

Association, Sub-Association or Owner, (as the case may be), the Golf Course Property Owner shall have the right, but not the duty, to maintain such Improvements at the sole cost and expense of the Defaulting Party. If the Golf Course Property Owner desires to perform any such maintenance, the Golf Course Property Owner shall first notify the Defaulting Party in writing and allow the Defaulting Party at least thirty (30) days from the date of the notice to perform such maintenance. If the Defaulting Party fails to commence such maintenance within said period and thereafter to diligently pursue same to completion, the Golf Course Property Owner shall have the right to enter the Master Association Property, Common Area or Lot or Condominium (as the case may be) on which the maintenance is required during reasonable business hours and perform such maintenance.

#### ARTICLE XI

##### DAMAGE OR DESTRUCTION OF IMPROVEMENTS MAINTAINED BY THE MASTER ASSOCIATION

Section 1. Restoration of Damaged Master Association Property and/or Maintenance Areas. Except as otherwise provided in Sections 2 and 8 hereinbelow, damage to or destruction of all or any portion of the Master Association Property and/or Maintenance Areas shall be handled in the following manner:

(a) Damage to the Master Association Property and/or Maintenance Areas - Sufficient Insurance Proceeds. Subject to the provisions of Section 6 below, in the event of damage to or destruction of any of the Master Association Property (excluding the Special Benefit Improvements) and/or Maintenance Areas and the insurance proceeds are sufficient to effect total restoration, the Master Association shall, as promptly as is practical, cause the same to be repaired and reconstructed in a good workmanlike manner to its condition prior to such damage or destruction.

(b) Damage to the Master Association Property and/or Maintenance Areas - Insufficient Insurance Proceeds.

Subject to the provisions of Sections 2, 6 and 8 below, in the event of damage to or destruction of any of the Master Association Property (excluding the Special Benefit Improvements) and/or Maintenance Areas and the Master Association's insurance proceeds are insufficient to effect total restoration, the Master Association shall, as promptly as practical, cause such Master Association Property and/or Maintenance Areas to be repaired and reconstructed in a good workmanlike manner to its condition prior to the damage or destruction, and the difference between the Master Association's insurance proceeds and the actual costs shall be levied by the Master Association as a Special Assessment against each Lot and Condominium in the Community on the same basis as Regular Assessments are levied against the Lots and Condominiums.

(c) Damage to the Special Benefit Improvements.

Subject to the provisions of Section 6 below, in the event of damage to or destruction of the Special Benefit Improvements for a Special Benefit Area and the Master Association's insurance proceeds are sufficient to effect total restoration, the Master Association shall, as promptly as is practical, cause the same to be repaired and reconstructed in a good workmanlike manner to their condition prior to such damage or destruction. If the Master Association's insurance proceeds are insufficient to effect total restoration, the Master Association shall, as promptly as practical, cause such Special Benefit Improvements to be repaired and reconstructed in a good workmanlike manner to their condition prior to the damage or destruction, and the difference between the insurance proceeds and the actual cost shall be levied by the Master Association as a Special Assessment against all of the

Owners of the Lot(s) and/or Condominium(s) within the affected Special Benefit Area.

Section 2. Election Not to Restore Damaged Master Association Property and/or Maintenance Areas. Subject to the provisions of Section 8 below, notwithstanding the provisions set forth in Section 1(a) hereinabove, in the event that at least sixty-seven percent (67%) of the Members other than Declarant and the Merchant Builders, and sixty-seven percent (67%) of the first Mortgagees (based upon one [1] vote for each first Mortgage owned) have given their prior written approval, the Master Association may elect not to rebuild or restore the Master Association Property and/or Maintenance Areas, and to disburse the available insurance proceeds to the general fund of the Master Association. The affected areas shall be cleared of all debris and shall be landscaped and irrigated so as to keep such areas in a neat, clean, safe and attractive condition at all times. The cost thereof shall be paid for out of the available insurance proceeds prior to their distribution to the general fund of the Master Association.

Section 3. Election Not to Restore Special Benefit Improvements. In the event that sixty-seven percent (67%) or more of the Members within a Special Benefit Area (other than Declarant and the Merchant Builders) and sixty-seven percent of the first Mortgagees within such Special Benefit Area (based upon one [1] vote for each first Mortgage owned) have given their prior approval, the Master Association may elect not to rebuild and restore the damaged or destroyed Special Benefit Improvements.

Section 4. Retention of Excess Insurance Proceeds in General Fund. In the event any excess insurance proceeds remain after restoring the destroyed Master Association Property (excluding the Special Benefit Improvements) and/or Maintenance Areas pursuant to this Article, the Board shall retain such sums in the general fund of the Master Association. In the event any excess insurance proceeds remain after restoring the Special

Benefit Improvements, the Board shall retain such funds in a special fund for the benefit of the affected Special Benefit Area.

Section 5.      Notice to Owners and Mortgagees. The Board shall, as soon as reasonably possible following any damage or destruction of Improvements in the Master Association Property and/or Maintenance Areas notify all Owners and Eligible Mortgage Holders in accordance with the provisions of the Article herein entitled "Mortgagee Protection."

Section 6.      Damage by Owners or a Sub-Association. To the extent permitted by law, each Owner and Sub-Association shall be liable to the Master Association for any damage to any of the Master Association Property and/or Maintenance Areas that is caused by the negligent or intentional acts or omissions of an Owner, the members of his family, his tenants, lessees or invitees (or by a Sub-Association). The Board shall have the right, after Notice and Hearing, as provided in the ByLaws, to levy a Damage Reimbursement Assessment against such Owner (or Sub-Association) as provided herein.

Section 7.      Use of Special Assessments. All amounts collected pursuant to Special Assessments as provided for in this Article shall only be used for the purposes set forth herein, and shall be deposited by the Board into a separate bank account to be held in trust for such purposes.

Section 8.      Damage or Destruction of the Community Entry Facilities. Notwithstanding the provisions of this Article, any damage or destruction of the Community Entry Facilities shall be repaired and reconstructed in accordance with the provisions of the Cost Sharing Agreement.

## ARTICLE XII

### CONDEMNATION

Section 1.      Distribution of Awards. Subject to the limitations set forth in the Article herein entitled "Mortgagee Protection," a condemnation award affecting any portion of the