt of the request for appeal to render its written decision. The Board may reverse or modify the ACC decision by a majority vote of the Board. The failure of the Board to render a decision within the forty-five (45) day period shall be deemed a decision in favor of the ACC.

13.6. Conditions.

A. No construction, which term shall include, without limitation, within its definition, staking, clearing, excavation, grading, and other site work, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements of this Article have been fully met, and until the approval of the ACC has been obtained.

B. No construction of improvements (including without limitation, pools, saunas, spas, jacuzzis, screened enclosures, buildings, mailboxes, dog runs, animal pens, or fences), decorations, attachments, fixtures, alterations, repairs, change of paint or stain color, pressure cleaning, or other work shall be erected, constructed, affixed, placed, or altered on any Unit until the proposed plans, specifications, exterior colors and/or finishes, landscaping plan, and plot plan showing the proposed location of such improvements shall have been approved by the ACC, its successors or assigns. Refusal of approval of plans, locations, or specifications may be based by the ACC upon any reason, including purely aesthetic conditions, which in the sole discretion of the ACC shall be deemed sufficient. One (1) copy of all plans and specifications shall be furnished to the

ACC for its records. No permission or approval shall be required to repaint in accordance with the originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing herein shall be construed to limit the right of an Owner to remodel the interior of his Unit, or to paint the interior of his Unit any color desired.

C. No additional plantings shall be permitted on that portion of any Unit, which may be maintained by the Association except as may be approved by the Association.

D. No clothing, laundry, or wash shall be aired or dried on any portion of the Units in an area exposed to view from any other Unit. Drying areas will be permitted only in locations approved by the ACC, and only when protected from view by approved screening or fencing.

E. No television or other outside antenna system or facility shall be erected or maintained on any Unit to which cable television service is then currently available except with the specific consent of the ACC.

F. Unless specifically excepted by the ACC, all improvements, for which an approval of the ACC is required under this Declaration, shall be completed within twelve (12) months from the date of commencement of said improvements.

G. No construction shall be commenced unless and until a returnable debris deposit of \$500.00 has been posted by the Unit Owner with the Association. The debris deposit shall be used to correct any damage to the Common Areas resulting from the construction activity. If no damage is done to the Common Areas by the construction activity, the debris deposit will be returned to the Unit Owner.

13.7. Variances. The ACC may authorize variances from compliance with any of the provisions of the current architectural standards, if any, when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations require, but only in accordance with duly adopted Rules and Regulations. Such variances may only be granted, however, when unique circumstances dictate, and no variance shall be effective unless in writing, unless in compliance with the restrictions set forth in this Declaration, and unless such variance will not estop the Association from denying a variance in other circumstances. For the purposes of this paragraph, and except in the case of a variance requested by the Founder, the inability to obtain approval of any governmental agency; the issuance of any permit; or the terms of any financing shall not be considered a hardship warranting a variance.

13.8. Compliance with Charter. In addition to all regulations set forth herein, all construction must comply with the Charter and the Design Guidelines for Tradition. The Association and all Owners shall provide such information to Developer and/or Founder, as may be

requested by Developer and/or Founder, that may be necessary to meet the reporting requirements of the South Florida Water Management District, Corps of Engineers, the Municipality, the County, or other such governmental entities having permitting or regulatory authority.

PART FOUR - PROPERTY RIGHTS

ARTICLE XIV PROPERTY RIGHTS

14.1. Use of Common Area. Every Owner shall have a right and easement of enjoyment in and to the Common Area, subject to this Declaration as it may be amended from time to time, and subject to any restrictions or limitations contained in this Declaration or in any deed conveying such property to the Association. Any Owner may delegate his or her right of enjoyment to the members of his or her family, tenants, and social invitees subject to reasonable regulation by the Board, and in accordance with procedures that it may adopt. An Owner who leases his or her Unit shall be deemed to have delegated all such rights to the Unit's lessee. The rights and easements of enjoyment created hereby shall be subject to the following:

A. The right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real and personal property as security for money borrowed or debts incurred.

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

C. The right of the Association to suspend:

(i) the right of an Owner to use Recreational Facilities within the Common Areas for any period during which an Assessment or any other charge against such Owner's Unit remains delinquent; and

(ii) the enjoyment rights of any Owner to use Recreational Facilities within the Common Areas for a period not to exceed 30 days for a single violation, or for a longer period in the case of any continuing violation (other than a delinquent Assessment) of the Declaration, any applicable Subsequent Amendment, the Articles, the By-Laws, or the Rules and Regulations of the Association after notice and hearing pursuant to the By-Laws.

D. The right of the Association to maintain the Common Property.

E. The right of the Board to adopt rules and regulations affecting the use and enjoyment of the Common Area, including, without limitation, rules restricting use of Recreational Facilities within the Common Area to occupants of Units and their guests and rules limiting the number of guests who may use the Common Area.

F. The Board shall have the right to post motor vehicle speed limits throughout the Common Areas, and to promulgate traffic regulations for the Roads. The Board may also promulgate procedures for the enforcement of the traffic regulations, including, without limitation, the assessment of fines against Owners who violate the traffic regulations and against Owners, whose family members, guests, invitees, licensees, employees, or agents violate the traffic regulations. The fines will be levied as a Special Assessment upon the Owner who violates the traffic regulations, or upon the Owner whose family members, guests, invitees, licensees, employees, or agents violate the traffic regulations. Before any fine shall be effective, the Owner shall be entitled to notice and an opportunity to be heard before the Board.

G. The right of the Association, with the consent of the Community Association and, during the Founder Control Period, of the Founder, to dedicate or transfer all, or any part, of the Common Property to any governmental or quasi-governmental agency, authority, utility, water management district or Community Development District.

H. The restrictions contained on any plat, or filed separately, with respect to all or any portion of the Property.

I. All of the provisions of this Declaration, the Articles, and By-Laws of the Association and all exhibits thereto, and all Rules and Regulations adopted by the Association, as same may be amended from time to time.

J. The Owners' easements of enjoyment shall be subject to easements, hereby reserved over, through and underneath the Common Property, and the Units for present and future utility services to the Property, including, but not limited to, easements for water pipes, sanitary sewer pipes, drainage pipes, irrigation pipes, electric lines, telephone lines, cable television lines, telecommunication lines and other utility services. Easements for such utility services are reserved by Developer for all buildings and improvements which have been or may be constructed on the Property, and Developer may grant specific easements to utility companies and to other Persons as may be reasonably necessary.

K. All bicycle/pedestrian paths in Bedford Park at Tradition are subject to an easement for use by all Owners of property within Bedford Park at Tradition, their guests, licensees and invitees.

L. In case of any emergency originating in, or threatening the Property or any

Unit, regardless of whether the Owner is present at the time of such emergency, the Board, or any other Person authorized by the Board, or the management agent under a management agreement, shall have the right to enter the Property or such Unit, for the purpose of remedying, or abating, the cause of such emergency, and such right of entry shall be immediate.

M. The rights of the Founder, the Community Association and any Community Development District as set forth in the Charter and other documents of the Community Association.

14.2. Title to Common Area. The Developer shall not be required to convey title to the Common Area or any portion thereof to the Association until the Transfer Date. Notwithstanding the manner in which title is held, the Association shall be responsible for the management, maintenance, and operation of the Common Areas, and for the payment of all real estate taxes and other charges against the Common Area, from and after the recording of this Declaration. On or before the Transfer Date, the Developer shall convey the Common Area to the Association by quitclaim deed. The Developer shall not be required to provide any title insurance or other related title documents to the Association in connection with the conveyance of the Common Areas.

14.3. Annexations, Withdrawals, and Amendments. Pursuant to the provisions of Article III, and the amendment powers set forth in this Declaration, the Developer, its successors and assigns, reserves the right to amend this Declaration during the Class "B" Control Period, to annex additional property to the Common Area, to withdraw property from the Common Area, and to amend the provisions of this Declaration as they may apply to the Common Area.

ARTICLE XV

EASEMENTS

15.1. Easements for Owners. The Developer hereby grants a perpetual non-exclusive easement to the Association and to the Unit Owners, their families, guests, invitees, licensees and lessees upon, over, and across the bicycle/pedestrian paths, sidewalks, walkways, Roads, rights-of-way and other Common Areas. The Developer hereby grants an additional perpetual non-exclusive easement to the Association and the Community Association over, across, through, and under all portions of Bedford Park at Tradition for the purpose of performing the maintenance and repair requirements of the Association as described in this Declaration and the maintenance and repair requirements of the Community Association as described in the Charter. Except in the event of an emergency, the Association, its assigns or representatives may enter upon an Unit Owner's property only after reasonable notice has been given to the Owner.

15.2. Easements for Utilities.

A. There are hereby reserved to the Developer, so long as the Developer owns

any property described in Exhibit "A" or which may be subjected to this Declaration by Subsequent Amendment; the Association; the Founder; the Community Association; the Community Development District and their respective assignees and designees, access and maintenance easements upon, over, across, and under all of the Properties to the extent reasonably necessary for the purpose of replacing, repairing, and maintaining Roads, bicycle/pedestrian paths, walkways, sidewalks, lakes, wetlands, drainage systems, street lights, identification signage, and all utilities, including, without limitation, water, irrigation, sewer, electricity, telephone, cable tv, or communication lines and systems, and for the purpose of installing any of the foregoing on property which the Developer or the Association owns or within easements designated for such purposes on recorded plats or other recorded documents for the Properties. This easement shall not entitle the holders of such easements to construct or install any of the foregoing systems, facilities, or utilities over, under, or through any existing Unit, and any damage to a Unit resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the Person exercising the easement. The exercise of this easement shall not unreasonably interfere with the use of any Unit, and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant.

B. The Developer hereby also grants a perpetual non-exclusive easement to all utility or service companies (including Founder, its successors and assigns with regard to the provision of irrigation) servicing Bedford Park at Tradition upon, over, across, through, and under the Common Areas and such other portions of the Property on which utility facilities may be located for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and systems including, but not limited to water, irrigation, sewer, telephone, electricity, cable tv, or communication lines and systems; however, any easement for cable tv, high speed data/Internet/intranet services, and security monitoring shall be subject to the express written approval of the Founder. It shall be expressly permissible for the providing utility or service company to install and maintain facilities and equipment on said property, to excavate for such purposes and to affix and maintain wires, facilities, circuits, and conduits on, in, and under the Common Areas, providing such company restores any disturbed area substantially to the condition existing prior to their activity.

15.3. Easements for Encroachments. The Developer hereby grants an easement for encroachment in the event any improvements upon the Common Areas now or hereafter encroaches upon an Unit, or in the event that any Unit now or hereafter encroaches upon the Common Area or on another Unit, as a result of minor inaccuracies in survey, construction, reconstruction, or due to settlement or movement or otherwise to a distance of: (a) if the encroachment is on the Common Area, then, not more than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary; (b) if the encroachment on another Unit is a driveway constructed by the Developer, then not more than two feet, as measured from any point on the common boundary of the encroaching driveway and the other Unit along a line perpendicular to such boundary. The encroaching improvements shall remain undisturbed as long as the encroachment

exists. This easement for encroachment shall also include an easement for the maintenance and use of the encroaching improvements. Provided, however, that at no time shall there be any encroachment onto the surface water management systems, without the written consent of the South Florida Water Management District. In no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner, occupant or the Association.

15.4. Easements to Serve Other Property. The Developer hereby reserves for itself and for Founder, and their duly authorized agents, representatives, employees, successors, assigns, licensees, and mortgagees, an easement over the Common Area for the purposes of enjoyment, use, access, and development of other property owned by the Developer or Developer, their successors and assigns, whether or not such other property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for the development of such property, the construction of roads, the construction of drainage facilities, and for connecting and installing utilities on such property. Developer further agrees that if the easement is exercised for any permanent use or access to such property, and such property or any portion thereof is not made subject to this Declaration, the Developer, its successors or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance of any access roadway or drainage facility owned by the Association and serving such property.

15.5. Easements for Drainage. Every Unit and the Common Area shall be burdened with easements for natural drainage of storm water runoff from other portions of the Properties, or from other property owned by the Developer and Founder, its successors and assigns; provided, however, no Person may alter the natural drainage on any Unit so as to materially increase the drainage of storm water onto adjacent portions of the Properties without the consent of the Owner of the affected property.

15.6. Right of Entry. The Association shall have the right, but not the obligation to enter upon any Unit for emergency, security, and safety reasons, to perform maintenance pursuant to this Declaration, and to inspect for the purpose of ensuring compliance with this Declaration, any Subsequent Amendment, By-Laws, and the Rules and Regulations, which right may be exercised by any member of the Board its officers, agents, employees, and managers, and all policemen, firemen, emergency medical personnel, and similar emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon any Unit to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after a written request of the Board, but shall not authorize entry into any dwelling without permission of the Owner, except by emergency personnel acting in their official capacities.

ARTICLE XVI
DEVELOPER'S AND FOUNDER'S RIGHTS

16.1. Developer's and Founder's Transfer Rights. Any or all of the special rights and obligations of the Developer or the Founder may be transferred or assigned to other Persons, provided that the transfer or assignment shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Developer or Founder, as the case may be, and duly recorded in the Public Records of the County. Nothing in this Declaration shall be construed to require Developer or any successor or assign to develop any property other than the property described in Exhibit "A".

16.2. Developer's and Founder's Sales Offices. Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and sales of Units shall continue, it shall be expressly permissible for Developer and Founder to maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Developer or Founder, may be reasonably required, convenient, or incidental to the construction or sale of such Units and/or the development of Tradition, including, but not limited to, business offices, signs, model units, and sales offices, and the Developer and Founder shall have an easement for access to such facilities. The right to maintain and carry on such facilities and activities shall include specifically the right to use Units owned by the Developer and any facility which may be owned by the Association, as models and sales offices, respectively.

16.3. Right of Approval. So long as Developer continues to have rights under this Article, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Developer's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Developer. During the Founder Control Period, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Founder's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Founder.

16.4. Termination of Developer's Rights. This Article may not be amended without the express written consent of the Developer and Founder; provided, however, the Developer's rights contained in this Article shall terminate upon the earlier of (a) twenty-five (25) years from the date this Declaration is recorded, or (b) upon recording by Developer of a written statement that all sales

activity has ceased and the Founder's rights shall terminate at the end of the Founder Control Period.

PART FIVE - RELATIONSHIPS OUTSIDE OF BEDFORD PARK AT TRADITION

ARTICLE XVII
MORTGAGEE PROVISIONS

The following provisions are for the benefit of holders, insurers, and guarantors of first Mortgages on Units in the Properties. The provisions of this Article apply to the Homeowners Documents, notwithstanding any other provisions contained therein.

17.1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Unit number, therefore becoming an "Eligible Holder"), will be entitled to timely written notice of:

A. Any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

B. Any delinquency in the payment of Assessments or charges owed by an Owner of a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the Association of any default in the performance by an Owner of a Unit of any obligation under the Homeowners Documents which is not cured within sixty (60) days;

C. Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

D. Any proposed action which would require the consent of a specified percentage of Eligible Holders.

17.2. Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least 67% of the Institutional Mortgagees or Members representing at least 67% of the total Association vote entitled to be cast thereon consent, the Association shall not:

A. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer all or any portion of the real property comprising the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes

consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

B. Change the method of determining the obligations, Assessments, or other charges which may be levied against an Owner of a Unit (A decision of the Board, including contracts, or other Board action regarding Assessments for Neighborhoods or other similar areas shall not be subject to this provision where such decision or Board action is otherwise authorized by this Declaration.);

C. By act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Units and of the Common Area (The issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this provision.);

D. Fail to maintain insurance, as required by this Declaration; or

E. Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement or reconstruction of such property.

Institutional Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and Institutional Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

17.3. Other Provisions for Mortgagees. To the extent possible under Florida law:

A. Any restoration or repair of the Properties after a partial condemnation or damage due to an uninsurable hazard shall be performed substantially in accordance with this Declaration and the original plans and specifications.

B. Any election to terminate the Association after substantial destruction or substantial taking in condemnation shall require the approval of at least 67% of the holders of first Mortgages on Units.

17.4. Amendments to Homeowners Documents. The following provisions do not apply to amendments to the Homeowners Documents or termination of the Association made as a result of destruction, damage, or condemnation pursuant to Section 19.3 above, or to the addition of land in accordance with Article II.

A. Consent to Termination. The consent of Members representing at least 67% of the Class "A" votes and of the Developer, so long as it owns any land subject to this Declaration, and, during Founder Control Period, of the Founder, and the approval of the holders of first Mortgages on Units to which at least 67% of the votes of the Units subject to a Mortgage appertain, shall be required to terminate the Declaration.

B. Consent to Amendments. The consent of Members representing at least 51% of the Class "A" votes and of the Developer, so long as it owns any land subject to this Declaration, and the approval of the holders of first Mortgages on Units to which at least 51% of the votes of the Units subject to a Mortgage appertain, and of the Founder during Founder Control Period for any amendments that affect the Founder or Tradition, shall be required to materially amend any provisions of the Declaration, By-Laws or Articles, or to add material provision thereto which establish, provide for, govern, or regulate any of the following:

- (i) Voting;
- (ii) Assessments, assessment liens, or subordination of such liens;
- (iii) Insurance or fidelity bonds;
- (iv) Rights to use the Common Areas;
- (v) Responsibility for maintenance and repair of the Properties;
- (vi) Expansion or contraction of the Common Areas or the addition, annexation, or withdrawal of the Common Areas to or from the Association;
- (vii) Boundaries of any Unit;
- (viii) Leasing of Units;
- (ix) Imposition of any right of first refusal or similar restriction of the right of any Owner to sell, transfer, or otherwise convey his or her Unit;
- (x) Any provisions included in the Declaration, By-Laws, or Articles which are for the express benefit of holders, guarantors, or insurers of first Mortgages on Units.

17.5. No Priority. No provision of the Homeowners Documents gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Areas.

17.6. Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

17.7. Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

17.8. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

ARTICLE XVIII CONVEYANCES

In order to assure a community of congenial residents and thus protect the value of the Units in Bedford Park at Tradition, the sale or lease of Units, except for the sale or lease of Units by or to Founder, shall be subject to the following provisions:

18.1. Notice to Association. Not less than 20 days prior to: (i) the date of any closing of a sale, or (ii) the effective date of any lease; the Unit Owner shall notify the Association in writing of his or her intention to sell or lease his or her Unit and furnish with such notification a copy of the contract for purchase and sale or a copy of the lease, whichever is applicable. Except as provided in Paragraphs 18.3 and 18.4 below, it is not the intention of this Article to grant to the Association a right of approval or disapproval of purchasers or lessees. It is, however, the intent of this paragraph to impose an affirmative duty on the Unit Owners to keep the Association fully advised of any changes in occupancy or ownership for the purposes of facilitating the management of the Association's membership records. As this Article is a portion of the Declaration which runs with the land, any transaction which is conducted without compliance with this Article may be voidable by the Association.

18.2. Lease Agreement Terms. Any and all lease agreements between an Owner and a lessee of such Owner shall be in writing, shall provide for a term of not less than four (4) months, and must provide that the lessee shall be subject in all respects to the terms and provisions of this Declaration and that any failure by the lessee under such lease agreement to comply with such terms and conditions shall be a material default and breach of the lease agreement. The lease agreement shall also state the party who will be responsible for the assessments as stated above, and it shall be the obligation of all Unit Owners to supply the Board with a copy of said written agreement prior to

the lessee occupying the premises. Unless provided to the contrary in a lease agreement, an Unit Owner, by leasing his Unit, automatically delegates his right of use and enjoyment of the Common Areas and facilities to his lessee; and in so doing, said Owner relinquishes said rights during the term of the lease agreement.

18.3. Association Approval. Upon receipt of a copy of the contract for purchase and sale or a copy of the lease, the Association shall within ten (10) business days, issue a Certificate indicating the Association's approval of the transaction. In the event of a sale it shall then be the responsibility of the purchaser to furnish the Association with a recorded copy of the deed of conveyance indicating the owner's mailing address for all future assessments and other correspondence from the Association. Provided, however, prior to the issuance by the Association of a Certificate indicating the Association's approval of the transaction, the purchaser or lessee shall be required to agree to comply with the Rules and Regulations of the Association.

18.4. Delinquent Unit Owners. Notwithstanding the provisions above, in the event that an Unit Owner is delinquent in paying any assessment, or the Owner or his buyer, family, guests, agents, licensees or invitees are not in compliance with any provisions of the Homeowners Documents, the Association has the right to disapprove of any sale; and in the case of a lease, the right to disapprove of and to void any lease at any time prior to or during the leasehold tenancy until any delinquent assessment is paid and/or until any violation of the Homeowners Documents is corrected.

PART SIX – ENFORCEMENT

ARTICLE XIX

ENFORCEMENT OF DECLARATION

19.1. Compliance. Every Owner, occupant and visitor to a Unit must comply with the Homeowners Documents and shall be subject to sanctions for violations as described in this part. The Developer, the Association, or any Unit Owner may, but shall not be required to, seek enforcement of the Homeowners Documents. Any Unit Owner who seeks enforcement of the Homeowners Documents shall by his actions be deemed to have indemnified the Developer, the Founder and the Association from all liabilities resulting from his actions. Should the party seeking enforcement be the prevailing party in any action, then the person against whom enforcement has been sought shall pay all costs and reasonable attorneys' fees at all trial and appellate levels to the prevailing party. Should the Association be required to seek enforcement of any provision of the Homeowners Documents and prevail in such action, then the offending Unit Owner (for himself or for his family, guests, invitees, or lessees) shall be liable to the Association for all costs incurred in the enforcement action, including reasonable attorneys' fees, whether incurred in trial or appellate proceedings or otherwise.


19.2. Remedies for Non-Compliance. The Association, the Developer and every affected Owner shall have the right to file suit at law or in equity to enforce the Homeowners Documents. In addition, the Board may impose sanctions for violation of the Homeowners Documents, including those listed below and any others described elsewhere in the Homeowners Documents. A delay in the pursuit of any remedy by the Developer or the Association shall not constitute a waiver of the right to enforce the Homeowners Documents nor grounds to bar such enforcement on the theory of estoppel.


In addition to any remedies described below, the Association may impose an administrative fee for bringing any violator into compliance.

In no event shall the Board, the Developer or any other entity authorized to enforce the governing documents be required to competitively bid any goods or services used in the course of remedying any violation.

A. Sanctions Requiring Prior Notice and Hearing. After written notice and an opportunity for a hearing in accordance with the By-Laws, the Board may:

(i) impose reasonable monetary fines, in an amount not to exceed \$100.00 per violation (or such greater amount which may be permitted by Florida law and adopted by Resolution of the Board), which shall constitute a lien upon the violator's Unit. A fine may be levied on the basis of each day of a continuing violation, with a single opportunity for notice and hearing, except that no such fine may exceed \$1000.00 in the aggregate, or such greater amount as may be permitted by Florida law and adopted by Resolution of the Board. In the event that any occupant, guest, or invitee of a Unit violates the Governing Documents and a fine is imposed, the fine may, but need not, first be assessed against the violator; however, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board;

(ii) suspend any Person's right to use any Common Area facilities (a) for any period during which any charge against such Owner's Unit remains delinquent, and (b) for a period not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation (except that no hearing is required if the Owner is more than 60  delinquent in paying any assessment or other charge owed the Association and the suspension is because of the failure to pay the assessment or charge); however, nothing herein shall authorize the Board to limit ingress or egress to or from a Unit;

(iii) suspend services the Association provides (except that no hearing is required if the Owner is more than 60  delinquent in paying any assessment or other charge owed to the Association and the suspension is because of the failure to pay the assessment or

charge), except that nothing herein shall authorize the Board to suspend essential utilities (i.e., electricity, natural gas, or water);

(iv) exercise self-help or take action to abate any violation of the Homeowners Documents in a non-emergency situation (including removing personal property that violates the Homeowners Documents);

(v) without liability to any Person, preclude any contractor, subcontractor, agent, employee, or other invitee of an Owner who causes damage to any of the Property owned by others or fails to comply with the terms and provisions of Part Three from continuing or performing any further activities in the Property;

(vi) levy Specific Assessments to cover costs the Association incurs in bringing a Unit into compliance with the Neighborhood Standard or other requirements under the Association Documents, or in repairing damage to any portion of the Common Area resulting from actions of any Owner or occupant of a Unit, their contractors, subcontractors, agents, employees, or invitees; and

(vii) record a notice of violation with respect to any Unit on which a violation exists.

B. Other Sanctions. The Board may take the following actions to obtain compliance with the Homeowners Documents without prior notice or a hearing:

(i) suspend the vote allocated to any Unit if the Owner is more than 90 days delinquent in paying any Base Assessment levied on the Unit;

(ii) exercise self-help or take action to abate a violation on a Unit in any situation which requires prompt action to avoid potential injury or damage or unreasonable inconvenience to other persons or their property (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations);

(iii) exercise self-help or take action to abate a violation on the Common Area under any circumstances;

(iv) require an Owner, at its own expense, to perform maintenance or to remove any structure or improvement on such Owner's Unit that is in violation of the Neighborhood Standard or other requirements under the Homeowners Documents and to restore the property to its previous condition;

(v) enter the property and exercise self-help to remove or cure a violating condition if an Owner fails to take action as required pursuant to subsection (iv) above within 10 days after receipt of written notice to do so, and any such entry shall not be deemed a trespass; or

(vi) bringing suit at law for monetary damages or in equity to stop or prevent any violation, or both.

C. Developer's Right to Impose Sanctions. In the event that the Association fails or refuses to take action or impose sanctions under this Article after notice from the Developer of a violation of the Homeowners Documents, the Developer shall have the right to levy monetary fines on behalf of the Association after notice and hearing in the same manner as the Association under Section 21.2.A. In addition, the Founder may exercise self-help or take action to abate a violation or bring suit and law or in equity in the same manner as the Association under Section 21.2.B.

19.3 Board Decision to Pursue Enforcement Action. The Association's decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. For example, the Board may determine that, in a particular case:

- A. the Association's position is not strong enough to justify taking any or further action;
- B. the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law;
- C. although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or
- D. that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

A decision not to enforce a particular provision shall not prevent the Association from enforcing the same provision at a later time or prevent the enforcement of any other covenant, restriction, or rule.

19.4. Attorneys Fees and Costs. In any action to enforce the Homeowners Documents, if the Association or Developer prevails, it shall be entitled to recover all costs, including, without limitation, attorneys fees and court costs, reasonably incurred in such action.

19.5. Enforcement of Ordinances. The Association, by contract or other agreement, may enforce applicable laws, regulations, ordinances, and governmental requirements. In addition, St. Lucie County, and any Community Development District or other governmental entity having

jurisdiction, may enforce laws, regulations, ordinances, and governmental requirements within Tradition.

PART SEVEN - CHANGES IN BEDFORD PARK AT TRADITION

**ARTICLE XX
AMENDMENTS**



20.1. Amendments Generally. Until the closing of the first conveyance of a Unit by Developer to an Owner, other than Developer ("Amendment Date"), any amendment may be made by the Developer with consent of any mortgagee who has advanced funds for construction or who is under contract to advance construction funds, if any, and of the Founder. With the exception of Subsequent Amendments and the correction of scrivener's errors as set forth below, which may be made at any time; after the Amendment Date, this Declaration may be amended only by consent of fifty-one percent (51%) of all Unit Owners.

20.2. Limitation on Amendments. Any amendment which would affect the surface water management system, including environmental conservation areas and the water management portions of the Common Areas, must have the prior approval of the South Florida Water Management District, who shall determine the necessity, if any, for modifications to the water management permit prior to recordation, and of the Founder. If a permit modification is necessary, the permit modification must be approved by the South Florida Water Management District prior to recordation of the amendment.

20.3. Scrivener's Errors. Prior to the Transfer Date, the Developer may amend this Declaration in order to correct a scrivener's error or other defect or omission without the consent of the Owners or the Board; provided that such amendment is reasonable and does not adversely affect in a material manner an Owner's property rights, the rights of Founder or the development of Tradition. Such an amendment shall be signed by the Developer alone and a copy of the amendment shall be furnished to each Owner, the Association, the Founder and all institutional mortgagees as soon after recording thereof amongst the public records of the County, as is practicable.

20.4. Effective Date of Amendments. An amendment to the Declaration shall become effective upon its recordation amongst the public records of the County.

**ARTICLE XXI
TERMINATION**

21.1. Consent to Termination. The consent of Members representing at least 67% of the

Class "A" votes and of the Developer, so long as it owns any land subject to this Declaration, and of the Founder, during the Founder Control Period, and the approval of the holders of first Mortgages on Units to which at least 67% of the votes of the Units subject to a Mortgage appertain, shall be required to terminate the Declaration.

21.2. Termination and Documents. If this Declaration is terminated in accordance herewith, it is hereby declared by the Developer, and each and every Owner of a Unit by acquiring title to his Unit covenants and agrees, that the termination documents shall require:

A. That all Units shall continue to be used solely as Single Family residences.

B. All Common Areas shall be owned and held in equal shares by the Unit Owners as tenants in common, and each Unit Owner shall remain obligated to pay his pro rata share of expenses to continually maintain the Common Areas.

21.3. Limitation on Termination. The Unit Owners and their grantees, successors, and assigns by acquiring title to a Unit covenant and agree that no termination of this Declaration shall be made for a period of twenty-five (25) years from the date of recordation of this Declaration. This Declaration and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the subject property and inure to the benefit of Developer, the Association, the Owners, Institutional Mortgagees and their respective legal representatives, heirs, successors, and assigns for said period. After this period, the Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such twenty-five (25) year term or any such ten (10) year extension there is recorded amongst the Public Records of the County, an instrument evidencing the consent to termination of at least 67% of the votes of the Units and the holders of first Mortgages as described in paragraph _____ above, upon which event this Declaration shall be terminated upon the expiration of twenty-five (25) years or the ten (10) year extension thereof during which the termination instrument is recorded.

PART EIGHT - MISCELLANEOUS

ARTICLE XXII MISCELLANEOUS

22.1. No Waiver. The failure of the Developer, the Association, or any Owner to object to an Owner's or another person's failure to comply with the covenants, conditions and restrictions contained herein shall in no event be deemed a waiver of any right to object to same and to seek compliance therewith in accordance with the provisions herein.

22.2. Headings. Article and paragraph captions inserted throughout this Declaration are intended only as a matter of convenience and for reference only and in no way shall such captions or headings define, limit or in any way affect any of the terms and provisions of this Declaration.

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

22.4. Severability. In the event any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

22.5. Partition. The Association may not convey, encumber, abandon, partition or subdivide any of the Common Areas without the approval of all Institutional Mortgagees.

22.6. Homeowners Documents. The Association is required to make available to Owners, to Institutional Mortgagees, and to holders, insurers or guarantors of any first Mortgage, current copies of the Declaration, Articles of Incorporation, By-Laws, Rules and Regulations and other such documents governing the Association, as well as the books, records, and financial statements of the Association. "Available" shall be defined as obtainable for inspection, upon written request after reasonable notice, during normal business hours or under such other reasonable circumstances. Any holder of a first mortgage shall be entitled, upon written request after reasonable notice, to a financial statement of the Association for the immediately preceding fiscal year.

The property within Bedford Park at Tradition is subject to the jurisdiction of one or more community development districts. A community development district ("**Community Development District**") is a special taxing district established pursuant to Florida Statutes Chapter 190, that may issue bonds to provide financing for roads, sewer and stormwater management facilities, and other infrastructure and improvements made by the district for the benefit of the property within the district. A COMMUNITY DEVELOPMENT DISTRICT MAY IMPOSE AND LEVY TAXES OR ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THE PROPERTY WITHIN ITS JURISDICTION. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS, ASSESSMENTS LEVIED BY THE ASSOCIATION AND ANY NEIGHBORHOOD ASSOCIATION, AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW. IF NOT PAID, SUCH TAXES WILL CONSTITUTE A LIEN ON THE PROPERTY AGAINST WHICH THEY ARE ASSESSED AND SUCH LIEN MAY BE FORECLOSED IN THE MANNER PROVIDED BY

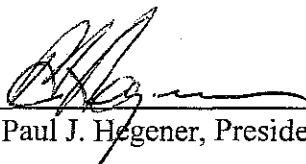
FLORIDA LAW.

[END OF PAGE]

IN WITNESS WHEREOF, the Declaration of Covenants, Conditions and Restrictions for Bedford Park at Tradition has been signed by the Developer and the Association on the day and year first above set forth. The Developer and the Association have caused these presents to be executed in their names and their corporate seals to be hereunto affixed by their duly authorized officers.


TRADITION DEVELOPMENT COMPANY, LLC, a Florida limited liability company

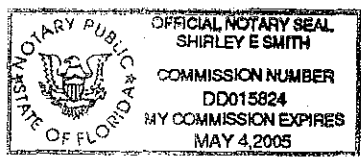
(Corporate Seal)

By: 
Paul J. Hegener, President

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 12th day of June, 2003 by PAUL J. HEGENER, President of Tradition Development Company, LLC, a Florida limited liability company, on behalf of the corporation. He is personally known to me.

 (SEAL)
Notary Public
Printed Name: Shirley E. Smith
My Commission Expires: May 4, 2005
My Commission Number: DD015824



BEDFORD PARK AT TRADITION
HOMEOWNERS ASSOCIATION, INC.

(Corporate Seal)

By: *James H. Anderson*
James H. Anderson, President

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 12th day of June, 2003 by James H. Anderson, President of BEDFORD PARK AT TRADITION HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit, on behalf of the corporation. S/He is personally known to me.

Shirley E. Smith (SEAL)
Notary Public
Printed Name: Shirley E. Smith
My Commission Expires: May 4, 2005
My Commission Number: DD015824

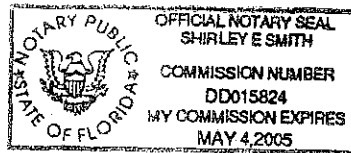


EXHIBIT "A"

All of Tradition Plat No. 2, according to the Plat thereof, as recorded in Plat Book 42 at pages 3, 3-A through 3-D, of the public records of St. Lucie County, Florida.

EXHIBIT "B"

[ARTICLES OF INCORPORATION FOR BEDFORD PARK AT TRADITION, INC.]

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ARTICLES OF INCORPORATION
OF
BEDFORD PARK AT TRADITION HOMEOWNERS ASSOCIATION, INC.
(A Florida Corporation Not-For-Profit)

In order to form a corporation not-for-profit, under and in accordance with Chapter 617 of the Florida Statutes, we, the undersigned, hereby associate ourselves into a corporation not-for-profit, for the purpose, and with the powers, hereinafter set forth and to that end, we do, by these Articles of Incorporation, certify as follows:

ARTICLE I

NAME

1.1. Name. The name of this corporation shall be BEDFORD PARK AT TRADITION HOMEOWNERS ASSOCIATION, INC. ("Association"). The initial address of the Association shall be 1850 Fountainview Boulevard, Suite 201, Port St. Lucie, Florida 34986.

1.2. Definitions. The words used in these Articles shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions for the Association, (said Declaration, as amended, renewed, or extended from time to time, is hereinafter referred to as the "Declaration").

ARTICLE II

PURPOSE

The purpose for which the Association is organized is to engage as a non-profit organization in protecting the value of the property of the Members of the Association, to exercise all the powers and privileges, and to perform all of the duties and obligations of the Association as set forth in the Declaration which is to be recorded in the public records of St. Lucie County, Florida, including, without limitation, the establishment and enforcement of the payment of assessments and other charges contained therein, and to engage in such other lawful activities as may be to the mutual benefit of the Members and their property.

ARTICLE III

POWERS

The Association shall have all of the powers set forth in Section 617.0302, *Florida Statutes* (1997), including, without limitation, the following powers:

3.1. Common Law and Statutory Powers. The Association shall have all of the common

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law and statutory powers of a corporation not-for-profit, which are not in conflict with the terms of these Articles, the Declaration, or the By-Laws of the Association.

3.2. Necessary Powers. The Association shall have all of the powers and duties set forth in the Declaration, except as limited by these Articles, and all powers and duties reasonably necessary to operate and administer the Properties pursuant to the Declaration, including but not limited to the following:

- A. To make and collect assessments against Members to defray the costs and expenses of the Association property.
- B. To use the proceeds of assessments in the exercise of its powers and duties.
- C. To purchase, own, hold, lease, maintain, repair, replace, improve, operate and convey the property of the Association in accordance with the Declaration, and to maintain and operate the water management system as permitted by the South Florida Water Management District, including all lakes, retention areas, culverts and related appurtenances, if any.
- D. To purchase insurance upon the property of the Association and insurance for the protection of the Association and its Members, in the amounts required by the Declaration.
- E. To dedicate or to transfer all or any part of the Association's property to any public agency, authority, community development district or utility for such purposes and subject to such conditions as may be approved pursuant to the Declaration.
- F. To reconstruct the improvements to the Association's property after casualty, and to further improve the Association's properties, as provided in the Declaration.
- G. To make and amend reasonable Rules and Regulations regarding the use of the property of the Association in accordance with the requirements set forth in the By-Laws.
- H. To contract for the management of the Association property and to delegate to such contractors all powers and duties of the Association except such as are specifically required by the Declaration to have the approval of the Board or the Membership.
- I. To employ personnel for reasonable compensation to perform the services required for proper operation and administration of the Association property.
- J. To enforce by legal means the provisions of the Declaration, these Articles, the By-Laws, and the Rules and Regulations for the use of the Association's property as same may be promulgated, modified, or amended from time to time by the Association.
- K. To pay taxes and assessments, which are liens against any part of the

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Association's property.

L. To pay the cost of all power, water, sewer, waste collection, and other utility services rendered to the property of the Association, and not billed to Unit Owners.

M. To enter any lot at a reasonable time and upon reasonable notice to make emergency repairs, to avoid waste, or to do such other work reasonably necessary for the proper protection, preservation, or maintenance of Association Property.

N. To grant such permits, licenses, and easements over the Common Areas for utilities, roads, and other purposes reasonably necessary or useful to the Association.

O. To designate portions of the Common Areas for commercial uses to the extent permitted by the Declaration.

P. To do such other things as may be necessary in order to perform the duties and to exercise the powers provided for the Association in the Declaration.

3.3. Funds and Title to Properties. All funds and the titles of all properties acquired by the Association and their proceeds shall be held in trust for the Members in accordance with the provisions of the Declaration, these Articles, and the By-Laws.

ARTICLE IV

MEMBERS

4.1. Members. The Members of the Association shall consist of all of the record owners of Units in Bedford Park at Tradition.

4.2. Change of Membership. Change of Membership in the Association shall be established by recording in the public records of the County, a deed or other instrument establishing record title to a Unit at Bedford Park at Tradition, and the delivery to the Association of a copy of such instrument. The owner designated by such instrument thus becomes a Member of the Association, and the Membership of the prior owner is terminated as of the date of recording of such instrument.

4.3. Transfer of Membership. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except upon the transfer of title of his Unit.

4.4. Voting. The owner of each Unit shall be entitled to one vote as a Member of the Association. The exact number of votes to be cast by Members and the manner of exercising voting rights, shall be determined by the By-Laws; subject, however, to the terms and conditions of the Declaration,

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ARTICLE V

TERM

The term for which this corporation is to exist shall be perpetual.

ARTICLE VI

INCORPORATOR

The names and address of the Incorporator of this Association is Tradition Development Company, LLC, and such incorporator's address is 1850 Fountainview Boulevard, Suite 201, Port St. Lucie, Florida 34986.

ARTICLE VII

OFFICERS

7.1. Officers. The affairs of the Association shall be managed by a President, one (1) or several Vice Presidents, a Secretary and a Treasurer, which officers shall be subject to the directions of the Board.

7.2. Election of Officers. The Board shall elect the President, the Vice President, the Secretary and the Treasurer, and as many Vice Presidents as the Board shall from time to time determine appropriate. Such officers shall be elected annually by the Board at the first meeting of the Board following the "Annual Members' Meeting" (as described in the By-Laws); provided, however, such officers may be removed by such Board and other persons may be elected by the Board as such officers in the manner provided in the By-Laws. The President shall be a Director of the Association, but no other officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, however, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary.

Officers shall be elected by the Board at the first meeting of the Board following each annual meeting of the Members, provided, however, until the Transfer Date the Developer shall have the right to approve all of the officers elected. The following persons shall serve as the initial officers.

President
Vice President
Secretary
Treasurer

James Anderson
James Zboril
John Gallagher
John Gallagher

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ARTICLE VIII

BOARD OF DIRECTORS

8.1. Directors, Except as stated herein, the affairs of the Association will be managed by a Board consisting of not less than five (5) nor more than nine (9) directors. The composition of the Board, the manner of election to the Board, the term of office and other provisions regarding the Board shall be established by the Declaration and the By-Laws of the Association. The number of Directors on the Board until the Transfer Date shall be three (3). After the Developer elects to divest itself of control of the Association, Directors must be Members of the Association.

8.2. Term of Directors. After the Transfer Date, members of the Board shall serve for a term of two (2) years; provided, however, that not less than three (3) members of the Board elected on the Transfer Date shall serve for initial terms of one (1) year and the balance of the Board elected on the Transfer Date shall serve for initial terms of two (2) years. After the Transfer Date, at each annual meeting, Directors shall be elected to take the Board positions of the members of the Board who terms have expired. The incumbent shall remain in position on the Board until a replacement is elected.

8.3. Election of Directors. After the Transfer Date, Directors of the Association shall be elected at the Annual Members' Meeting in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board shall be filled in the manner provided by the By-Laws.

8.4. Transfer Date. The Members shall be entitled to elect a majority of the Board not later than three months after 90 percent of the Units in Bedford Park at Tradition, that will ultimately be governed by the Association, have been conveyed to Members. Notwithstanding the foregoing, the Developer, in its sole discretion, may elect to terminate its control of the Association at an earlier date. The Directors appointed by the Developer as the first Board, including any replacement members, shall serve until the first election of Directors by the Members, and any vacancies in their number occurring before such first election shall be filled in accordance with the By-Laws.

8.5. First Board. The names and addresses of the persons who are to serve as the first Board are as follows:

NAME	ADDRESS
James Anderson	1850 Fountainview Blvd., Suite 201 Port St. Lucie, FL 34986
James Zboril	1850 Fountainview Blvd., Ste. 201 Port St. Lucie, FL 34986
John Gallagher	1850 Fountainview Blvd., Ste. 201 Port St. Lucie, FL 34986

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ARTICLE IX

INDEMNIFICATION

Every Director, committee member, and officer of the Association (and the Directors, committee members, and officers as a group) shall be indemnified by the Association against all expenses and liabilities, including counsel fees (at all trial and appellate levels and whether or not suit be instituted) reasonably incurred by or imposed upon him or them in connection with any proceeding, litigation or settlement in which he may become involved by reason of his being or having been a Director, committee member, or officer of the Association. The foregoing provisions for indemnification shall apply whether or not he is a Director, committee member, or officer at the time such expenses and/or liabilities are incurred. Notwithstanding the above, in the event of a settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement and authorizes reimbursement for the costs and expenses of the settlement as in the best interest of the Association. In instances where a Director, committee member, or officer admits or is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which a Director, committee member, or officer may be entitled whether by statute or common law.

ARTICLE X

BY-LAWS

The By-Laws of the Association may be adopted, amended, altered, or rescinded as provided therein; provided, however, that at no time shall the By-Laws conflict with these Articles or the Declaration, and provided further, that no amendment, alteration, or rescission may be made which adversely affects the rights and privileges of any Institutional Mortgagee, without the prior written consent of the Institutional Mortgagee so affected, and provided further that until the Transfer Date no amendments, alterations or rescissions of the By-Laws shall be effective unless the Developer shall have joined in and consented thereto in writing. Any attempt to amend, alter, or rescind contrary to these prohibitions shall be of no force or effect.

ARTICLE XI

AMENDMENTS

11.1. Amendments Prior to Recording. Prior to the recording of the Declaration amongst the public records of the County, these Articles may be amended only by an instrument in writing signed by the Incorporator to these Articles and filed in the Office of the Secretary of State of the State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended, give the exact language of such amendments, and a certified copy of each such amendment shall always be attached to any certified copy of these Articles.

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11.2. Amendments After Recording. After the recording of the Declaration amongst the public records of the County, these Articles may be amended in the following manner:

A. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting (whether of the Board or of the Membership) at which such proposed amendment is to be considered, except that no notice is required if written consent to the amendment is obtained as provided in paragraph B below; and

B. A resolution approving the proposed amendment may be first passed by either the Board or the Membership. After such approval of a proposed amendment by one of said bodies, such proposed amendment must be submitted to and approved by the other of said bodies. Approval by the Membership must be by a vote of a majority of the Members present at a meeting of the Members at which a quorum is present or by written consent of a majority of the Members, and approval by the Board must be by a majority of the Directors present at any meeting of the Directors at which a quorum is present or by written consent of a majority of the Directors.

11.3. Amendment by Reference to Title. No Article shall be revised or amended by reference to its title or number only. Proposals to amend existing Articles shall contain the full text of the Articles to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but instead a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial re-wording of Article. See Article ____ for present text." Non-material errors or omissions in the Article amendment process shall not invalidate an otherwise properly promulgated amendment.

11.4. Institutional Mortgagees. Notwithstanding the foregoing provisions of this Article, there shall be no amendment to these Articles which shall abridge, amend or alter the priority of any Institutional Mortgagee, or the validity of any mortgage held by such Institutional Mortgagee without the prior written consent therefor by such Mortgagee.

11.5. Developer. Notwithstanding the foregoing provisions of this Article, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of Developer, including the right to designate, to select, or to approve the selection of the Directors as provided in the Declaration and By-Laws, without the prior written consent of the Developer, or the rights of the Founder, without the consent of the Founder.

ARTICLE XII

INTERESTED DIRECTORS

No contract or transaction between the Association and one or more of its directors or officers, or between the Association and any other corporation, partnership, or Association, or

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other organization in which one or more of its directors or officers are directors or officers have a financial interest, shall be invalid, void, or voidable solely for such reason, or solely because the director or officer is present or participates in the meeting of the Board at which such contract or transaction was authorized, or solely because his, her, or their votes are counted for such purpose. No director or officer of the Association shall incur liability by reason of the fact that he or she is or may be interested in any such contract or transaction. Interested directors may be counted on determining the presence of a quorum at a meeting of the Board of Directors at which a contract or transaction with an interest director is to be considered.

ARTICLE XIII

REGISTERED AGENT AND OFFICE

The initial registered office of the Association is 1850 Fountainview Boulevard, Suite 201, Port St. Lucie, Florida 34986, and the initial registered agent at such address is Tradition Development Company, LLC.

IN WITNESS WHEREOF, the Incorporator has hereunto executed these Articles of Incorporation this 12th day of JUNE, 2003.

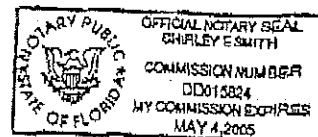
TRADITION DEVELOPMENT
COMPANY, a Florida limited liability
company

By: [Signature]
Paul J. Hegener, President

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 12th day of June 2003, by PAUL J. HEGENER, President of Tradition Development Company, LLC, a Florida limited liability company, on behalf of the company. He is personally known to me.

[Signature]
Notary Public
Name: Shirley E. Smith
Commission #:
Expiration date:



PSL:9893:1

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CERTIFICATE DESIGNATING A REGISTERED OFFICE AND
A REGISTERED AGENT FOR THE SERVICE OF PROCESS
WITHIN THE STATE OF FLORIDA

Pursuant to Chapter 48.091, Florida Statutes, the following is submitted in compliance with said Act:

BEDFORD PARK AT TRADITION HOMEOWNERS ASSOCIATION, INC., desiring to organize under the laws of the State of Florida, with its principal office, as indicated in the Articles of Incorporation, at the City of Port St. Lucie, County of St. Lucie, State of Florida, has named Tradition Development Company, LLC, located at 1850 Fountainview Boulevard, Suite 201, Port St. Lucie, Florida 34986, as its agent to accept service of process within the State of Florida.

ACKNOWLEDGMENT:

Having been named to accept service of process for the above stated corporation, at the place designated in this certificate, Tradition Development Company, LLC, hereby agrees to act in this capacity, and agrees to comply with the provision of the Act relative to keeping open said office.

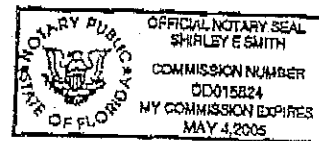
TRADITION DEVELOPMENT COMPANY

By: *Paul J. Hegener*
Paul J. Hegener, President

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 12th day of June 2003, by PAUL J. HEGENER, President of Tradition Development Company, a Florida limited liability company, on behalf of the company. He is personally known to me.

Shirley E. Smith
Notary Public
Name: *Shirley E. Smith*
Commission #:
Expiration date:



PSL:9893:1

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State of Florida



Department of State

I certify from the records of this office that BEDFORD PARK AT TRADITION HOMEOWNERS ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on June 16, 2003.

The document number of this corporation is N03000005139.

I further certify that said corporation has paid all fees due this office through December 31, 2003, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 803A00037173-061603-N03000005139-1/1, noted below.

Authentication Code: 803A00037173-061603-N03000005139-1/1

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the Sixteenth day of June, 2003



Glenda E. Hood
Glenda E. Hood
Secretary of State

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State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of BEDFORD PARK AT TRADITION HOMEOWNERS ASSOCIATION, INC., a Florida corporation, filed on June 15, 2003, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H03000213832. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N03000005139.

Authentication Code: 803A00037173-061603-N03000005139-1/1

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the Sixteenth day of June, 2003



Glenda E. Hood
Glenda E. Hood
Secretary of State

EXHIBIT "C"
[BY-LAWS OF THE ASSOCIATION]

BY-LAWS
OF
BEDFORD PARK AT TRADITION HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME, PRINCIPAL OFFICE, AND DEFINITIONS

1.1. Name. The name of the Association shall be Bedford Park at Tradition Homeowners Association, Inc. ("Association").

1.2. Principal Office. The initial office of the Association shall be located in port St. Lucie, Florida. The Association may have such other offices, either within or without the State of Florida, as the Board of Directors may determine or as the affairs of the Association may require.

1.3. Definitions. The words used in these By-Laws shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions for Bedford Park at Tradition ("Declaration"), or in the Articles of Incorporation of Bedford Park at Tradition Homeowners Association, Inc. ("Articles").

ARTICLE II

ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, AND PROXIES

2.1. Membership. The Association shall have two (2) classes of membership, Class "A" and Class "B", as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

2.2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board.

2.3. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Annual meetings shall be of the Members or their alternates. Subsequent regular annual meetings shall be set by the Board, on a date and at a time set by the Board.

2.4. Special Meetings. Special meetings of the Membership shall be held at any place within the County, whenever called by the President or Vice President or by a majority of the Board. In addition, it shall be the duty of the President to call a special meeting if so directed by the resolution of a majority of a quorum of the Board, or upon a petition signed by Members representing at least ten (10%) percent of the total Class "A" votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

2.5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members, shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. If mailed, the notice of the meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association. The notice shall be signed by an officer of the Association, In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice.

2.6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or alternate shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

2.7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted, If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the adjourned meeting shall be given in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that any action taken is approved by at least a majority of the Members required to constitute a quorum.

2.8. Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein by reference.

2.9. Proxies. Members may vote by proxy. To be valid, a proxy must be dated, must state the date, time and place of the meeting for which it was given, and must be signed by the authorized person giving the proxy. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may be adjourned and reconvened from time to time and automatically expires 90 days after the date of the meeting for which it was originally given

2.10. Majority. As used in these By-Laws, the term "Majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty (50%) percent of the total number.

2.11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person, or by alternate, of the Members representing one-third (1/3) of the total vote of the Association shall constitute a quorum at all meetings of the Association.

2.12. Conduct of Meetings. The President, or his designated alternate, shall preside over all meetings of the Association, and the Secretary, or his designated alternate, shall keep the minutes of the meeting, record in a minute book all resolutions adopted at the meeting, and keep a record of all transactions occurring at the meeting. Minutes of all meetings shall be kept in a businesslike manner and shall be available for inspection by the Members and the Board at all reasonable times.

2.13. Action Without A Meeting. Any action required or permitted by law to be taken at a meeting of the Members may be taken by written agreement in lieu of a meeting, provided written notice of the matter or matters to be agreed upon is given to the Members at the addresses and within the time periods set forth herein or duly waived in accordance herewith. The decision of the majority of the Members (as evidenced by written response to be solicited in the notice) shall be binding on the Membership, provided a quorum of the Membership as represented by the Members submits a response. The notice shall set forth a time period during which time a response must be made by a Member.

2.14. Voting Certificate and Ledger. All voting certificates shall be filed with the Secretary. The Secretary shall keep all voting certificates and shall prepare and maintain a ledger listing, by Unit, each Member who is designated to vote on behalf of such Unit.

ARTICLE III

BOARD OF DIRECTORS: NUMBER, POWERS, AND MEETINGS

3.1. Composition and Selection.

A. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) equal vote. After the Transfer Date, the Directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of an Owner which is a corporation or partnership, the person designated in writing to the Secretary of the Association as the representative of such corporation or partnership shall be eligible to serve as a Director, unless otherwise specified by written notice to the Association signed by such Member; provided, no Member may have more than one such representative on the Board at a time, except in the case of Directors appointed by the Class "B" Member.

B. Directors During Class "B" Control. The Directors during the Class "B" Control Period shall be selected by the Class "B" Member acting in its sole discretion, and shall serve at the pleasure of the Class "B" Member until the Transfer Date. On the Transfer Date, the Class "B" Member shall cause the Board to call a meeting, as provided in Article II, paragraph 4, of these By-Laws, for special meetings, to advise the Membership of termination of the Class

“B” Control Period.

C. Veto. This paragraph may not be amended without the express, written consent of the Class “B” Member as long as the Class “B” Membership exists. So long as the Class “B” Membership controls the Board, the Class “B” Member shall have a veto power over all actions of any Committee of the Association, as is more fully provided in this paragraph. This veto power shall be exercisable only by the Class “B” Member, its successors, and assigns who specifically take this power in a recorded instrument. No action authorized by any Committee shall become effective, nor shall any action, policy, or program be implemented until and unless:

i. The Class “B” Member shall have been given written notice of all meetings and proposed actions approved at meetings of any Committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time. The notice shall comply with the requirements for notices set forth herein, and shall set forth in reasonable particularity the agenda to be followed at said meeting; and

ii. The Class “B” Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program, to be implemented by any Committee or the Association. The Class “B” Member, its representatives or agents shall make its concerns, thoughts, and suggestions known to the members of the subject committee. The Class “B” Member shall have and is hereby granted a veto power over any such action, policy, or program authorized by any Committee thereof and to be taken by such Committee, the Association, or any individual member of the Association, if Committee or Association approval is necessary for such action. This veto may be exercised by the Class “B” Member, its representatives, or agents at any time within ten (10) business days following the meeting held pursuant to the terms and provisions hereof. Any veto shall not extend to the requiring of any action or counteraction on behalf of any Committee or the Association.

3.2. Number of Directors. The number of Directors in the Association shall be not less than five (5) nor more than nine (9), as provided in paragraph 6 below. The initial Board shall consist of three (3) members as identified in the Articles. The Board elected on the Transfer Date shall have not less than five (5) Directors, thereafter, the Board shall determine the number of Directorships for the succeeding year at the Board meeting prior to the Annual Members’ Meeting, provided however, that the total number of Directors shall always be an odd number.

3.3. Nomination of Directors. Except with respect to Directors selected by the Class “B” Member, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board not less than thirty (30) days prior to each annual meeting of the Members. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine. Nominations shall be permitted from the floor. All nominees and candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

3.4. Election and Term of Office. Notwithstanding any other provision contained herein:

A. On the Transfer Date and at each annual meeting of the Members after the Transfer Date, all Directors shall be elected by the Members, excepting however, the Developer shall be entitled to appoint one member of the Board so long as the Developer holds for sale in the ordinary course of business at least 5% of the Units constructed or anticipated to be constructed in Bedford Park at Tradition.

B. On the Transfer Date: (i) so long as the Developer holds for sale in the ordinary course of business at least 5% of the Units constructed or anticipated to be constructed in Bedford Park at Tradition, one Director shall be appointed by the Developer; (ii) two Directors shall be elected for a one year term; and (iii) two Directors shall be elected for a two year term. If on the Transfer Date, the Developer does not hold for sale in the ordinary course of business at least 5% of the Units constructed or anticipated to be constructed in Bedford Park at Tradition, or if the Developer waives its right to appoint a Director, then the Members shall elect: (i) two Directors for a one year term; and (iii) three Directors for a two year term. With the exception of the Director appointed by the Developer, all Directors shall be elected by the Class "A" Members. Upon the expiration of the term of office for each Director elected for one year, all Directors shall be elected for two year terms.

C. When the Developer is no longer entitled to appoint a Director, then the Director appointed by the Developer shall resign and the remaining Directors shall be entitled to appoint a Director to serve the unexpired portion of the term. At the next Annual Members Meeting, the Members shall be entitled to elect a successor to serve a two year term.

D. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The Directors shall hold office until their respective successors have been elected. Directors may be elected to serve any number of consecutive terms. The provisions of the Articles setting forth the terms of the Directors' service is incorporated herein by reference.

3.5. Removal of Directors and Vacancies.

A. Any Director elected by the Members may be removed, with or without cause, by the affirmative vote of a majority the Members taken at a special meeting of the Members, or upon the agreement in writing of a majority of the Members. A special meeting of Members to so remove a Director elected by them shall be held, subject to the notice provisions hereof, upon the written request often percent (10%) of the Members. However, before any Director is removed from office, he shall be notified in writing at least two (2) days prior to the meeting at which the motion to remove him will be made, and such Director shall be given an opportunity to be heard at such meeting, should he be present, prior to the vote on his removal.

B. The Members shall elect, at a special meeting or at the annual meeting, persons to fill vacancies on the Board caused by the removal of a Director.

C. A Director appointed by the Developer may be removed only by the Developer in its sole discretion and without any need for a meeting or vote. The Developer shall have the unqualified right to name a successor for any Director appointed by the Developer, and thereafter removed by it, or for any vacancy on the Board as to a Director appointed by it, and the Developer shall notify the Board as to any such removal or vacancy and the name of the successor Director and of the commencement date for the term of such successor Director.

D. Any Director elected by the Members who has three consecutive unexcused absences from Board meetings, or who is delinquent in the payment of any assessment or other charge due the Association for more than sixty (60) days may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a Director, a vacancy may be declared by the Board and it may appoint a successor.

3.6. Organization Meetings. The first meeting of the Board following each annual meeting shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board. No further notice of the organizational meeting shall be necessary, providing that a quorum shall be present at such organizational meeting.

3.7. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of the time and place of the meeting shall be communicated to Directors not less than two (2) days prior to the meeting; provided, however, notice of a meeting need not be given to any Director who has signed a waiver or a written consent to holding of the meeting. Notice of any meeting where assessments against Members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

3.8. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President or Vice President of the Association or by any three (3) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by e-mail or (d) by telephone or telecopier (facsimile) communication, either directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the Director. All such notices shall be given at the Director's telephone number or sent to the Director's address or e-mail address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least two days (2) before the time set for the meeting. Notices given by personal delivery, e-mail or telephone shall be delivered, e-mailed or telephoned at least twenty-four (24) hours before the time set for the meeting.

3.9. Waiver of Notice. The transactions of any meetings of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or

an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10. Quorum of Board of Directors. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the Directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. The notice provisions for the reconvened meeting shall be as determined by the Board.

3.11. Compensation. No Director shall receive any compensation from the Association for acting as a Director unless approved by the Members at a regular or special meeting of the Association; provided, however, any Director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Directors. Nothing herein shall prohibit the Association from compensating a Director, or any entity with which a Director is affiliated, for service or supplies furnished to the Association in a capacity other than as a Director, pursuant to a contract or agreement with the Association, provided that such Director's interest was made known to the Board prior to entering into such contract, and such contract was approved by a majority of the Board, excluding the interested Director.

3.12. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board, and all transactions and proceedings occurring at such meetings. Minutes of all Board meetings shall be kept in a businesslike manner and shall be available for inspection by the Members and the Board at all reasonable times.

3.13. Open Meetings. Except for actions taken without a formal meeting, all meetings of the Board shall be open to all Members, but Members other than Directors may not participate in any discussions or deliberations unless permission to speak is requested on his or her behalf by a Director, and such permission is granted by the President. In such case, the President may limit the time any Member may speak. In the event a Member not serving as a Director or not otherwise invited by the Directors to participate in the meeting attempts to become more than a mere observer at the meetings or conducts himself in a manner detrimental to the carrying on of the meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish such expulsion. Also, any Director shall have the right to exclude from any meeting of the Board any person who is not able to provide sufficient proof that he is a Member, unless said person has been specifically invited by any of the Directors to participate in such meeting.

3.14. Action Without a Formal Meeting. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors, and such consent shall have the same force and effect as a unanimous vote.

3.15. Powers and Duties. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the Members or the Membership generally. The Board shall delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to and shall be responsible for the following, in way of explanation, but not limitation:

A. Preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the Common Expenses;

B. Making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment; provided, unless otherwise determined by the Board, the annual assessment for each Unit's proportionate share of the Common Expenses shall be payable in equal quarterly installments, each such installment to be due and payable in advance on the first day of each quarter for said quarter;

C. Providing for the operation, care, upkeep, and maintenance of all of the Common Areas;

D. Designating, hiring, and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association, its property, and the Common Areas and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

E. Collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association; provided, any reserve fund may be deposited, in the Directors' best business judgment, in depositories other than banks;

F. Making and amending rules and regulations;

G. Opening of bank accounts on behalf of the Association and designating the signatories required;

H. Making or contracting for the making of repairs, additions, and

improvements to or alterations of the Common Areas in accordance with the other provisions of the Declaration and these By-Laws;

I. Enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

J. Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

K. Paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

L. Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

M. Making available to any prospective purchaser of a Unit, any Owner of a Unit, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Unit, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules governing the Unit and all other books, records, and financial statements of the Association;

N. Permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties; and

O. Indemnifying a Director, Officer, Member, or Committee Member or a former Director, Officer, Member or Committee Member of the Association in accordance with Florida law, the Articles, and the Declaration.

3.16. Management Agent.

A. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board by these By-Laws, other than the powers set forth above. The Developer, or an affiliate of the Developer, may be employed as managing agent or manager.

B. No management contract may have a term in excess of one (1) year and must permit termination by either party without cause and without termination fee on not more than ninety (90) days written notice.

3.17. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

A. Accrual accounting, as defined by generally accepted accounting

principles, shall be employed;

B. Accounting and controls should conform to the federal income tax basis of accounting;

C. Cash accounts of the Association shall not be commingled with any other accounts;

D. No remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;

E. Any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board;

F. Commencing at the end of the month in which the first Unit is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:

i. An income statement reflecting all income and expense activity for the preceding period on an accrual basis;

ii. A statement reflecting all cash receipts and disbursements for the preceding period;

iii. A variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

iv. A balance sheet as of the last day of the preceding period; and

v. A delinquency report listing all Owners who are delinquent in paying the quarterly installments of assessments at the time of the report and describing the status of any action to collect such installments which remain delinquent (A quarterly installment of the assessment shall be considered to be delinquent on the fifteenth (15th) day of the first month of each quarter unless otherwise determined by the Board of Directors); and

G. An annual report consisting of at least the following shall be distributed to all Members within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. The annual report referred to above shall be prepared on a reviewed basis by a certified public accountant; provided, during the Class "B" Control Period, the annual report shall include reviewed financial statements.

3.18. Borrowing. The Board shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Common Areas without the approval of the Members. The Board shall also have the power to borrow money for other purposes; provided, the Board

shall obtain Member approval in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five (5%) percent of the budgeted gross expenses of the Association for that fiscal year.

3.19. Rights of the Association. In accordance with the Articles and By-Laws, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with community development districts, and other owners or residents associations, both within or without the Properties. Such agreements shall require the consent of a majority of all the Directors.

3.20. Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend for a reasonable period of time an Owner's right to use common areas and facilities for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Unit or to suspend an Owner's right to vote. In the event that any occupant of a Unit violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

A. Notice. Prior to imposition of any sanction hereunder or under the Declaration, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than ten (10) days within which the alleged violator may present a written request to the Covenants Committee, if any, or Board of Directors for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed;

The Board or the Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

B. Hearing. If a hearing is requested within the allotted ten (10) day period, the hearing shall be held by the body seeking to impose the sanction affording the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes

of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

C. Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the manager, President or Secretary of the Association within ten (10) days after the hearing before the Covenants Committee.

D. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association, acting through the Board may elect to enforce any provision of the Declaration, these By-Laws, or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

ARTICLE IV

OFFICERS

4.1. Officers. The officers of the Association shall be the President, who shall be a Director, one or more Vice Presidents, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board. Any officer may be removed without cause from office by vote of the Directors at any meeting of the Board. As provided in the Articles, until the Transfer Date the Developer shall have the right to approve all of the officers elected. The Board shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association. Compensation of officers shall be subject to the same limitations as compensation of Directors hereunder.

A. The President, who shall be a Director, shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of a corporation not-for-profit including, but not limited to, the power to appoint committees from among the Members at such times as he may, in his discretion, determine appropriate to assist in conducting the affairs of the Association. He shall preside at all meetings of the Board and the Membership.

B. In the absence or disability of the President, a Vice President shall exercise the powers and perform the duties of the President. The Vice President(s) shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board. In the event there shall be more than one Vice President elected by the Board, then they shall be designated "First", "Second", etc. and shall exercise the powers and perform the duties of the Presidency in such order.

C. The Secretary shall cause to be kept the minutes of all meetings of the

Board and the Membership, which minutes shall be kept in a businesslike manner and shall be available for inspection by Members and Directors at all reasonable times. He shall have custody of the seal of the Association and shall affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board or the President.

D. Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the Members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all of the duties incident to the office of the Treasurer.

4.2. Election, Term of Office, and Vacancies. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.3. Removal. Any officer may be removed by the Board whenever in its judgment the best interests of the Association will be served thereby.

4.4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4.5. Resignation. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least one (1) officer or by such other person or persons as may be designated by resolution of the Board.

ARTICLE V

COMMITTEES

5.1. General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board.

5.2. Covenants Committee. In addition to any other committees which may be established, the Board may appoint a Covenants Committee consisting of at least five (5) and no more than seven (7) Members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association, and shall conduct all hearings pursuant to Paragraph 3.20 of these By-Laws.

ARTICLE VI

MISCELLANEOUS

6.1. Fiscal Year. The fiscal year of the Association shall be determined by the Board.

6.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Florida law, the Articles, the Declaration, or these By-Laws.

6.3. Conflicts. If there are conflicts between the provisions of Florida law, the Articles the Declaration, and these By-Laws, the provisions of Florida law, the Declaration, the Articles, and the By-Laws (in that order) shall prevail.

6.4. Books and Records.

A. Inspection by Members and Mortgagees. The Declaration and By-Laws, membership register, books of account, and minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any Mortgagee, Member or by his or her duly appointed representative at any reasonable time and for a purpose reasonably related to his or her interest as a Member at the office of the Association or at such other place within the Properties as the Board shall prescribe.

B. Rules of Inspection. The Board shall establish reasonable rules regarding:

- i. Notice to be given to the custodian of the records;
- ii. Hours and days of the week when such an inspection may be made;
- iii. Payment of the cost of reproducing copies of documents requested.

C. Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

6.5. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be

deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

A. If to a Member or Member, at the address which the Member or Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member or Member; or

B. If to the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this paragraph.

6.6. Amendments.

A. Prior to the conveyance of the first Unit, Developer may unilaterally amend these By-Laws. After such conveyance, the Developer may unilaterally amend these By-Laws so long as it still owns property submitted to the Declaration for development as part of the Properties and so long as the amendment has no material adverse effect upon any right of any Member.

B. Thereafter and otherwise, these By-Laws may be amended only by the affirmative vote (in person or by alternate) or written consent, or any combination thereof, of Members representing a majority of the total votes of the Association, including a majority of the votes held by Members other than the Developer. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

C. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but instead a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial re-wording of By-Law. See By-Law ____ for present text." Nonmaterial errors or omissions in the By-Law amendment process shall not invalidate an otherwise properly promulgated amendment.

D. No modification or amendment to these By-Laws shall be adopted which would affect or impair the priority of any Mortgagee, the validity of the mortgage held by such Mortgagee, or any of the rights of the Developer, without their prior written consent.

6.7. Arbitration. Internal disputes arising from the operation of the Association among Owners, the Board, or their agents and assigns may be resolved by voluntary binding arbitration. Any party to such an arbitration may seek enforcement of the final decision of the arbitrator in a court of competent jurisdiction.

6.8. Captions and Headings. The captions and headings pertaining to the articles and sections of these By-laws are solely used for ease of reference and in no way shall such captions or headings define, limit or in any way affect the substance of any provisions contained in these By-laws.

6.9. Severability. In the event any of the terms or provisions contained in these Bylaws shall be deemed invalid by a court of competent jurisdiction, such term or provision shall be severable from these By-laws and the invalidity or unenforceability of any such term or provision shall not affect or impair any other term or provision contained in these By-laws.

6.10. Number and Gender. Whenever used in these By-laws, the singular number shall include the plural, the plural number shall include the singular, and the use of any one gender shall be applicable to all genders.

6.11. Governing Laws. The terms and provisions contained in these By-laws shall be construed in accordance with and governed by the laws of the State of Florida.

BEDFORD PARK AT TRADITION
HOMEOWNERS ASSOCIATION, INC.

EXHIBIT "D"
[INITIAL RULES AND REGULATIONS OF THE ASSOCIATION]

The purpose of Rules is not to anticipate all acceptable or unacceptable behavior in advance and eliminate all improvements or activities that fall outside of "the norm." It is expressly intended that the ACC and the Board, as appropriate, have discretion to approve or disapprove items, or to enforce or not enforce technical violations of the Governing Documents, based upon aesthetic or other considerations consistent with the established guidelines. As such, while something may be approved or permitted for one Unit under one set of circumstances, the same thing may be disapproved for another Unit under a different set of circumstances. The exercise of discretion in approving or enforcement shall not be construed as a waiver of approval or enforcement rights, nor shall it preclude the Board from taking enforcement action in any appropriate circumstances.

The following shall apply to all of Bedford Park at Tradition until such time as they are modified pursuant to the Declarations.

1. General. Bedford Park at Tradition shall be used only for residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association, or business offices for the Founder or the Association) consistent with this Declaration.

2. Restricted Activities. Unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board, the following activities are prohibited within Bedford Park at Tradition:

(a) Parking any vehicles on public or private streets or thoroughfares, or parking of commercial vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, stored vehicles, or inoperable vehicles in places other than enclosed garages; provided, construction, service and delivery vehicles shall be exempt from this provision during normal business hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area;

(b) Raising, breeding, or keeping animals except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Unit. However, those pets which are permitted to roam free, or, in the Board's sole discretion, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Units shall be removed upon the Board's request. If the pet owner fails to honor such request, the Board may remove the pet. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Pets shall be registered, licensed, and inoculated as required by law;

- (c) Any activity that emits foul or obnoxious odors outside the Unit or creates noise or other conditions that tend to disturb the peace or threaten the safety of the occupants of other Units;
- (d) Any activity that violates local, state, or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation;
- (e) Pursuit of hobbies or other activities that tend to cause an unclean, unhealthy, or untidy condition to exist outside of enclosed structures on the Unit;
- (f) Any noxious or offensive activity which in the reasonable determination of the Board tends to cause embarrassment, discomfort, annoyance, or nuisance to persons using the Common Area or to the occupants of other Units;
- (g) Outside burning of trash, leaves, debris, or other materials, except during the normal course of constructing a dwelling on a Unit;
- (h) Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Units, except alarm devices used exclusively for security purposes;
- (i) Use and discharge of firecrackers and other fireworks;
- (j) Accumulation of rubbish, trash, or garbage except between regular garbage pick ups, and then only in approved containers;
- (k) Discharge of firearms; provided, the Board shall have no obligation to take action to prevent or stop such discharge;
- (l) On-site storage of fuel, except that a reasonable amount of fuel may be stored on each Unit for emergency purposes and operation of tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment.
- (m) Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within Bedford Park at Tradition or which use excessive amounts of water or which result in unreasonable levels of sound or light pollution;
- (n) Conversion of any carport or garage to finished space for use as an apartment or other integral part of the living area on any Unit;
- (o) Any modification of any thing, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, except in strict compliance with the provisions of Article XIII of the Declaration. This shall include, without limitation, signs, basketball

hoops, and swing sets and similar sports and play equipment; clotheslines; garbage cans; woodpiles; above-ground swimming pools; docks, piers, and similar structures; hedges, walls, dog runs, animal pens, or fences of any kind; and satellite dishes and antennas.

3. **Prohibited Conditions.** The following shall be prohibited at Bedford Park at Tradition:

(a) Plants, animals, devices, or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Bedford Park at Tradition; and

(b) Structures, equipment, or other items on the exterior portions of a Unit which have become rusty, dilapidated, or otherwise fallen into disrepair.

