

**AMENDED DECLARATION OF CONDOMINIUM**  
**- for -**  
**DRUID OAKS CONDOMINIUM**

**WHEREAS**, the members of the DRUID OAKS CONDOMINIUM ASSOCIATION, a Florida Corporation, ( the "Association") desires to Amend its Declaration of Condominium ownership to supercede and replace all Declarations and Amendments thereto as recorded in the public records of Pinellas County, Florida as recorded in Official Records Book 5228, Page 802, et seq., Public Records of Pinellas County, Florida, the First Amendment of Declaration of Condominium as recorded in Official Records Book 5309, Page 938, et seq., Public Records of Pinellas County, Florida, the Second Amendment of Declaration of Condominium as recorded in Official Records Book 5368, Page 1473, et seq., Public Records of Pinellas County, Florida, the Third Amendment of Declaration of Condominium as recorded in Official Records Book 5401, Page 2082, et seq., Public Records of Pinellas County, Florida, the Fourth Amendment of Declaration of Condominium as recorded in Official Records Book 5442, Page 24, et seq., Public Records of Pinellas County, Florida, the Fifth Amendment of Declaration of Condominium as recorded in Official Records Book 5549, Page 1690, et seq., Public Records of Pinellas County, Florida and the Sixth Amendment of Declaration of Condominium as recorded in Official Records Book 5602, Page 1720, et seq., Public Records of Pinellas County, Florida, and

**WHEREAS**, the Association desires to comply with Chapter 718 of Florida Statutes as it may be amended from time to time.:

I. Submission to Condominium Ownership.

The Developer having previously submitted to the condominium form of ownership and use of the land described in Article III hereof, the improvements now and thereafter situated thereon, and the easements and rights appurtenant thereto pursuant to the Act.

II. Name and Address.

The name by which the Condominium is to be identified by is DRUID OAKS CONDOMINIUM, a Condominium. The Condominium is located in Pinellas County, Clearwater, Florida, 33756.

III. The Land.

The land submitted to the Condominium (the "Land") is situated in Pinellas County, Florida as per the Plat thereof.

IV. Description of Condominium Property.

The Condominium Property consists of a total of fifty (50) Units and related facilities. The

plot plan is shown as per the Plat thereof. In addition to the residential buildings, the Condominium Property includes improvements such as parking spaces, structures and areas, including covered areas; walkways; hallways; staircases; landscaping and all underground structures and improvements which are not part of or located within the residential buildings, such as wires, cables, drains, pipes, ducts, conduits, valves and fittings.

The residential Units shall be identified by Unit number so that no Unit bears the same designation as any other Unit.

V. Definitions.

A. Act. The term "Act" as used herein shall mean the Florida Condominium Act (currently Chapter 718, *Florida Statutes*). Unless otherwise provided, the provisions of the Act, as amended from time to time, shall govern the Condominium. Except as terms are expressly defined herein, the terms used herein shall have the meaning provided under the Act.

B. Articles. The term "Articles" as used herein shall mean the articles of incorporation of the Association.

C. Assessment. The term "Assessment" as used herein shall mean the share of funds required for the payment of Common Expenses which from time to time is assessed against a Unit owner, and such additional sums which may be assessed directly against one or more Unit owners, though not necessarily against all Unit owners.

D. Association. The term "Association" as used herein shall mean the entity responsible for the operation of the Condominium and shall include within its meaning all of the Association's directors, officers, committee and Board members, employees, agents, contractors, management companies, sub-contractors, successors and assigns.

E. Board. The term "Board" as used herein shall mean the board of directors that is responsible for the administration of the Association. The Board shall be comprised of three persons appointed by the Developer until such time as the Developer transfers control to the Association pursuant to Section 718.301 of the Act. After such event occurs, the Board shall be comprised of three to seven persons.

F. Bylaws. The term "Bylaws" as used herein shall mean the bylaws for the government of the Association. The operation of the Association is explained in the Bylaws.

G. Common Elements: The term "Common Elements" as used herein shall mean the portions of the Condominium Property not included in the Units and shall include without limitations:

1. Easements through Units for conduits, ducts, plumbing, wiring and other

facilities for the furnishing of utility services to Units and common elements.

2. An easement of support in every portion of a Unit which contributes to the support of a building.

3. The property and installation required for the furnishing of utilities and other services to more than one Unit or to the Common Elements.

4. Fixtures owned or held for the common use, benefit and enjoyment of all Unit owners.

H. Common Expenses: The term "Common Expenses" as used herein shall mean all expenses incurred by the Association in the performance of its duties, including the expenses specified in Section 718.155 of the Act, for the operation, maintenance, repair, replacement or protection of the Common Elements and Association property, the costs of carrying out the powers and duties of the Association, and any other expense, whether or not included in the foregoing, designated as a Common Expense by the Act or the Condominium Documents. Common Expenses shall also include, without limitation:

1. All reserves required by the Act or otherwise established by the Association, regardless of when the reserve funds are expended.

2. The cost of any master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract.

3. The cost of any bulk contract for broadband, telecommunication, satellite and internet services.

4. Costs relating to reasonable transportation services, insurance for Board members and officers of the Association, road maintenance, operation expenses, and in-house and interactive communications and surveillance systems, if applicable.

5. Real property taxes, Assessments and other maintenance expenses attributable to any Units acquired by the Association or any Association property.

6. Any lease payments required under leases for mechanical equipment, including without limitation leases for recycling equipment.

7. All expenses associated with the installation, repair and maintenance of hurricane shutters by the Board for those portions of the buildings requiring shutters in accordance with the applicable building codes in effect at the time that the permits for the buildings were obtained.

8. All expenses associated with the installation, repair, maintenance, operation, alteration and replacement of life safety systems.

9. Water bills pursuant to the Association budget.

10. Any unpaid share of Common Expenses or Assessments extinguished by foreclosure of a superior lien or by deed in lieu of foreclosure.

I. Common Surplus. The term "Common Surplus" as used herein shall mean the amount of all receipts and revenues, including Assessments, rents or profits collected by the Association which exceed the Common Expenses.

J. Condominium: The Term "Condominium" as used herein shall mean DRUID OAKS CONDOMINIUM.

K. Condominium Documents. The term "Condominium Documents" as used herein shall mean the Declaration, the Articles, the Bylaws and any and all rules and regulations adopted pursuant thereto as they may be amended from time to time.

L. Condominium Property. The term "Condominium Property" as used herein shall mean the land described in Article III hereof, the improvements now and thereafter situated thereon, and the easements and rights appurtenant thereto pursuant to the Condominium Documents and the Act.

M. Declaration. The term "Declaration" as used herein shall mean this instrument, as it may be amended from time to time.

N. Division. The term "Division" as used herein shall mean the Division of Florida Condominiums, Timeshares, and Mobile Homes of the Florida Department of Business and Professional Regulation.

O. Electronic Transmission. The term "Electronic Transmission" as used herein shall mean any form of communication not directly involving the physical transmission or transfer of paper, which creates a record that may be retained, retrieved and reviewed by a recipient thereof, and which may be directly reproduced in a comprehensible and legible paper form by such recipient through an automated process. Examples of Electronic Transmission include, but are not limited to, telegrams, facsimile transmissions of images and text that is sent via electronic mail between computers.

P. Institutional First Mortgagee. The term "Institutional First Mortgagee" as used herein shall mean a bank, savings and loan association, insurance company, mortgage banker, real estate or mortgage investment trust, pension fund, the Developer and its corporate affiliates, the Federal National Mortgage Association ("FNMA"), Veterans Directors, Federal Home Directors or any other

lender, or its loan correspondent or agency of the United States Government, holding, guaranteeing or insuring a first mortgage on a Unit.

Q. Limited Common Elements: The term "Limited Common Elements" as used herein shall mean the Common Elements that are reserved for the use of a certain Unit to the exclusion of other Units as depicted in the Floor Plans, which include but are not limited to:

1. Any portion of the Common Elements, including but not limited to, conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to a particular Unit.

2. Mailboxes.

3. Parking spaces.

4. The structure or area outside of a Unit upon which the air conditioning Unit is located. The air conditioning compressor contained within the Limited Common Elements serving the Unit and providing service to the Unit shall be owned by the Unit owner and shall be considered part of the Unit and not a Limited Common Element.

5. Light and electrical fixtures outside the Unit or attached to the exterior walls of a the Unit and which solely serve such Unit.

6. Any other items as described in the Declaration.

R. Notice by Electronic Transmission. The term "Notice by Electronic Transmission" as used herein shall mean:

1. Notice: Notice shall be deemed given:

a. When actually transmitted by facsimile telecommunication, if correctly directed to a number at which the party has consented to receive notice;

b. When actually transmitted by electronic mail, if correctly directed to an electronic mail address at which the party has consented to receive notice;

c. When posted on an electronic network that the party has consented to consult, upon the later of:

i. Such correct posting; or

ii. The giving of a separate notice to the party of the fact of such specific posting; or

d. When correctly transmitted by any other form of Electronic Transmission consented to by the party to whom notice is given.

2. Consent: Consent by a party to receive Notice by Electronic Transmission shall be revocable by the party through written notice. In addition, any such consent shall be deemed revoked if:

a. The party is unable to receive by electronic transmission two consecutive notices given by the sending party in accordance with the consent; and

b. Such inability becomes known to the party sending the notice or responsible for the giving of notice. However, the inadvertent failure to treat such inability as revocation does not invalidate any meeting or other action.

S. Unit: The term "Unit" as used herein shall mean a part of the Condominium Property subject to the exclusive ownership. The Units are further described as fifty (50) separate dwellings in the Condominium. Each Unit shall include the enclosed apartment living. The horizontal boundaries thereof shall be the vertical plane, or planes, formed by the unfinished or undecorated perimeter interior wall surfaces thereof. The lower vertical boundary shall be the horizontal plane formed by the undecorated or unfinished interior floor surface of the Unit and the upper vertical boundary shall be the horizontal plane formed by the undecorated or unfinished interior ceiling surface of the Unit. Provided however, all heating, cooling, plumbing apparatus, utility installations and bearing columns or supports within a Unit which service more than one Unit shall be part of the Common Elements. Doors, glass, and air conditioning compressors shall be part of the Unit.

T. The use of the plural shall also imply the singular, and the use of the singular shall also imply the plural.

U. The use of the conjunctive shall imply the disjunctive, and the use of the disjunctive shall imply the conjunctive.

V. The use of any gender shall be deemed to include all genders.

VI. Appurtenances to Units.

There shall be appurtenant and pass with title to each Unit the right, shares and interests provided by the Act, which shall be deemed to include, without limitation, the following:

A. An undivided share in the Common Elements and in the Common Surplus based upon the total square footage of each Unit in uniform relationship to the total square footage of each other Unit.

B. The exclusive right to use such portion of the Common Elements and the Limited Common Elements designated and reserved herein, granted elsewhere or assigned by the Association, including the right to transfer such right to other Units.

C. An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time. An easement in airspace which is vacated shall be terminated automatically.

D. Membership in the Association with the full voting rights appertaining thereto.

E. Irrevocable, perpetual, non-exclusive easements to be used and enjoyed in common with all other Units for use of the Common Elements not designated elsewhere herein, including without limitation, easements for:

1. The furnishing and maintenance of public utility services to the Condominium Property over, across, upon, in and through the land, buildings and other improvements, as the fixtures and equipment therefor now exist and may be modified or relocated from time to time

2. Vehicular and pedestrian access over, across, upon, in and through the drives, entries, gates, walkways, grounds and other portions of any of the Common Elements as are intended and provided for pedestrian and vehicular traffic throughout the Condominium.

3. Pedestrian access for recreational purposes over, across, upon, in and through the drives, entries, gates, walkways, grounds and other portions of the Condominium.

F. An exclusive easement for the unintentional and non-negligent encroachment by any Unit upon any other Unit or Common Element, or vice-versa, for any reason not caused by or resulting from the willful or negligent act of the Developer or any Unit owner, including without limitation encroachments caused by or resulting from the original construction of improvements, which exclusive easement shall exist at all times during the continuance of such encroachments as easements appurtenant to the encroaching Unit or other improvement, to the extent of such encroachment.

G. An exclusive easement for the use of the area of land and air space occupied by air conditioning compressors, and the equipment and fixtures appurtenant thereto, situated in the Common Elements but exclusively servicing and individually owned by the owner of a Unit, as the same exist in and on each building and Unit, which exclusive easement shall be terminated automatically in any air space which is permanently vacated by such air conditioning compressor, and the equipment and fixtures appurtenant thereto; provided, however, that the removal of same for repair and replacement shall not be construed to be a permanent vacation of the air space that it occupies.

A Unit owner is entitled to the exclusive possession of his Unit, subject to the provisions of Section 718.111(5) of the Act. He is entitled to use the Common Elements in accordance with the purposes for which they are intended, but no use may hinder or encroach upon the lawful rights of other Unit owners.

When a Unit is leased, the tenant shall have all use rights in the Condominium Property and the Common Elements otherwise readily available for use generally by Unit owners, and the Unit owner shall not have such rights except as a guest, unless such rights are waived in writing by the tenant. Nothing in this paragraph shall interfere with the access rights of the Unit owner as landlord pursuant to Chapter 83, *Florida Statutes*.

VII. Voting Rights of Unit Owners.

Each Unit owner shall be a member of the Association. Each Unit shall be entitled to one vote to be cast by its owner in accordance with the provisions of the Condominium Documents.

VIII. Amendment of Declaration.

Except for amendments that the Developer is authorized and obligated elsewhere herein to make, and except as may be elsewhere herein or in the Act otherwise specifically provided, the Declaration may be amended only in the following manner:

A. Notice: Notice of any proposed amendment to the Declaration shall contain the full text of the provision to be amended, new words shall be inserted in the text and underlined, and the words to be deleted shall be lined through with hyphens.

B. Proposal: Amendments to the Declaration may be proposed by the Board by resolution adopted by a majority vote of the members present at any regular or special meeting of the Board at which a quorum is present, or by the owners of a majority of the Units by vote of such owners as members of the Association at special or regular meeting of the members.

C. Adoption: Any amendment to the Declaration so proposed by the Board or members of the Association shall be transmitted to the president of the Association or, in the absence of the president, to a vice president or other acting chief executive officer, who shall thereupon call a



special meeting of the members of the Association to consider and vote upon such proposed amendment; provided, however, that a proposed amendment may be considered and voted upon at any annual meeting of the members of the Association if the next such meeting is to be held within the time hereafter limited and if notice of the proposed amendment shall be included in the notice of such meeting. The special or annual meeting, as the case may be, of the members shall be held no sooner than thirty (30) days or no later than sixty (60) days from the date of receipt by the Association of the proposed amendment. Notice of the meeting shall be in the form and shall be delivered and the meeting shall be called and held as provided for in the Bylaws.

Notwithstanding the foregoing provisions for adoption of amendments to this Declaration or any other provisions for amendments in the Act, no amendment may:

1. Change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to the Unit or change the proportions or percentages by which the Unit owners share the Common Expenses or own the Common Surplus, unless the record owner of the Unit and all record owners of liens on the Unit join in the execution of the amendment and unless all the record owners of all other Units approve the amendment.

2. Adversely affect the rights or interests of the mortgagees or as otherwise required by the Federal National Mortgage Association, the U.S. Department of Housing and Urban Development ("HUD"), Home Mortgage Insurance Condominium Units Handbook 4265.1, or the Federal Home Loan Mortgage Corporation ("FHLMC"). Consent by the mortgagee shall not be unreasonably withheld.

3. Operate to unlawfully discriminate against any Unit, class or group of Units.

4. Diminish or impair any of the rights, privileges, powers or options provided in the Declaration in favor of or reserved to any Institutional First Mortgagees unless the particular Institutional First Mortgagees shall join and consent in the execution of the amendment. However, such consent may not be unreasonably withheld.

5. Impair or remove any reservation of right or privilege of the Developer or its designees unless the Developer shall join and consent to the amendment. Notwithstanding any provisions contained in the Condominium Documents, consent shall be deemed given by the Institutional First Mortgagees if the Institutional First Mortgagees do not respond to any written purposes for any amendment within thirty (30) days after receiving proper notice. Proper notice shall be deemed given if notice was delivered by certified or registered mail with return receipt requested.

D. Approval: The amendment must receive approval by an affirmative vote of sixty-seven percent (67%) of the voting interests of those members of the Association present in person or by proxy and voting at an Association meeting where a vote of the members other than the Developer is required under the Declaration.

E. Effective Date and Recording Evidence of Amendment: An amendment to the declaration shall become effective when properly recorded in the public records of Pinellas County, Florida. An amendment, other than an amendment made by the Developer pursuant to Section 718.110 of the Act shall also be evidenced by a certificate of the Association which shall include the recording date identifying the Declaration and shall be executed in the form required by the execution of a deed.

IX. Maintenance, Repairs and Replacements.

Responsibility for maintenance, repairs and replacements of the Condominium Property and the property of Unit owners located or situated within the Condominium Property shall be as follows:

A. Units: Each Unit and the fixtures and equipment located therein, such as air conditioning equipment, plumbing, heating and electrical wiring and appliances comprising a part thereof, shall be maintained, repaired and replaced by and at the expense of the Unit owner. Exterior doors, windows and air conditioner compressors shall be maintained and replaced at the expense of the Unit owner whose Unit is serviced by such items. All maintenance, repairs and replacements for which a Unit owner is responsible and obligated to perform and which, if not performed or omitted, would affect other Units or the Common Elements, shall be performed promptly as the need arises. Notwithstanding the obligation of the Unit owner for maintenance, repairs and replacements, the proceeds of all insurance awards or payments under insurance carried by the Association for loss or for damage to or within Units shall be applied against maintenance, repairs and replacements to the extent that such awards or payments exceed the deductible provisions of such insurance.

B. Common Elements: The Association shall be responsible for, and shall assess as Common Expenses against and collect from all Unit owners, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition the Common Elements. The Association shall, at the expense of the Unit owners, repair any incidental damage to the Units resulting from the maintenance, repair or replacement of the Common Elements. Should said incidental damage be caused by the negligence or misuse of a Unit owner, his family members, guests, invitees, employees or lessees, the Unit owner shall be responsible therefor, and Association shall have the right to levy a charge against the Unit owner.

C. Limited Common Elements: All maintenance, repairs and replacements to the Limited Common Elements shall be performed by the owner of the Unit to which the use of the Limited Common Element is exclusively reserved at such Unit owner's sole cost and expense, except as otherwise expressly provided to the contrary herein. Each Unit owner shall be responsible for the air conditioning compressor within the Common Elements serving and providing service to such Unit Party's Unit.

X. Insurance.

Insurance shall be carried and kept in force at all times in accordance with the following provisions:

A. Duty and Authority to Obtain: The Association shall obtain and keep in force at all times the insurance coverage which it is required hereby to carry and may obtain and keep in force any or all such other or additional insurance coverage as it is authorized hereby to carry. All insurance obtained by the Association shall be purchased for the benefit of the Association and the Unit owners and their mortgagees, provided that a certificate evidencing a mortgagee endorsement shall be issued to the mortgagee of each Unit.

B. Required Coverage: The Association shall purchase and carry insurance coverage as follows:

1. Casualty Insurance: Casualty insurance covering all of the buildings and other improvements to the Condominium Property, including without limitation the Units and the Common Elements, in an amount equal to the maximum insurance replacement value thereof, exclusive of the excavation and foundation costs, as determined annually by the Board. Such insurance shall include:

a. Fire and Hazards: Loss or damage by fire or other hazards covered by the standard extended coverage or other perils endorsement.

b. Other Risks: Such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to the buildings and other improvements similar in construction, location and use to the buildings and other improvements of the Condominium Property, including without limitation, vandalism, malicious mischief, windstorm, water damage and war risk insurance, if available.

c. Public Liability: Public liability insurance in such amounts with such coverage and in such forms as shall be required by the Board to protect the Association and the Unit owners, including without limitation, hired automobiles, non-owned automobiles, comprehensive automobile, off premises employee coverage, host liquor liability, employer liability, contractual and all written contract liability, water damage and legal liability, with cross-liability endorsements to cover the liability of the Unit owners as a group to each Unit owner, bodily injury, including death of persons and property damage arising out of a single occurrence. Such coverage shall be for at least one million dollars (\$1,000,000.00).

d. Workers' Compensation: Workers' compensation and employers' liability insurance as required by law.

e. Flood: Flood insurance if necessary under the laws of the United States for federally-related mortgage lenders to make mortgage loans on the Units.

f. Errors and Omissions: Errors and omissions in favor of the members of the Board and officers of the Association.

g. Fidelity Bond: The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. As used in this paragraph, the phrase "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the president, secretary, and treasurer of the Association. The Association shall bear the cost of bonding.

h. Cancellation and Modification: The insurance policy above described shall include at least ten (10) days prior written cancellation and modification notice to the Association and to each holder of a first mortgage on any Unit which is listed as a scheduled holder of a first mortgage in the insurance policy.

2. Hazard Insurance: Every hazard insurance policy issued or renewed after January 1, 2006, shall provide primary coverage for:

- a. All portions of the Condominium Property located outside the Units.
- b. The Condominium Property located inside the Units as such property was initially installed, or replacements thereof, of like kind and quality and in accordance with the original plans and specifications or, if the original plans and specifications are not available, as they existed at the time the Unit was initially conveyed.
- c. All portions of the Condominium Property for which the Declaration requires coverage. The scope of property or casualty insurance that the Association must obtain shall exclude all floor, walls and ceiling coverings, electrical fixtures, appliances, air conditioners and heating equipment, water heaters, water filters, built-in cabinets and counter tops, and window treatments, including curtains, draperies, blinds, hardware, and similar windows treatment components, and replacements of any of the foregoing which are located within the boundaries of a Unit and serve only one Unit, and all air conditioner compressors that service only one Unit, whether or not located within the Unit boundary. The foregoing is intended to establish the property or casualty insuring responsibility of the Association and those of the individual Unit owners, and does not serve to broaden or extend the perils of coverage afforded by any insurance contract provided to the individual Unit.

Every hazard insurance policy issued or renewed on or after January 1, 2006, to an individual Unit owner shall provide the coverage afforded by such policy in excess of the amount recoverable under any other policy covering the same property. Each insurance policy issued to an individual Unit owner providing such coverage shall be without the rights of subrogation against the Association. All real or personal property located within the boundaries of the Unit that is excluded

from the coverage to be provided by the Association as set forth in paragraph (2) shall be insured by the Unit owner.

C. Optional Coverage: The Association may purchase and carry such other insurance coverage as the Board in its sole discretion may determine from time to time to be in the best interest of the Association and the Unit owners or as an institutional lender may reasonably require while it holds a mortgage encumbering a Unit.

D. Premiums: Premiums for all insurance obtained and purchased by the Association shall be paid by the Association. The cost of insurance premiums and other incidental expenses incurred by the Association in administering and carrying out these provisions shall be assessed against and collected from the Unit owners as Common Expenses.

E. Assured: All policies of insurance obtained and purchased by the Association shall be for the benefit of the Association, the Unit owners and their mortgagees as their interests may appear, and it shall be provided that all proceeds covering casualty losses shall be paid to the Insurance Trustee as herein identified, or his successors, and the proceeds from insurance against any casualty loss shall be held for the use of the Association, the Unit owners and their respective mortgagees, as their interests may appear, to be applied or distributed in the manner herein provided. The Association is hereby constituted an appointed agent of the Unit owners with authority to negotiate and settle the value and extent of any and all losses covered under any policy of casualty insurance, and the Association is granted the full right and authority to execute in favor of any insurer a release of liability arising out of any occurrence coverage by any policy of casualty insurance and resulting in loss of or damage to insured property.

F. Insurer: All parties beneficially interested in the insurance coverage obtained, purchased and maintained by the Association shall be bound by the Association's selection of its insurer and the amount of insurance coverage carried and kept in force by the Association.

G. Insurance Trustee: The Association shall have the right, prior to or upon the occurrence of any event causing or resulting in the need for the same to designate the Insurance Trustee, and all parties beneficially interested in such insurance coverage shall be bound by the Association's selection of the Insurance Trustee.

1. Qualifications, Rights and Duties:

a. Bank: The Insurance Trustee shall be a bank with trust powers doing business in the State of Florida.

b. Liability: The Insurance Trustee shall not be liable for the payment of premiums, the renewal of any policy of casualty insurance, the sufficiency of coverage, the form or content of the policy or the failure to collect insurance proceeds. The Insurance Trustee shall be

liable only for its willful misconduct, bad faith or gross negligence and then only for such money as may come into the possession of the Insurance Trustee.

c. Duties: The sole duty of the Insurance Trustee shall be to receive such proceeds of casualty insurance as are paid and to hold the same in trust for the purposes herein stated and for the benefit of the Association, the Unit owners and their respective mortgagees, to be disbursed as herein provided.

d. Fees: The Association shall pay a reasonable fee to the Insurance Trustee for services rendered hereunder and shall pay such costs and expenses and the Insurance Trustee may incur in the performance of its duties hereunder. Such fees and costs to be assessed against and collected from Unit owners as a Common Expense.

e. Distribution of Insurance Proceeds: If and when the Insurance Trustee is required to distribute insurance proceeds to the Unit owners and their mortgagees, as their respective interests may appear, the Insurance Trustee may rely upon a certificate of the president and secretary of the Association executed under oath and provided to the Insurance Trustee upon request to the Association. Such certificate to certify the name of the owner of each Unit, the mortgagees thereof, and the respective percentages of any distribution which is to be made to such owners and mortgagees as their respective interests may appear.

f. Rights of Mortgagees: If and when insurance proceeds are paid to the Insurance Trustee for any casualty loss, the holders of any mortgage encumbering a Unit shall not have the right to determine or participate in the determination of the repair or replacement of any loss or damage and shall not have the right to elect to apply insurance proceeds to the reduction of indebtedness secured by such mortgages unless the insurance proceeds represent a distribution to the Unit owner and the mortgagees thereof, after such insurance proceeds have been first applied to the repair, replacement or reconstruction of any loss or damage or unless such casualty insurance proceeds are authorized to be distributed to the Unit owner and the mortgagees thereof by reason of loss of or damage to personal property constituting a part of the Common Elements and as to which a determination is made not to repair, replace or restore such personal property.

H. Application of Insurance Proceeds: The proceeds of casualty insurance paid to the Insurance Trustee by an insurer for the loss or damage to real or personal property upon which the Association carries insurance shall be applied and paid as follows:

1. Common Elements Only: The proceeds paid to the Insurance Trustee for the loss or damage to real property constituting a Common Element only shall be applied to the repair, replacement or reconstruction of said loss or damage. If such insurance proceeds exceed the cost of repair, replacement or reconstruction of such Common Element, the excess shall be paid by the Insurance Trustee to the Unit owners and their respective mortgagees as their interests may appear in appurtenance to each Unit in the Common Element. If the insurance proceeds shall be insufficient to pay the cost of the repair, replacement or reconstruction of such Common Element, the

Association shall deposit with the Insurance Trustee, from any Association reserve fund which may have been established, the difference between the total cost of repairing, replacing or reconstructing such loss or damage and the amount of the insurance proceeds. If no such Association reserve fund has been established, or if the Association reserve fund is insufficient to pay to the Insurance Trustee such difference, the Association shall assess the amount of the difference against and collect said sum from the Unit owners as a Common Expense.

2. Units: The proceeds paid to the Insurance Trustee for the loss of or damage to a building constituting a Common Element and Units thereof, shall be first applied to the repair, replacement or reconstruction of the Common Element, then to the repair, replacement or reconstruction of any Unit in such building which has been destroyed or damaged. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Element and Units, the excess shall be paid by the Insurance Trustee to the owners of the damaged or destroyed Units and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each such Unit in the Common Element. If the insurance proceeds are insufficient to pay for the necessary repair, replacement or reconstruction of the damaged or destroyed property, the Association shall levy a special Assessment against the Unit owners in proportion to each Unit owner's share in the Common Element for that portion of the deficiency as is attributable to the cost of the restoration of the Common Element, and a special charge against the individual Unit owners for that portion of the deficiency related to damage to an individual Unit; provided, however, that if, in the opinion of the Association, it is impossible to determine accurately and adequately the portion of the deficiency relating to the damage to an individual Unit, the Association shall levy a special Assessment for the total deficiency against each Unit owner as a Common Expense, according to the percentages set forth in the schedule of undivided interest in the Common Elements appurtenant to each Unit. The determination of the Board as to that portion of the deficiency to be charged against each individual Unit owner and as to which individual Unit owners are liable therefore shall be conclusive and binding.

I. Deposits to Insurance Trustee After Damage: Within sixty (60) days after a loss or damage to Condominium Property covered by casualty insurance, the Association shall obtain estimates of the cost of repairing, replacing or reconstructing the same, including the cost of professional fees and any construction bond which the Board may require. If, from such estimates, it shall appear that the insurance proceeds payable for such loss or damage will be insufficient to pay the cost of such repair, replacement or reconstruction, the additional money required to pay the total cost thereof, whether it is to be paid by one or more Unit owners, shall be deposited with the Insurance Trustee not later than thirty (30) days from the day on which the Insurance Trustee receives the insurance proceeds.

XI. Repair and Reconstruction After Casualty.

Whether, and the manner in which, any or all of the Condominium Property damaged or destroyed by casualty shall be repaired, reconstructed or replaced shall be determined as follows:

A. Residential Buildings: If the residential buildings are damaged or destroyed, the repair and reconstruction thereof or termination of the Condominium shall be in accordance with the following:

1. Total Destruction of Buildings: If the residential buildings are totally destroyed or so damaged that no Unit therein is habitable, none of the buildings and none of the improvements comprising Common Elements shall be reconstructed, and the Condominium shall be terminated unless the owners of Units to which seventy five percent (75%) of the Common Elements are appurtenant agree in writing within sixty (60) days after the date of such destruction to reconstruct same, and unless the then applicable zoning and other regulatory laws and ordinances shall allow same to be reconstructed, or unless a policy of casualty insurance covering same shall require reconstruction thereof as a condition precedent to the payment of proceeds thereunder.

2. Damage to and Destruction of a Portion of the Buildings: If some, but not all, of the residential buildings are damaged or destroyed and one or more of the Units in the buildings remains habitable, the damaged or destroyed Common Elements and Units shall be repaired or reconstructed so that each building or Unit shall be restored to substantially the same condition as it existed prior to such damage or destruction unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere herein provided that the Condominium shall be terminated.

B. Common Elements: Damaged or destroyed improvements constituting part of the Common Elements shall be repaired, reconstructed or replaced unless, in the event of the total destruction of the Units, or by agreement after their partial destruction, the Condominium shall be terminated.

C. Certificate: The Insurance Trustee may rely upon a certificate executed by the president and secretary of the Association to determine whether or not damaged or destroyed Condominium Property shall be repaired or reconstructed.

D. Plans and Specifications: Repairs or reconstruction of the Condominium Property shall be substantially completed in accordance with the plans and specifications pursuant to which the same was originally constructed; provided, however, that the Board may authorize reasonable variations from the original plans and specifications as may appear necessary or desirable.

E. Responsibility: If the damage or destruction shall be limited only to one or more Units for which the responsibility of maintenance and repair is that of the affected Unit owners, then such Unit owners shall be responsible for carrying out the repairs or reconstruction thereof. In all



other instances of damage or destruction, the Association shall be responsible for carrying out the repair and reconstruction thereof.

F. Construction Funds: All funds for the payment of repair and reconstruction costs, consisting of insurance proceeds and funds collected by the Association from the Unit owners, shall be disbursed toward the payment of such costs in the following manner:

1. Association: If the total funds assessed against and collected from the Unit owners by the Association for the payment of repair and reconstruction is more than fifteen thousand dollars (\$15,000.00), then all such sums shall be deposited by the Association and disbursed by the Insurance Trustee. In all other instances, the Association shall hold such sums so assessed and collected and shall disburse same in payment of the cost of repair and reconstruction.

2. Insurance Trustee: The proceeds of insurance collected on account of a casualty and the sum assessed against and collected from the Unit owners by the Association and deposited with the Insurance Trustee shall constitute a construction fund which shall be disbursed in payment of the cost of repair and reconstruction in the following manner:

a. Unit Owners: The portion of insurance proceeds representing damage for which the responsibility of repair and reconstruction is upon one or more but less than all Unit owners shall be paid by the Insurance Trustee to the affected Unit owners, and if any such Units are mortgaged, to the affected Unit owners and their mortgagees jointly.

b. Association-Lesser Damage: If the amount of the estimated cost of repair and reconstruction that is the responsibility of the Association is less than fifteen thousand dollars (\$15,000.00), then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereinafter provided for the repair and reconstruction of a major damage.

c. Association-Major Damage: If the amount of the estimated cost of repair and reconstruction that is the responsibility of the Association is more than fifteen thousand dollars (\$15,000.00), then the construction fund shall be disbursed in payment of such costs in the manner required by the Board upon approval of an architect registered to practice in the State of Florida and employed by the Association to supervise the work.

d. Surplus: It shall be presumed that the first monies disbursed in payment of the costs of repair and reconstruction shall be from the insurance proceeds. If there is a balance in the construction fund after the payment of all costs of the repair and reconstruction for which the fund was established, such balance shall be distributed to the beneficial owners which is not in excess of Assessments paid by such owner into the construction fund and shall not be made payable to any mortgagee.

e. Certificate: Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine:

i. Whether or not sums paid by the Unit owners upon Assessments shall be deposited by the Association with the Insurance Trustee.

ii. Whether disbursements from the construction fund are to be made upon the order of the Association or upon the approval of an architect or otherwise.

iii. Whether disbursements are to be made from the construction fund.

iv. The payee or the amount to be paid.

v. Whether surplus funds to be distributed are less than the Assessments paid by the Unit owners.

Instead, the Insurance Trustee may rely upon a certificate of the Association made by its president and secretary as to any or all such matters and stating the sums to be paid are due and properly payable, the names of the payees and the amounts to be paid; provided, however, that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee, and further provided that when the Association or a mortgagee that is the beneficiary of an insurance policy, the proceeds of which are included in the construction fund, the approval of an architect named by the Association shall be first obtained by the Association.

## XII. Rules and Regulations.

The following rules and regulations are designed to make living for all Unit owners pleasant and comfortable. The restrictions imposed are for the mutual benefit of all Unit owners. Compliance is mandatory.

A. Enforcement: Use restrictions will be enforced as follows:

1. Violations should be reported to the Board, in writing.
2. Violations will be called to attention of the violating Unit owner by the Board.
3. Disagreements concerning violations will be presented to, and be judged by, the Board, which will take appropriate action.
4. Unit owners are responsible for compliance by their family members, guests, invitees, employees and lessees.

B. Facilities: The facilities of the Condominium are for the exclusive use of Unit owners, their family members, guests, invitees, employees and lessees.

C. Use and Occupancy: No Unit shall be used for any purpose other than as a single-family residence. "Family" shall mean either a group of natural people related to each other by blood or legally related to each other by marriage or adoption, or a group of not more than four (4) people not so related who maintain a common household in a Unit.

D. Children: Reasonable supervision must be exercised when children are playing on the Condominium Property.

E. Pets.

1. "Pet" shall be defined as a dog other than a pitbull, rottweiler, pitbull mix or rottweiler mix weighing a maximum of twenty-five (25) pounds; cat; bird or fish. No reptiles, amphibians, poultry, livestock, wildlife or other animals shall be kept, raised or bred in or on the Condominium Property, including the Units. No Pets shall be raised for commercial purposes.

2. With the exception of birds and fish, there shall be a maximum of one (1) Pet per Unit.

3. All dogs and cats must be leashed at all times when outside the Unit. The Pet's owner must immediately collect and clean up any Pet feces from the Condominium Property. The Board, in its discretion, may designate by rule portions of the Common Elements for dog walking.

4. The ability to keep a Pet is a privilege, not a right, and the Board is empowered to order and enforce the removal of any Pet that becomes a source of nuisance or annoyance to other residents of the Condominium or in any way causes any damage to the Condominium Property.

5. The Unit owner shall indemnify the Association and hold it harmless against any loss or liability of any kind or character whatsoever arising from having a Pet in the Condominium. If a Pet becomes a source of nuisance or annoyance to other Unit owners by barking or otherwise, the Unit owner thereof must cause the problem to be corrected. If the problem is not corrected, the Unit owner, upon written notice by the Association, will be required to remove the Pet.

6. Violations of these provisions shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Unit owners and to require any Pet to be removed permanently from the Condominium Property.

F. Noise.

1. Unit owners must obtain written approval from the Association prior to installing any flooring material, including but not necessarily limited to any ceramic tile, marble, wood, etc., in order to ensure that the sound control underlayment system will provide adequate sound proofing. Installation of the sound control underlayment system shall include perimeter isolation material which will ensure that impact noises are not transmitted into a space below either directly through the floor or by flanking through the surrounding walls.

2. Televisions, radios, stereos and other music sources should be turned down to a minimum volume at all times so that any sounds emanating therefrom shall not be heard outside the Unit. All other unnecessary noises, such as playing of musical instruments, speaking loudly and slamming doors between the hours of 10:30 p.m. and 8:00 a.m. should be avoided.

3. Carpentry, carpet-laying, picture-hanging and any trade or do-it-yourself work involving hammering, etc., must be done between the hours of 8:00 a.m. and 6:00 p.m. No such work shall be done on Sundays. No exceptions will be permitted.

G. Nuisances: Unit owners shall not permit anything to be done or kept in their Units that would increase the insurance rates on a Unit, a Common Element or any portion of the Condominium Property, or obstruct or interfere with the rights of other Unit owners or the Association. Unit owners shall not commit or permit any nuisance, immoral act or illegal act in their Units, the Common Elements or any portion of the Condominium Property.

H. Obstructions: The parking areas, sidewalks, walkways, entrances, driveways, passages, vestibules, balconies, stairwells, corridors and halls must be kept open and free for their intended use, and shall not be obstructed in any manner. No Unit owner or lessee shall allow the entrance doors of a Unit to remain open for any purpose other than for immediate ingress and egress.

I. Storage Areas: All Common Elements shall be kept free for their intended use by the Unit owners in common, and may not be used as storage areas by the individual Unit owners on either a temporary or permanent basis. Nothing shall be placed in any designated storage area that would create a fire hazard. No personal property shall be stored on the porch of any Unit where such personal property may be visible from outside the Unit.

J. Signs: Without prior written approval of the Board, no Unit owner shall cause any sign of any nature whatsoever to be posted or affixed to any portion of the Condominium Property, with the exception of nameplates, which must be uniform in size and design and receive prior written approval of the Board.

K. Damage or Destruction of Condominium Property: Unit owners and their family members, guests, invitees, employees and lessees shall not mark, mar, damage, destroy, deface or

engrave any part of the Condominium Property. Unit owners shall be financially responsible to the Association for any such damage or destruction.

L. Exterior Appearances: To maintain a uniform and pleasing appearance of the exterior of the Condominium Property:

1. No glass enclosures or projections shall be attached to the outside walls, other than the items originally installed by the Developer. This includes any type of screen or umbrella.

2. No solar or other films shall be placed on the windows.

3. Draperies, curtains, shades or shutters may cover the windows from inside the Unit, but such draperies, curtains, shades or shutters must be lined, backed, covered or painted on the side visible from the exterior with a neutral color or material.

4. No objects shall be hung from window sills.

5. No exterior lighting shall be permitted on the walls.

6. No exterior television, radio, microwave or other outdoor antenna system or facility shall be erected or maintained within the boundaries of the Condominium Property, with the exception of installations constructed therein by the Developer.

7. No clothing, bedding, linens, towels or other items shall be dried or aired in any outdoor area on the Condominium Property, including but not limited to windows, balconies and fences, or inside any Unit where such clothing, bedding, linens, towels or other items may be visible from outside the Unit.

8. A Unit owner may display one portable, removal, United States flag in a respectful way, and on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, may display in a respectful way one portable, removable official flag, not larger than 4½ feet by 6 feet, that represents the United States Army, Navy, Air Force, Marine Corps or Coast Guard.

M. Cleanliness and Trash: Unit owners shall not allow anything, including but not limited to cigarettes and cigars, to be thrown or to fall from the Units. No cloth, clothing, bedding, linens, towels, rugs or mops shall be hung or shaken from the windows of a Unit. No sweepings or other substances shall be permitted to escape to the exterior of the Unit from the doors of the Unit. All trash, garbage, refuse, waste, recyclables, bottles and cans from the Unit shall be securely wrapped and deposited with care in the collection containers, and not on the ground around the collection containers, intended for such purposes at such times and in such manner as the Association shall direct. Recyclables shall be rinsed prior to being deposited in the collection

containers. Units owners are responsible to arrange for bulk pick-up of large items such as appliances and furniture.

N. Pest Control: All Unit owners shall be responsible to perform pest control services within their Units.

O. Odors: No noxious or unusual odors shall be generated in such quantities that they permeate to other Units and become annoyances to other Unit owners. Normal cooking odors reasonably generated shall not be deemed violations.

P. Cooking Devices: No fires, cooking devices or other devices that emit smoke or dust shall be permitted on the Condominium Property, with the exception of portable gas and charcoal grills, which may be used in open areas, but not on walkways, at least ten (10) feet away from any building. Such portable gas and charcoal grills must be put away once sufficiently cooled after use, and shall not remain in the open areas of the Condominium Property.

Q. Emergency Access to Units: In case of an emergency originating in, or threatening, a Unit, regardless of whether the Unit owner is present, the Board, or any party authorized by it, shall have the right to enter such Unit for the purpose of abating the cause of such emergency, and such right of entry shall be immediate.

R. Plumbing: Common plumbing shall not be used for any purpose other than that for which it was constructed. No foreign substances, including but not limited to sweepings, rubbish, rags and feminine products, shall be placed in the drains. The cost of any damage resulting from the misuse of same shall be borne by the Unit owner causing the damage.

S. Deliveries and Moving: Unit owners shall be liable for all damages to the Condominium Property caused by deliveries or the moving or removing of furniture and other personal property.

T. Solicitation. There shall be no solicitation by any party anywhere upon the Condominium Property for any cause, charity or any other purpose, unless specifically authorized by the Board.

U. Roof: Unit owners and their family members, guests, invitees, employees and lessees are not permitted on any roof on the Condominium Property for any purpose.

V. Hurricane Preparation: Each Unit owner who plans to be absent from his Unit during the hurricane season must prepare his Unit prior to departure by:

1. Removing all furniture and other personal property from the exterior of the Unit.

2. Designating a responsible party to care for his Unit during his absence in the event the Unit should suffer hurricane damage. The Unit owner shall furnish the Association with the name of such party.

3. Unit owners shall not install hurricane or storm shutters without prior approval of the Board. Such hurricane or storm shutters shall be closed only during a hurricane or severe storm warning and must remain open at all other times. The Board shall have the right to adopt additional rules and regulations regarding hurricane or storm shutters, including but not limited to rules and regulations regarding the design, color, location and use thereof. The installation, replacement and maintenance of such hurricane or storm shutters shall not be deemed to be a material alteration of the Common Elements.

W. Weight Limitations: No Unit owner shall cause any weight on any portion of his Unit to interfere with the structural integrity of the building.

X. Waterbeds: No waterbed shall be brought into any Unit for any purpose whatsoever.

Y. Motor Vehicles and Parking.

1. Motor vehicles belonging to Unit owners and their family members, guests, invitees, employees and lessees shall not be parked in such a manner as to impede or prevent access to another parking space.

2. Unit owners and their family members, guests, invitees, employees and lessees shall obey the parking regulations posted in the parking areas and any other traffic regulations promulgated in the future for the safety, comfort and convenience of the Unit owners.

3. No motor vehicle that cannot operate on its own power shall remain parked within the Condominium Property for more than twelve (12) hours. In the event of a violation of this restriction, the Board may authorize the removal of any such vehicle at the expense of its owner.

4. No repairs of motor vehicles, except for emergency repairs, shall be made within the Condominium property.

5. The washing and waxing of motor vehicles shall be limited to such areas, if any, designated for such purposes by the Association.

6. Each parking space may be used only by the respective Unit owner and his family members, guests, invitees, employees and lessees.

7. All motor vehicles shall be parked within the painted lines of designated paved parking spaces only, and pulled close to the bumper. No motor vehicles shall be parked on

the grass of the Condominium Property. In the event of a violation of this restriction, the Board may authorize the removal of any such vehicle at the expense of its owner.

8. As a security measure, all automobile doors should be locked.

9. With the exception of light trucks and vans used as primarily family vehicles and not for commercial purposes, no trucks, vans, campers, recreational vehicles, boats, jet skies, trailers and motorcycles may be parked on the Condominium Property without prior approval of the Board. In the event of a violation of this restriction, the Board may authorize the removal of any such vehicle at the expense of its owner.

10. All motor vehicles parked on the Condominium Property must be properly registered.

Z. Leases.

1. No more than five (5) Units shall be leased at any given time.

2. The approval of leases need not be recorded.

3. Units may be leased, licensed or occupied only in their entirety and no fraction or portion thereof shall be rented. Individual rooms of a Unit shall not be leased on any basis. No transient tenants shall be accommodated in a Unit. No bed and breakfast facility may be operated out of a Unit.

4. All leases shall be deemed to provide:

a. The agreement of the lessee to abide by the covenants of the Condominium Documents.

b. That a violation of the covenants of the Condominium Documents constitutes a material breach of the lease and grounds for damages, termination and eviction.

c. That the Unit owner shall remove, at the Unit owner's sole expense, by legal means including eviction, the lessee should the lessee refuse or fail to abide by and adhere to the covenants of the Condominium Documents, and notwithstanding the foregoing, that the Association shall have the right, but not the obligation, to evict such lessee, and the costs of same, including reasonable attorneys' fees, shall be the responsibility of the Unit owner..

d. That the Unit shall be used solely as a private, single-family residence.

5. Each Unit owner irrevocably designates the Association's duly authorized officer as the Unit owner's attorney-in-fact for the purpose of and with the authority to terminate any



such agreement in the event of violation by the lessee of any covenant of the Condominium Documents; provided, however, that the Association first provide the Unit owner with notice of such violation and an opportunity to terminate such agreement within ten (10) days of such notice.

6. The Condominium Documents must be provided to the lessee by or on the behalf of the Unit owner at or before the commencement of the lease term.

7. The minimum lease term is one (1) year.

8. The lessee of each Unit shall be required to post a cash security deposit in an amount not to exceed the equivalent of one month's rent into an escrow account maintained by the Association as a security deposit. Said security deposit shall be held by the Association and may be commingled with other funds of the Association, and the Association shall have no liability for the accrual or payment of any interest thereon. If at any time during the term of the lease the lessee shall damage any portion of the Condominium Property, the Association may appropriate and apply all or any portion of said security deposit to the cost of repairing said damage. Following the expiration of the term of the lease, the security deposit shall be returned in full to the lessee, less any portion applied in accordance with this paragraph.

AA. Approval of Leases, Sales and Transfers.

1. Prior to the lease, sale or transfer of any Unit to any party other than the transferor's spouse or member of his immediate family, another Unit owner, his spouse or member of his immediate family, or the Association, the Unit owner shall notify the secretary of the Association in writing, in a form approved by the Association, of the name and address of the party to whom the proposed sale, lease or transfer is to be made and the terms and conditions thereof, including but not limited to, furnishing copies of any contract for sale and purchase, agreement for lease, or proposed lease, and such other information as may be required by the Board. Failure to do so shall be deemed a breach hereof, and any transfer in contravention of this Declaration shall be null and void and confer no title or interest to the intended purchaser, lessee or transferee unless subsequently approved by the Board.

2. Within thirty (30) days of receipt of said notice by the Secretary, and such supplemental information as it requires, the Board shall either approve or disapprove the proposed sale, lease or transfer, in writing, and shall notify the Unit owner of its decision.

3. The Board's right to disapprove shall be exercisable only as a means for insuring a lawful purpose that serves the best interests of the Association and its members.

4. Failure by the Board to act within said thirty (30) days shall be tantamount to its consent.

5. The Association shall charge a fee to cover the costs associated with the application, including but not limited to administrative costs and the cost of any credit and background checks. The Association shall provide a copy of any background check to the Unit owner upon request. The initial application fee shall be seventy-five dollars (\$75.00) and may be increased by the Association from time to time. The amount of such fee shall be reasonable and shall not violate the Act.

BB. Swimming Pool.

1. No person under the age of sixteen (16) years may use the swimming pool unless accompanied by an adult.

2. The swimming pool shall be used only during the posted hours between dawn and dusk.

3. All persons must shower and remove any oils or lotions prior to entering the swimming pool.

4. No glassware or bottles are permitted in the swimming pool or the surrounding area.

5. No alcoholic beverages shall be permitted in the swimming pool or the surrounding area.

6. Running in the area surrounding the swimming pool is prohibited.

7. No Pets are permitted in the swimming pool or the surrounding area.

XIII. Compliance and Default.

Each Unit owner shall be governed by and shall comply with the terms of the Condominium Documents. The failure of a Unit owner to comply therewith shall entitle the Association or other Unit owner to the following relief in addition to the remedies provided under the Act:

A. Negligence: A Unit owner shall be liable for the expenses of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of his family members, guests, invitees, employees and lessees .

B. No Waiver of Rights: The failure of the Association or any Unit owner to enforce any covenant, restriction or other provision of the Act or the Condominium Documents shall not constitute a waiver of the right to do so thereafter.

#### XIV. Assessments.

To provide the funds necessary for the proper operation and management of the Condominium, the Association has been granted the right to make, levy and collect Assessments against the Units and the Unit owners. The Association has a lien on each Unit to secure the payment of Assessments. The lien is effective from and shall relate back to the recording of the original Declaration. However, as to the first mortgage of record, the lien is effective from and after recording a claim of lien in the public records of Pinellas County. The following provisions shall govern the making, levying and collection of such Assessments, and the payment of the costs and expenses of operating and managing the Condominium by the Association:

A. Determination of Assessments: Assessments by the Association against each Unit and Unit owner shall be a fractional share of the total Assessments to be made against all Units. Should the Association become the owner of any Unit, the Assessment which is due shall be paid by the Association.

B. Time for Payment: The Assessment levied against each Unit and Unit owner shall be made not less frequently than quarterly in an amount which is not less than that required to be provided in advance for payment of the anticipated current operating expenses and the unpaid operating expenses previously incurred.

C. Annual Budget: The Board shall, in accordance with the Bylaws, establish an Annual Budget in advance for each fiscal year, which shall correspond to the calendar year, that shall estimate all expenses for the forthcoming year required for the proper operation, management and maintenance of the Condominium, including, when deemed necessary or advisable by the Board, a reasonable allowance for contingencies and reserves, and shall estimate all income to be collected during the year. The Board shall hand deliver or mail to each Unit owner a meeting notice and copy of the proposed annual budget not less than fourteen (14) days prior to the meeting at which the budget will be considered.

The proposed annual budget shall be detailed and shall show the amounts budgeted by account and expense classification, including, if applicable, but not limited to, those expenses listed in Section 718.504(21) of the Act.

In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of the deferred maintenance expense or replacement cost, and any other items for which the deferred maintenance expense or replacement cost exceeds ten thousand dollars (\$10,000.00). The amount to be reserved shall be computed by means of a formula that is based upon the estimated remaining useful life and the estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust the replacement reserve Assessment annually to take into account any extension of the useful life of a reserve item caused by deferred maintenance. This does not apply

to budgets in which members of the Association have, by a majority vote at a duly called meeting of the Association, determined for a fiscal year to provide no reserves or reserves less adequate than required.

Prior to turnover of control of the Association by the Developer to Unit owners other than the Developer pursuant to Section 718.301 of the Act, the Developer may vote to waive the reserves for the first two fiscal years of the operation of the Association, beginning with the fiscal year in which the initial Declaration is recorded, with a vote taken each fiscal year, which shall be effective for only one annual budget. The Developer may not unilaterally waive or reduce reserves. After which time reserves may only be waived or reduced upon the vote of a majority of non-Developer voting interests present at a duly called meeting of the Association. If a meeting of the Unit owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

Upon adoption of each annual budget by the Board, a copy thereof shall be delivered to each Unit owner and the Assessments for the year shall be based upon such budget. A Unit owner's failure to receive a copy of the budget shall not affect the liability of such Unit owner for such Assessments.

D. Use of Association Funds: All monies collected by the Association shall be treated as the separate property of the Association and such monies may be applied by the Association to the payment of any expenses of maintaining and managing the Condominium or to the proper undertaking of all acts and duties imposed upon it by virtue of the Condominium Documents, and as monies for annual Assessments are paid to the Association by any Unit owner, the same may be commingled with monies paid to the Association by the other Unit owners, but separate ledgers must be maintained for each account. For investment purposes only, reserve funds may be commingled with the operating funds of the Association. Commingled operating and reserve funds shall be accounted for separately, and a commingled account shall not, at any time, be less than the amount identified as reserve funds. All funds and other assets of the Association and any increments thereof or profits derived therefrom, or from the leasing or use of Common Elements, including without limitation the Common Surplus, shall be held for the benefit of members of the Association. No member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Unit.

E. Delinquency or Default: The payment of any Assessment or installment thereof due to the Association shall be in default if not paid to the Association on or before the due date thereof. The Association may charge an administrative late fee in an amount not to exceed the greater of forty-five dollars (\$45.00) or five percent (5%) of each installment of the Assessment for each delinquent payment or installment.

F. Personal Liability of Unit Owner: The Unit owner shall be personally liable, jointly and severally, to the Association for the payment of all Assessments or installments thereof levied

or otherwise coming due while such owner owns a Unit, late fees as provided above and the costs of collecting the Assessments and interest thereon, including attorneys' fees, whether suit be brought or not.

G. Liability not Subject to Waiver: No Unit owner may except himself from liability for any Assessment levied against him and his Unit by waiver of the use or enjoyment of any of the Common Elements, by abandonment of the Unit or in any other manner.

H. Lien and Personal Obligation for Assessments: Each Unit Owner, by acceptance of a deed or instrument of conveyance for the acquisition of title to a Unit, shall be deemed to have covenanted and agreed that the Assessments and other charges and fees set forth herein, together with interest, late fees, costs and reasonable attorneys' fees and paraprofessional fees at all levels of proceedings including appeals, collections and bankruptcy, shall be a charge and continuing lien in favor of the Association encumbering the Unit and all personal property located therein and owned by the Unit owner against whom each such Assessment is made.

1. Joint and Several Liability with Previous Owner: A Unit owner is jointly and severally liable with the previous owner for all unpaid Assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the Unit owner may have to recover from the previous owner the amounts paid by the Unit owner.

2. Liability of Bona Fide First Mortgagee: The lien of the Association for Assessments shall not be subordinate to any mortgage, including a bona fide first mortgage held by a lender on any Unit, even when the mortgage is recorded in the public records prior to the recording of the claim of lien. The lien for Assessments shall not be affected by any sale or transfer of a Unit, except in the event of a sale or transfer by deed in lieu of or pursuant to a foreclosure of a bona fide first mortgage, in which event, the mortgagee shall be liable for the unpaid assessments which came due during the twelve (12) month period immediately preceding the acquisition of title, or one percent (1%) of the original mortgage debt, whichever is less. However, any such remaining unpaid Assessments for which such mortgagee is not liable may be assessed and reallocated to the subsequent owner who receives title from such mortgagee. These provisions shall not apply unless the first mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location which was known or reasonably discoverable by the mortgagee. A first mortgagee acquiring title to a Unit as a result of foreclosure or a deed in lieu of foreclosure may not, during the period of ownership of such Unit, whether or not such Unit is occupied, be excused from the payment of some or all of the Assessments coming due during the period of such ownership. Nothing herein contained shall be construed as releasing the party liable for any delinquent Assessments from the payment thereof, or the enforcement of collection by means other than foreclosure. A lender shall give written notice to the Association if the mortgage held by such lender is in default. The Association shall have the right, but not the obligation, to cure such default within the time periods applicable to Unit owner.

In the event the Association makes such payment on behalf of a Unit owner, the Association shall, in addition to all other rights reserved herein, be subrogated to all of the rights of the lender. All amounts advanced on behalf of a Unit owner pursuant to this Section shall be added to Assessments payable by such Unit owner with appropriate interest.

3. Claim of Lien.

a. The lien of the Association shall be effective from and after the recording of a claim of lien in the public records of Pinellas County, Florida, stating the legal description of the Unit encumbered thereby, the name of the Unit owner, the name and address of the Association, and the amounts due and the due dates, which shall relate back to the date the Declaration was recorded. The claim of lien shall be executed and acknowledged by an officer of authorized agent of the Association. The claim of lien shall also cover any additional amounts that accrue thereafter until satisfied. Each Assessment, together with interest, late fees, costs and reasonable attorneys' fees and paraprofessional fees at all levels, including appeals, collections and bankruptcy, and other costs and expenses provided for herein, shall be the personal obligation of the person who was the owner of the Unit at the time the Assessment came due, as well as the Unit owner's heirs, devisees, personal representatives successors or assigns.

b. No such lien shall be effective longer than one year after the claim of lien was recorded unless within that time an action to enforce the lien is commenced. The one year limitation shall automatically be extended for any length of time during which the Association is prevented from filing a foreclosure action by an automatic stay resulting from a bankruptcy petition filed by the Unit owner or any other party claiming an interest in the Unit.

c. The claim of lien shall secure all unpaid Assessments that are due and that may accrue subsequent to the recording of the claim of lien and prior to the entry of a certificate of title, as well as interest and all reasonable costs and attorneys' fees incurred by the Association incident to the collection process.

d. Upon payment in full, the party making the payment is entitled to a satisfaction of the lien.

4. Application of Payments: Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fees, then to any costs and reasonable attorneys' fees incurred in collection, and then to the delinquent Assessments. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation or instruction placed on or accompanying a payment. A late fee shall not be subject to the provisions in Chapter 687, *Florida Statutes*, or Section 718.303(3) of the Act.

5. Action to Foreclose Lien: The Association may bring an action in its name to foreclose a lien for Assessments in the manner a mortgage on real property is foreclosed, and may also bring an action to recover a money judgment for the unpaid Assessments without waiving any

claim of lien. The Association is entitled to recover its reasonable attorneys' fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid Assessments.

6. Notice of Intent to Foreclose.

a. No foreclosure judgments may be entered until at least thirty (30) days after the Association gives written notice to the Unit owner of its intent to foreclose a lien to collect unpaid Assessments.

b. If such notice is not given at least thirty (30) days before the foreclosure action is filed, or if the unpaid Assessments, including those due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorneys' fees or costs.

c. The notice must be given through delivery of a copy thereof to the Unit owner or by certified or registered mail, return receipt requested, addressed to the Unit owner at his last known address.

d. Upon such mailing, the notice shall be deemed to have been given, and the court shall proceed with the foreclosure action and may award attorneys' fees and costs as permitted by law.

e. The notice requirements are satisfied if the Unit owner records a notice of contest of lien as provided in Section 718.116(5) of the Act.

f. The notice requirements do not apply if an action to foreclose a mortgage on the Unit is pending before any court, the rights of any Association would be affected by such foreclosure and actual, constructive or substitute service of process has been made on the Unit owner.

7. Possession During and After Foreclosure.

a. If the Unit owner remains in possession of the Unit after a foreclosure judgment has been entered, the court in its discretion may require the Unit owner to pay a reasonable rental for the Unit.

b. If the Unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent. The expenses of the receiver shall be paid by the non-prevailing party in the foreclosure action.

8. Purchase of Unit by Association at Foreclosure Sale: The Association has the power to purchase the Unit at the foreclosure sale and to hold, lease, mortgage, or convey the Unit.

I. Certificate of Assessments: Within fifteen (15) days after a request therefor by a Unit owner or Unit mortgagee, the Association shall provide a certificate stating all Assessments and other monies owed to the Association by the Unit owner with respect to the Unit. Any party other than the Unit owner who relies upon such certificate shall be protected thereby.

J. Special Assessments: The specific purpose of any special Assessment approved in accordance with the Declaration shall be set forth in a written notice of such Assessment sent or delivered to each Unit owner. The funds collected pursuant to a special Assessment shall be used only for the specific purpose set forth in such notice. However, upon completion of such specific purpose, any excess funds will be considered Common Surplus and may, at the discretion of the Board, either be returned to the Unit owners or applied as a credit toward future Assessments.

K. Effect of Transfer: When a Unit owner proposes to lease, sell, transfer or mortgage the Unit in compliance with the provisions of the Declaration, the Association upon written request of the Unit owner shall furnish to the proposed lessee, purchaser, transferee or mortgagee a statement verifying the status of payment of any Assessment which shall be due and payable to the Association by the Unit owner. Such statement shall be executed by an officer of the Association and any lessee, purchaser or mortgagee may rely upon same in concluding the proposed lease, purchase, transfer or mortgage transaction, and the Association shall be bound by such statement.

In any conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor made prior to the time of such conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefore.

L. Effect of Lawsuit or Foreclosure to Attempt Collection of Delinquent Assessments: The institution of a lawsuit to attempt to effect collection of any delinquent Assessments shall not be deemed to be an election by the Association which shall prevent it thereafter from seeking enforcement of the collection of any sums remaining owing to it by foreclosure, nor shall proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of lawsuit to attempt collection of any sum then remaining owing to it.

M. Use Fees: The Board has the right, but not the obligation, to establish use fees from time to time for the exclusive use of any portion of the Common Elements. Alternatively, the Board may elect not to charge use fees and include the cost of the foregoing in the Common Elements, which will then be shared by all Unit owners in accordance with their percentage interest in the Common Elements.

XV. Registry of Owners and Mortgagees.

The Association shall at all times maintain a Register of the names of the Unit owners and mortgagees.



A. Notice of Transfer of Title: Upon the transfer of title to any Unit, the transferee shall notify the Association in writing of his interest in such Unit together with recording information identifying the instrument by which such transferee acquired his interest in the Unit.

B. Notice of Mortgage: The owner of each Unit encumbered by a mortgage shall notify the Association of the name and address of the mortgagee, the amount of the mortgage and the recording information identifying the same. The holder of any mortgage encumbering a Unit may notify the Association of any such mortgage, and upon receipt of such notice the Association shall register in its records all pertinent information pertaining to same.

XVI. Alterations of and Improvements to Units and Common Elements.

A. Units: Unless the Unit owner shall first submit plans for such work to the Board, and the Board by resolution and by the affirmative vote of all member thereof shall approve and consent thereto, no alteration or improvement or addition to a Unit or Limited Common Element to which the Unit owner has an exclusive right of use, shall be made, constructed, erected or installed, which shall:

1. Remove in whole or in part, replace, reroute or otherwise affect any column, bearing, wall or partition, pipe, duct, wire or conduit, or obstruct any easement herein provided for.

2. Remove or change the style, pattern, material, texture or outside color of any door, window, screen, fixture, equipment, enclosure or appliance in an exterior Unit or building wall.

3. Cover, from the inside or outside, the glass or other transparent or translucent material in any exterior door or window with, or apply or affix thereto, any materials or substances which shall render the same opaque or change the exterior color therefor, except interior draperies, curtains, shades or shutters which are lined, backed, covered or painted on the side visible from the exterior with a neutral color or material.

4. Affix to or cover any exterior door or window or otherwise install on the exterior of any Unit or building any protective or decorative panel, trim, enclosure, fixture or appliance.

5. Otherwise change, modify or alter the exterior of any Unit or building so that it thereby differs in appearance from any other Unit of the same type.

B. Common Elements: There shall be no material alterations or substantial improvements in or additions to the Common Elements except in the following manner: Subject to the foregoing restrictions against changing the exterior appearance of the Units and buildings, the Association shall have the right to make or cause to be made alterations, improvements and additions to the Common Elements, with the exception of the acquisition of additional real property, which have been approved by the Unit owners to which seventy-five percent (75%) of the Common

Elements are appurtenant. The cost of such alterations, improvements or additions shall be assessed against and collected from the Unit owners as Common Expenses.

C. Hurricane Shutters: The Board shall adopt hurricane shutter specifications for each building within the Condominium, which specifications shall include the color, style and any other factor deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code and the Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board. The Board shall comply with all the requirements of Section 718.113(5) of the Act.

## XVII. Termination.

The Condominium may be terminated in the following manner in addition to the manner provided under the Act:

A. Destruction: If it is determined in the manner herein provided that the Condominium shall not be reconstructed due to total destruction or major damage, the Condominium will be thereby terminated without agreement.

B. Agreement: The Condominium may be terminated at any time by the approval in writing of all Unit owners and all record owners of mortgages upon the Units. If the proposed termination is submitted to a meeting of the members of the Association, the notice of which meeting provides notice of the proposed termination, and if the approval of the owners of Units to which not less than seventy-five percent (75%) of the Common Elements are appurtenant is obtained not later than thirty (30) days from the date of such meeting, the approving Unit owners shall have the option to purchase all of the Units of the other members of the Association during the period ending the on sixtieth (60th) day from the date of such meeting. Such option shall be upon the following terms:

1. Exercise of Option: The option shall be exercised by the delivery or mailing by certified mail to each of the record owners of the Units to be purchased of any agreement to purchase signed by the record owners of the Units who will participate in the purchase. Such agreement shall indicate which Units will be purchased by each particular Unit owner and shall agree to purchase the Units of the Unit owners not approving the termination, but the agreement shall effect a separate contract between each seller and purchaser.

2. Price: The sale price for each Unit shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit, and judgment of specific

performance of the sale upon award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

3. Payment: The purchase price shall be paid in cash.

4. Closing: The sale shall be closed within thirty (30) days following the determination of the sale price.

C. Certificate: The termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its president and secretary certifying as to the facts effecting the termination, which certificate shall become effective when recorded in the public records of Pinellas County, Florida.

D. Shares of Owners After Termination: After termination of the Condominium, the Unit owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the Unit owners. Such undivided shares of the Unit owners shall be the same as the undivided shares in the Common Elements appurtenant to the Unit owners prior to the termination.

E. Amendment: This article shall not be amended without consent of eighty percent (80%) of the voting interest of the members of the Association.

F. Notification: Upon recordation of the instrument evidencing consent of all Unit owners to terminate the Condominium, the Association within thirty (30) business days shall notify the Division of the termination and the date the document was recorded, the county where the document was recorded, and the book and page of the public records where the document was recorded, and shall provide the Division with a copy of the recorded termination notice certified by the clerk.

#### XVIII. Rights of Developer to Sell or Lease Units and Amend the Declaration.

The Developer intends to offer Units for sale to the public. The Developer reserves the right to engage in a program of renting or leasing unsold Units upon such terms as Developer shall approve and as permitted by the Act and, if the Developer engages in such a program, the Developer will file an amendment to the Declaration. If a Unit has been previously occupied, Developer will so advise the prospective purchaser in the purchase agreement.

#### XIX. Grant of Easements; Covenant Running with the Land and Conveyance to Trustee.

The Developer hereby grants non-exclusive easements to be constructed on the Condominium Property and to be used and enjoyed in common by the Unit owners and their family

members, guests, invitees, employees and lessees, and for any police, fire, rescue, ambulance, government, public, private or quasi-public agency, for the following purposes:

A. Utilities: The furnishing and maintenance of public utility services over, across, upon, in and through the Condominium Property.

B. Access: Vehicular and pedestrian access over, across, upon, in and through the drives, entries, gates, walkways, grounds and other portions as they are intended and provided for pedestrians and vehicular traffic through the Condominium Property.

C. Recreation: For recreational purposes, pedestrian access over, across, upon, in and through the drives, entries, gates, walkways, grounds and other portions in the paved surfaces and green and open areas of the Condominium Property.

D. Support and Necessity: An easement of support and of necessity is reserved for the benefit of each Unit and the Common Elements and each Unit shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

E. Encroachments: An easement is created for the existence and maintenance of any encroachment:

1. By a portion of the Common Elements upon any Unit.
2. By any Unit or Limited Common Element appurtenant thereto upon any other Unit or upon any portion of a Common Element.
3. Occurring as a result of:
  - a. Construction of improvements.
  - b. Settling or shifting of improvements.
  - c. Any alteration or repair to the Common Elements made by or with the consent of the Association.
  - d. Any repair or restoration to the improvements of a Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings. Such easements shall continue for so long as the improvements shall stand.

F. Construction and Maintenance: The Developer and its designees, contractors, successors and assigns shall have the right, in its sole discretion, from time to time, to enter the Condominium Property and take any necessary action to construct, rebuild and restore the Units as necessitated by fire or casualty.

G. Further Easements: The Association shall have the right and authority at any time by action of the Board to dedicate, convey or grant easements, execute and deliver bills of sale or warranty deeds and execute such other documents as may be necessary in connection with the water and sewage distribution systems and facilities located on or under the Condominium Property. The foregoing shall be for the purpose of dedicating, conveying or granting easements to the appropriate municipal authorities for said water and sewage distribution systems and facilities so that such authorities will maintain and operate same.

H. Easement Savings Clauses: An easement, whether heretofore or hereafter created pursuant to the Declaration, shall survive the termination of the Condominium. The Unit owners of the Condominium do hereby designate the Association acting through the Board as their lawful attorney-in-fact to execute any and all instruments on their behalf for the purposes of creating all such easements as are contemplated by the provisions hereof.

XX. Additional Institutional First Mortgagee Provisions.

In addition to all other rights as set forth in the Declaration, Institutional First Mortgagees shall have the right, upon written notice to the Association, to:

- A. Examine the Association's books and records during normal business hours.
- B. Receive current copies of the Condominium Documents and any other books, records and financial statements of the Association.
- C. Receive a statement of income and expenses of the Association within ninety (90) days after the end of the Association's fiscal year, and conduct an audit of the Association at its own cost.
- D. Receive notice of the Association's meetings and attend such meetings.
- E. Receive notice of an alleged default by a Unit owner upon whose Unit such Institutional First Mortgagee holds a mortgage which is not cured within sixty (60) days.
- F. Receive notice of any substantial damage or loss to any portion of the Condominium Property and any condemnation loss.
- G. Receive notice of a lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.
- H. Receive notice of any proposed action that requires the consent of a specified percentage of eligible mortgage holders.
- I. Receive notice of any proposed Termination of the Condominium.

J. Receive notice of any proposed amendment to the Condominium Documents effecting a change in:

1. The boundaries of any Unit or the exclusive easement rights appertaining thereto.
2. The interests in the Common Elements or Limited Common Elements appertaining to any Unit or the liability for the Common Expenses appertaining thereto.
3. The number of votes in the Association appertaining to any Unit.
4. The purposes to which any Unit, Common Element or Limited Common Element are restricted.

K. Receive timely written notice of the following:

1. Any condemnation or casualty loss that affects either a substantial portion of the Condominium or the Unit securing its mortgage.
2. Any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds a mortgage.
3. Any lapse, cancellation or substantial modification of any insurance policy or fidelity bond maintained by the Association.
4. Any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

To be entitled to receive this information, the Institutional First Mortgagees, insurer or guarantor must send a written request to the Association stating the name and address of the interested party and the Unit number or address on which it holds a mortgage. Proper notice shall be deemed given if notice was delivered by certified or registered mail with return receipt requested.

All provisions pertaining to an Institutional First Mortgagees shall take precedence over the provisions of the Declaration, unless and to the extent that same are viewed to be contrary to or prohibited by applicable law from time to time. No breach of any provision contained in the Declaration shall defeat or adversely affect the lien of any Institutional First Mortgagees at any time made in good faith and for a valuable consideration upon any Unit.

## XXI. Condemnation.

A. Deposit of Awards with Insurance Trustee: For purposes of the Declaration, the taking of portions of the Condominium Property by the exercise of the power of eminent domain or

purchase in lieu thereof (a "Taking") shall be treated as a casualty. The awards for a Taking shall be deemed to be proceeds from insurance as a result of the casualty and shall be deposited with the Insurance Trustee, even if the awards may be payable to Unit owners.

B. Determination Whether to Continue the Condominium: The determination of whether to continue the Condominium after a Taking will be made in the manner provided for determining whether damaged property will be reconstructed and repaired following a casualty.

C. Disbursement of Funds: If the Condominium is terminated after a Taking, the proceeds of the awards and special Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided under the Declaration.

D. Unit Reduced But Habitable: If a Taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable in the sole opinion of the Board, the award shall be used for the following purposes in the order stated, and the following changes shall be made to the Condominium:

1. Distribution of Surplus: The award for a Taking of a Unit, if any, shall be distributed to the owner and to each mortgagee of the Unit, the remittance being made payable jointly to the owner and such mortgagees.

2. Adjustment of Shares in Common Elements: If the floor area of a Unit is reduced by a Taking, the percentage representing the share in the Common Elements, the Common Expenses and the Common Surplus attributable to the Unit shall be reduced by multiplying the percentage of the applicable Unit prior to the reduction by a fraction, the numerator of which shall be the area in square feet of the Unit after the Taking, and the denominator of which shall be the area in square feet of the Unit before the Taking. The shares of the Unit owners in the Common Elements, the Common Expenses and the Common Surplus shall then be restated as follows:

a. Add the total of all percentages of the Units after reduction as aforesaid (the "Remaining Percentages Balance").

b. Divide the percentage for each Unit after reduction as aforesaid by the Remaining Percentage Balance.

The result of such division for each Unit shall be the adjusted percentage for such Unit.

E. Unit Uninhabitable: If a Taking is of the entire Unit or so reduces the size of a Unit such that it cannot be made habitable in the sole opinion of the Board, then the award for the Taking of the Unit shall be used for the following purposes in the order stated and the following charges shall be made to the Condominium:

1. Payment of Award: The award for the Taking shall be paid to the extent available:

a. To the applicable Institutional First Mortgagees in amounts sufficient to pay off their mortgages in connection with each Unit that is uninhabitable.

b. To the Association for any due and unpaid Assessments.

c. Jointly to the affected Unit owners and the other mortgagees of their Units.

d. In no event shall the total of such distributions for a specific Unit exceed the market value of such Unit immediately prior to the Taking. The balance, if any, shall be applied to the repair and replacement of the Common Elements.

2. Addition to Common Elements: The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for the use of all Unit owners in a manner approved by the Board. If the cost of such work shall exceed the balance remaining of the fund from the award for the Taking, such work shall be approved in the manner elsewhere required for capital improvements to the Common Elements.

3. Adjustment of Shares: The shares in the Common Elements, Common the Expenses and the Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares among the reduced number of Unit owners and Units as follows:

a. Add the total of all percentages of the Units of continuing Unit owners prior to this adjustment, but after any adjustments made necessary by Section D(2) (the "Percentage Balance").

b. Divide the percentage of each Unit of a continuing owner prior to this adjustment, but after any adjustments made necessary by Section D(2), by the Percentage Balance.

c. The result of such division for each Unit shall be the adjusted percentage for such Unit.

4. Assessments: If the balance of the award for the Taking after payments to the Unit owner and mortgagees as provided above is not sufficient to alter the remaining portion of the Unit for use as part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all Unit owners who will continue as Unit owners after the changes in the Condominium effected by the Taking. The Assessments shall be made in proportion to the applicable percentage shares of those Unit owners after all adjustments to such shares effected by reason of the Taking.



5. Arbitration: If the market value of a Unit prior to the Taking cannot be determined by agreement between the Unit owner, the mortgagees of the Unit and the Association within thirty (30) days after notice of a dispute by any affected party, such value shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of the arbitration proceedings shall be assessed against all Unit owners, including Unit owners who will not continue after the Taking, in proportion to the applicable percentage shares of such Unit owners as they exist prior to the adjustment to such shares affected by reason of the Taking.

6. Taking of Common Elements: Awards for the Taking of Common Elements shall be used to render the remaining portion of the Common Elements usable in the manner approved by the Board. If the cost of such work shall exceed the balance of the funds from the awards for the Taking, the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The surplus, if any, shall be distributed to the Unit owners in proportion to the shares in which they own the Common Elements after adjustments to the shares by reason of the Taking. If there is a mortgage on a Unit, the distribution shall be paid jointly to the Unit owner and the mortgagees of the Unit.

7. Amendment of Declaration: The changes in Units, the Common Elements and the ownership thereof, and the adjustments to the shares in the Common Expenses and Common Surplus that are effected by the Taking shall be evidenced by an amendment to the Declaration approved by, and executed at the direction of, a majority of the Board.

## XXII. Express and Implied Warranties.

A. Disclaimer: The Developer hereby disclaims any and all express or implied warranties as to the design, construction, furnishing and equipping of the Condominium Property except only those set forth in Sections 718.203 and 718.618 of the Act, to the extent applicable and to the extent that same have not expired by their terms as such warranties which cannot be disclaimed, and other claims, if any, which can be made as to the aforesaid matters. All incidental and consequential damages arising therefrom are hereby disclaimed.

B. Waiver: All Unit owners by virtue of their acceptance of title to their respective Units, whether from the Developer or another party, shall be deemed to have automatically waived all of the aforesaid disclaimed warranties and incidental and consequential damages.

C. Health, Safety and Welfare: Notwithstanding anything contained in the Condominium Documents, the Association shall not be liable or responsible for, or in any manner be a guarantor or insurer of, the health, safety or welfare of any Unit owner, occupant or user of any portion of the Condominium Property, including, without limitation, their family members, guests,

invitees, employees or lessees, or for any property of such parties. Without limiting the generality of the foregoing:

1. It is the express intent of the Condominium Documents that the various provisions thereof which are enforceable by the Association and which govern or regulate the uses of the Condominium Property have been written, and are to be interpreted and enforced, for the sole purpose of enhancing and maintaining the enjoyment of the Condominium Property and the value thereof.

2. The Association is not empowered, and has not been created, to act as an entity which enforces or ensures the compliance with the laws of the United States, the State of Florida, Pinellas County or any other jurisdiction or the prevention of tortious activities.

3. Any provisions of the Condominium Documents setting forth the uses of Assessments which relate to health, safety or welfare shall be interpreted and applied only as limitations on the uses of Assessment funds and not as creating a duty to protect or further the health, safety or welfare of any person, even if Assessment funds are chosen to be used for any such purpose.

D. Causes of Action: Each Unit owner, by virtue of his acceptance of the title to the Unit, and each other party having an interest in or lien upon the Unit, or making any use of any portion of the Condominium Property, by virtue of accepting such interest or lien or making such use, shall be bound by this provision and shall be deemed to have automatically waived any and all rights, claims, demands and causes of action against the Association arising from or connected in any matter for which the liability of the Association has been disclaimed in this provision.

E. Protection of Developer: These provisions shall inure to the benefit of the Developer and its affiliates, which shall be fully protected hereby.

F. Affirmative Obligation of Association: In the event the Association believes that the Developer has failed in any respect to meet the Developer's obligations under the Declaration, the Developer has failed to comply with any of Developer's obligations under law or the Common Elements are defective in any respect, the Association shall provide written notice to the Developer detailing the alleged failure or defect. The Association agrees that once the Association has provided such written notice to the Developer, the Association shall be obligated to permit the Developer and its agents to perform inspections of the Common Elements and to perform all tests and make all repairs and replacements deemed necessary by the Developer to respond to such notice at all reasonable times. The Association agrees that any inspection, test or replacement scheduled on a business day between 9:00 a.m. and 5:00 p.m. shall be deemed to be scheduled at a reasonable time. The rights reserved include the right of the Developer to repair or address, at the Developer's sole option and expense, any aspect of the Common Elements deemed defective by the Developer during its inspection of the Common Elements.

G. Buyer Inspection: A buyer shall be provided with an opportunity to physically inspect the square footage and dimensions of the Unit pursuant to the terms and conditions of the purchase agreement. In selling the Unit to the buyer, the seller will rely on the buyer's material representation prior to closing that the buyer has physically inspected the property and that the Unit's square footage and dimensions are satisfactory to the buyer. This representation shall survive the closing. The buyer understands that the square footage has been provided in the Condominium Documents. The buyer further understands that the seller is providing this information as made available to the seller by the surveyor and engineer.

XXIII. Miscellaneous.

A. Applicability of Declaration: All present and future owners, tenants or any other parties who might use the facilities of the Condominium in any manner are subject to the provisions of the Declaration, and the mere acquisition or rental of any Unit, or the mere act of occupancy of any Unit, shall signify that the provisions of the Declaration are accepted and ratified in all respects.

B. Construction: The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of condominium ownership. In the event of any conflict between the provisions of the Declaration and the Act, the provisions of the Act shall prevail.

C. Parties Bound: The restrictions and burdens imposed by the Declaration are intended to and shall constitute covenants running with the land and shall constitute an equitable servitude upon each Unit and its appurtenant undivided interest in the Common Elements, and the Declaration shall be binding upon the Developer, its successors and assigns, and upon all parties who may subsequently become Unit owners and their respective heirs, legal representatives, successors and assigns.

D. Right of Access to Units: The Association shall have the irrevocable right of access to each Unit during reasonable hours when necessary for the maintenance, repair or replacement of the Common Elements or any portion of a Unit maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or a Unit.

E. Liability: Notwithstanding anything contained in the Condominium Documents, the Association, except to the extent specifically provided to the contrary herein, shall not be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Unit owner, occupant or user of any portion of the Condominium Property including, without limitation, and their family members, guests, invitees, employees and lessees, or for any property of any such parties. Without limiting the generality of the foregoing:

1. It is the express intent of the Condominium Documents that the various provisions thereof which are enforceable by the Association and which regulate the use of the Condominium Property have been written, and are to be interpreted and enforced, for the sole

purpose of enhancing and maintaining the enjoyment of the Condominium property and the value thereof.

2. The Association is not empowered, and has not been created, to act as an entity that enforces or ensures compliance with the laws of the United States, the State of Florida, Pinellas County or any other jurisdiction, or the prevention tortious activities.

3. The provisions of the Condominium Documents setting forth the uses of Assessments that relate to health, safety or welfare shall be interpreted and applied only as limitations on the uses of Assessment Funds and not as creating a duty of the Association to protect or further the health, safety or welfare of any person, even if Assessment funds are chosen to be used for any such reason.

#### XXIV. Fines.

The Association may suspend, for reasonable periods of time, the rights of a Unit owner or a Unit owner's family member, guest, invitee, employee or lessee, to use the Common Elements, and may levy reasonable fines, not to exceed the maximum amounts permitted by Section 718.303 of the Act, against a Unit owner or a Unit owner's family member, guest, invitee, employee or lessee, for failure to comply with any provision of the Declaration including, without limitation, those provisions benefitting the Southwest Florida Water Management District ("SWFWMD").

1. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for a hearing before a committee of at least three (3) persons appointed by the Board who are not officers, directors or employees of the Association, or the spouse, parent, child, brother, sister of an officer, director or employee of the Association (the "Violations Committee"). Fines in the aggregate are not capped to any amount.

2. A fine or suspension may not be imposed without notice of at least fourteen (14) days to the person sought to be fined or suspended and an opportunity for a hearing before the Violations Committee. If the Violations Committee does not by a majority vote approve a fine or suspension the same may not be imposed. The notice of a violation shall be in writing to a Unit owner or a Unit owner's family member, guest, invitee, employee or lessee, and detail the infraction. Included in the notice shall be the date and time of the hearing before the Violations Committee.

3. The infraction shall be presented to the Violations Committee acting as a tribunal, after which the Violations Committee shall hear reasons why a fine should not be imposed. The hearing shall be conducted in accordance with the procedures adopted by the Violations Committee from time to time. A written decision of the Violations Committee shall be submitted to the Unit owner or the Unit owner's family member, guest, invitee, employee or lessee, as applicable, by not later than twenty-one (21) days after the hearing. The Unit owner or the Unit owner's family member, guest, invitee, employee or lessee shall have a right to be represented by counsel and to cross-examine witnesses.

4. The Violations Committee may impose individual Assessments against a Unit owner or a Unit owner's family member, guest, invitee, employee or lessee in an amount up to one hundred dollars (\$100.00), or any greater amount permitted by law from time to time, per day for each violation. Each day of noncompliance shall be treated as a separate violation and there is no cap on the aggregate amount the Violations Committee may fine a Unit owner or a Unit owner's family member, guest, invitee, employee or lessee. Individual Assessment fines shall be paid not later than five (5) days after notice of the imposition of the individual Assessment. All monies received from fines shall be allocated as directed by the Board.

DRUID OAKS CONDOMINIUM  
ASSOCIATION, INC., a Florida Corporation

Attest: By: Brenda Weinztl  
Printed Name: BRENDA WEINZTL  
Its Secretary

By: FLO TOUGAS  
Printed Name: FLO TOUGAS  
Its President

STATE OF FLORIDA  
COUNTY OF PINELLAS

BEFORE ME personally appeared FLO TOUGAS and Brenda Weinztl, respectively as President and Secretary of the DRUID OAKS CONDOMINIUM Association, Inc., a Florida corporation, who executed the foregoing instrument, and acknowledged to and before me that he executed said instrument for the purposes therein expressed.

Sworn to and subscribed before me this 1st day of July, 2013.

**JANICE SOFIA**  
Notary Public, State of Florida  
My Comm. Expires Mar. 4, 2014  
No. DD967637

Janice Sofia  
Notary Public, State of Florida  
JANICE SOFIA  
Print, Type or Stamp Name of Notary

Personally known to me, or  
 Produced identification  
Type of identification produced:  
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