

DECLARATION OF CONDOMINIUM
FOR
CENTRAL PARK, A METROWEST CONDOMINIUM

THIS DECLARATION is made on the date set forth below by McRae & Stolz Orlando, LLC, a Delaware limited liability company (hereinafter "Developer"), the owner of fee simple title to certain real property described in Paragraph 3 of this Declaration.

1. SUBMISSION TO CONDOMINIUM OWNERSHIP.

Developer hereby submits to the condominium form of ownership and use the Land described in Paragraph 3 of this Declaration, together with all improvements now and hereafter erected or to be installed thereon and the easements and rights appurtenant thereto pursuant to the Florida Condominium Act as it exists on the date hereof.

2. NAME.

The name by which this condominium is to be identified is CENTRAL PARK, A METROWEST CONDOMINIUM (hereafter the "Condominium").

3. THE LAND.

The land submitted to the condominium is located in Orange County, Florida, being more particularly described in Exhibit "A", which exhibit is attached hereto and incorporated herein by this reference. A survey of the land is attached as part of Exhibit "C", which exhibit is attached hereto and incorporated herein by this reference.

4. PROPERTY SUBJECT TO CERTAIN RESTRICTIONS AND EASEMENTS.

The Condominium Property (as described hereinafter) is subject to the covenants, restrictions, easements and reserved rights of Developer contained in this Declaration. The Condominium Property is also subject to:

- a. Underground Drainage Easement recorded in Official Records Book 3876, Page 344, of the Public Records of Orange County, Florida.
- b. Cross-Easement recorded in Official Records Book 3943, Page 610, of the Public Records of Orange County, Florida.
- c. Reciprocal Ingress/Egress Easement recorded in Official Records Book 3943, Page 604, of the Public Records of Orange County, Florida.
- d. Underground Electric and Water Utility Easement recorded in Official Records Book 3866, Page 4993 and amended in Official Records Book 3874, Page 1312 (as to Lot 5), of the Public Records of Orange County, Florida.
- e. Cable Television Installation and Service Agreement recorded in Official Records Book 3981, Page 3347 (as to Lot 5), of the Public Records of Orange County, Florida.

f. Underground Electric and Water Utility Easement recorded in Official Records Book 3984, Page 990 (as to Lot 4), of the Public Records of Orange County, Florida.

g. Notice of Easement in favor of Time Warner Entertainment-Advance/Newhouse Partnership recorded in Official Records Book 5812, Page 3343, of the Public Records of Orange County, Florida.

h. Master Declaration of Protective Covenants and Restrictions for Metrowest recorded in Official Records Book 3759, Page 2756, of the Public Records of Orange County, Florida; Agreement concerning Transfer of Responsibilities recorded in Official Records Book 3820, Page 4314, aforesaid records; Supplement No. 1 recorded in Official Records Book 3913, Page 2944, aforesaid records; Supplement No. 2 recorded in Official Records Book 3936, Page 4185, aforesaid records; Supplement No. 3 recorded in Official Records Book 3968, Page 1279, aforesaid records; First Amendment recorded in Official Records Book 5114, page 1077, aforesaid records; Assignment and Assumption recorded in Official Records Book 6115, Page 4273, aforesaid records; and Second Amendment recorded in Official Records Book 6189, Page 2476, aforesaid records.

i. Developers Agreement recorded in Official Records Book 3354, Page 1337, of the Public Records of Orange County, Florida; Notice of Adoption of Development Order recorded in Official Records Book 3354, Page 2364, aforesaid records; Guaranty of Performance Agreement recorded in Official Records Book 3791, Page 320, aforesaid records; Amendment No. 1 recorded in Official Records Book 3797, Page 1199, aforesaid records; and Amendment No. 2 recorded in Official Records Book 4168, Page 2722, aforesaid records.

j. Underground Easement in favor of the City of Orlando and the Orlando Utilities Commission recorded in Official Records Book 3789, Page 1088, of the Public Records of Orange County, Florida.

k. Cable Television Installation and Service Agreement recorded in Official Records Book 3912, Page 2285 (as to Lot 5), of the Public Records of Orange County, Florida.

l. Maintenance Agreement recorded in Official Records Book 3791, Page 315; Agreement concerning Transfer of Responsibilities recorded in Official Records Book 3820, Page 4314, of the Public Records of Orange County, Florida.

m. Agreement recorded in Official Records Book 3420, Page 2424, of the Public Records of Orange County, Florida.

n. Such other easements as shown on the Survey, as contained in any future amendments to this Declaration, or as declared by Developer pursuant to reserved rights contained herein.

The above does not constitute a representation or warranty by Developer that the Condominium Property is not subject or may not be subjected to other covenants, restrictions, easements, or instruments.

5. DEFINITIONS.

Generally, terms used in the Declaration, and its exhibits, shall have their normal generally accepted meanings or the meanings given in the Act. Unless the context clearly indicates a different meaning, certain terms used in the Declaration, and its exhibits, including the Bylaws, and the Articles of Incorporation shall be defined as follows:

- a. "Act" or "Condominium Act" or "Florida Condominium Act" means the Florida Condominium Act (Chapter 718, Florida Statutes) as it exists on the date hereof and as amended from time to time.
- b. "Articles" or "Articles of Incorporation" shall mean the Articles of Incorporation of the Association, as may be amended from time to time. A copy of the original Articles of Incorporation is attached hereto as Exhibit "E."
- c. "Architectural Review Committee" or "ARC" shall mean the committee established to exercise the architectural review powers set forth in Paragraph 16 hereof.
- d. "Area of Common Responsibility" shall mean and refer to the Common Elements, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any other person or entity become the responsibility of the Association.
- e. "Assessment," as further described and defined in Paragraphs 18 and 19 hereof, shall mean a share of the funds required for the payment of Common Expenses as provided in this Declaration and which from time to time is assessed against the Unit Owner.
- f. "Association" or "Condominium Association" shall mean CENTRAL PARK A METROWEST CONDOMINIUM ASSOCIATION, INC., a Florida not-for-profit corporation, the sole entity responsible for the operation of the Condominium. Where utilized herein or in the exhibits attached hereto, the term "Corporation" shall be deemed to be synonymous with the term "Association."
- g. "Association Property" shall mean the property, real and personal, which is owned or leased by, or which is dedicated on a recorded plat to the Association for the use and benefit of its members.
- h. "Board of Directors," or "Board" shall mean the Board of Directors of the Association.
- i. "Building(s)" shall mean the structure(s) within which the Units, certain Limited Common Elements, and certain Common Elements are located on the Condominium Property.
- j. "Bylaws" shall mean the Bylaws of the Association, as may be amended from time to time. A copy of the original Bylaws is attached hereto as Exhibit "F."
- k. "Common Elements" shall mean and include the portions of the Condominium Property that are not included within a Unit, as more particularly described in this Declaration.
- l. "Common Expenses" shall mean all expenses incurred or anticipated to be incurred by the Association for the general benefit of the Condominium, including but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Elements and Association Property; those expenses and assessments required by the Master Declaration; and the costs of carrying out the powers and duties of the Association. Common Expenses also include reasonable transportation services, insurance for directors and officers, road maintenance and operation expenses, in-house communications, access control services, and pest control services to the Common Elements, which are reasonably related to the general benefit of the Unit Owners even if such expenses do not attach to the Common Elements or property of the Condominium, and the cost of any master antenna television system obtained pursuant to a bulk contract, if any. Common Expenses shall not include any separate obligations of individual Unit Owners. In the event that the Board of Directors elects in its sole discretion to install and/or maintain hurricane shutters in accordance with Section 718.113(5) of the Act, and Paragraph 10(a)(viii) and/or Paragraph 15(b) of this Declaration, then the term "Common Expenses" shall include

the expense of such installation, replacement, operation, repairs and/or maintenance in accordance with Section 718.115(1)(e) of the Act. For all purposes of this Declaration, "Common Expenses" shall also include all budgeted reserves required by the Act.

m. "Common Surplus" shall mean the excess of all receipts of the Association collected on behalf of the Association (including, but not limited to, Assessments, rents, profits and revenues on account of the Common Elements), over and above the amount of Common Expenses.

n. "Condominium Instruments" shall mean this Declaration and all Exhibits to this Declaration, including but not limited to the Bylaws of the Association, the Articles of Incorporation of the Association, the Survey and Floor Plans, all as may be supplemented or amended from time to time.

o. "Condominium Parcel" shall mean a Unit together with the undivided share in the Common Elements and the Common Surplus that is appurtenant to the Unit.

p. "Condominium Property" shall mean the Land described in Exhibit "A" and the improvements constructed thereon which have been submitted to condominium ownership under this Declaration.

q. "County" shall mean Orange County, State of Florida.

r. "Declaration" or "Declaration of Condominium" shall mean this instrument, as it may be amended from time to time.

s. "Developer" shall mean McRae & Stolz Orlando, LLC, a Delaware limited liability company, and its successors and its assigns or any other individual or entity that qualifies as a Developer pursuant to Florida Administration Code, Section 61B – 15.007.

t. "Developer's Easement Area" shall mean that certain area, as shown on the Floor Plans, that Developer has the right to use exclusively for any purpose it deems appropriate as set forth in Paragraph 13 of this Declaration.

u. "Division" shall mean the Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation.

v. "Domestic Partner" shall mean any adult who cohabitates with an Owner who is not such Owner's spouse and who has been designated as the Owner's Domestic Partner in a written statement, signed by the Owner and filed with the Association's Secretary. A person shall no longer be a Domestic Partner upon the Secretary's receipt of a written termination notice, signed by either the Owner or the Domestic Partner.

w. "Electronic Document" shall mean information created, transmitted, received or stored by electronic means and retrievable in human perceivable form, such as email, web pages, electronic documents, facsimile transmissions, etc.

x. "Electronic Signature" shall mean a signature created, transmitted, received or stored by electronic means and includes, but is not limited to, a Secure Electronic Signature.

y. "Eligible Mortgage Holder" shall mean those holders of first mortgages secured by Units in the Condominium who have requested notice of certain items as set forth in this Declaration.

z. "Floor Plans" shall mean the floor plans and building plans for Central Park, A Metrowest Condominium prepared by Land Tech Surveying & Mapping Corp., and required by Section 718.104 of the Act, which Floor Plans are attached hereto as Exhibit "E" and are incorporated herein by this reference.

aa. "Improvements" shall mean all structures located or to be constructed on the Condominium Property, including, but not limited to, the Buildings.

bb. "Insured Property" shall mean that certain property as more particularly defined in Paragraph 20(c) hereof.

cc. "Life Safety System" shall mean any and all emergency lighting, audio and visual signals, safety systems, sprinklers and smoke detection systems, which are now or may be hereafter installed in the Buildings, whether or not within the Units. All such Life Safety Systems, together with all conduits, wiring, electrical connections and systems related thereto, regardless of where located, shall be deemed Common Elements hereunder. Without limiting the generality of the foregoing, when the context shall so allow, the Life Safety System shall also be deemed to include all means of emergency ingress and egress, which shall include all stairways and stair landings.

dd. "Limited Common Elements" shall mean a portion of the Common Elements, the exclusive use of which is reserved to a certain Unit or Units to the exclusion of other Units, as same are shown on the Floor Plans or Survey or are specified in this Declaration. References herein to Common Elements also shall include all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.

ee. "Management Firm" shall mean any Person contracted by the Association to perform management functions for and on behalf of the Association.

ff. "Master Association" shall mean the Metrowest Master Association, Inc., a Florida corporation not-for-profit, its successors and assigns.

gg. "Master Declaration" shall mean that certain Master Declaration of Protective Covenants and Restrictions for Metrowest recorded in Official Records Book 3759, Page 2756, et seq., of the Public Records of Orange County, Florida, as amended or as it may be amended.

hh. "Occupant" shall mean a person (be it an Owner or a tenant or lessee of an Owner) who resides in a Unit. Where the context dictates, an Occupant shall also be deemed to include the family members, occasional social guests, tenants, licensees and invitees.

ii. "Person" shall mean any individual, corporation, firm, association, partnership, trust, or other legal entity.

jj. "Secure Electronic Signature" shall mean an electronic or digital method executed or adopted by a Person with the intent to be bound by or to authenticate a record, which is unique to the Person using it, is capable of verification, is under the sole control of the Person using it, and is linked to data in such a manner that if the data is changed, the electronic signature is invalidated.

kk. "Survey" shall mean the survey/plot plan for Central Park, A Metrowest Condominium, prepared by Land Tech Surveying & Mapping Corp., required by Section 718.104 of the Act, which Survey is attached hereto as Exhibit "C" and is incorporated herein by this reference.

ll. "Unit" shall mean and refers to that portion of the Condominium Property that is subject to exclusive ownership and use as more particularly described in this Declaration.

mm. "Unit Owner" or "Owner of a Unit" or "Owner" shall mean the record owner of legal title to a Condominium Parcel.

nn. "Voting Interest" shall mean the voting rights distributed to Association members pursuant to the Declaration.

6. DESCRIPTION OF CONDOMINIUM.

The Condominium shall contain four hundred (400) Units. A graphic description of the Buildings in which Units are located, including an identification of each Unit by a separate numerical designation is shown on the Floor Plans attached hereto as Exhibit "D." The Survey (Exhibit "C") and the Floor Plans (Exhibit "D"), together with this Declaration, are sufficient in detail to identify the Common Elements and each Unit and their relative locations and dimensions. Time-share estates or interests will not be created with respect to any of the Units in the Condominium

7. UNITS AND BOUNDARIES.

Each Unit consists of a dwelling and its appurtenant percentage of undivided interest in the Common Elements and Common Surplus. Each Unit shall be subject to the Act and the Condominium Instruments. Each Unit is depicted on the Survey and Floor Plans. Each Unit includes that part of the structure that lies within the following boundaries:

a. Vertical Boundaries. The perimetrical or vertical boundaries of each Unit shall be the vertical planes formed by the outermost surface of the studs in the walls separating the Unit from the exterior wall of the Building and the walls separating the Unit from the hallway of the floor on which the Unit is located in the Building. With respect to common walls between the Units, the perimetrical or vertical boundary of the Units served thereby shall be the vertical plane formed by the centerline of the plane being equidistant from the exposed, innermost surface of the wallboard facing the interior of each Unit served by such common wall. The vertical boundaries include the wallboard or other material comprising the wall of the Unit.

b. Horizontal Boundaries.

(i) If the Unit is on the top floor of the Building, the upper horizontal boundary of such Unit is the uppermost, unfinished, unexposed surface of the wallboard or other material comprising the ceiling of the uppermost level of the Unit, with such material constituting part of the Unit. The lower horizontal boundary of such Unit is the lowermost surface of the wood floor truss structure with gypcrete comprising the subflooring of the lowermost level of the Unit, with the flooring and subflooring constituting part of the Unit.

(ii) If the Unit is on the bottom floor of the Building, the upper horizontal boundary of such Unit is the lowermost surface of the wood floor truss system with gypcrete comprising the subflooring of the Unit above, with the subflooring of the Unit above not constituting part of the Unit below. The lower horizontal boundary of such Unit is the uppermost surface of the concrete slab on which the Unit is constructed, with the flooring, if any, constituting part of the Unit and the concrete subflooring and building foundation not constituting part of the Unit.

(iii) If the Unit is not on the top or bottom floors of the Building, the upper horizontal boundary of such Unit is the lowermost surface of the wood truss system with gypcrete

comprising the subflooring of the Unit above, with the subflooring of the Unit above not constituting part of the Unit below. The lower horizontal boundary of such Unit is the lowermost surface of the wood floor truss system with gypcrete comprising the subflooring of the Unit, with the flooring and subflooring constituting part of the Unit.

c. Additional Information to Interpret Unit Boundaries. Entry doors and exterior glass surfaces, including, but not limited to, windows and glass doors, serving the Unit shall be included within the boundaries of the Unit. Heating and air conditioning systems serving a single Unit (including any part of such system located outside the boundaries of the Unit), all duct work for heating and air conditioning systems and appliances and plumbing fixtures within a Unit shall be part of the Unit.

If any chutes, flues, ducts, conduits, wires, pipes or other apparatus lies within and partially outside of the designated boundaries of the Unit, any portion thereof which serves only that Unit shall be deemed to be a part of that Unit, while any portions thereof which serve more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements, except that any chimney and fireplace flue shall not be deemed part of a Unit, but shall be considered a Limited Common Element assigned to such Unit as set forth below.

In interpreting deeds and Floor Plans, the existing physical boundaries of a Unit as originally constructed or of a Unit reconstructed in substantial accordance with the original Floor Plans thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in any deed or Floor Plan, regardless of settling or lateral movement of the Building in which the Unit was located, and regardless of any minor variance between the boundaries shown on the Floor Plans or in a deed and those of the Unit.

d. Appurtenances to Units. The ownership of each Unit shall include and there shall pass with a Unit as appurtenances thereto: (a) an undivided share in the Common Elements and Common Surplus; (b) the exclusive right to use such portion of the Common Elements as provided in this Declaration; (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, provided that an easement in air space which is vacated shall be terminated automatically; (d) membership in the Association with the full voting rights appurtenant thereto; and (e) other appurtenances as may be provided by this Declaration or the Act.

8. COMMON ELEMENTS.

a. The Common Elements consist of all portions of the Condominium Property not located within the boundaries of the Units. The Common Elements include all Limited Common Elements as described in Paragraph 10 herein and further, includes, but is not limited to, the following:

(i) Easements over, under, across, and through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to the Units and the Common Elements;

(ii) An easement of support in every portion of a Unit that contributes to the support of any other Unit or the Building;

(iii) The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements; and

(iv) Certain utilities, fences and lighting for same, paving, walls, retaining walls, the foundation, roofs, and exterior walls of the Buildings, Life Safety Systems, landscape areas,

fitness center, swimming pools, jacuzzis, volleyball court, tennis court, clubhouse, maintenance building, mail kiosk, outside parking area and lighting for same, trash compactor, all other lighting, personal property, equipment and furniture in any Common Element of the Condominium Buildings.

b. Additions, Alterations or Improvements to the Common Elements by the Association.

Whenever, in the judgment of the Board of Directors, the Common Elements, or any part thereof, shall require capital additions, alterations or improvements (as distinguished from maintenance, repairs and replacements) costing in excess of Fifty Thousand Dollars (\$50,000) in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by the Owners of sixty-six two-thirds percent (66.67%) of the Units represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, or any part thereof, costing in the aggregate Fifty Thousand Dollars (\$50,000) or less in a calendar year may be made by the Board of Directors without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall be as a "Capital Improvement Assessment" of the Unit Owners as provided in Paragraph 18 of this Declaration. For purposes of this Section, "aggregate in any calendar year" shall include the total debt incurred in that year, if such debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is made beyond that year.

9. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS.

The undivided share in the Common Elements and Common Surplus that is appurtenant to a Unit, and the exclusive right to use all appropriate appurtenant Limited Common Elements, shall not be separated from such Unit and shall pass with the title to the Unit, whether or not separately described. The appurtenant share in the Common Elements and Common Surplus, and the exclusive right to use all Limited Common Elements appurtenant to a Unit, cannot be conveyed or encumbered, except together with such Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements, the Condominium Property, or any part thereof, shall be undertaken, except as provided herein with respect to termination of the Condominium.

10. LIMITED COMMON ELEMENTS.

a. The Limited Common Elements located on the Condominium and the Unit(s) to which they are assigned are:

(i) The portion of the Common Elements on which there is located any portion of the air conditioning or heating system exclusively serving a particular Unit or Units is assigned as Limited Common Element to the Unit or Units so served.

(ii) Any utility meter not owned by the utility company, if any, which serves only one Unit is assigned as a Limited Common Element to the Unit so served.

(iii) Any balcony or patio attached to and serving only one (1) Unit, as shown in the Floor Plans, is assigned as a Limited Common Element to the Unit to which it is attached and which it serves.

(iv) Any storage space attached to and opening onto any balcony or patio, as shown on the Floor Plans, assigned in accordance with subparagraph (iii) above is assigned as a Limited Common Element to the Unit to which such balcony or patio is assigned in accordance with subparagraph (iii) above.

(v) Any chimney and fireplace flue adjoined and connected to a Unit or Units are assigned as Limited Common Elements to the Unit or Units to which they are adjoined and connected.

(vi) Any skylight attached to and serving only one (1) Unit is assigned as a Limited Common Element to the Unit to which it is attached and which it serves.

(vii) Parking Spaces. Developer, in its sole discretion, reserves the right to designate and assign, with or without consideration, all parking spaces situated on the Condominium Property, as shown on Exhibit "C" ("Survey/Plot Plans") and/or Exhibit "D" ("Floor Plans") hereof, as Limited Common Elements for the exclusive use by Unit Owners of specified Units as long as it holds any Unit for sale in the ordinary course of business. Thereafter, any remaining parking spaces that have not been delegated or assigned by Developer shall be deemed to be Common Elements under the control of the Association, and may be assigned by the Association, in its sole discretion, to a Unit Owner as a Limited Common Element. After assignment to a Unit, each parking space shall pass as a Limited Common Element of the Unit. No Unit Owner shall have or acquire any fee simple title to the parking space at any time except as part of the Unit Owner's undivided share in the Common Elements. Upon payment by the Unit Owners of such price as Developer deems appropriate, in its absolute discretion, Developer shall assign a space or spaces to a Unit and once so assigned, said space or spaces shall become a Limited Common Element appurtenant to such Unit. All assignments of parking spaces shall be made by a non-recordable instrument in writing ("Parking Space Assignment"). The Association shall maintain a book (the "Association Book") for purposes of recording the current assignee of each parking space. Developer will cause the Association to record each such Parking Space Assignment in the Association Book and the Unit Owner to which such use is assigned shall have the exclusive right to the use thereof. All fees collected by Developer for assigning parking spaces, if any, shall be retained by Developer and shall not constitute income or revenue of the Association. Parking Space Assignments shall be executed by Developer alone, the President of the Association alone, or by any two (2) officers of the Association. There shall be no recordation in the County of the transfer of a parking space. A Unit Owner who has acquired Limited Common Element parking spaces appurtenant to its Unit from Developer or Association shall have the right to transfer or assign any of its Limited Common Element parking spaces to another Unit Owner. The assigning Unit Owner shall have the right to retain all consideration paid by the Unit Owner for the assignment of the parking spaces. Upon a reassignment of a parking space by an Owner, such Owner shall promptly provide written evidence of same to the Association and the Association shall record the reassignment in the Association Book.

(viii) Storage Spaces. Developer, in its sole discretion, reserves the right to designate and assign, with or without consideration, any storage space situated on the Condominium Property (excluding those assigned in accordance with subparagraph (iv) above), as shown on Exhibit "C" ("Survey/Plot Plans") and/or Exhibit "D" ("Building Plans and Unit Floor Plans") hereof, as Limited Common Elements for the exclusive use by Unit Owners of specified Units as long as it holds any Unit for sale in the ordinary course of business. Thereafter, any remaining storage space that have not been delegated or assigned by Developer shall be deemed to be Common Elements under the control of the Association, and may be assigned by the Association, in its sole discretion, to a Unit Owner as a Limited Common Element. After assignment to a Unit, each storage space shall pass as a Limited Common Element of the Unit. No Unit Owner shall have or acquire any fee simple title to the storage space at any time except as part of the Unit Owner's undivided share in the Common Elements. Upon payment by the Unit Owners of such price as Developer deems appropriate, in its absolute discretion, Developer shall assign a storage space to a Unit and once so assigned, said storage space shall become a Limited Common

Element appurtenant to such Unit. All such assignments of storage space shall be made by a non-recordable instrument in writing ("Storage Space Assignment"). The Association shall maintain a book (the "Association Book") for purposes of recording current assignee of each storage space. Developer will cause the Association to record each such Storage Space Assignment in the Association Book and the Unit Owner to which such use is assigned shall have the exclusive right to the use thereof. All fees collected by Developer for assigning storage spaces, if any, shall be retained by Developer and shall not constitute income or revenue of the Association. Storage Space Assignments shall be executed by Developer alone, the President of the Association alone, or by any two (2) officers of the Association. There shall be no recordation in the County of the transfer of a storage space. A Unit Owner who has acquired storage space (s) from Developer or Association shall have the right to transfer or assign any of its storage spaces to another Unit Owner. The assigning Unit Owner shall have the right to retain all consideration paid by the Unit Owner for the assignment of the storage space. Upon a reassignment of a storage space by an Owner, such Owner shall promptly provide written evidence of same to the Association and the Association shall record the reassignment in the Association Book.

(ix) Each Unit is assigned one (1) mail box or mail slot to be initially assigned by Developer as a Limited Common Element.

(x) The Board has the right, but not the obligation, to install temporary or permanent hurricane shutters. In the event the Board does not install such shutters, Unit Owners may install shutters in accordance with Paragraph 23(f) of this Declaration. Any hurricane shutter affixed to the exterior of a Building by a Unit Owner and serving a particular Unit is assigned as a Limited Common Element to the Unit so served.

11. ASSOCIATION MEMBERSHIP AND ALLOCATION OF VOTES.

All Unit Owners, by virtue of their ownership of a fee or undivided fee interest in any Unit in the Condominium, excluding Persons holding such interest under a Mortgage, are members of the Association, and, except as otherwise provided herein or in the Bylaws, shall be entitled to vote on all matters upon which members of the Association are entitled to vote pursuant to the Declaration and in accordance with the Bylaws. Subject to the provisions of the Condominium Instruments, the Owner or collective Owners of a Unit shall be entitled to one (1) equally weighted vote for such Unit ("Voting Interest"). The total number of votes shall at all times be equal to the number of Units submitted to the Condominium under this Declaration. Membership in the Association shall automatically terminate upon the termination of ownership of a Condominium Parcel, and the subsequent owner taking title shall automatically become entitled to membership.

12. OWNERSHIP OF COMMON ELEMENTS AND COMMON SURPLUS AND SHARE OF COMMON EXPENSES.

The proportion or percentage of and manner of sharing Common Expenses and owning the Common Surplus shall be the same as the undivided shares in the Common Elements. The undivided share in the Common Elements and Common Surplus appurtenant to each Unit, as well as the undivided share of the Common Expenses to be paid with respect to each Unit, shall be computed on the following basis:

The allocation of percentage shares in the Common Elements and Common Surplus, and the percentage share of the Common Expenses, appurtenant to each Unit is set forth in Exhibit "B" as attached hereto and incorporated herein by this reference. The allocation of percentage shares has been established by Developer in the following manner:

a. The approximate area of each Unit has been measured in square feet from the centerline of the walls, separating the Units from each other and the centerline of the walls separating the Unit from the exterior wall of the building and from the hallway of the floor on which the Unit is located, and excludes any Limited Common Element balconies, storage spaces, or patios. Such area for each such Unit is hereafter referred to as its "Unit Area."

b. The total of the Unit Area of all Units has been computed and is hereinafter referred to as the "Total Unit Area."

c. The Total Unit Area has been divided into the Unit Area of each Unit to determine the allocation of percentage shares for each Unit as set forth on Exhibit "B" to this Declaration.

The foregoing methods of calculation were undertaken in order to establish a fair and equitable method of allocating assessment percentages to Units within the Condominium and every Unit Owner hereby agrees to be bound by such calculations and hereby irrevocably waives the right to assert that the formula used or the measurements made were unfair, inequitable, or otherwise in error; provided that in the case of a scrivener's error as described in Section 718.110(5) of the Act, such error may be corrected by an amendment to this Declaration approved by the Board of Directors or a majority of Unit Owners.

13. EASEMENTS.

The following easements are hereby created (in addition to any easements created under the Act and any other provisions of this Declaration):

a. Support. Each Unit, Building and Improvements shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

b. Utility and Other Services; Drainage. To the extent that the sprinkler system or other part of the Life Safety System or any utility line, pipe, wire, or conduit serving any Unit, Units or the Common Elements shall lie wholly or partially within the boundaries of another Unit or the Common Elements, such other Unit, Units, or the Common Elements shall be burdened with a non-exclusive easement for the use, maintenance, repair and replacement of such sprinkler system, Life Safety System, utility line, pipe, wire or conduit, such non-exclusive easement to be in favor of the Unit, Units, or Common Elements served by the same and the Association. It shall be the obligation of the benefited Owner to maintain, replace and repair any pipe, line, conduit, duct or wire owned by such Owner, even if such pipe, line conduit, duct or wire is located within the boundaries of a Unit of another Owner. In such circumstance, the benefited Owner shall repair all incidental damage to any Unit resulting from performance of any such work. All Unit Owners hereby covenant and agree that as finish levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready". Components that may require repair or replacement, such as tile and trim, will be reinstalled only to the extent of readily available materials or similar materials (trim and such will also be finished to "paint-ready"). Due to the uncontrollability of quality of repair, items such as faux paint treatment, wallpaper, ceiling/wall appliqué, and any other similar types of finishes, will not be the responsibility of the benefited Owner. Furthermore, non-exclusive easements are hereby reserved unto Developer and also granted to the respective utility providers under, through and over the Condominium Property as may be required from time to time for the construction, use and maintenance of all utilities (whether public or private), cable television, communications and security systems, and other services which may serve the Condominium and each Unit; provided, however, that these easements shall not permanently interfere with the use of the Units. A non-exclusive easement is also reserved unto Developer and granted to all applicable governmental entities over and across the Common Elements for the purpose of providing drainage and for the installation, operation, use and maintenance of drainage facilities; provided, however, that the

Association shall be responsible for the continuous maintenance of the easements and rights-of-way of the drainage system located on any and all portions of the Condominium Property. This obligation shall run with the land as do other provisions of the Declaration. A Unit Owner shall do nothing within or outside his or her Unit that interferes with or impairs, or may interfere with or impair, the provision of such utility, cable television, communications and security systems, or other service or drainage facilities or the use of these easements.

c. Encroachments. If any portion of the Common Elements encroaches upon any Unit, any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or any encroachment shall hereafter occur as a result of (i) unintentional deviation from the Floor Plans or Survey in the construction of the Improvements, (ii) settling or shifting of the Improvements, (iii) any alteration or repair to the Common Elements made by or with the consent of the Association or Developer, as appropriate, or (iv) any repair or restoration of the Improvements (or any portion thereof) after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Improvements shall stand.

d. Use and Enjoyment. Each Unit Owner and Occupant shall have a right and a non-exclusive easement of use and enjoyment in and to the Common Elements (including the right of access, ingress and egress to and from his or her Unit over those portions of the Condominium designated for such purpose), and such non-exclusive easement shall be appurtenant to and shall pass with the title to such Unit, subject to (i) the rights of the Unit Owners to the exclusive use of the Limited Common Elements assigned to their respective Units; (ii) to the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Declaration; and (iii) the right of the Association to have access to the Units and Limited Common Elements assigned to a Unit to discharge its rights and obligations, under the Condominium Instruments, including without limitation, the maintenance responsibility of the Association. None of the easements specified in this subsection shall be encumbered by any leasehold or lien other than those on Condominium Parcels. Any such lien encumbering such easements (other than those on the Condominium Parcels) automatically shall be subordinate to the rights of Unit Owners and the Association with respect to such easements.

e. Easement For Facilities and Services. The Association and its agents, contractors, designees, employees, successors and assigns shall have: (i) a non-exclusive easement for access and use of all the Common Elements, including, but not limited to, those customarily used for pedestrian and vehicular traffic and also including driveways, walkways, porches, janitorial closets, mechanical/electrical rooms, and storage rooms for the purpose of performing its obligations under the Condominium Instruments, including, but not limited to, cleaning, repairing, maintaining and improving the Building and Improvements; and (ii) an irrevocable right of access to each Unit during reasonable hours, when necessary for the maintenance, repair or replacement of any Common Elements or of any portion of a Unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units. In addition, the Association (and its agents, contractors, designees, successors and assigns) shall have an irrevocable right of access to each Unit for the purpose of installing hurricane shutters in accordance with the provisions of Paragraph 10(a)(viii) hereof and Section 718.115(5) of the Act.

f. Additional Easements. Developer (as long as it offers any Units for sale in the ordinary course of business) and the Association, on their behalf and on behalf of all Unit Owners (each of whom hereby appoints Developer and the Association as its attorney-in-fact for this purpose), each shall have the right to grant such additional general ("blanket") and specific electric, gas or other utility, cable television, security systems, communications or service easements (and appropriate bills of sale for equipment, conduits, pipes, lines and similar installations pertaining thereto), or modify or relocate any such existing easements or drainage facilities, in any portion of the Condominium Property, and to grant

access easements or relocate any existing access easements in any portion of the Condominium Property, as Developer or the Association shall deem necessary or desirable for the proper operation and maintenance of the Improvements, or any portion thereof, or for the general health or welfare of the Unit Owners, or for the purpose of carrying out any provisions of this Declaration, provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the Units for dwelling purposes. In addition, the Board of Directors has the authority, without the joinder of any Unit Owner, to grant, modify, or move any easement if the easement constitutes part of or crosses the Common Elements or Association Property.

g. Survey. All easements described or shown on the Survey.

h. Developer Easements. For so long as Developer owns any Unit primarily for the purpose of sale, Developer and its duly authorized contractors, subcontractors, representatives, agents, associates, employees, tenants and successors and assigns shall have: (1) a non-exclusive easement for access and ingress to, egress from and use of the Common Elements for the placement and maintenance of signs, banners, balloons, decorations, marketing materials and tables, a sales office, a leasing office, a business office, promotional facilities and model Units on any portion of the Condominium, together with such other facilities as in the opinion of Developer may be reasonably required, convenient or incidental to the completion, renovation, improvement, development, sale or lease of any Unit; and (2) a non-exclusive easement to use the Common Elements for special events and promotional activities. Additionally, Developer and its duly authorized contractors, subcontractors, representatives, agents, associates, employees, tenants and successors and assigns, shall have an exclusive easement for any and all purposes it deems appropriate over, on and through Developer's Easement Area as depicted on the Floor Plans so long as Developer, or any successor Developer, owns any Unit for the purpose of sale or lease. In addition, until such time as Developer relinquishes control of the Association in accordance with Section 718.301(4) of the Act, Developer shall have a transferable, non-exclusive easement on, over, through, under and across the Common Elements and Limited Common Elements for the purpose of making improvements on the Condominium or any portion thereof, for the purpose of constructing, installing, replacing, repairing, restoring and maintaining all utilities, buildings, driveways, landscaping and any other improvements on the Condominium Property or serving the Condominium, and for the purpose of doing all things reasonably necessary and proper in connection therewith.

i. Developer Activities. Until such time as Developer completes and sells all of the Units in the Condominium, Developer reserves, for the purpose of developing, renovating and constructing the Condominium Property, the right to prohibit access to any portion of the Common Elements of the Condominium Property or uncompleted Units to any of the Occupants of the Condominium, and to utilize various portions of the Common Elements or the Units in connection with such construction and development; provided that in no event shall Developer prevent reasonable access by Owners and Occupants to Common Elements for the purpose of ingress and egress to and from the Units. No Unit Owner or Occupant's guests or invitees shall in any way interfere or hamper Developer, its employees, successors or assigns, in connection with such activities of Developer. Thereafter, during such time as Developer, its successors or assigns, own any Units within the Building and is carrying on any business in connection therewith, including the selling, renting or leasing of such Units, the Unit Owners, their guests and invitees shall in no way interfere with such activities or prevent access to such Units by Developer, its employees, its successors or assigns.

j. Sales and Management Activities. Until such time as Developer has conveyed all Units to third parties, other than Developer or parties affiliated with Developer, Developer, its designees, successors and assigns, shall have the right to use any such Units owned by Developer and parts of the Common Elements for Unit models, sales, closings, management and construction offices; to show model Units and the Common Elements to prospective purchasers and, if applicable, tenants of Units; and to erect on the Condominium Property signs and other promotional material to advertise Units for sale or

lease, and to take any and all actions which, in Developer's opinion, may be helpful in selling or leasing Units or for promoting the Condominium and its operation generally.

k. Community Bulletin Board. As part of the Common Elements maintained by the Association, Developer and/or the Board shall have the right, but not the obligation, to erect on the Condominium a bulletin board primarily for the use of Unit Owners in advertising their Units for sale; provided that such bulletin board shall not be used by Unit Owners to advertise the sale of their Unit as long as Developer owns any Unit for sale in the ordinary course of business. For so long as the Association desires to maintain this bulletin board, each Unit Owner and his licensed real estate broker and agent may use the Condominium for access, ingress and egress to and from this bulletin board; provided, however, the use of the bulletin board shall be subject to such reasonable nondiscriminatory rules and regulations as may be adopted or promulgated by the Board regulating the size and duration of such advertisements. In addition, the Board has the right, but not the obligation, to adopt reasonable rules and regulations to permit Unit Owners to use the community bulletin board for other purposes such as advertising Units for rent, and/or the sale or rental of items such as equipment or furniture. Developer or the Board may terminate use of this bulletin board entirely at any time, and no property rights of any kind are created hereby.

Wherever in this Paragraph or elsewhere in this Declaration an easement is granted or reserved to any party, such easement shall also benefit such party's successors, grantees, assigns, agents, employees, licensees, tenants, invitees and guests. All easements referred to herein shall be non-exclusive easements, except as expressly provided otherwise.

14. AMENDMENTS.

Except as elsewhere provided herein, this Declaration may be amended in the following manner:

a. By the Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors of the Association or by not less than one-third (1/3) of the Unit Owners of the Association. Except as elsewhere provided, approvals must be by an affirmative vote of (i) Unit Owners of not less than 66-2/3% of the Units in the Condominium and by not less than sixty-six and two-thirds percent (66-2/3%) of the Board of Directors of the Association; or (ii) Unit Owners of not less than seventy-five percent (75%) of the Units in the Condominium.

b. Amendment by Developer.

(i) Amendment to Condominium Plans and Declaration. Developer reserves the right to make whatever changes it may deem necessary in the Condominium Instruments or other documents required by Section 718.104 of the Act and this Declaration until such time as all of the Units have been conveyed to third parties not related to or affiliated with Developer. The amendment reflecting such changes need only be executed by Developer; provided, however, that no such amendment unilaterally approved by Developer shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to any Unit, or change the proportion or percentage by which a Unit Owner shares the Common Expenses and owns the Common Surplus, unless such amendment is also approved by the record Owner of the affected Unit, all record owners of liens on such affected Unit, and at least a majority of the total Voting Interests of the Association.

(ii) Special Amendment. Developer, its designees, successors, or assigns, reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at

any time and from time to time which amends the Declaration and any provision therein (A) to comply with requirements of the FNMA, FHLMC, the Government National Mortgage Association, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; (B) to induce any of such agencies or entities to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Units; and (C) to bring this Declaration into compliance with applicable laws, ordinances or governmental regulations. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Developer to make or consent to a Special Amendment on behalf of each Unit Owner and the Association. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of Developer to make, execute and record Special Amendments. The right and power to make Special Amendments hereunder shall terminate when Developer no longer owns any Unit for the purpose of sale.

(iii) If there has been an omission or error in this Declaration or any other document required by law to establish the Condominium, the Association may correct such error or omission by an amendment approved by a majority of the Board of Directors, provided that this procedure for amendment shall not be used if such an amendment would materially and adversely affect substantial property rights of Unit Owners, unless the affected Unit Owners consent to such amendment in writing.

(iv) This Declaration and all exhibits hereto, where applicable, may be amended by an amendment approved by a majority of the Board of Directors or a majority of Unit Owners to correct scrivener's errors described in Section 718.110(5) of the Act.

c. Execution and Recording. An amendment, other than amendments made by Developer alone pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association, which shall include recording data identifying the Declaration and shall be executed with the same formalities required for the execution of a deed. Amendments by Developer must be evidenced by a similar certificate executed by Developer alone. An amendment of the Declaration is effective when the amendment is properly recorded in the public records of the County. All Amendments shall be distributed to Unit Owners and Occupants after approval and recordation of such Amendment.

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

e. Limitations.

(i) No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or

reserved to Developer without the written consent of Developer in each instance. The provisions of this Paragraph may not be amended in any manner.

(ii) Unless otherwise provided specifically to the contrary in this Declaration, no amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to any Unit, or change the proportion or percentage by which the Owner of a Unit shares the Common Expenses and owns the Common Elements and Common Surplus, unless the record Owner(s) of the Unit(s) so affected, and all record owners of liens thereon, shall join in the execution of the amendment and the amendment is otherwise approved by not less than a majority of the Voting Interests in the Condominium.

15. MAINTENANCE RESPONSIBILITY.

a. By the Owner. Each Owner shall have the obligation to maintain and keep in good repair all portions of his or her Unit, interiors of any Limited Common Element storage spaces, and all improvements made by the Owner to the Limited Common Elements assigned to the Unit except any portion of a Unit which is expressly made the maintenance obligation of the Association as set forth in subparagraph (b) below. This maintenance responsibility shall include, but not be limited to the following: all glass surfaces, windows (excluding exterior cleaning), window frames (except for periodic painting, staining and/or cleaning of the exterior window frames), casings and locks (including caulking of windows); all Limited Common Element hurricane shutters, if any, unless the Board elects to maintain such shutters in accordance with Paragraph 15(b) below; all screens on any Limited Common Element screened balconies or patios; all doors, doorways, door frames, and hardware that are part of the entry system of the Unit (except for periodic painting, staining and/or cleaning of the exterior surface of entry doors and door frames and doorways facing the hallway of the Condominium); all portions of the heating and air conditioning system, including the air conditioning compressor serving the Unit and the fan coil; and all pipes, lines, ducts, conduits, or other apparatus which serve only the Unit, whether located within or without a Unit's boundaries (including all electricity, water, sewer, or air conditioning pipes, lines, ducts, conduits, or other apparatus serving only the Unit). Unit Owners shall also be responsible for keeping the interior of his or her Unit free from insects and pests, including the responsibility to hire a professional exterminator when necessary. Additionally, each Unit Owner shall perform maintenance obligations as described in Paragraph 15(e) below ("Mold and/or Mildew") within his/her Unit. All maintenance, repair and/or replacements for which the Owner is responsible and obligated to perform which if not performed, would affect other Units or Common Elements, shall be performed promptly as the need arises.

In addition, each Unit Owner shall have the responsibility:

(i) To keep in a neat, clean and sanitary condition any Limited Common Elements serving his or her Unit.

(ii) To perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Units.

(iii) To promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible.

(iv) To pay for the cost of repairing, replacing or cleaning up any item which is the responsibility of the Unit Owner but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of repairing, replacing, or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Unit Owner, his or her family, tenants

or guests, with the cost thereof to be billed to the Owner, which cost shall bear interest at the highest rate permitted by law from the date expended until paid in full.

b. By the Association. The Association shall maintain and keep in good repair as a Common Expense the "Area of Common Responsibility," which includes, but is not limited to, the following:

(i) all Common Elements, including any Limited Common Elements and the structures of the Limited Common Element patios and balconies (excluding the screening) but excluding all improvements made to such Limited Common Elements, and including all portions of the roof and the roof support systems, including the roof joists and cross braces, even if such roof joists and cross braces are located within a Unit, and including all outdoor parking spaces and skylights;

(ii) all Limited Common Element chimneys and chimney caps and the Association shall have the right, but not the obligation, to conduct a periodic inspection, on a schedule to be determined by the Board of Directors, of all fireplaces and chimney flues and, if, in the Board of Director's sole discretion, a flue needs to be cleaned and/or repaired, the Association shall provide such cleaning and/or repair;

(iii) periodic painting, staining and/or cleaning of exterior surfaces of the Buildings, exterior windows and window frames and entry doors and door frames, on a schedule to be determined by the Board of Directors;

(iv) the Life Safety System (including but not limited to sprinkler systems) and building systems; and

(v) the Board has the right in its sole discretion, but not the obligation, to maintain all Limited Common Element hurricane shutters, if any. *See reg 5 cc excludes fire exting.*

Except for the maintenance responsibilities provided in subparagraph (a) above, no maintenance or repair that is the responsibility of the Association shall be performed on or to the Common Elements by an Owner or Occupant (including, but not limited to landscaping of Common Elements). If any such maintenance or repair is performed by an Owner or Occupant in violation of these covenants, the Owner or Occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair and the Owner or Occupant shall be liable to the Association for any resulting damage to the Common Elements.

Neither the Association nor Developer shall be liable for injury or damage to person or property caused by the elements or by the Owner of any Unit, or any other Person, or resulting from any utility, rain which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder, except for injuries or damages arising after the Owner of a Unit has put the Association on notice of a specific leak or flow from any portion of the Common Elements and the Association has failed to exercise due care to correct the leak or flow within a reasonable time thereafter. Neither the Association nor Developer shall be liable to the Owner of any Unit or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements. Neither the Association nor Developer shall be liable to any Owner, or any Owner's Occupant, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Paragraph where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association or Developer to take some action or perform some function required to be taken or performed by the Association or Developer under this Declaration, or for inconvenience or

discomfort arising from the making of repairs or improvements by the Association or Developer, or from any action taken by the Association or Developer to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

The Association shall repair incidental damage to any Unit resulting from performance of work that is the responsibility of the Association. As finish levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready". Such repair and subsequent cleaning shall be performed based on a reasonableness standard. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such persons, firms or corporations of its choice, such duties as are approved by the Board of Directors.

c. Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Owner does not complete the required maintenance, repair and/or replacement within the time allotted, and if the repair, replacement and/or maintenance is of an item which, if not performed would affect other Units or the Common Elements but which does not create an emergency, the Board may provide such maintenance, repair or replacement at a time agreed upon with the Owner and such cost shall be billed to the Owner. If the Board determines that an emergency exists by virtue of an Owner's failure to maintain, then the Board may enter the Unit and provide the necessary maintenance, repair and/or replacement and such cost shall be billed to the Unit Owner. Any cost billed to the Owner pursuant to this subsection may include reasonable administrative fees and shall bear interest at the highest rate permitted by law from the date expended until paid in full may include reasonable administrative fees.

If the Board determines that the need for maintenance or repair is in the Area of Common Responsibility and is caused through the willful or negligent act of any Owner, or Occupant or their family, guests, lessees, or invitees, then the Association may bill the Owner for the cost of any such maintenance, repair, or replacement and any such amount billed may include reasonable administrative fees and shall bear interest at the highest rate permitted by law from the date expended until paid in full.

d. Measures Related to Insurance Coverage.

(i) The Board of Directors, upon resolution, shall have the authority to require all or any Unit Owner(s) to do any act or perform any work involving portions of the Condominium which are the maintenance responsibility of the Unit Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Condominium, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring Owners to install and maintain smoke detectors at a mutually agreed upon time, requiring Owners to certify that they have checked the batteries for their smoke detectors, requiring Owners to allow the Association to inspect the smoke detectors and replace batteries if needed by the Board of Directors, requiring Owners to make improvements to the Owner's Unit, and such other measures as the Board may reasonably require so long as the cost of such work does not exceed Three Hundred Dollars (\$300) per Unit in any twelve (12) month period.

(ii) In addition to, and not in limitation of, any other rights the Association may have, if any Unit Owner does not comply with any requirement made by the Board of Directors pursuant to subparagraph (d)(i) above, the Association, upon fifteen (15) days' written notice (during which period the Unit Owner may perform the required act or work without further liability), may perform such required act or work at the Unit at a mutually agreed upon time. The cost of any such work performed by the Association shall be billed to the Owner and shall bear interest at the highest rate permitted by law from the date expended until full payment. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to subparagraph (d)(i) of this Paragraph, including, but not limited to, a right of entry without notice in an emergency situation.

e. Mold and/or Mildew. Mold and/or mildew can grow in any portion of the Condominium that is exposed to elevated levels of moisture. The Association and each Unit Owner agree to: (i) regularly inspect the parts of the Condominium that they respectively maintain, and which are visible and accessible without having to first conduct invasive testing, for the existence of mold, mildew, and/or water intrusion (except when the water intrusion is part of the normal functioning of improvements and appliances such as showers, sinks, dishwashers, and other similar appliances and improvements) and/or damage; (ii) upon discovery, immediately repair in a good and workmanlike condition the source of any water intrusion in the parts of the Condominium that they respectively maintain; (iii) remediate or replace any building material located in the parts of the Condominium that they respectively maintain that has absorbed water or moisture as a result of water intrusion; and (iv) promptly and regularly remediate all mold and/or mildew discovered in the parts of the Condominium that they respectively maintain in accordance with current industry-accepted methods. In addition, the Association agrees to notify the Units Owners, and each Unit Owner agrees to notify the Association within twenty-four (24) hours of the discovery of mold, mildew, and/or water intrusion and/or damage in the parts of the Condominium that they respectively maintain.

Notwithstanding anything to the contrary herein, Developer shall have no obligation to perform any invasive testing or inspections, maintenance or repairs in accordance with this Paragraph 15(e), and shall not be held liable for any loss or damage caused by the failure of the Association or a Unit Owner to perform their obligations herein.

16. ARCHITECTURAL CONTROLS.

a. By Unit Owners.

(i) During Developer Control. During the time in which Developer has the right to appoint a majority of the directors and officers of the Association under Article IV of the Bylaws there shall be no Architectural Review Committee ("ARC") and all encroachments onto the Common Elements or Limited Common Elements, exterior change, alteration or construction (including painting and landscaping), and any erection, placement or posting of any object, sign, clothesline, speaker, playground equipment, light, fountain, flag (except that one (1) portable, removable United States flag may be displayed in a respectful way, and in accordance with Section 718.113(4) of the Act as it may be amended from time to time, portable, removable, official flags not larger than four and one-half feet (4-1/2') by six feet (6') in size that represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard, may be displayed in a respectful way on Armed Forces Day, Memorial Day, Flag Day, Independence Day, and Veterans Day), or thing on the exterior or roofs of the Buildings, in any windows (except window treatments as provided herein), or on any Limited Common Elements or any Common Elements, must receive the prior written approval of Developer; however, religious symbols not larger than two inches (2") in width and five inches (5") in height may be posted on the door frame of the Unit and reasonable seasonal decorative lights may be displayed between Thanksgiving and January 15. Granting or withholding

considerations, and it shall be entitled to stop any construction that is not in conformance with approved plans. The ARC may publish written architectural standards for exterior and Common Element alterations or additions, and any request in substantial compliance therewith shall be approved; provided, however, each such requested change shall be in harmony with the external design of the existing Buildings and Units and the location in relation to surrounding structures and topography of the vicinity.

In the event that the ARC fails to approve or to disapprove such application within forty-five (45) days after the application and all information as the ARC may reasonably require have been submitted, its approval will not be required and this subparagraph will be deemed complied with; provided, however, even if the requirements of this subparagraph are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the Bylaws, or the rules and regulations.

d. Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration, unless otherwise agreed to in writing by the ARC. It is the responsibility of every Unit Owner to determine for him or herself what architectural modifications have been made to his or her Unit by any predecessor-in-interest. In the discretion of the ARC, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest.

e. Limitation of Liability. Review and approval of any application pursuant to this Paragraph is made on the basis of aesthetic considerations only, and neither Developer, the Board of Directors or the ARC shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, or for ensuring compliance with building codes and other governmental requirements. Neither Developer, the Association, the Board of Directors, the ARC, or member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Unit.

f. No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board of Directors and ARC will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. Each Owner further acknowledges that the ARC may adopt different architectural standards for different parts of the Condominium, based on street visibility and location of the proposed modification in the building. The approval of either the Board of Directors or the ARC of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board of Directors, or the ARC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

g. Enforcement. Any construction, alteration, or other work done in violation of this Paragraph shall be deemed to be nonconforming. Upon written request from the Board or the ARC, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the property to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Board or its designees shall have the right to enter the property at a mutually agreed upon time, remove the violation and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs thereof shall be billed to the Owner, and may include reasonable administrative fees and shall bear interest at the highest rate permitted by law from the date expended until paid in full.

In addition to the foregoing, the Board of Directors shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Paragraph and its decisions. Furthermore, the Board shall have the authority to record in the Orange County land records notices of violation of the provisions of this Paragraph.

If any Owner or Occupant makes any exterior change, alteration, or construction (including landscaping) upon the Common Elements or Limited Common Elements in violation of this Paragraph, he or she does so at his or her sole risk and expense. The Board may require that the change, alteration or construction be removed or that it remain on the Common Elements or Limited Common Elements without reimbursement to the Owner or Occupant for any expense he or she may have incurred in making the change, alteration or construction.

h. Commencement of Construction. All changes, modifications and improvements approved by the ARC hereunder must be commenced within six (6) months from the date of approval. If not commenced within six (6) months from the date of such approval, then such approval shall be deemed revoked by the ARC, unless the ARC gives a written extension for commencing the work. All work approved by the ARC hereunder shall be completed in its entirety within ninety (90) days from the date of commencement, unless otherwise agreed in writing by the ARC. All approved changes, modifications, and improvements must be completed in their entirety. An Owner may not construct only a portion or part of an approved change, modification, or improvement.

i. Approval Under the Master Declaration. The provisions for architectural control contained in this Declaration shall be in addition to, and not in lieu of, any architectural control provisions that may be contained now or hereafter in the Master Declaration, or promulgated by the Master Association in accordance therewith. Whenever approval of the ARC is required under this Declaration, the granting of such approval shall not dispense with the need to also comply with any approval procedures that may be set out in the Master Declaration or promulgated by the Master Association. All proposed construction, modifications, alterations and improvements shall be approved in accordance with this Declaration before being submitted for approval pursuant to the Master Declaration or rules promulgated by the Master Association.

17. OPERATION OF THE CONDOMINIUM BY THE ASSOCIATION; POWERS AND DUTIES.

a. Powers and Duties. The Association shall be the entity responsible for the operation of the Condominium and Association Property. The powers and duties of the Association shall include those set forth in the Articles of Incorporation and Bylaws attached hereto as Exhibits "E" and "F" respectively and as amended from time to time. In addition, the Association shall have all the powers and duties set forth in the Act, as well as all powers and duties granted to or imposed upon it by this Declaration, including, without limitation:

(i) The power to manage, operate and maintain the Common Elements and Association Property;

(ii) The irrevocable right to have access to any portion of each Unit and the Limited Common Elements appurtenant thereto from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of the Common Elements or Association Property, or any portion of a Unit required to be maintained by the Association in accordance with this Declaration or the Act, or at any time and by force, if necessary, for making emergency repairs necessary to prevent damage to the Building, the Common Elements or to the Unit or any other Unit or Units;

(iii) The power to make and collect Assessments and other related expenses authorized under the Act against Unit Owners, and to lease, maintain, repair and replace the Common Elements and Association Property, and to grant, modify or move easements, which are part of or cross the Common Elements or Association Property, as long as the easement created in Paragraph 13(e) of this Declaration is not modified;

(iv) The duty to maintain accounting records, according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times upon prior request;

(v) The power to contract for the management and maintenance of the Condominium Property and to authorize a duly licensed management agent (who may be an affiliate of Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and regulations, and perform the maintenance, repair and replacement required of the Association with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted in the Articles, the Bylaws, and this Declaration and the Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association;

(vi) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, if any, for the purpose of maintenance, repair, restoration, or improvement of the Common Elements and facilities, and for other purposes, provided that any such action of an amount greater than Fifty Thousand Dollars (\$50,000) must be approved by a majority of the entire Board of Directors and of the Unit Owners represented at a meeting at which a quorum has been attained or by such greater percentage of the Board or Unit Owners as may be specified in the Bylaws with respect to certain borrowing, provided that no such action shall be permitted while Developer owns any Unit for sale without the prior written consent of Developer;

(vii) The power to adopt, amend and enforce reasonable rules and regulations governing the use of the Condominium Property, including the Units, Limited Common Elements and Common Elements.

(viii) The power to acquire, lease, mortgage and convey real and personal property, (including the power to lease, sell or assign space on the roofs of Buildings for installation of telecommunications equipment), and including the power to enter into agreements, to acquire leaseholds, memberships, and other possessory use interests in lands or facilities such as country clubs, golf courses, marinas and other recreational facilities, and including the power and to grant, modify, and cancel easements regarding such property, provided that such action may be done only (i) upon the approval of a majority of the Board of Directors, and (ii) upon a finding by the Board that such action is for the benefit of the members of the Association. The requirements of Paragraph 8(b) (Additions, Alterations or Improvements to the Common Elements by the Association) pertaining to the Unit Owners' approval of costs in excess of the threshold amount stated therein (including the proviso as to the debt incurred) shall also apply to this acquisition and dealing with Association-owned property; provided, however, that the acquisition of a Unit as a result of a foreclosure of the lien for Assessments shall be exempt from these requirements;

(ix) The power to represent and act on behalf of the Unit Owners in the event of damage or destruction as a result of casualty loss in accordance with the provisions of the Act and Paragraph 20 of this Declaration;

(x) The power to represent and act on behalf of the Unit Owners in the event of any loss resulting from condemnation or eminent domain in accordance with the provisions of the Act and Paragraph 22 of this Declaration;

(xi) The power to acquire or enter into agreements acquiring leaseholds, memberships or other possessory or use interests in lands or facilities for recreational purposes as long as such arrangements are approved by the Owners of a majority of the Units;

(xii) All of the powers which a corporation not-for-profit in the State of Florida may exercise pursuant to this Declaration, the Articles of Incorporation and Bylaws, Chapter 617, Florida Statutes, and the Act, in all cases except as expressly limited or restricted in the Act or the Condominium Instruments;

(xiii) The power, but not obligation, to hire, contract with, employ, manage, oversee and coordinate a concierge service that will assist all Owners and Occupants with personal services, including but not limited to obtaining tickets for events in the Orlando area, arranging limousine, taxi and airport transportation in the Orlando area;

(xiv) The power to execute all documents or consents, on behalf of all Unit Owners (and their mortgagees), required by all governmental and/or quasi-governmental-agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Unit Owner by acceptance of a lien on said Unit, appoints and designates the President of the Association, as such Owner's agent and attorney-in-fact to execute any and all such documents or consents;

(xv) The power to pay assessments to the Master Association as provided in the Master Declaration; and

(xvi) The power to enforce objections of Unit Owner as specified herein.

b. Conflict. In the event of conflict among the powers and duties of the Association or the terms and provisions of this Declaration or the exhibits attached hereto, this Declaration shall take precedence over the Articles of Incorporation, Bylaws and applicable rules and regulations; the Articles of Incorporation shall take precedence over the Bylaws and applicable rules and regulations; and the Bylaws shall take precedence over applicable rules and regulations, all as amended from time to time. Notwithstanding anything in this Declaration or its exhibits to the contrary, the Association shall at all times be the entity having ultimate authority over the Condominium, consistent with the Act.

c. Limitation of Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property and Association Property, the Association shall not be liable to Unit Owners for injury or damage, other than for the cost of maintenance and repair, caused by any latent condition of the Condominium Property or Association Property to be maintained and repaired by the Association, or caused by the elements, other Unit Owners or third parties. Further, the Association shall not be liable for any such injury or damage caused by defects in design or workmanship or any other reason connected with any additions, alterations or improvements done by or on behalf of any Unit Owners, regardless if whether or not same shall have been approved by the Association pursuant to the provisions hereof.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BYLAWS, ANY RULES OR REGULATIONS OF THE ASSOCIATION,

THE MASTER DECLARATION OR ANY OTHER DOCUMENT GOVERNING OR BINDING THE ASSOCIATION, 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 OWNER, OCCUPANT OR USER OF ANY PORTION OF THE CONDOMINIUM PROPERTY AND ASSOCIATION PROPERTY, INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(i) IT IS THE EXPRESS INTENT OF THE CONDOMINIUM INSTRUMENTS 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.

(ii) THE ASSOCIATION OR DEVELOPER MAY, BUT SHALL NOT BE REQUIRED TO, FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS WHICH DIRECTLY OR INDIRECTLY IMPROVE SECURITY ON THE CONDOMINIUM; HOWEVER, EACH OWNER, FOR HIMSELF OR HERSELF AND HIS OR HER TENANTS, GUESTS, LICENSEES, AND INVITEES, ACKNOWLEDGES AND AGREES THAT NEITHER THE ASSOCIATION NOR DEVELOPER IS A PROVIDER OF SECURITY AND NEITHER PARTY SHALL HAVE A DUTY TO PROVIDE SECURITY ON THE CONDOMINIUM. FURTHERMORE, THE ASSOCIATION DOES NOT GUARANTEE THAT NON-UNIT OWNERS AND NON-OCCUPANTS WILL NOT GAIN ACCESS TO THE CONDOMINIUM AND COMMIT CRIMINAL ACTS ON THE CONDOMINIUM NOR DOES THE ASSOCIATION GUARANTEE THAT CRIMINAL ACTS ON THE CONDOMINIUM WILL NOT BE COMMITTED BY OTHER UNIT OWNERS OR OCCUPANTS. IT SHALL BE THE RESPONSIBILITY OF EACH OWNER TO PROTECT HIS OR HER PERSON AND PROPERTY AND ALL RESPONSIBILITY TO PROVIDE SUCH SECURITY SHALL LIE SOLELY WITH EACH UNIT OWNER. NEITHER DEVELOPER NOR THE ASSOCIATION SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF MEASURES UNDERTAKEN.

(iii) 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, STATE OF FLORIDA, ORANGE COUNTY, THE CITY OF ORLANDO, AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES.

(iv) ANY PROVISIONS OF THE CONDOMINIUM INSTRUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO HEALTH, SAFETY AND/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(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

EACH UNIT OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS UNIT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING

ANY USE OF, ANY PORTION OF THE CONDOMINIUM PROPERTY (BY VIRTUE OF ACCEPTING SUCH INTEREST OR LIEN OR MAKING SUCH USES) 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 WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED IN THIS PROVISION.

AS USED IN THIS SECTION, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD MEMBERS. THE PROVISIONS OF THIS ARTICLE SHALL ALSO INURE TO THE BENEFIT OF DEVELOPER AND ITS AFFILIATES, AS WELL AS TO THE ASSOCIATION'S EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES) AND SUBCONTRACTORS, WHICH SHALL BE FULLY PROTECTED HEREBY.

d. Restraint Upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to such Owner's Unit.

e. Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would cast the vote for that Unit if at an Association meeting, unless the joinder of all record Owners of the Unit is specifically required by this Declaration or by law.

f. Acts of the Association. Unless the approval or action of Unit Owners and/or a certain specific percentage of the Board of Directors is specifically required in this Declaration, the Articles of Incorporation, the Bylaws, applicable rules and regulations of the Association or applicable law, all approvals or actions required or permitted to be given or taken by the Association shall be given or taken by the Board of Directors without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

g. Amendment of Bylaws. No modification of or amendment to the Bylaws shall be valid unless set forth in or annexed to a duly recorded amendment to this Declaration. The Bylaws may be amended in the manner set forth in the Bylaws, but no amendment to the Bylaws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium Parcel(s), or which would change the provisions of the Bylaws with respect to mortgages without the written approval of all Eligible Mortgage Holders. No amendment shall change the rights and privileges of Developer and Management Firm, if any, without their respective written consent. Any amendment to the Bylaws, shall be certified by the parties as required in Article VIII of the Bylaws, and said amendment shall be recorded in the public records of the County.

h. Binding Effect of Condominium Documents. Every Owner, whether having acquired ownership of a Unit by gift, conveyance or transfer by operation of law, or otherwise, shall be bound by the Articles of Incorporation, the Bylaws, the provisions of this Declaration, and the Management Agreement, if any. Membership in the Association shall automatically terminate upon the termination of ownership of a Condominium Parcel, and the subsequent Owner(s) taking title shall automatically become entitled to membership.

18. DETERMINATION OF ASSESSMENTS.

a. General Assessment. The Board of Directors shall from time to time, and at least annually, prepare and adopt a budget for the Condominium ("Budget for Common Expenses"), determine the amount payable by the Unit Owners to meet the Common Expenses of the Condominium, and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and the Bylaws ("General Assessment"). The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the General Assessment payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each budget, on which such General Assessment is based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Budget for Common Expenses shall include the expenses of a reserve (if required by law and not duly waived in accordance with the Act) for the deferred maintenance or replacement of the Common Elements, the cost of a master antenna television system obtained pursuant to a bulk contract if applicable, the costs of carrying out the powers and duties of the Association and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles of Incorporation, the Bylaws or applicable rules and regulations of the Association. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association expenses and liabilities, to fund reserve accounts, or otherwise as the Board shall determine from time to time, and need not be restricted or accumulated. Any adopted Budget for Common Expenses shall be subject to change to cover actual expenses at any time. Any such charge shall be adopted consistent with the provisions of the Bylaws.

b. Reserve Fund. The Board, in establishing each annual budget for the Condominium, shall include therein a sum to be collected and maintained as a reserve fund for the capital expenditures, deferred maintenance and replacement of the Common Elements and personal property held for the joint use and benefit of all Unit Owners. Such reserve accounts shall include, but not be limited to, roof ~~replacement~~ building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expired or replacement cost exceeds \$10,000.00 as required by Section 718.112(2)(f)(2) of the Act as it may be amended from time to time. 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 of each item. However, prior to turnover of control of the Association by Developer pursuant to Section 718.301 of the Act, Developer may vote to waive the reserves or reduce the funding of reserves for the first two years of operation of the Association, after which time reserves may only be waived or reduced upon the vote of a majority of all non-developer Voting Interests voting in person or by limited proxy at a duly called meeting of the Association. If a meeting of 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. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts and shall be used only for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the Voting Interest voting in person or by limited proxy at a duly called meeting of the Association.

c. General Operating Reserve. The Board, when establishing each annual budget, may, when deemed necessary or desirable, include therein a sum to be collected and maintained as a general operating reserve to provide a measure of financial stability to meet deficiencies from time to time existing as a result of delinquent payment of assessments by Unit Owners, as a result of emergencies or for other reasons placing financial stress upon the Association.

d. Working Capital Fund. Developer, on behalf of the Association, shall establish a working capital fund to meet unforeseen expenditures or to purchase any additional equipment or services. A non-refundable contribution to the working capital fund of the Association shall be paid by the purchaser of a Unit at the closing of each sale or resale of a Unit in the amount of two (2) months of the general assessment charged to such Unit. Developer shall not use the working capital funds to defray any

of its expenses, reserve contributions, or construction costs or to make up any budget deficits during the time that Developer is excused from paying its share of Common Expenses for Units owned by Developer pursuant to Paragraph 19(h) and (i) below. Notwithstanding anything to the contrary herein, the contribution to the working capital fund shall not be due from: (i) any grantee who is the Domestic Partner, spouse or former spouse of the grantor; (ii) any grantee that is a wholly-owned entity of the grantor; (iii) any grantee to whom a Unit is conveyed by a will or through the law of intestacy; or (iv) any grantee of a Unit who obtains title pursuant to judicial or nonjudicial foreclosure of any first mortgage of record or secondary purchase money mortgage of record (provided that neither the grantee nor any successor grantee on the mortgage is the seller of the Unit).

e. Converter Reserve Account. In accordance with Section 718.618 of the Act, Developer shall establish converter reserve accounts for capital expenditures and deferred maintenance of air conditioning systems that serve more than one Unit, plumbing systems and roofs within the Condominium, in lieu of the following:

(i) providing an implied warranty of fitness and merchantability as to the roof and structural components of the improvements, as to fire proofing and fire protection systems, and as to mechanical, electrical and plumbing elements serving the improvements, except mechanical elements serving only one Unit, pursuant to Section 718.618(6) of the Act; or

(ii) posting a surety bond in accordance with Section 718.618(7) of the Act.

f. Special Assessments and Capital Improvement Assessments. In addition to General Assessments, the Board of Directors may levy "Special Assessments" and/or "Capital Improvement Assessments" upon the following terms and conditions:

(i) "Special Assessments" shall mean or refer to amounts levied against each Owner and such Owner's Unit, representing a portion of the costs incurred by the Association for specific purposes of a nonrecurring nature, which are not in the nature of capital improvements.

(ii) "Capital Improvement Assessments" shall mean and refer to amounts levied against each Owner and such Owner's Unit, representing a portion of the costs incurred by the Association for the acquisition, installation, construction or replacement (as distinguished from maintenance, repairs and replacement) of any capital improvements located or to be located within the Common Elements.

(iii) Special Assessments and Capital Improvement Assessments may be levied by the Board of Directors and shall be payable in lump sums or installments, in the discretion of the Board; provided that, if such Special Assessments and Capital Improvement Assessments, in the aggregate in any fiscal year, exceed \$50,000.00, the Board must obtain approval of a majority of the Owners of Units represented at a meeting at which a quorum is obtained.

(iv) All written notices requesting the payment of any Special Assessment and/or Capital Improvement Assessment shall state the specific purpose or purposes of said assessment in accordance with Section 718.116(10) of the Act.

19. COLLECTION OF ASSESSMENTS.

The General Assessments, Special Assessments, and Capital Improvement Assessments (collectively, the "Assessments") shall be collected as follows:

a. Liability for Assessments. A Unit Owner, regardless of how title is acquired, including by purchase at a judicial sale or by deed in lieu of foreclosure, shall be liable for all Assessments coming due while such Unit Owner is the Owner of the Unit. Additionally, a Unit Owner shall be jointly and severally liable with the previous owner for all unpaid Assessments that came due up to the time of the conveyance, without prejudice to any right such Unit Owner may have to recover from the previous owner the amounts paid by such Unit Owner. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made or otherwise. Regular Assessments may be collected monthly or quarterly, in advance, as determined by the Board. Initially, Assessments will be collected monthly.

b. Default in Payment of Assessments. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at the rate established from time to time by the Board of Directors from the due date until paid (provided, however, that no such rate shall exceed the maximum allowed by law). In the event the Board has not established such rate, the interest rate shall be fifteen percent (15%). Each delinquent payment shall be subject to an administrative late fee in an amount not to exceed the greater of Twenty-Five Dollars (\$25) or five percent (5%) of each delinquent installment. The Association has a lien on each Condominium Parcel for any unpaid Assessments on such Condominium Parcel, with interest thereon and for reasonable attorney's fees and costs incurred by the Association incident to the collection of the Assessment or enforcement of the lien whether suit be brought or not. The lien shall be effective from and shall relate back to the recording of this Declaration. However, as to first mortgagees of record, the lien is effective from and after rerecording of claim of lien in the Public Records of the County. Such lien shall be evidenced by the recording of a claim of lien in the public records of the County, stating the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the amounts due and the due dates. The claim of lien shall not be released until all sums secured by it (or such other amount as to which the Association shall agree by way of settlement) have been fully paid or until such claim of lien is barred by law. No such claim of lien shall be effective longer than one (1) year after the claim of lien has been recorded unless, within that time, an action to enforce the lien is commenced. The one (1) year period shall automatically be extended by 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 person claiming an interest in the Condominium Parcel. The claim of lien shall secure (whether or not stated therein) all unpaid Assessments, interest thereon, the administrative late fee (if permitted under applicable law), and costs and attorneys' fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a final judgment of foreclosure thereof. A claim of lien shall be signed and acknowledged by an officer or authorized agent of the Association. Upon payment, the person making the payment is entitled to a satisfaction of the lien in recordable form. The Association or its assignee may bring an action to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed in Florida and may also bring an action at law to recover a money judgment for the unpaid Assessments and other amounts due without waiving any claim of lien. The Association is entitled to recover its costs and reasonable attorneys' fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid Assessments.

As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid and after thirty (30) days' prior written notice to the applicable Unit Owner and the recording of a claim of lien, the Association may declare the balance of General Assessment installments due for the remainder of the fiscal year and payments of other known Assessments to be accelerated (or if accelerated to such extent is prohibited by the Act, then the Association may declare Assessments to the maximum extent permitted under the Act to be accelerated) and shall thereupon be immediately due and payable. In the event that the amount of such accelerated installments or payments changes, the Unit Owner or the Association, as appropriate, shall be obligated to pay or reimburse to the

other the amount of increase or decrease within fourteen (14) days after delivery of or mailing of such notice to the Unit Owner.

Any payments received by the Association from a delinquent Unit Owner shall be applied first to any interest accrued as provided above, then to any administrative late fee, then to any costs and reasonable attorneys' fees incurred in collection as aforesaid and then to the delinquent and any accelerated Assessments. The foregoing application of funds received shall be applicable despite any restrictive endorsement, designation or instruction placed on or accompanying a payment.

c. Notice of Intention to Foreclose Lien. Unless otherwise required by the Act or other applicable law, no foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid Assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid Assessments, including those coming 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. The notice must be given by delivery of a copy of it to the Unit Owner or by certified or registered mail, return receipt requested, addressed to the Unit Owner at the last known address, and upon such mailing, the notice shall be deemed to have been given. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorneys' fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.

d. Appointment of Receiver to Collect Rental. 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. 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 such receiver shall be paid by the party that does not prevail in the foreclosure action.

e. First Mortgagee. In the event a first mortgagee or other purchaser shall obtain title to a Unit by foreclosure, or by deed in lieu of foreclosure, such first mortgagee or other purchaser, its successors and assigns, shall be liable for Assessments or other related expenses authorized under Section 718.116 (1) (b) of the Act secured by the claim of lien only to the extent provided by the Act. If, due to the applicable provisions of the Act, any unpaid share of the Assessments or other related expenses authorized under the Act are not required to be paid, then such unpaid share or other related expenses authorized under the Act shall be deemed to be a Common Expense collectible from all of the Unit Owners, including such acquirer and such acquirer's successors and assigns.

f. Certificate of Unpaid Assessments. Within fifteen (15) days after request by a Unit Owner or mortgagee of a Unit, the Association shall provide a certificate stating all Assessments and other monies owed to the Association by the Unit Owner with respect to such Owner's Unit. Any person other than the Unit Owner who relies upon such certificate shall be protected thereby. The Association may charge a reasonable fee for the preparation of the certificate.

g. Installments. General Assessments shall be collected monthly or quarterly, in advance, as determined from time to time by the Board of Directors. Initially, General Assessments will be collected monthly.

h. Developer's Guarantee. If, in the purchase agreement, prospectus, or by other means pursuant to the Act, Developer shall guarantee to each purchaser that the monthly Assessment for a specific period of time ("Guarantee Period") will not exceed a certain dollar amount for that particular Unit, then during the Guarantee Period, Developer shall be excused from the payment of Developer's

share of the Common Expenses for Units owned by Developer; provided, however, if at any time during the Guarantee Period the funds collected from Unit Owner Assessments at the guaranteed level are not sufficient to provide payment, on a timely basis, of all Common Expenses, including the full funding of the reserves, unless properly waived, Developer shall pay such amount to the Association at the time such payments are due so that there is no deficit. For purposes of this subsection, income to the Association other than Assessments (as defined herein and in the Act) shall not be taken into account when determining the deficits to be funded by Developer. Developer shall have the option of extending the Guarantee Period for one or more stated periods, in Developer's sole discretion, on the same terms, or paying the share of Common Expenses and Assessments attributable to Units it is then offering for sale. No funds receivable from Unit purchasers or Unit Owners payable to the Association or collected by Developer on behalf of the Association, other than regular periodic Assessments for Common Expenses as provided in this Declaration and disclosed in the Estimated Operating Budget of the Association shall be used for the payment of Common Expenses during any Guarantee Period. This restriction shall apply to funds including, but not limited to, capital contributions or start-up funds collected from Unit purchasers at closing. Notwithstanding the above and as provided in Section 718.116(9)(a)2 of the Act, in the event of an Extraordinary Financial Event (hereinafter defined), the cost necessary to effect restoration shall be assessed against all Unit Owners owning Units on the date of such Extraordinary Financial Event, and their successors and assigns, including Developer (with respect to Units owned by Developer). As used in this subsection, an "Extraordinary Financial Event" shall mean a casualty loss affecting the Condominium resulting from a natural disaster or Act of God, which is not covered by insurance proceeds from the insurance maintained by the Association as required by Section 718.111(11)(a) of the Act.

i. Initial Developer Assessments. Developer shall not be obligated to pay assessments and its share of the Common Expenses for Units owned by Developer for a period of four (4) months after the recording of this Declaration; provided, however, that in no event shall Developer be excused from such payments for a period longer than the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first condominium unit except as provided in subparagraph (h) above; and provided further that during such period in which Developer is excused from payment of assessments and share of Common Expenses, Developer shall pay any portion of the Common Expenses incurred which exceed the amount assessed against other Unit Owners.

20. INSURANCE.

Insurance covering the Condominium Property and the Association Property shall be governed by the following provisions:

a. "Insurance Trustee". The Board of Directors of the Association shall have the option in its discretion of appointing an Insurance Trustee hereunder. If the Association fails or elects not to appoint such Insurance Trustee, the Board of Directors will perform directly all obligations imposed upon such Insurance Trustee by this Declaration. Fees and expenses of any Insurance Trustee are Common Expenses.

b. Purchase, Custody and Payment.

(i) Purchase. All insurance policies purchased by the Association shall be issued by an insurance company authorized to do business in Florida meeting all criteria established by the Board or the Act and any rules promulgated thereunder.

(ii) Named Insured. Under all insurance policies purchased by the Association, the named insured shall be the Association, individually, and as agent for Owners of Units covered

by the policy, without naming them, and as agent for their mortgagees, without naming them. The Unit Owners and their mortgagees shall be deemed additional insureds.

(iii) Custody of Policies and Payment of Proceeds. All insurance policies purchased by the Association shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee (if appointed), and such policies and endorsements thereto shall be deposited with the Insurance Trustee (if appointed).

(iv) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Eligible Mortgage Holder who holds a mortgage upon a Unit covered by the policy. Copies or certificates shall be furnished not less than ten (10) days prior to the beginning of the term of the policy, or not less than ten (10) days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.

(v) Exceptions from Association Responsibility; Unit Owner's Personal Coverage. Except as specifically provided herein or by the Act, the Association shall not be responsible to Unit Owners to obtain insurance coverage upon any and all property lying within the boundaries of their Unit (or within any Limited Common Element appurtenant thereto), including, but not limited to, their personal property, and for their personal liability and living expense and for any other risks not otherwise insured in accordance herewith. Unit Owners may be required to purchase flood insurance for their respective Unit(s) if such insurance is required by their mortgagee(s). In the event flood insurance is required, such insurance shall not be for the lesser of one hundred percent (100%) of the current replacement cost of the Unit, or the maximum amount of flood insurance available with regard to such property. The Association shall have no obligation to purchase flood insurance on the Units.

c. Coverage Responsibilities of Association. The Association shall use its best efforts to obtain and maintain adequate insurance (which may include reasonable deductibles as determined by the Board) covering the following:

(i) Casualty. Every hazard policy issued to protect the Condominium shall provide primary coverage for:

(A) All portions of the Condominium Property located outside the Units; and

(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 originals plans and specifications are not available, as they existed at the time the Unit was conveyed. Hereinafter subparagraph (A) and (B) above are referred to collectively as the "Insured Property".

Any such policy shall exclude floor, wall, and ceiling coverings, electrical fixtures, appliances, air conditioner or heating equipment, water heaters, water filters, built in cabinets and counter-tops, and window treatments, including curtains, drapes, blinds, hardware and similar window treatment components, or replacements of any of the foregoing which are located within the boundaries of a Unit and which serve only one Unit and all air conditioning compressors that service only an individual Unit, whether or not located within Unit boundaries.

Such coverage shall afford protection against:

(A) Loss or Damage by Fire and Other Hazards covered by a standard extended coverage endorsement; and

(B) Such Other Risk as from time to time are customarily covered with respect to building and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief.

(ii) Liability. Comprehensive general public liability and automobile liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the Insured Property or adjoining driveways and walkways, or any work, matters or things related to the Insured Property, with such coverage as shall be required by the Board of Directors, but with combined single limit liability of not less than One Million Dollars (\$1,000,000) per occurrence Three Hundred Thousand Dollars (\$300,000) per person and One Hundred Thousand Dollars (\$100,000) property damage, and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to any Unit Owner, and vice versa.

(iii) Worker's Compensation and other mandatory insurance, when applicable.

(iv) Fidelity Insurance, if required by the Act or FNMA/FHLMC, covering all persons who control or disburse Association funds, such insurance to be in the amount required by the Act.

(v) Association Property. Appropriate additional policy provisions, policies or endorsements extending the applicable portions of the coverage described above to all Association Property, where such coverage is available.

(vi) Officers and Directors liability insurance in such amounts as the Board may determine.

(vii) Flood Insurance for the Common Elements, Association Property and/or Units, if the Board so elects.

(viii) Such Other Insurance as the Board of Directors shall determine from time to time to be desirable.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to: (i) subrogation against the Association, its officers, members of the Board, Developer, the Management Firm, if any, and its respective employees and agents, and against the Unit Owners individually and as a group; (ii) to pay only a fraction of any loss in the event of coinsurance or if other insurance carriers have issued coverage upon the same risk; and (iii) avoid liability for a loss that is caused by an act of the Board of Directors, a member of the Board of Directors, the Management Firm, if any, and its respective employees and agents, Developer, one or more Unit Owners or as a result of contractual undertakings. Additionally, each policy shall provide that any insurance trust agreement will be recognized, that the insurance provided shall not be prejudiced by any act or omissions of the Management Firm, if any, or the individual Unit Owners that are not under the control of the Association, and that the policy shall be primary, even if a Unit Owner has other insurance that covers the same loss.

Every casualty insurance policy obtained by the Association shall have the agreed amount and inflation guard endorsement unless the Board finds such endorsement is unobtainable or economically infeasible.

d. Additional Provisions. All policies of insurance shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days' prior written notice to all of the named insureds, including all mortgagees of Units. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors may wish to obtain an appraisal from a fire insurance company, or other competent appraiser, of the full insurable replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be effected pursuant to this Section.

e. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the costs of fidelity bonding for the Management Firm employees, if any, may be paid by the Management Firm pursuant to the Management Agreement. Premiums may be financed in such manner as the Board of Directors deems appropriate.

f. Unit Owner Coverage. All real and personal property located within the boundaries of each Unit which is excluded from coverage provided by the Association as described in Paragraph 20(c)(i) above shall be insured by the individual Unit Owner. Every hazard insurance policy issued to a Unit Owner shall provide that the coverage afforded by such policy is in excess over 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 rights of subrogation against the Association. Each Unit Owner shall, upon the written request of the Association, provide the Association with a copy of a binder, a policy or other proof satisfactory to the Association of said insurance coverage.

g. Insurance Trustee; Share of Proceeds. All insurance policies obtained by or on behalf of the Association shall be for the benefit of the Association, the Management Firm, if any, the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering losses to the Insured Property shall be paid to the Insurance Trustee, which may be designated by the Board of Directors and which, if so appointed, shall be a bank or trust company in Florida with trust powers, with its principal place of business in the State of Florida. The Insurance Trustee shall not be liable for payment of premiums, nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Unit Owners and their respective mortgagees in the following shares, but shares need not be set forth on the records of the Insurance Trustee:

(i) Insured Property. Proceeds on account of damage to the Insured Property shall be held by the Association for each Unit Owner as tenants in common such shares being the same as the undivided shares in the Common Elements appurtenant to each Unit; provided, however, that prior to any distributions to the Unit Owners, such proceeds shall first be distributed in accordance with the provisions of Paragraph 20(h) of this Declaration herein.

(ii) Mortgagees. No mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions thereof made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.

h. Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners thereof in the following manner:

(i) Expenses of the Trust. All expenses of the Insurance Trustee shall be first paid or provision shall be made therefore.

(ii) Reconstruction or Repair. If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided herein. Any proceeds remaining after defraying such costs shall be distributed to each Unit Owner, by check made payable jointly to such Unit Owner and their respective mortgagee(s).

(iii) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damaged property for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be allocated among the beneficial owners as provided in Paragraph 20(g)(1) herein, and distributed to each Unit Owner by check made payable jointly to such Unit Owner and their respective mortgagee(s). If there is no mortgage on the Unit, all distributions shall be made directly to the Unit Owner.

(iv) Certificate. In making distributions to Unit Owners and their mortgagees, the Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their mortgagees and their respective shares of the distribution.

i. Association as Agent. The Association is hereby irrevocably appointed as agent and attorney-in-fact for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

j. Presumption as to Damaged Property. In the event of a dispute or lack of certainty as to whether damaged property constitutes a Unit(s) or Common Elements, such property shall be presumed to be Common Elements.

21. RECONSTRUCTION OR REPAIR AFTER FIRE OR OTHER CASUALTY.

a. Determination to Reconstruct or Repair. Subject to the immediately following subsection, in the event of damage to or destruction of the Insured Property as a result of fire or other casualty, the Board of Directors shall arrange for the prompt repair and restoration of the Insured Property, and the Insurance Trustee (if appointed) shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

If seventy-five percent (75%) or more of the Insured Property is substantially damaged or destroyed and if Unit Owners owning eighty percent (80%) of the applicable interests in the Common Elements duly and promptly resolve not to proceed with the repair or restoration thereof and mortgagees holding first mortgages on not less than fifty-one percent (51%) of the Units agree in writing, the Condominium Property shall not be repaired and the net proceeds of insurance resulting from such damage or destruction shall be distributed to each Unit Owner, by check made payable to such Unit Owner and its respective mortgagee(s), in accordance with the provisions of Paragraph 20(g)(1) of this Declaration. Following such distribution of proceeds, the Condominium shall be terminated and the ownership of the Condominium Property shall be held by the formerly-titled Unit Owners in undivided interest as tenants-in-common, subject to and in accordance with the provisions of Paragraph 27 hereof.

Whenever in this Section the words "promptly repair" are used, it shall mean that repairs are to begin not more than sixty (60) days from the date the Insurance Trustee (if appointed) notifies the Board of Directors and Unit Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated cost of such work, or not more than ninety (90) days after the Insurance Trustee (if appointed) notifies the Board of Directors and the Unit Owners that such proceeds of insurance are insufficient to pay the estimated costs of such work (subject to the issuance of necessary

permits for such work). The Insurance Trustee (if appointed) may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

b. Plans and Specifications. Any reconstruction or repair must be made substantially in accordance with the plans and specifications for the original Improvements and the then applicable building and other codes; or if not, then in accordance with the plans and specifications approved by the Board of Directors and the then-applicable building and other codes, and if the damaged property which is to be altered are the Building, then by the Owners of not less than eighty percent (80%) of the applicable interests in the Common Elements, as well as the Owners of all Units (and their respective mortgagees) the plans for which are to be altered.

c. Disbursement. The proceeds of insurance collected on account of a casualty, and the sums collected from Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(i) Association - Lesser Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is less than Fifty Thousand Dollars (\$50,000), then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors; provided, however, that upon request to the Insurance Trustee (if appointed), 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 provided below for the reconstruction and repair of major damage.

(ii) Association - Major Damage. If the amount of the estimated costs of reconstruction and repair which are the responsibility of the Association is more than Fifty Thousand Dollars (\$50,000), then the construction fund shall be disbursed in payment of such costs in the manner contemplated by subsection (a) above, but then only upon the further approval of an architect or engineer qualified to practice in Florida and employed by the Association to supervise the work.

(iii) Unit Owners. If there is a balance of insurance proceeds after payment of all costs of reconstruction and repair that are the responsibility of the Association, this balance shall be distributed to each Unit Owner, by check made payable jointly to such Unit Owner and its respective mortgagee(s), in accordance with the provisions of Paragraph 20(g)(1) of this Declaration.

(iv) Certificate. Notwithstanding the provisions herein, the Insurance Trustee (if appointed) shall not be required to determine whether or not sums paid by Unit Owners upon Assessments shall be deposited by the Association with the Insurance Trustee (if appointed), nor to determine whether the disbursements from the construction fund are to be made upon the order of the Association alone or upon the additional approval of an architect, engineer or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine whether surplus funds to be distributed are less than the Assessments paid by Unit Owners, nor to determine the payees nor the amounts to be paid. The Insurance Trustee (if appointed) may rely upon a certificate of the Association, made by its President and Secretary, as to any or all of such matters and stating that the sums to be paid are due and properly payable, and stating the names of the payees and the amounts to be paid.

d. Assessments. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction and repair to be effected by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of

reconstruction and repair are insufficient, Assessments may be levied against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such Assessments on account of damage to the Insured Property shall be in proportion to all of the Owners' respective shares in the Common Elements, as determined by the Association.

e. Responsibilities of Unit Owners. If damage occurs to the Units, the maintenance and responsibility of which lies solely upon the respective Unit Owners, then each Unit Owner shall be solely responsible for all necessary reconstruction and repair to its respective Unit which reconstruction and repair shall be effected promptly and in accordance with guidelines established by the Board of Directors. Each Unit Owner shall have the absolute responsibility of applying insurance proceeds, arising as a result of flood, fire or other casualty damage to the Unit to the repair and/or reconstruction of such Unit; provided, however, that no Unit Owner shall have the responsibility of applying insurance proceeds to the repair and/or reconstruction of their respective Units if the Condominium is terminated in accordance with the provisions of Paragraph 26 of this Declaration.

f. Benefit of Mortgagees. Certain provisions in this Paragraph are for the benefit of mortgagees of Units and may be enforced by any of them.

22. CONDEMNATION.

Any condemnation of any portion(s) of the Condominium Property or Association Property shall be governed by the following provisions:

a. Deposit of Awards with Insurance Trustee. The taking of portions of the Condominium Property by the exercise of the power of eminent domain shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee (if appointed). Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Insurance Trustee (if appointed); and in the event of failure to do so, in the discretion of the Board of Directors, a special charge shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against the sums hereafter made payable to that Owner, or the Board shall have the right to proceed in a court of equity to require performance and/or sue at law for damages.

b. Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided in Paragraph 21 (Reconstruction and Repair After Fire or Other Casualty) for determining whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by eminent domain also shall be deemed to be a casualty.

c. Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards pertaining to the condemnation will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of any such awards shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee (if appointed) after a casualty, or as elsewhere in this Paragraph specifically provided.

d. Unit Reduced But Habitable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable (in the sole opinion and discretion of the Association), the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

(i) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be charged against the Owner of the Unit. The Association shall have the right to collect and enforce such costs and charges as elsewhere provided in accordance with this Declaration and applicable law.

(ii) Distribution of Surplus. The balance of the award in respect of the Unit, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and such mortgagees.

(iii) Adjustment of Shares in Common Elements. If the floor area of one or more Units is reduced by the taking, the percentage of all Units in the Condominium representing each Unit's share in the Common Elements and of the Common Expenses and Common Surplus appurtenant to the Unit shall be recalculated in accordance with Paragraph 12 of this Declaration ("Ownership, Common Elements and Common Surplus and Share of Common Expenses") using the reduced "Unit Area" (as defined in Paragraph 12) for any and all Units that have been reduced in size due to the taking.

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

e. Unit Made Uninhabitable. If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made habitable (in the sole opinion and discretion of the Association), the award for the taking of the Unit shall be used for the following purposes in the order stated and the following changes shall be made to the Condominium:

(i) Payment of Award. The awards shall be paid first to the applicable first mortgagees in amounts sufficient to pay off their mortgages in connection with each Unit that is not so habitable; second, to the Association for any due and unpaid Assessments; third, jointly to the affected Unit Owners and other mortgagees of their Units. In no event shall the total of such distributions in respect of a specific Unit exceed the market value of such Unit immediately prior to the taking. The balance, if any, shall be applied to repairing and replacing the Common Elements.

(ii) 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 use by all of the Unit Owners in the manner approved by the Board of Directors of the Association; provided that if the cost of the work therefor shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner required for capital improvements to the Common Elements pursuant to Paragraph 8(b) to this Declaration.

(iii) Adjustment of Shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of Unit Owners (and among reduced Units). This shall be effected by recalculating the percentage share of all the remaining Units in the Condominium in accordance with Paragraph 12 of this Declaration ("Ownership, Common Elements and Common Surplus and Share of Common Expenses") using the "Unit Area" and the "Total Unit Area" (as defined in Paragraph 12) as reduced by the taking.

(iv) Assessments. If the balance of the award (after payments to the Unit Owners and such Owner's mortgagees as above provided) for the taking is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for

disapproval shall be limited to the form of the proposed lease; provided that, such approval or disapproval by the Board shall be given within three (3) business days after the Board's receipt of the proposed lease and; provided further, that in the event that the Board does not give its approval or disapproval in a timely fashion, such lease shall be deemed approved. Notwithstanding the above, this subparagraph shall not apply to the leasing of Units owned by the Association.

(iii) Liability for Assessments, Use of Common Elements, and Compliance with Declaration, Bylaws, and Rules and Regulations. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(A) Compliance with Declaration, Bylaws, and Rules and Regulations. The lessee shall comply with all provisions of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other Occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all Occupants of his or her Unit to comply with the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations by such Occupants. If the lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule or regulation, notice of the violation shall be given to the Owner and the lessee, and a fine may be charged against the Unit in accordance with the Bylaws and Paragraph 24 of this Declaration. Any such fine imposed against a Unit shall not become a lien against the Unit.

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Florida law. The Owner hereby delegates and assigns to the Association, after the Board gives notice to the Unit Owner at the last address provided by Unit Owner to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. Prior to eviction of a tenant, the Association shall give the Unit Owner five (5) days notice to allow the Owner to secure compliance from the lessee. If the lessee does not cure the violation within such time period, the Board may commence eviction proceedings. If the Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs, associated with the eviction shall be billed to the Owner and shall bear interest at the highest rate permitted by law from the date expended until paid in full.

(B) Use of Common Elements. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements, including but not limited to, the use of any and all recreational facilities and other amenities.

(iv) Continuing Liability. The liability of the Unit Owner under this Declaration shall continue, notwithstanding the fact that the Unit Owner may have leased, rented or sub-let said interest as provided herein. Every purchaser, tenant or lessee shall take subject to this Declaration, the Articles of Incorporation, the Bylaws, and the Management Agreement, if any, as well as the provisions of the Act.

and additional rights, remedies or privileges as may be granted to such other party by Condominium Instruments, or at law or in equity.

26. TERMINATION OF CONDOMINIUM.

The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in this Declaration, or (ii) such time as withdrawal of the Condominium Property from the provisions of the Act is authorized by the agreement in writing of Owners owning all of the applicable interests in the Common Elements and by all of the holders of recorded mortgage liens affecting the Condominium Parcels. In the event such withdrawal is authorized as aforesaid, the Condominium Property shall be subject to an action for partition by any Unit Owner, mortgagee or lienor as if owned in common in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements; provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all mortgages and liens on his Unit in the order of their priority. The termination of the Condominium, as aforesaid, shall be evidenced by a certificate of the Association executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the Public Records of the County. This Section may not be amended without the consent of Developer as long as it owns at least one (1) Unit.

27. ADDITIONAL RIGHTS OF MORTGAGEES AND OTHERS.

The following provisions are intended for the benefit of each holder of a first mortgage upon a Unit, and, to the extent that any other provisions of this Declaration conflicts with the following provisions, if at all, the following provisions shall control:

a. Upon request in writing, each Eligible Mortgage Holder of a Unit and any holder, insurer or guarantor of a first mortgage on a Unit shall have the right:

(i) to examine current copies of this Declaration, the Bylaws, rules and regulations and the books, records and financial statements of the Association during normal business hours; and

(ii) to receive, without any charge and within a reasonable time after such request, the annual audited financial statement which is prepared and distributed by the Association to the Unit Owners at the end of its fiscal year; provided, however, that in the event an audited financial statement is not available, the holders of fifty-one percent (51%) or more of the first mortgages in the Units shall be entitled to have such an audited statement prepared at their expense;

b. No provision of this Declaration or the Articles of Incorporation or any similar instrument pertaining to the Condominium Property or the Units therein shall be deemed to give a Unit Owner or any other party priority over any rights of holders of a first mortgage of Units pursuant to their mortgages in the case of distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of the Units, and/or the Common Elements, or any portion thereof or interest therein. In such event, the holder of any first mortgage on a Unit shall be entitled, upon specific written request, to timely written notice of any such loss.

c. If mortgages subject to the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation are involved, the consent of Owners holding at least sixty-seven percent (67%) of the total votes in the Association and the approval of the Eligible Mortgage Holders who represent at least fifty-one percent (51%) of the votes of Units that are subject to mortgages held by Eligible Mortgage Holders shall be required to add or amend any material provisions of this Declaration,

which consent shall not be unreasonably withheld. Notwithstanding the above, the approval of any proposed amendment by an Eligible Mortgage Holder shall be deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after the Eligible Mortgage Holder receives notice of the proposed amendment sent by certified or registered mail, return receipt requested. Material amendments include those amendments described in Section 718.110(4) and (8) of the Act as it may be amended from time to time. In addition, material amendments are defined by the Federal National Mortgage Association and/or the Department of Housing and Urban Development to be those amendments that establish, provide for, govern or regulate any of the following:

- (i) Voting;
- (ii) Assessments, assessment liens or subordination of such liens;
- (iii) Reserves for maintenance, repair and replacement of the Common Elements;
- (iv) Insurance or fidelity bonds;
- (v) Rights to use of the Common Elements;
- (vi) The expansion or contraction of the Condominium Property, or the addition, annexation, or withdrawal of property to or from the Condominium;
- (vii) Responsibility for maintenance and repair of the Condominium Property;
- (viii) Boundaries of any Unit;
- (ix) The interests in the Common Elements or Limited Common Elements;
- (x) Convertibility of Units into Common Elements or of Common Elements into Units;
- (xi) Leasing of Units;
- (xii) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit; and
- (xiii) Establishment of self-management by the Association and termination of the management responsibilities, duties and contractual obligations of the Management Firm, if any, where professional management has been required by Federal National Mortgage Association ("Fannie Mae"), the Department of Housing & Urban Development ("HUD") or the Veterans' Administration ("VA"), to the extent not superseded by the provisions of Section 718.302(1) of the Act, in the event of conflict between such statute and this subsection;
- (xiv) Restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than as provided in this Declaration; or
- (xv) Amendment of any provisions which are for the express benefit of Eligible Mortgage Holders, insurers or guarantors of first mortgages on the Units in the Condominium.

d. If Mortgages subject to the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation are involved, unless at least two-thirds (2/3) of the first mortgagees or Unit

Owners give their consent, which consent shall not be unreasonably withheld, the Association or the membership shall not:

- (i) by act or omission seek to abandon or terminate the Condominium;
- (ii) change the pro rata interest or obligations of any individual Unit for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or (2) determining the pro rata share of ownership of each Unit in the Common Elements;
- (iii) partition or subdivide any Unit in any manner inconsistent with the provisions of this Declaration;
- (iv) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Elements (the granting of easements or licenses, as authorized herein, shall not be deemed a transfer within the meaning of this clause); or
- (v) use hazard insurance proceeds for losses to any portion of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement, or reconstruction of such portion of the Condominium.

The provisions of this subparagraph shall not be construed to reduce the percentage vote that must be obtained from mortgagees or Unit Owners where a larger percentage vote is otherwise required by the Act or the Condominium Instruments for any of the actions contained in this Paragraph.

e. Upon written request to the Association, identifying the name and address of the holder and the Unit number or address, any Eligible Mortgage Holder will be entitled to timely written notice of:

- (i) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgage Holder;
- (ii) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Unit Owner of any other obligation under the Condominium Instruments which is not cured within sixty (60) days;
- (iii) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;
- (iv) any proposed action that would require the consent of a specified percentage of Eligible Mortgage Holder, as specified herein;
- (v) any proposed amendment of the Condominium Instruments effecting a change in (a) the boundaries of any Unit or the exclusive easement rights appertaining thereto; (b) the interests in the Common Elements or Limited Common Elements appertaining to any Unit or the liability for Common Expenses appertaining thereto; (c) the number of votes in the Association appertaining to any Unit; or (d) the purposes to which any Unit or the Common Elements are restricted;
- (vi) any proposed termination of the Condominium;

(vii) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgage Holder;

(viii) any delinquency in the payment of assessments or charges owned by an Owner of a Unit subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Unit Owner of any other obligation under the Condominium Instruments which is not cured within sixty (60) days;

(ix) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or

(x) any proposed action that would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein.

f. Notwithstanding anything to the contrary herein contained, the provisions of Paragraph 24 governing sales and leases shall not apply to impair the right of any first Mortgagee to:

(i) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; or

(ii) take a deed or assignment in lieu of foreclosure; or

(iii) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.

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

h. If any Unit or portion thereof or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the holder, insurer or guarantor of any first mortgage on a Unit will be entitled to timely written notice, upon specific written request, of any such proceeding or proposed acquisition and no provisions of any document will entitle a Unit Owner or other party to priority over such holder with respect to the distribution to such Unit of the proceeds of any award or settlement.

i. Any holder of a first mortgage on a Unit who receives a written request to approve additions or amendments and fails to deliver or mail to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request.

j. In the event professional management has been previously required by any holder, insurer or guarantor of a first mortgage on a Unit, any decision to establish self management by the Association shall require the prior consent of Unit Owners in accordance with Section 718.302(1) of the Act.

k. As required by Section 718.110 of the Act, any mortgagee consent required under this Section shall not be unreasonably withheld.

28. DISCLAIMER OF WARRANTIES

DEVELOPER HEREBY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES AS TO DESIGN, CONSTRUCTION, FURNISHING AND EQUIPPING OF THE CONDOMINIUM PROPERTY, AND IN ACCORDANCE WITH SECTION 718.618(6) OF THE

ACT DEVELOPER HEREBY MAKES NO IMPLIED WARRANTIES, HAVING ELECTED INSTEAD TO ESTABLISH CONVERTER RESERVE ACCOUNTS IN ACCORDANCE WITH SECTION 718.618(6) OF THE ACT IN LIEU OF IMPLIED WARRANTIES OR POSTING OF A SURETY BOND; PROVIDED THAT IN ACCORDANCE WITH SECTION 718.618(6) OF THE ACT, IN THE EVENT THAT DEVELOPER FAILS TO ESTABLISH SUCH CONVERTER RESERVE ACCOUNTS, DEVELOPER SHALL BE DEEMED TO HAVE GRANTED TO UNIT OWNERS AN IMPLIED WARRANTY OF FITNESS AND MERCHANTABILITY AS SET FORTH IN SECTION 718.618(6) OF THE ACT. AS TO SUCH WARRANTIES THAT CANNOT BE DISCLAIMED, AND TO OTHER CLAIMS, IF ANY, WHICH CAN BE MADE AS TO THE AFORESAID MATTERS, ALL INCIDENTAL AND CONSEQUENTIAL DAMAGES ARISING THEREFROM ARE HEREBY DISCLAIMED.

ALL UNIT OWNERS, BY VIRTUE OF THEIR ACCEPTANCE OF TITLE TO THEIR RESPECTIVE UNITS (WHETHER FROM DEVELOPER OR ANOTHER PARTY), SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ALL OF THE AFORESAID DISCLAIMED WARRANTIES AND INCIDENTAL AND CONSEQUENTIAL DAMAGES TO THE EXTENT ALLOWED UNDER THE ACT.

29. MANDATORY NON-BINDING ARBITRATION OF DISPUTES

a. Prior to the institution of court litigation, the parties to a dispute, as further defined herein, shall petition the Division for non-binding arbitration. Arbitration shall be conducted according to rules promulgated by the Division. The filing of a petition for arbitration shall toll the applicable statute of limitations. For purposes of this subsection, a "dispute" shall be as defined pursuant to Section 718.1255 of the Act, as amended from time to time.

b. At the request of any party to the arbitration, such arbitrator shall issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence and any party on whose behalf a subpoena is issued may apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable in the manner provided by the Florida Rules of Civil Procedure. Discovery may, in the discretion of the arbitrator, be permitted in the manner provided by the Florida Rules of Civil Procedure.

c. The arbitration decision shall be presented to the parties in writing. An arbitration decision shall be final if a complaint for a trial *de novo* is not filed within thirty (30) days in a court of competent jurisdiction in which the Condominium is located following the date of issuance of the arbitration decision. The right to file for a trial *de novo* entitles the parties to file a complaint in the appropriate trial court for a judicial resolution of the dispute. The prevailing party in an arbitration proceeding may be awarded reasonable attorneys' fees, the costs of the arbitration, or both, in an amount determined in the discretion of the arbitrator.

d. The party who files a complaint for a trial *de novo* shall be assessed the other party's arbitration costs, court costs, and other reasonable costs, including attorneys' fees, investigation expenses, and expenses for expert or other testimony or evidence incurred after the arbitration hearing if the judgment upon the trial *de novo* is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial *de novo* shall be awarded reasonable court costs and attorneys' fees.

e. The decision of an arbitrator shall be final; however, such a decision shall not be deemed final agency action by the Division. Nothing in this provision shall be construed to foreclose parties from proceeding in a trial *de novo*. If such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence in the trial *de novo*.

f. Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the Condominium is located. A petition may not be granted unless the time for appeal by filing of a complaint for trial *de novo* has expired. If a complaint for a trial *de novo* has been filed, a petition may not be granted with respect to an arbitration award that has been stayed. If the petition is granted, the petitioner may recover reasonable attorneys' fees and costs incurred in enforcing the arbitration award.

30. ADDITIONAL PROVISIONS

a. Disclosures.

(i) The Condominium is located adjacent to thoroughfares that could be improved or widened in the future.

(ii) The natural light available to and views from an Owner's Unit may change over time due to, among other circumstances, additional development and the removal or addition of landscaping.

(iii) No representations are made regarding the zoning of adjacent property, or that the category to which adjacent property is zoned may not change in the future.

(iv) No representations are being made regarding which schools may now or in the future serve the Unit.

(v) Since in every neighborhood, there are conditions which different people may find objectionable, it is acknowledged that there may be conditions outside of the Condominium which an Owner and/or Occupant may find objectionable and that it shall be the sole responsibility of the Owners and Occupants to become acquainted with neighborhood conditions which could affect the Unit.

(vi) No representations are made that the Unit is or will be soundproof or that sound may not be transmitted from one Unit to another.

(vii) The condominium floor plans and the dimensions and square footage calculations shown thereon are only approximations. Any Unit Owner who is concerned about any representations regarding the floor plans should do his/her own investigation as to the dimensions, measurements and square footage of his/her Unit.

(viii) The Condominium Property is subject to the Master Declaration as discussed below.

(ix) A Unit may trap humidity created by every day living (cooking, bathing, laundering, etc.). As a result, condensation may appear on the interior portion of windows and glass surfaces and fogging of windows and glass surfaces may occur due to temperature disparities between the interior and exterior portions of the windows and glass. If left unattended and not properly maintained by Owners and Occupants, the condensation may increase resulting in staining, damage to surrounding seals, caulk, paint, wood work and sheetrock, and potentially mildew or mold (see Paragraph 15(e) (Maintenance Responsibility) and 23(y) of this Declaration). Further, given the climate and humid conditions in Florida, molds, mildew, toxins and fungi may exist and/or develop within the Unit and/or the Condominium Property. Each Owner is hereby advised that certain molds, mildew, toxins and/or fungi may be, or if allowed to

remain for a sufficient period may become, toxic and potentially pose a health risk. By acquiring title to a Unit, each Owner shall be deemed to have assumed the risks associated with molds, mildew, toxins and/or fungi and to have released Developer and Association from any and all liability resulting from same.

(x) Exposed concrete surfaces in portions of the Condominium which are not heated and cooled are subject to cracking due to (A) water penetration, (B) expansion and contraction of the concrete with temperature changes, and (C) building settlement.

(xi) Concrete surfaces in heated and cooled portions of the Condominium are subject to cracking due to building settlement.

b. Master Declaration and the Master Association. Every Owner, by acceptance of a deed to a Unit, acknowledges that, in addition to being subject to and bound by the Condominium Instruments, he or she is subject to the Master Declaration.

(i) Supremacy of Master Declaration. In addition to all of the rights and obligations which have been conferred or imposed upon the Association pursuant to this Declaration, the Bylaws, or the Articles of Incorporation, the Association shall be entitled to exercise any of the rights conferred upon it and shall be subject to all of the obligations imposed upon it pursuant to the Master Declaration and the Bylaws of the Master Association. The Association and all committees thereof shall also be subject to all superior rights and powers that have been conferred upon the Master Association, pursuant to the Master Declaration and its Bylaws. The Association shall take no action in derogation of the rights of or contrary to the interests of the Master Association.

(ii) Assessments. The Condominium Property is liable for assessments to be paid on periodic basis to the Master Association. No Unit Owner shall pay any such assessments directly to the Master Association. Said assessments shall be a Common Expense and shall be paid by the Association to the Master Association.

(iii) Voting. Unless the Board of Directors determines otherwise, the President of the Association, on behalf of the Association, shall exercise all votes attributable under the Master Declaration to the Condominium Property.

c. Parking Spaces, Vehicles and Storage Spaces. Neither Developer nor the Association shall be held liable for any loss or damage arising from theft, vandalism, malicious mischief, or any loss or damage resulting from water or acid damage, to any property placed or kept in any parking space or storage space in the Condominium. Each Owner or Occupant with use of a parking space, and/or who places or keeps a vehicle and/or any personal property in the vehicle, parking space, or storage space, does so at his or her own risk.

d. Unit Keys. At the request of the Association, each Unit Owner, by acceptance of a deed to a Unit, agrees to provide the Association with a key to the Unit and the security alarm code, if any, to be used by the Association for maintenance, emergency, security or safety purposes as provided in Paragraph 17(a)(ii) of this Declaration. Neither Developer nor the Association, nor any agent of the Association, including, but not limited to the Management Firm, if any, shall be liable for any loss or damage due to its holding such key, or use of such key for the purposes described above and each Unit Owner shall indemnify and hold harmless Developer, the Association and its officers and directors against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon Developer, the Association or its officers or directors in connection with any action, suit, or other proceeding (including settlement of any such action, suit or proceeding) brought by the Unit Owner or the

Unit Owner's family, tenants, guests, employees, invitees, or licensees against Developer, the Association, its officers or directors arising out of or relating to its holding or use of such key for the purposes described above.

e. Right of Developer to Add Recreational Facilities and Common Elements. If Developer elects to add or expand any recreational facilities or any other portion of the Common Elements, Developer shall pay all the expenses relating to the construction or the providing of such addition or expansion and shall record an amendment to this Declaration describing such property. The amendment shall be executed with the formalities of a deed and recorded in the public records of the County. No approval or action of the Association, Unit Owners or mortgagees shall be necessary for adding such additional Common Elements to condominium ownership. All costs of maintenance, repair and replacement relating to the addition or expansion of the recreational facilities or any other portion of the Common Elements shall be a Common Expense.

f. Notices. All notices to the Association required or desired hereunder or under the Bylaws shall be sent by certified mail, return receipt requested, or by overnight courier service that produces evidence of delivery to the Association in care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the address of such Unit Owner or by overnight courier service that produces evidence of delivery, at the address appearing in the Association's records at the time notice is transmitted. Where a Unit is owned by more than one person, the Association shall provide notice, for meetings and all other purposes, to that one address which Developer initially identifies for that purpose and thereafter as one or more of the Owners of the Unit shall so advise the Association in writing, or if no address is given or the Owners of the Unit do not agree, to the address provided in the deed of record.

All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing to the Association.

All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or five (5) business days after proper mailing, whichever shall first occur.

g. Interpretation. The Board of Directors shall be responsible for interpreting the provisions hereof and of any of the exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of legal counsel to the Association that any interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

h. Binding Effect of Section 718.303, Florida Statutes. The provisions of Section 718.303(1) of the Act shall be in full force and effect and are incorporated herein. The Management Firm, if any, for as long as the Management Agreement remains in effect, shall assist the Association in the prosecution of any action pursuant to the Act.

i. Exhibits. There are hereby incorporated into this Declaration all materials contained in the exhibits annexed hereto.

j. Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the exhibits annexed hereto, or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

k. Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches that may occur.

l. Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each Occupant who is not a Unit Owner (by reason of such occupancy), shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles of Incorporation, the Bylaws and applicable rules and regulations, are fair and reasonable in all material respects.

m. Gender, Plurality. For convenience and ease of reference, the third person singular impersonal form of pronoun "it" has been used herein without regard to the proper grammatical person or gender of the party being referred to. All such references shall be deemed to include the singular or plural person and the masculine, feminine or neuter gender, as required by the context.

n. Captions. The captions herein and in the exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

o. Mortgagees. Anything herein to the contrary notwithstanding, the Association shall not be responsible to any mortgagee or lienor of any Unit hereunder, and may assume the Unit is free of any such mortgages or liens, unless written notice of the existence of such mortgage or lien is received by the Association.

p. Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a vice-president may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an assistant secretary may be substituted therefore, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

q. Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits annexed hereto or the applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

r. Priorities in Case of Conflict. In the event of conflict between or among the provisions of any of the following, the order of priority shall be, from highest priority to lowest:

- (i) The Act;
- (ii) The Declaration;
- (iii) The Articles;
- (iv) The Bylaws; and
- (v) The Rules and Regulations of the Association (if any).

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Developer has caused this Declaration to be duly executed and its corporate seal to be hereunto affixed this _____ day of _____, 200__.

DEVELOPER:

MCRAE & STOLZ ORLANDO, LLC,
a Delaware limited liability company

WITNESSES:

Name: _____
Print Name: _____

By: _____
Name: _____
Title: _____

Name: _____
Print Name: _____

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, by _____, as _____ of _____, a _____ He/She is personally known to me or he/she has produced _____ as identification.

My Commission Expires:
(AFFIX NOTARY SEAL)

(Signature)
Name: _____
(Legibly Printed)
Notary Public, State of _____

(Commission Number, if any)