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DECLARATION OF CONDOMINIUM OF
LAGO DE ORO, A CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM is made as of the 6th day of OCTOBER 2005 (the "Declaration") by METROPOLIS HOMES CO., a Florida corporation, herein called the "Developer", whose address is 128 East Colonial Drive, Orlando, Florida 32801, for and on behalf of itself and its successors, grantees, and assigns.

ARTICLE I

SUBMISSION TO CONDOMINIUM

The Developer, being the owner of fee simple title of record to those certain lands located in Orange County, Florida, and being more particularly described in attached Exhibit "A", does hereby submit only the lands and improvements thereon designated as condominium form of ownership pursuant to the provisions of Chapter 718, of the Florida Statutes, hereinafter referred to as the "Condominium Act", as amended from time to time. Developer hereby declares that all of the real property described in Exhibit "A" attached hereto shall be held, sold, conveyed, leased, mortgaged and otherwise dealt with subject to the easements, covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said real property. Said easements, covenants, conditions, restrictions, reservations, liens and charges shall run with the real property described in Exhibit "A" attached hereto, shall be binding upon all parties having and/or acquiring any right, title or interest in the real property described therein or in any part thereof, and shall inure to the benefit of each and every person or entity, from time to time, owning or holding an interest in said real property. Said easements, covenants, conditions, restrictions, and reservations, are equitable servitudes that are enforceable until said

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condominium is terminated.

ARTICLE II

PLAN OF DEVELOPMENT

Developer, as of the date of this Declaration, intends to proceed with the construction of seventy (70) single family, residential Units in this Condominium Project.

ARTICLE III

ASSOCIATION NAME

The name of the Condominium Association is "LAGO DE ORO CONDOMINIUM ASSOCIATION, INC" (the "Association"). This Association is incorporated as a Florida not-for-profit corporation.

ARTICLE IV

DEFINITIONS

The terms used herein will have the meanings stated in Chapter 718, Florida Statutes (the "Condominium Act") and as follows, unless the context otherwise requires:

Section 1. ACT: shall mean Chapter 718, Florida Statutes governing the establishment and operation of condominiums in the State of Florida as the same may be amended from time to time.

Section 2. AMENDMENT: Any amendment(s) made to this Declaration.

Section 3. ARCHITECTURAL REVIEW COMMITTEE or ARC: The Architectural Review Committee of Lago De Oro Condominium Association, Inc.

Section 4. ARTICLES: The Articles of Incorporation for Lago De Oro Condominium Association, Inc.

Section 5. ASSESSMENT: The share of the funds required for the payment of Common Expenses that is assessed against a Unit Owner from time to time.

Section 6. ASSOCIATION: Lago De Oro Condominium Association, Inc., a Florida not-for-profit corporation, shall be the corporation responsible for the operation of Lago De Oro, A Condominium.

Section 7. ASSOCIATION PROPERTY or PROPERTY: All real or personal property owned or leased by the Association, or dedicated by a recorded plat to the Association for the use and benefit of its Members, as more particularly described in Exhibit "A"

Section 8. BOARD OF DIRECTORS, DIRECTORS, BOARD OR BOARD MEMBERS: The Board of Directors of Lago De Oro Condominium Association, Inc. which shall be responsible for the administration of the Association.

Section 9. BUDGET FOR COMMON EXPENSES OR BUDGET: A determination of the amount payable by the Unit Owners to meet the Common Expenses of the Condominium in order to allocate and assess such expenses among the Unit Owners in accordance with the provisions of the Governing Documents. The Budget for Common Expenses shall include the funding of reserves required by the law to be restricted or accumulated or determined appropriate by the Board which may or may not need to be restricted, the costs of carrying out the powers and duties of the Association, any other expenses designated as Common Expenses by the Act and the Governing Documents and, extraordinary Association expenses and liabilities. Any adopted Budget for Common Expenses shall be subject to change by the Board of Directors.

Section 10. BYLAWS: The Bylaws of the Association, as they exist from time to time.

Section 11. CAPITAL IMPROVEMENT ASSESSMENTS: Amounts levied against each Owner and such Owner's Unit, representing a portion of the costs incurred by the Association for the non-recurring 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.

Section 12. CERTIFICATE OF TERMINATION: Document evidencing the termination of the Condominium, executed by the President or Secretary with the formalities of a deed, and certifying as to the facts effecting the termination.

Section 13. CHARGE or SPECIAL CHARGE: The obligation of a Unit Owner to pay or reimburse money to the Association that cannot be secured as an assessment pursuant to Florida Statute 718.116, but which will, if the charge is not paid, give rise to a cause of action against the Unit Owner pursuant to this Declaration.

Section 14. COMMERCIAL VEHICLE: A vehicle with lettering, or special equipment and configuration or display on it and/or which is primarily used in a trade or business.

Section 15. COMMITTEE: A group of Board Members, Unit Owners, or Board Members and Unit Owners appointed by the Board or Board Member to make recommendations to the Board regarding the Association budget or take action on behalf of the Board.

Section 16. COMMON ELEMENTS: The portions of the property submitted to condominium ownership and not included in the Units, including:

- a. The portions of the Condominium property which are not included within the Units;

- b. 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 Common Elements.
- c. An easement of support in every portion of a Unit which contributes to the support of any other Unit of the building;
- d. The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements;
- e. Any hallways, foyers, doors, elevators, stairwells, alarm systems, access systems or security systems not contained within a specific Unit; and
- f. Any other parts of the Condominium Property designated as Common Elements pursuant to this Declaration or the Act.
- g. Pool, fitness room and other recreational facilities on Condominium property
- h. All driveways and parking spaces located on common property

Section 17. COMMON EXPENSES: All expenses properly incurred by the Association for the Condominium and such expenses as may be declared to be Common Expenses by this Declaration.

Section 18. COMMON SURPLUS: The excess of all receipts of the Association above the Common Expenses.

Section 19. CONDOMINIUM PARCEL: A Unit together with the undivided share in the Common Elements that is appurtenant to the Unit.

Section 20. CONDOMINIUM PLOT PLAN OR PLOT PLAN: Graphic description of Condominium and its Improvements showing the location and boundaries of individual Units

and Improvements drawn to scale.

Section 21. CONDOMINIUM PROJECT or CONDOMINIUM: The condominium known as Lago De Oro, A Condominium governed by this Declaration and the other Governing Documents.

Section 22. CONDOMINIUM PROPERTY or PROPERTY: The real and personal property, both tangible and intangible, subject to condominium ownership, whether or not contiguous; all Improvements thereon; and all easements and rights appurtenant thereto intended for use in connection with the condominium and more particularly described on Exhibit "A" attached hereto and incorporated herein as the same may be amended or supplemented.

Section 23. DECLARATION: This Declaration of Condominium of Lago De Oro, A Condominium.

Section 24. DEVELOPER: Metropolis Homes, Inc., a Florida corporation, that has established this Condominium, and its successors and assigns. For purposes of this Declaration, the term "Developer" shall include the person or entity declaring the property to condominium ownership and any person or entity, including the construction mortgagee, who shall succeed to the Developer's interest in title and ownership, whether by purchase, foreclosure or deed in lieu of foreclosure and such successor shall have all of the rights and privileges of the Developer.

Section 25. DIVISION: The Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation.

Section 26. ELIGIBLE MORTGAGE HOLDERS: Those who hold a first mortgage on a Unit and who have requested notice, in writing, stating their name, address and the Unit number of the mortgage Unit.

Section 27. EXHIBITS: Exhibits attached to the Declaration shall include the following:

Exhibit "A" - Legal description of a portion of the Condominium Property described as Phase I and submitted by this Declaration to the Condominium form of ownership;

Exhibit "B" - Legal description of property owned by the Developer and proposed to be eventually included in the Condominium form of ownership as part of the Condominium Property, including particularly proposed PHASES II through IV.

Exhibit "C" - Association Articles of Incorporation;

Exhibit "D" - Association Bylaws;

Exhibit "E" - Association Rules and Regulations;

Exhibit "F" - Condominium Plot Plan and Survey;

Exhibit "G" - Condominium Floor plans

Exhibit "H" - Percentage of ownership of common elements and all obligation for common expenses

Section 28. EXISTING PROPERTY: The lands governed by this Declaration and the other Governing Documents, initially including PHASE I of this Condominium and proposed PHASES II through IV, when, and if made subject to this Declaration as described in Exhibits "A" and "B", respectively.

Section 29. FAMILY: One natural person or a group of two or more natural persons, each of whom is related to each of the others by blood, marriage, or adoption (exclusive of household servants); or not more than three (3) adult persons not so related, who reside together as a single, not-for-profit housekeeping Unit.

Section 30. GENERAL ASSESSMENT: The amount payable by the Unit Owners to meet the Common Expenses of the Condominium, uniformly allocated and assessed among the Unit Owners on a per Unit basis in accordance with the provisions of this Declaration and Bylaws. 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. The amount of the General Assessment shall be changed in accordance with any such revised Budget for Common Expenses to cover actual expenses at any time and as circumstances may require.

Section 31. GOVERNING DOCUMENTS: This Declaration and attached Exhibits setting forth the nature of the property rights in the Condominium and including the covenants running with the land that govern these rights, the Association's Articles, Bylaws and any Rules and Regulations as the same may be amended or supplemented from time to time. All other Governing Documents shall be subject to the provisions of the Declaration. The order of priority of the documents will be as follows: (1) Declaration; (2) Articles; (3) Bylaws; and (4) Rules and Regulations.

Section 32. GUEST: Any person who is physically present in or occupies a Unit on a temporary basis at the invitation of the Unit Owner without the payment of consideration.

Section 33. IMPROVEMENTS: All structures artificially created and appurtenances thereto of every type and kind located on the Existing Property, including, but not limited to, buildings, out-buildings, sprinkler pipes, walkways, stairs, drainage areas, drainage pipes, roads, driveways, parking areas, fences, retaining walls, landscaping, hedges, plantings, shrubs, poles and signs, security gates, the maintaining of which is the duty of the Developer or the

Association.

Section 34. INSTITUTIONAL FIRST MORTGAGEE or MORTGAGEE: An institutional mortgagee or its assignee of a first mortgage on a Condominium Parcel, which shall be construed to include the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. The mortgagee may be a bank, a savings and loan association, a mortgage banker, a life insurance company, a real estate or mortgage investment trust, a pension or profit sharing trust, the Federal Housing Administration, the Department of Veterans Affairs, any institution under the conservatorship or receivership of the Resolution Trust Corporation; or its successors or assignees; any agency of the United States of America, or the Developer. The term also refers to any holder of a first mortgage against a Condominium Parcel which mortgage is guaranteed or insured, as evidenced by a recorded instrument, by the Federal Housing Administration, the Department of Veterans Affairs, any agency of the United States of America, or any other public or private corporation engaged in the business of guaranteeing or insuring residential first mortgage loans, and their successors and assigns.

Section 35. JUDICIAL SALE: The sale of a Condominium Parcel or Unit by the Clerk of Court under authority of a court's judgment in order to satisfy an unpaid judgment, mortgage lien, or other debt of the Owner.

Section 36. LEASE or LEASE AGREEMENT: The want by a Unit Owner of a temporary right of use of the Owner's Unit for a valuable consideration.

Section 37. MEMBERS/MEMBERSHIP: Every person or entity who is the Owner of record of the fee simple interest in any Unit(s) located within the Condominium Property described on Exhibit "A" attached hereto, including the Developer, but excluding persons or

entities holding an interest in a Unit merely as security for performance of an obligation, shall be a Member of the Association. Membership, other than the Developer's, shall be appurtenant to and may not be separated from ownership of a Unit.

Section 38. OCCUPY: The act of being physically present in a Unit on two or more consecutive days, including staying overnight. An occupant is one who inhabits or resides in a Unit.

Section 39. OPERATION: The administration and management of the Condominium Property.

Section 40. PERSON: An individual, corporation, trust, or other legal entity capable of holding title to real property.

Section 41. PHASE: A phase of a condominium pursuant to the provisions of Section 7 18.403, Florida Statutes.

Section 42. RESERVES: Association funds kept available to meet future contingencies.

Section 43. RULES & REGULATIONS: The Association's rules and regulations restricting Owners' use of the Property, which are passed and implemented by the Board from time to time.

Section 44. SPECIAL ASSESSMENT: Any Assessment levied against Unit Owners other than the General Assessment required by an annually adopted budget or 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.

Section 45. SURFACE WATER or STORMWATER MANAGEMENT SYSTEM: A

system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

Section 46. TERMINATION TRUSTEE: A Florida financial institution with trust powers or a licensed Florida attorney who is designated by the Association who agrees to serve as the Association's trustee in winding up the affairs of the Association with regard to real and personal property, upon the Association's decision to terminate itself

Section 47. TURNOVER: Developer's relinquishment of control of the Association as set forth in Article XV, Section 5 below.

Section 48. UNIT or CONDOMINIUM UNIT: A part of the Condominium Property that is subject to exclusive ownership in fee simple by a person or entity who is the record title holder of that Unit, and as further described in this Declaration.

Section 49. UNIT NUMBER: The letter, number, or combination thereof that is designated on the Condominium Plot Plan and Survey and used as the identification of a Unit.

Section 50. UNIT OWNER or OWNER: The record Owner of legal title to a Condominium Parcel.

Section 51. USE RESTRICTIONS: Restrictions upon an Owner's use of his Unit and the Common Elements as set forth in Article XVIII below and in the Rules and Regulations.

Section 52. UTILITY SERVICES: Shall include, but not be limited to, electric power, gas, water, telephone, garbage and trash disposal, sewers, and cable television, together with all other public service and convenience facilities. Each Unit Owner shall be responsible for the

payment of its telephone, electric and cable services. All other utilities shall be the responsibility of the Association, and shall be a Common Expense.

Section 53. VERY SUBSTANTIAL DAMAGE: As used in this Declaration, this term shall mean loss or damage to the Condominium Property whereby three fourths (3/4 or 75%) or more of the total Units are rendered uninhabitable.

Section 54. VOTING CERTIFICATE: A document which designates one of the record title owners, or the corporate, partnership, or entity representative, who is authorized to vote on behalf of a Condominium Unit that is owned by more than one (1) owner or by any entity.

Section 55. VOTING INTEREST: The voting rights distributed to the Association Members pursuant to § 718.104(4)(j), Florida Statutes.

Section 56. WORKING CAPITAL CONTRIBUTION: A \$150.00 charge paid by the person or entity that purchases a Unit from the Developer.

ARTICLE V

IDENTIFICATION OF UNITS

The Condominium consists of land described in Article I and Exhibit "A" hereto and all easements and rights appurtenant thereto, together with the buildings and other Improvements constructed thereon, including the Units and Common Elements. In addition, the Condominium Property shall include as Common Elements or to be treated as Common Elements any interest in real property acquired for use as Recreational facilities, which include a fitness room and swimming pool. The Recreational Facilities comprising the pool and fitness room shall be added on or before December 31, 2006. The Condominium Property shall also include such additions

to the real property described in Article I herein that, in accordance with the terms of this Declaration, may be added to and after the time that such additional property is declared a part of this Condominium. Such additional properties are described as proposed "Phase II" through "Phase IV" inclusive. The real property submitted herewith to Condominium ownership represents "Phase I" of this Condominium.

Section 1. NO OBLIGATION TO ADD FUTURE PHASES. At the time of the recording of this Declaration, the Developer is not obligated to construct any Improvements on proposed Phases II through IV nor is the Developer obligated to make any or all Phases II through IV a part of this Condominium

Section 2. PHASE I. Phase I shall consist of one (1) building consisting of eight (8) Units, which will contain 1,000 square feet each, a maximum of three (3) bedrooms and minimum of two (2) bedrooms and one (1) building containing of seven (7) units, which will contain 1,400 square feet each a maximum of (3) bedrooms and minimum of (2) bedrooms. Phase I shall also contain the pool, pool decking and covered fitness room which facilities shall also be for the use of all subsequent Phases, when, as and if built by Developer. Each unit is declared to be a Condominium Unit and subject to private ownership.

Section 3. UNIT IDENTIFICATION. Each unit is identified first through a building number consisting of a number (1 through 4) identifying the phase and a letter (A through C) identifying the building within a phase and another number identifying the location of unit in the building (1 through 10). For instance "1 A 4" is located in phase I, building number is 1a and the unit is the 4th unit within the building counting from left to right as viewed from the street.

Section 4. DEVELOPER RIGHT TO MODIFY PHASES AND UNITS. Developer has

not obligated itself to construct precisely the Improvements that would be permitted to be proposed Phases II through IV, nor, if any one or all are constructed, has the developer obligated itself to a precise sequence of construction; neither has Developer obligated itself, whether or not it improves the properties consulting the proposed Phases II through IV, to make such phases or any of them a part of this Condominium. If any or all Phases II through IV are constructed and made part of this Condominium, the size and mix of the units may be similar to the size and mix of Units reflected for the various phases in Exhibits attached hereto, which includes the proposed configuration, size, and dimensions of the various buildings and Units that at the time of the recording of this Declaration are proposed for Phases II through IV. However, Developer reserves the right to modify the configuration of the proposed Units in proposed Phases II through IV and to modify the mix and types of the Units in each Phase, provided that the general size of the smallest Unit shall not contain less than 800 square feet of interior space, and that the general size of the largest Unit shall not contain more than 1,500 square feet of interior space, in both cases exclusive of balconies, terraces, porches, and garages. For the purpose of the measurements and limitations herein set forth, measurements within the Unit shall be measured between condominium Unit boundary lines as defined in article IX of this declaration. The identification of the Units in other Phases will be in accordance with the numbering system described in Article V, Section 3.

Section 5. MAXIMUM AND MINIMUM NUMBER OF UNITS. The developer is proceeding with the construction of Phase I which shall consist of one (1) building of eight (8) Units, one (1) building of seven (7) units and the Recreational Facilities which shall be for the use of Unit Owners for all Phases.

Each of the proposed Phases II through IV is planned but not guaranteed to be constructed. At the time of the recording of this Declaration, proposed Phases II through IV are to consist of one (1) or two (2) or three (3) buildings each, having the number of Units as set forth in the schedule below. However, the Developer reserves the right to modify the number of Units in each phase in accordance with the schedule set forth below, and, within each phase, to increase or decrease the number of Units in the buildings in that Phase disproportionately. This may include deleting a building, as long as the number of Units in the Phase is not less than the minimum nor more than the maximum set forth in the schedule below. The Phases and the buildings that they consist of, if they are built and become part of this Condominium, are as follows, subject nevertheless to the developer's modification right as set forth herein:

Phase	Planned # of Buildings Permitted	Maximum # of Units Permitted	Minimum # of Units Permitted	Bldg #
I	2	15	15	1A;1B
II	2	18	18	2A;2B
III	2	16	16	3A;3B
IV	3	21	21	4A;4B;4C
Total	9	70	70	

Section 6. POTENTIAL NUMBER OF UNITS. Initially, this Condominium will consist of Phase I only, containing fifteen (15) Units; however, if all Phases II through IV are built and made part of this condominium as contemplated by the Developer, the total number of Units in the condominium will be not less than 70 Units. As each Phase is added, the Owner of each Unit therein shall be a Member of the Association and entitled to vote in accordance with the provisions of Article XIII hereof.

Section 7. DEVELOPER'S RIGHT TO MODIFY PLAN AND BUILDING TYPES. The rights reserved to the Developer in completing any Phases contemplated under this Declaration include the rights to modify the Plot Plan and building types to accommodate such changes as authorized above. Such changes include varying those mixes, types and sizes of Units within each Phase, moving the building within the Phase property lines, adding buildings, deleting buildings, increasing or decreasing the height of buildings within a Phase, and reorienting the facing of the buildings within each Phase. These changes may be made by the Developer to accommodate what the Developer determines in the exercise of its absolute discretion to be a more aesthetic or more appropriate use and building system for that Phase. The Developer also reserves the right and authority to make nonmaterial changes in the legal description of each Phase to the maximum degree permitted by law. Any movement by the Developer of a property line between abutting phases of this Condominium, which phases are ultimately declared and made a part of this condominium, is declared to be a nonmaterial change in the legal description of the Phases involved when the abutting Phases sharing the property line are declared a part of this Condominium.

Buildings and Units may differ as follows:

- (a) Size of buildings and units.
- (b) Location and configuration of buildings.
- (c) Elevations of land and buildings.
- (d) Design of buildings and Units.
- (e) Configuration of Units within buildings.
- (f) Building materials.

- (g) Height of buildings.
- (h) Number of Units, number of Units per building and number of buildings.
- (i) Location of easements.
- (j) Changes in parking and landscaped areas.
- (k) Price.
- (l) Number of bathrooms and bedrooms in Units.
- (m) Number of Phases.
- (n) Unit type.
- (o) Estimated completion date of each building provided the same complies with Section 718.403(1), Florida Statutes

Section 9. ADDITIONS OF PHASES, CHANGES. SHARE OF COMMON ELEMENTS.

COMMON EXPENSES AND COMMON SURPLUS. The effects of the addition of each Phase on the distribution of Common Expenses, Common Elements, and Common Surplus are represented in Exhibit "H", "Share of Common Elements, Common Expense, and Common Surplus Attributable to each Unit."

Section 10. TIME FOR ADDING PHASES. All Phases must be added to this Condominium within seven (7) years of the date of the recording of this Declaration. Accordingly, the Developer's authority subsequent to the recording of this Declaration to complete phases II through IV and to declare any or all of such phases a part of this Condominium, shall expire seven (7) years from the date of recording of this Declaration. However, nothing in this Article V shall prohibit the land and the Improvements constituting any of the proposed Phases of this

Condominium from being merged thereafter into this Condominium or any lands and Improvements from being merged into this Condominium at anytime with the consent of the Association or its Membership in the manner permitted by and in accordance with the requirements of law. Nothing in this Article V shall be construed to require that the properties described as Phases II through IV or any part thereof, whether or not improved, become a part of this Condominium, by act of the Developer or otherwise.

ARTICLE VI

SURVEY, PLOT PLAN AND GRAPHIC DESCRIPTION OF IMPROVEMENTS

Section 1. A survey, Plot Plan, and graphic description of Improvements is attached as an Exhibit to this Declaration, and recorded simultaneously therewith shows the Units and Common Elements, with their location and approximate dimensions in sufficient detail to identify them. This survey, Plot Plan, and graphic description of Improvements and the notes and legends appearing thereon are made a part of and shall be deemed and identified as Exhibit "F" to this Declaration. Exhibit "H" has been certified in the manner required by Section 718.104(4)(e), Florida Statutes. When, and if any or all Phases II through IV are submitted to Condominium ownership and made a part of this Condominium consistent with the provisions of this Declaration, Exhibit "F" shall be supplemented and amended to reflect the Improvements in the applicable Phase and such supplement and amendment to Exhibit "F" shall be certified in the manner required by Florida Law. That certification shall appear on and be part of the instrument or instruments declaring that Phase a part of this Condominium. While the lands proposed to become Phases II through IV are reflected on Exhibit "B" as originally attached to this

Declaration and recorded among the public records, those lands and Phases shall not be a part of this Condominium unless and until they are added to this Condominium by an amendment or amendments to the Declaration, under the provisions of Article XXI herein, or in a manner otherwise permitted by law.

ARTICLE VII

UNDIVIDED SHARES IN THE COMMON ELEMENTS AND SHARES IN THE COMMON EXPENSES AND COMMON SURPLUS APPURTENANT TO EACH UNIT

Each Unit shall have as an appurtenance, ownership in a fractional undivided share in the Common Elements as set forth in Exhibit "H" that is attached hereto and made part of this Declaration, until other Phases are submitted to Condominium ownership and made part of this Condominium. On each Phases II through IV being submitted to Condominium ownership and becoming part of this Condominium as provided in this Declaration, each Unit then part of the Condominium shall have as an appurtenance, ownership in a fractional undivided share in the Common Elements as further set forth or established in accordance with Exhibit "H".

Section 1. COMMON EXPENSES. The Common Expenses shall be borne by the Unit Owners and those Unit Owners shall share in the Common Surplus in the proportions set forth for the Common Elements in Exhibit "H".

Section 2. MATERIAL ALTERATIONS. Except for changes made by the Board of Directors alone for the integrity of the Condominium Property, material alterations of or substantial additions to the Common Elements or to the Condominium Property, may be effectuated only by a vote of sixty six and two thirds percent (66 2/3%) of the voting interests of

the Association at a duly noticed meeting called for that purpose. The Board of Directors may lease or grant easements or licenses over the Common Elements or Association Property if the use will benefit the Members of the Association.

ARTICLE VIII

AMENDMENT TO DECLARATION BY DEVELOPER

Any amendment to the Declaration that falls under section 718.110(4) and 718.110(8) Florida Statutes requires approval of a majority of the unit owners and the record owners of liens on the units. The Developer reserves the right to amend this Declaration of Condominium for the purpose of making the property described in Exhibit "B" as "Phase II" through "Phase IV" subject to condominium form of ownership and for the purpose of having that property become a part of this Condominium. At any time after the Improvements to these Phases have been substantially completed and substantially conform with the provisions of this Declaration and its Exhibits, the Developer may, by an instrument executed with formalities required for declarations of condominium, establish and create an Amendment to this Declaration setting forth the Developer's intention to submit each of Phases II through IV to Condominium ownership and declare said phases a part of this Condominium. That Amendment shall have attached or included a certificate by an architect or engineer conforming to the requirements of F.S. 718.104 (4) (e) for the applicable Phase in Exhibit "F". Furthermore, any changed required in this Declaration of any such Phase and the Improvements thereon when actually constructed shall be reflected in the Amendment. Once a Phase has been declared a part of this Condominium and submitted to condominium for of ownership in accordance with this Article, this Declaration shall be deemed amended to include Phase I and the subsequently added Phase

or Phases to the same extent and effect as if Phase and the additional Phase had been completed in construction and declared a condominium at the initial execution and filing of this Declaration. This is subject nevertheless to the modifications and Amendments set forth in the amendatory documents declaring the subsequent Phase or Phases a part of this Condominium and submitting it or them to the condominium form of ownership. However, no Units shall be assessed retroactively, and Assessments shall commence only from and after recording of the Amendment adding the Phase. The powers and rights to the Developer may be exercised by the Developer with joinder or consent of any Unit Owner in Phase I or any other person except the holder of mortgages encumbering Phases II through Phases IV and the owner of the fee simple title to each of those Phases being added who is not the Developer. The powers and authority reserved to the Developer in Article V and in this Article VIII to amend the Declaration shall be construed liberally to allow the Developer to correct and adjust and deviations or errors in the configuration of Units, in the placement of buildings, and in size or location of buildings and Units in Phases II through IV and to ensure that the amended Declaration accurately reflects all of the Phases as actually constructed and produced. Any Amendments mentioned herein shall be effective from and after being recorded. Nothing in this Section or elsewhere in this Declaration shall be deemed or constructed to require the Developer to construct any or all of Phases II through IV or to create any or all of those phases as a part of this Condominium, whether constructed or otherwise improved. The construction of Improvements and the addition of Phases II through IV to this Condominium is totally discretionary with and the option of the Developer. If the Developer elects not to make any or all of those phase a part of this Condominium, the Developer may improve the property of any or all of those Phases II through

IV in any matter conforming to applicable zoning and building codes, rules, and regulations. The limitations in this Declaration on such construction and Improvements, including but not limited to the size and location of buildings and units and the numbers of them, shall not apply or control. This section shall not be amended without the written consent of the Developer.

ARTICLE IX

BOUNDARIES

Each Unit will have boundaries as defined below. The boundaries may exist now or may be created by construction, settlement, or movement of the buildings; or by permissible repairs, reconstruction, or alterations.

Section 1. HORIZONTAL BOUNDARIES. The upper and lower boundaries of the Units shall be:

- a. **UPPER BOUNDARY.** The planes of the underside of the finished and undecorated ceilings of the Unit (the lowest surface of the unfinished ceilings of the unit), extended to meet the perimeter boundaries.
- b. **LOWER BOUNDARY.** The planes of the upper side of the finished and undecorated surface of the floors of the Unit (the lowest surface of the unfinished floors of the Unit), extended to meet the perimeter boundaries.

Section 2. PERIMETER BOUNDARIES. The perimeter boundaries will be both the finished and undecorated interior surfaces of the perimeter walls of the Unit as shown on the Condominium Plot Plan, and the planes of the interior surfaces of the Unit's windows, doors, and other openings that abut the exterior of the building or Common Elements.

ARTICLE X
USE AND OWNERSHIP RIGHTS

Section 1. EXCLUSIVE USE. Each Unit will have the exclusive use of such Owner's Unit.

Section 2. OWNERSHIP. The ownership of each Unit will carry with it, as appropriate,

- a. **APPURTENANCES TO UNITS** The Owner of each Unit shall own an undivided share and interest in the share in the Common Elements and Common Surplus, the exclusive right to use the portion of the Common Elements as provided herein, the easements herein provided, and the right of exclusive use of his unit subject to the rights of the Association, which his Unit is a part, which share and interest shall be appurtenant to the Unit, and undivided interest in the Common Elements and Common Surplus being as designated and set forth in Exhibit "H" attached hereto and incorporated herein.
- b. **LIMITED COMMON ELEMENTS.** There are no Limited Common Elements. Elements are either common or belong to the unit. Furthermore, this is to clarify that the patios and balconies and outside air conditioning unit appurtenant to a unit belong to a condominium unit. In addition the open parking in front of each unit is a common element to be used by said unit owner.

Section 3. EASEMENTS and RESERVATIONS. The following nonexclusive easements are created by and granted from the Developer to each Unit Owner; to the

Association, its successors and assigns; its employees, agents, and hired contractors; to utility companies; to Unit Owners' families in residence, guests, *lessees* and invitees; and to governmental and emergency services, as applicable.

a. **EASEMENT FOR AIR SPACE** -- 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 be lawfully altered or reconstructed from time to time. The easement will be terminated automatically in any air space that is vacated from time to time.

b. **INGRESS AND EGRESS** -- Easements over the Common Elements for ingress and egress to Units and Public ways. A non-exclusive easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, hall, lobbies, center cores, and other portions of the Common elements as may be from time intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as many from time to time be paved and otherwise intended for purposes of ingress, egress and access to the public ways and for such other purposes as are commensurate with need, and such easement or easements shall be for the use and benefit of the Unit Owners of the Condominium Property, and those claiming by, through or under the aforesaid Unit Owners; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium Property except to the extent that space may be specifically designated and assigned for parking purposes.

c. **MAINTENANCE, REPAIR AND REPLACEMENT**-- Easements through the Units and Common Elements for Maintenance, repair, and replacement.

d. UTILITIES -- easements through the Common Elements and Units for conduits, ducts, plumbing, and wiring, and other facilities for the furnishing of services and utilities to other Units, the Common Elements, and other utility customers, both existing and future. The Association and adjoining Unit Owners shall have easements in and through all interior walls as necessary for the installation, maintenance and repair of pipes, wires and other conduits within said walls, as required to provide utilities services to Units in the Condominium. Any damage to a wall in gaining access to any such conduit shall be repaired by the person or entity responsible for repairing the conduit in question.

e. PUBLIC SERVICES -- Access to both the Condominium Property and the Units for lawfully performed emergency, regulatory, law enforcement, and other public services.

f. SUPPORT -- An easement of support in every portion of each building which contributes to the support of a building.

g. ENCROACHMENTS. In the event that any Unit shall encroach upon any of the Common Elements or upon any other Unit for any reason other than the intentional or negligent act of the Unit Owner, or in the event any Common Element shall encroach upon any Unit, then an easement shall exist to the extent of such an encroachment so long as the same shall exist.

h. EASEMENTS AND RESERVATIONS FOR DEVELOPER FOR INGRESS, EGRESS AND UTILITIES. There is reserved to the Developer, the right to create utility easements and to install utilities and to use same over and across the land declared to Condominium ownership hereunder for the benefit of the Developer. Such right to create and

install and use utilities shall not encumber or encroach upon any Unit or impair the exclusive use and ownership of any Unit. Each use of the lands for utilities shall be established as five feet (5') on either side of the actual installed improvement. In addition, the Board by a vote of a majority of all of the Directors shall have the power and authority to move, grant, terminate or convey easements to appropriate authorities, entities or persons, public or private, for such utilities. There is reserved in the Developer the right of ingress and egress over all of the Condominium. The Developer's right therein shall end when the Developer no longer holds a unit for sale in the ordinary course of business or at turnover.

i. RESERVATION IN THE DEVELOPER TO USE FACILITIES FOR SALE, MARKETING AND ADVERTISING OF UNITS. It is contemplated that the Developer will construct and market all Units. There is hereby reserved to the Developer, the right to use the Units for the marketing, sale, and advertising of all Units constructed. This reservation is made notwithstanding the Use Restrictions set forth in Article XVIII, and such reservation is intended insofar as the Developer, is to be superior to such use restriction in Article XVIII. Such reservation shall continue for so long as the Developer shall own Units held for sale to the public.

j. PERMITS, LICENSES AND EASEMENTS OVER COMMON ELEMENTS. The Association shall have the right to grant permits, licenses and easements over the Common Elements for utilities, roads, and other purposes necessary for the operation of the Condominium.

k. SUPPORT. An easement of support in every portion of each building which contributes to the support of a building.

1. ACCESS AND DRAINAGE OVER THE SURFACE WATER OR STORMWATER MANAGEMENT SYSTEM. The Association shall have a perpetual non-exclusive easement over all areas of the Surface Water or Stormwater Management System for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of the Condominium Property which is a part of the Surface Water or Stormwater Management System as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire Surface Water or Stormwater Management System. No person shall alter the drainage flow of the Surface Water or Stormwater Management System, including buffer areas or swales, without the prior written approval of the St. Johns River Water Management District and the Association.

ARTICLE XI

MAINTENANCE. LIMITATIONS ON ALTERATIONS AND IMPROVEMENTS

The responsibility for protection, maintenance, repair, and replacement of the Condominium Property, and restrictions on its alteration and improvement, shall be as follows:

Section 1. ASSOCIATION MAINTENANCE: The Association is responsible for the protection, maintenance, repair, and replacement of all Common Elements and Association Property. This cost is a Common Expense. The Association's responsibilities include, without limitation:

- a. All conduits and electrical wiring up to the circuit breaker panel in each Unit.
- b. Water pipes, plumbing, up to the individual Unit cut-off valve within the Unit.
- c. Cable television lines up to the wall outlets in the Units.

d. Air conditioning condensation drain lines, up to the point where they enter each Unit.

e. Sewer lines, up to the point where they enter the Unit.

f. All installations, fixtures, and equipment located within one Unit, but serving another Unit, or located outside the Unit, for the furnishing of utilities to more than one Unit or the Common Elements.

g. The exterior surface of the main entrance doors to the Units.

h. All exterior building walls, including painting, waterproofing, and caulking.

i. All Common Elements except as provided in Article XI, Sections 2 and below.

j. All portions of a Unit contributing to the support of the building, except interior surfaces, which portions shall include but not be limited to load-bearing columns, load-bearing walls and roofs.

k. Exterior Windows. The Association shall periodically clean the exterior windows and repair any leaks which are not accessible to the Unit Owner.

l. Surface Water or Stormwater Management System, including, but not limited to work within retention areas, drainage structures and drainage easements. Maintenance of the Surface Water or Stormwater Management System(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. Any repair or reconstruction of the Surface Water or Stormwater Management System

shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

m. All structures in relation to structure and exterior surfaces.

Unit owners are assigned particular parking spaces which they shall maintain and keep clean of and other surfacial marks and scratches.

The Association's responsibility does not include interior wall switches or receptacles, plumbing fixtures, or other electrical, plumbing, or mechanical installations exterior door locks located within a Unit and serving only that Unit. All incidental damage caused to a Unit by work performed or ordered to be performed by the Association shall be repaired promptly by and at the expense of the Association, which shall restore the property as nearly as practical to its condition before the damage, and the cost shall be a Common Expense, except that the Association shall not be responsible for the damage to any alteration or addition to the Common Elements made by a Unit Owner or his or her predecessor in title or for damage to paint, wallpaper, paneling, flooring, or carpeting which, of necessity, must be cut or removed to gain access to work areas located behind it.

Section 2. UNIT OWNER MAINTENANCE: Each Unit Owner is responsible, at the Owner's expense, for all maintenance, repairs, and replacements of the Owner's Unit. The Owner's responsibilities include, without limitation:

- a. Maintenance, repair, and replacement of screens, windows, and window glass.
- b. The main entrance door to the Unit and its interior surfaces and locks.

- c. All other doors within or affording access to the Unit.
- d. The electrical, mechanical, and plumbing lines, pipes, fixtures, switches, valves, drains, and outlets (including connections) located partially or entirely within the Unit or serving only the Unit.
- e. The circuit breaker panel and all electrical wiring going into the Unit from the panel.
- f. Appliances, water heaters, smoke alarms, and vent fans except as provided in Article XI, Section 4 below.
- g. All air conditioning and heating equipment, thermostats, ducts, and installations serving the Unit exclusively, except as otherwise provided in Article XI, Section 4 below.
- h. Carpeting and other floor coverings.
- i. Door and window hardware and locks and shower pans.
- j. The main water supply shut-off valve for the Unit.
- k. Other facilities or fixtures that are located or contained entirely within the Unit and serve only that Unit.
- l. All interior partition walls that do not form part of the boundary of the Unit.

Section 3. OTHER UNIT OWNER RESPONSIBILITIES

- a. BALCONIES, PATIOS, AND PORCHES: The Association is

responsible for the maintenance, repair, and replacement of all exterior walls of the building and the concrete slabs excluding interior surfaces of the terraces, balconies and patios of the units. The Unit Owner shall be responsible for day-to-day cleaning and care, but all painting and maintenance of the exterior surfaces and structures of the building shall be the responsibility of the Association and shall be a Common Expense. The maintenance, repair, replacement, and insurance of such approved carpeting, covering, or enclosure shall be the responsibility of the Unit Owner. Expenses of maintenance and repair relating to the interior surfaces of the terraces, balconies and patios of the units shall be borne by the individual unit owner. Said terraces, balconies and patios shall be parts of the Units.

A Unit Owner may enclose the patio or balcony attached to his or her Unit with a screen enclosure only, upon the approval of the Architectural Review Committee pursuant to the procedures set forth in Article XI, Section 6 herein, then, the Unit Owner shall nevertheless be responsible for the cost, repair, maintenance and replacement of any enclosure on the patio or balcony and also the costs incurred should the Association be required to repair the patio or balcony or any of its structures and, in the process of such repair, such enclosure or additions installed by the Unit Owner are destroyed or harmed. The sidewalk, entrances, passages, stairways and all other Common Elements must not be obstructed, encumbered or used for any purpose other than ingress and egress to and from the premises.

b. INTERIOR DECORATING: Each Unit Owner is responsible for all decorating within the Owner's Unit, including painting, wallpapering, paneling, floor covering, draperies, window shades, curtains, lamps and other light fixtures, and other furnishings and interior decorating.

c. FLOORING: The structural integrity of terraces, balconies and patios constructed of steel reinforced concrete is affected adversely by water intrusion and rusting aggravated by the water retention qualities of indoor-outdoor carpet, river rock, and unglazed ceramic tile and its grout. Any flooring installed on the balconies or terraces of a Unit shall be installed so as to ensure proper drainage, and shall not in any way detract from the structural soundness or aesthetics of the building in which it is installed. Indoor-outdoor carpet or river rock must be approved by the Association before it is installed.

d. WINDOW COVERINGS: The covering and appearance of the windows and doors, whether by draperies, shades, reflective film, or other items, whether installed within or outside of the Unit, visible from the exterior of the Unit, shall be subject to the Rules and Regulations of the Association and all such window treatments shall have an exterior appearance of white when viewed from the exterior of the building.

e. GARAGES AND PARKING SPACES: The Association shall maintain and repair at the Association's expense all parking spaces. Unit owners shall be responsible for day-to-day cleaning and care of their designated parking spaces. As garages are attached, interior of garages and garage doors are maintained by unit owners. Exterior of garages are maintained by association

f. MODIFICATIONS AND ALTERATIONS OR NEGLECT: If a Unit Owner makes any modifications, installations, or additions to the Unit or neglects to maintain, repair, and replace as required by this Article XI, the Unit Owner, and the Owner's successors in title, shall be financially responsible for:

i. Insurance, maintenance, repair, and replacement of the

modifications, installations, or additions;

- ii. The costs of repairing any damage to the Common Elements or other Units resulting from the existence of such modifications, installations, or additions; and
- iii. The costs of removing and replacing or reinstalling such modifications if their removal by the Association becomes necessary in order to maintain, repair, replace, or protect other parts of the Condominium Property for which the Association is responsible.

g. USE OF LICENSED AND INSURED CONTRACTORS:

Whenever a Unit Owner contracts for maintenance, repair, replacement, alteration, addition, or improvement of any portion of the Unit or Common Elements, whether with or without Association approval, such Owner shall be deemed to have warranted to the Association and its Members that Owner's contractor(s) are properly licensed and fully insured, and that the Owner will be financially responsible for any resulting damage to persons or property not paid by the contractor's insurance.

h. STORAGE: The personal property of all Unit Owners shall be stored either within their Condominium Units or in the storage spaces provided in the Condominium to each Unit Owner for such purpose; provided, however, that no Unit owner may store any personal property on, or make any use of, the balcony or patio appurtenant to his Unit or the Condominium Property which is unsightly nor shall he make any use of the same which interferes with the comfort and convenience of other Owners.

i. UNSIGHTLY MATERIAL: No garbage cans, supplies or other articles, including but not limited to banners, shall be placed on the patios or balconies or common elements, and, subject to the provisions of F.S. 163.04, to the extent applicable, nor shall any linens, cloths, clothing, curtains, rugs, mops or laundry of any kind, or any other article, be shaken or hung from any of the windows, doors, stairways, patios or balconies, nor hung outside the Unit, nor exposed to or on any part of the Common Elements or porches within any Unit. The Common Elements and Condominium Property shall be kept free and clear of rubbish, debris and other unsightly material. Except that each unit may display, on the patio/balcony, one portable, removable United States flag, in a respectful manner, not to exceed a size of 3 ft. by 5 ft. Also that notwithstanding the foregoing, on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day any unit owner may display in a respectful way portable, removable official flags, not larger than 4 ½ ft by 6 ft, that represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard, regardless of any declaration rules or requirements dealing with flags or decorations.

j. NOISE: No Unit owner shall make or permit any disturbing noises be any person, nor do or permit anything to be done that will interfere with the rights, comforts or convenience of others.

k. SIGNS: No sign, advertisement, notice or other lettering shall be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Condominium Unit or Condominium Property that is visible from outside, nor shall tinfoil or other materials be used to cover any windows or doors so as to be visible from outside the Unit.

l. WATER BODIES: There is no swimming permitted in or on the

water bodies.

Section 4. APPLIANCE MAINTENANCE CONTRACTS: If there shall become available to the Association a program of contract maintenance for water heaters serving Individual Units, and/or air conditioning compressors and/or air handlers and related equipment and fixtures serving individual Units, which the Association determines is to the benefit of the Owners to consider, then on agreement by a majority of the total voting interests of the Condominium, in person or by proxy and voting at a duly noticed meeting called for the purpose, or on agreement by a majority of the total voting interests of the Condominium in writing, the Association may enter into such contractual undertakings. The expenses of such contractual undertakings to the Association shall be Common Expenses. All maintenance, repairs, and replacements not covered by the contracts shall be the responsibility of the Unit Owner.

Section 5. OWNER ALTERATION OF COMMON ELEMENTS RESTRICTED:

No Unit Owner may make any alterations, add to, or remove any part of the portions of the Improvements that are to be maintained by the Association without the prior written approval of the Unit Owners of record of seventy-five percent (75%) of the Units or the prior approval of seventy-five percent (75%) of the Board of Directors of the Association. The Board has the authority to approve, disapprove, or require modifications to the proposed work. The Board's decision will be determinative of the matter. The Owner must obtain all necessary approvals and permits from applicable government entities. The Association may require approval from engineers or other professionals as a prerequisite. The entire expense must be borne by the Owner, including any subsequent maintenance and restoration. An Owner shall not do any work that would jeopardize the safety or soundness of the building or impair any easements.

Section 6. ARCHITECTURAL REVIEW COMMITTEE APPROVAL: The Board of the Association shall have the power to appoint committees and sub-committees as it deems necessary, and shall appoint an Architectural Review Committee as set forth herein in this Section 6.

(a) Composition. The Architectural Review Committee shall initially consist of three (3) members and one alternate appointed by the Board of the Association. The members of the ARC need not be Members of the Association. Each of said persons shall hold office at the pleasure of the Board until each new member of the A.R.C. shall be appointed by the Board of the Association and shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. Members of the A.R.C. may be removed at any time without cause. The Board of the Association shall have the right to appoint and remove all members of the A.R.C.

(b) Review of Proposed Construction. Except as herein otherwise provided, no building, sign, swimming pool, fence, dock, wall or other structural Improvement shall be commenced, painted, erected or maintained on the Property, nor shall any addition, change or alteration visible from the exterior be made, nor shall any awning, canopy or shutter be attached or placed on outside walls or roofs of buildings or other Improvements, until the plans and specifications showing the nature, kind, color, shape, height, materials and location of the same shall have been submitted to, and approved in writing by, the A.R.C. The A.R.C. shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Property as a whole, and that the

appearance of any structure affected thereby will be in harmony with the surrounding structure and is otherwise desirable. The A.R.C. may condition its approval of proposals and plans and specifications as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The A.R.C. may publish criteria and standards regarding alterations and additions and may also issue rules or guidelines setting forth the procedures for the submission of plans for approval. The A.R.C. may require such detail in plans and specifications submitted for its review as it deems proper, including without limitation, floor plans, site plans, drainage plans, elevations, drawings and descriptions or samples of exterior materials and colors. Until receipt by the A.R. C. of any required plans and specifications, the A.R.C. may postpone review of any plans submitted for approval. The A.R.C. shall have thirty (30) days after delivery of all required materials to approve or reject any such plans, and if not rejected within such thirty (30) day period said plans shall be deemed approved. The A.R.C. shall be the ultimate deciding body and its decision shall take precedence over all others. All changes and alterations shall be subject independently to all applicable law.

(c) Meetings of the Architectural Review Committee: The A.R.C. shall meet from time to time as necessary to perform its duties hereunder. The A.R.C. may from time to time, by resolution unanimously adopted in writing, designate an A.R.C. representative to take any action or perform any duties for and on behalf of the A.R.C., except the granting of variances pursuant to Article XI, Section 6(G) hereof In the absence of such designation, the vote of any two (2) members of the A.R.C. shall constitute an act of the A.R.C.

(d) No Waiver of Future Approvals. The approval of the A.R.C. of any proposals or

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 A.R.C., shall not be deemed to constitute a waiver of any rights 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.

(e) Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

1. Upon completion of any work for which approved plans are required under this Section the applicant for such approval shall give written notice of completion to the A.R.C.

2. Within thirty (30) days thereafter the A.R.C. or its duly authorized representatives may inspect such Improvements. If the A.R.C. finds that such work was not effected in substantial compliance with the approved plans it shall notify the applicant in writing of such noncompliance within such thirty (30) days, specifying the particulars of noncompliance, and shall require the applicant to remedy the same.

3. If, upon the expiration of thirty (30) days from the date of such notification, the applicant shall have failed to remedy such noncompliance, the A.R.C. shall notify the Board in writing of such failure. Upon notice and hearing, the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the applicant shall remedy or remove the same within a period or not more than forty-five (45) days from the date of announcement of the Board ruling. If the applicant does not comply with the Board ruling within such period, the Board, at its option, may either remove the noncomplying Improvements or remedy the noncompliance and the applicant

shall reimburse the Association upon demand for all expenses incurred in connection therewith.

4. If for any reason the A.R.C. fails to notify the applicant of any noncompliance within thirty (30) days after receipt of such written notice of completion from the applicant, the improvements shall be deemed to have been made in accordance with said approved plans.

(f) Non-liability of A.R.C. Members. Neither the A.R.C. nor any member thereof, not its duly authorized A.R.C. representative, shall be liable to the Association for any loss, damage or injury arising out of or in any way connected with the performance of the A.R.C.'s duties hereunder, unless due to the willful misconduct or bad faith of an A.R.C. member and then, in that circumstance, only that A.R.C. member shall have any liability. The A.R.C. shall review and approve or disapprove all the plans submitted to it for any proposed improvement, alteration or addition solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity. The A.R.C. shall take into consideration the aesthetic aspects of the architectural design plans, placement of structures, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes.

(g) Variance. The A.R.C. may authorize variances from compliance with any of the architectural provisions of this Declaration, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations require. Such variance must be evidenced in writing which must be signed by at least two (2) A.R.C. members. If such variance(s) are granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the

variance was granted. The granting of such variance shall not, however, waive any of the terms and provisions of this Declaration for any purpose except as to the particular property or particular provisions hereof covered by the variance nor shall it affect in any way the Owners' obligation to comply with all governmental laws and regulations affecting his use of the premises, including, but not limited to, zoning ordinances and set-back lines or requirements imposed by any governmental or municipal authority.

(h) Developer's Exemption. Developer shall be exempt from the provisions hereof with respect to all alterations and additions desired to be effected by the Developer and shall not be obligated to obtain A.R.C. approval for any construction or changes in construction which the Developer may elect to make.

ARTICLE XII

COMMON ELEMENTS

Section 1. PROPERTY INTERESTS COMPRISING COMMON ELEMENTS: The Common Elements shall include all easements described in Article X, the property and installations required for the furnishing of utilities and other services to more than one Unit of the Common Elements, and all other Condominium Property that is not part of and that is not included within the Units.

Section 2. SHARE OF: The Common Elements shall be owned by the Unit Owners in equal undivided shares as set forth in Exhibit "H". Each Unit Owner shall own a percentage ownership in the Common Elements, Common Surpluses and obligation for Common Expenses, represented by a fraction, the numerator of which shall be one (1) and the denominator of which shall be the total number of Units declared to condominium ownership in Lago De Oro, A

Condominium, as set forth on Exhibit "H" attached hereto.

Section 3. USE: Each Unit Owner and the Association shall be entitled to use the Common Elements in accordance with the purposes for which they are intended; however, no such use may hinder or encroach upon the lawful rights of other Unit Owners.

ARTICLE XIII
TRANSFER OF ASSOCIATION CONTROL
AND
ALLOCATION OF VOTING RIGHTS.

Section 1. Transfer of Association Control.

Rules affecting transfer of association control are as follows:

(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:

- (a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
- b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;
- (c) When all the units that will be operated ultimately by the association have

been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;

(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or

(e) Seven years after recordation of the declaration of condominium.

The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent. Following the time the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration.

Section 2. Members Voting Rights.

The Owner(s) of each Unit shall be entitled to one (1) vote for each Unit owned. If a Unit Owner owns more than one (1) Unit, such individual shall be entitled to one (1) vote for each Unit owned. Any two (2) Units which have been combined into one (1) living area shall be deemed to be two (2) Units (as if they had not been so combined) and shall therefore be entitled to two (2) votes to be cast by its Owner. The vote of a Unit shall not be divisible. When more than one person holds such interest in any Unit, all such persons shall be Members. The vote for each such Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Unit. Voting rights are appurtenant to a unit. Developer shall be entitled to a vote for each unoccupied Unit owned by the Developer.

ARTICLE XIV

FISCAL MANAGEMENT

Section 1. Guarantee Period. The fiscal management of the Condominium, including budget, fiscal year, charges, Assessments, and collection of Assessments, shall be as set forth herein and in the Bylaws (Exhibit "D"). Commencing with the recording of the Declaration and continuing until the end of the first fiscal year of the Association, Developer guarantees that the Assessment for Common Expenses shall not exceed \$150.00 per month for each Unit in the Condominium. Thereafter, Developer in its discretion, shall have the option of extending the guarantee for additional one-month periods of time; provided, however, that notwithstanding any provision to the contrary, the guarantee shall automatically terminate on the date of the meeting of the Unit Owners at which transfer of control of the Association to Unit Owners other than the Developer occurs.

Section 2. Cash funding requirements during the guarantee. The cash payments required from the Developer during the guarantee period shall be determined as follows:

(a) If at any time during the guarantee period the funds collected from Unit Owner for 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, the Developer shall advance sufficient cash to the Association at the time such payments are due;

(b) No revenues or capital contributions other than regular periodic Assessments, and cash payments by the Developer, may be utilized for the payment of Common Expenses during the guarantee period. This restriction includes items such as interest revenues, vending revenues, laundry revenues, other non-Assessment revenues, and capital contributions.

The Developer's total financial obligation to the Association at the end of the guarantee period shall be determined on the accrual basis using the following formula:

(i) The Developer shall fund the total Common Expenses incurred during the guarantee period; LESS

(ii) The total regular periodic Assessments earned by the Association from the Unit Owners other than the Developer during the guarantee period regardless of whether the actual level charged was less than the maximum guaranteed amount.

Section 3. DETERMINATION OF COMMON EXPENSES AND FIXING OF ASSESSMENTS THEREFOR: The Board of Directors shall from time to time, and at least annually, prepare a Budget For Common Expenses for the Condominium, determine the amount of Assessments 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. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of Assessments payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each Budget, upon which such Assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expenses shall include the expenses designated as Common Expenses by Chapter 718 of the Florida Statutes, this Declaration, the Articles, By-Laws and applicable Rules and Regulations promulgated by the Association. Any Working Capital Contributions may be used as the Board shall determine from time to time and need not be restricted to replacements or otherwise, unless such use is prohibited by law. Any Budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted

consistent with the provisions of the Bylaws. Subsequent to Turnover, any decision to fund less than adequate Reserves or a decision to fund no Reserves at all in any fiscal year shall require approval of a majority vote of the Members either in person or by proxy.

ARTICLE XV

ADMINISTRATION

The administration of the Condominium shall be by the Board of Directors and its powers and duties shall be as set forth herein and in the Articles and the Bylaws.

Section 1. MEMBERSHIP IN ASSOCIATION: Membership of each Unit Owner in the Association is mandatory and shall be acquired pursuant to the provisions of the Articles and Bylaws of the Association. The interest of each Unit Owner in the funds and assets held by the Association shall be in the same proportion as the liability of each such Owner for Common Expenses.

Section 2. RESTRAINT UPON ASSIGNMENT OF SHARES AND ASSETS: The Unit Owners' share in the funds and assets of the Association cannot and shall not be assigned, hypothecated or transferred in any manner except as an appurtenance to his/her Unit.

Section 3. PURCHASE OR LEASE OF PROPERTIES: The Association shall have the power and authority to purchase real estate, leaseholds, recreational facilities and leaseholds, or possessory interest therein, including Memberships pursuant to Sections 718.111 and 718.114, Florida Statutes; provided, however, that any such purchases shall have first been approved by a vote of sixty six and two thirds percent (66 2/3%) of the votes of the voting membership.

Section 4. RIGHT OF ACTION: The Association and any aggrieved Unit Owner has the right of action against Unit Owners who fail to comply with the provisions of the Governing

Documents or the decisions made by the Association.

Section 5. TURNOVER: When Unit Owners other than the Developer own fifteen percent (15%) or more of the Units that will ultimately be operated by the Association, such Unit Owners shall be entitled to elect not less than one-third (1/3) of the Members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the Members of the Board of Directors after the first of the following occurs:

- (a) Three (3) years after fifty percent (50%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or
- (b) Three (3) months after ninety percent (90%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or
- (c) When all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or
- (d) When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or
- (e) Seven (7) years after this Declaration is recorded;

Section 6. DEVELOPER VOTING RIGHTS AFTER TURNOVER: Following Turnover of the Association, the Developer may exercise the right to vote any Developer-owned Units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority of Members of the Board of Directors. The Developer may elect at least one (1) Member of the Board of Directors as long as the Developer holds for

sale in the ordinary course of business at least five percent (5%) of the Units.

Section 7. ASSOCIATION RECORDS: Not more than ninety (90) days after Developer relinquishes control of the Association, Developer shall deliver to the Association at the Developer's expense, Association financial records listed in section 718.30 1(4)(c), Florida Statutes. Developer shall deliver all records set forth in Section 718.30 1(4) and (5), other than those set forth in Section 718.301 (4)(c), simultaneously with Developer's relinquishment of control of the Association.

Section 8. BOARD OF DIRECTORS: The affairs of the Association shall be managed initially by a Board of three (3) Directors selected by the Developer. When Unit Owners other than the Developer are entitled to elect a majority of the Directors, the Board shall be composed of any odd number of Directors that the Board may decide, subject to the limits set forth below. The number of Directors, however, may from time to time increase or decrease, provided, however, that the Board must always consist of an odd number of Members, and provided, further, that there shall never be less than three (3) Directors on the Board. The Board shall remain at three (3) Directors until such time as the Developer transfers control of the Association to Unit Owners other than the Developer, at which time the Board may consist of not less than three (3) nor more than five (5) Members. Other than those selected by the Developer, Directors must be either Unit Owners, officers of a corporate Unit Owner, or partners of a partnership Unit Owner. No Director, except those selected by the Developer, shall continue to serve on the Board after ceasing to meet those requirements. Such a person so serving shall resign or be deemed to have resigned as Director no later than the occurrence of the event, which results in the qualifications no longer being met.

ARTICLE XVI
INSURANCE

In order to adequately protect the Unit Owners, the Association, and all parts of the Condominium Property and Association Property that are required to be insured by the Association, insurance shall be carried and kept in force at all times in accordance with the following provisions:

Section 1. DUTY AND AUTHORITY TO OBTAIN: The Board of Directors shall use its best efforts to obtain and maintain adequate insurance. In all insurance purchased by the Association, the name of the insured shall be the Association and as agent for the Unit Owners and their mortgagees (without naming them), as their interests shall appear, and the policy shall provide for the issuance of certificates of insurance and mortgagee endorsements to any or all of the holders of institutional first mortgages. Such policies shall provide that payments by the insurer for losses shall be made to the Association, and all policies and their endorsements shall be deposited with the Association as set forth herein.

Section 2. BASIC INSURANCE: The Board of Directors shall procure insurance covering the building and Improvements as well as all insurable Association Property, in an amount determined annually by the Board. Pursuant to F.S. 718.111(1)(b), the word "building" does not include floor coverings, wall coverings, or ceiling coverings, nor electrical fixtures, appliances, air conditioning or heating equipment, water heaters, or built-in cabinets located within a Unit. Such insurance shall afford the following protection:

- a. **PROPERTY:** The policy shall include extended coverage (including windstorm), and replacement cost coverage for loss or damage by fire, vandalism and malicious

mischievous, and other hazards covered by the standard "All Risk" property contract.

b. FLOOD: The policy must include up to the replacement cost for each building and insurable Improvements, as available.

c. LIABILITY: The policy shall include premises and operations liability endorsements for bodily injury and property damage in such limits of protection and with such coverage as required by the Board of Directors of the Association, with cross-liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner.

d. AUTOMOBILE: The policy shall include automobile liability for bodily injury and property damage for all owned and non-owned motor vehicles used in Association business in such limits of protection and with such coverage as may be required by the Board of Directors of the Association.

e. WORKERS' COMPENSATION: The Association shall maintain workers' compensation insurance to meet the requirements of law.

f. FIDELITY BONDING: The Association shall obtain and maintain blanket fidelity bonding for each person who is authorized to control or disburse funds and the President, Secretary, and Treasurer of the Association in an amount not less than \$50,000 for each such person, but in no event less than the minimum required by the Condominium Act from time to time. The Association shall bear the cost of bonding.

g. DIRECTORS AND OFFICERS LIABILITY INSURANCE: The Association shall obtain and maintain adequate Directors and Officers liability insurance using the broad form of policy coverage for all Directors and officers and, if available, for committee Members of the Association.

h. **OPTIONAL COVERAGE:** The Association may purchase and carry such other insurance coverage as the Board of Directors may determine from time to time to be in the best interests of the Association and Unit Owners.

Section 3. DESCRIPTION OF COVERAGE: A detailed summary of the coverage included in the master policies shall be available for inspection by Unit Owners on request.

Section 4. WAIVER OF SUBROGATION: The Board of Directors shall endeavor to obtain, if available and where applicable, insurance policies which provide that the insurer waives its rights to subrogation as to any claim against Unit Owners, the Association, or their respective servants, agents, or guests.

Section 5. SHARES OF INSURANCE PROCEEDS: All proceeds of insurance policies purchased by the Association shall be payable to the Association. The duty of the Association shall be to receive such proceeds and hold and disburse them for the purposes stated herein in the following shares:

a. **COMMON ELEMENTS:** Proceeds on account of damage to Common Elements shall be held in as many undivided shares as there are Units, the shares of each Unit Owner being the same as each Unit Owner's share in the Common Elements.

b. **UNITS:** Proceeds on account of damage to Units shall be held in as many undivided shares as there are damaged Units, the share of each Owner being in proportion to the cost of restoring the damage suffered by each such Unit.

c. **MORTGAGEES:** If a mortgagee endorsement has been issued as to a Unit, the shares of the mortgagee and the Unit Owner shall be as their interests may appear. In no

event shall any mortgagee have the right to demand application of insurance proceeds to any mortgage or mortgages that it may hold against Units except to the extent that insurance proceeds exceed the actual costs of repair or restoration of the damaged Improvements, and no mortgagee shall have any right to participate in determining whether Improvements will be restored after casualty. The Association shall pay all policy deductible amounts on Association policies.

Section 6. DISTRIBUTION OF INSURANCE PROCEEDS: Proceeds of insurance policies received by the Association shall be distributed for the benefit of the Unit Owners in the following manner:

a. **COST OF RECONSTRUCTION OR REPAIR:** If the damage for which the proceeds are paid is to be repaired or reconstructed by the Association, the proceeds shall first be paid to defray the costs thereof. Any proceeds remaining after defraying costs shall be retained by the Association.

b. **FAILURE TO RECONSTRUCT OR REPAIR:** If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds after expenses shall be distributed to the beneficial Owners. The remittances to Unit Owners and their mortgagees shall be payable jointly to them. This is a covenant for the benefit of mortgagees and may be enforced by them.

Section 7. ASSOCIATION AS AGENT: The Association is hereby irrevocably appointed agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Association.

ARTICLE XVII

RECONSTRUCTION OR REPAIR AFTER CASUALTY

If any part of the Condominium property is damaged by casualty, whether and how it shall be reconstructed or repaired shall be determined as follows:

Section 1. DAMAGE TO UNITS: Where loss or damage is only to those parts of a Unit for which the responsibility of maintenance and repair is that of the Unit Owner, any Association insurance proceeds on account of the damage, less the deductible, shall be distributed to such contractors, suppliers, and personnel for work done, materials supplied, or services required for reconstruction or repair. Payments shall be in such amounts and at such times as the Unit Owners may direct. The Owners of damaged Units shall be responsible for reconstruction and repair and shall bear the cost thereof, if any, in excess of the insurance proceeds.

Section 2. DAMAGE TO COMMON ELEMENTS: LESS THAN VERY SUBSTANTIAL: Where loss or damage occurs to the Common Elements, but the loss is less than Very Substantial Damage, it shall be mandatory for the Association to repair, restore, or rebuild the damage caused by the loss, and the following procedures shall apply:

a. **ESTIMATES:** The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of reconstruction and repair, and shall negotiate and contract for the work.

b. **SPECIAL ASSESSMENT FOR RECONSTRUCTION AND REPAIR:** If the net proceeds of insurance plus available Reserves are insufficient to pay for the cost of reconstruction and repair of the Common Elements, the Association shall promptly, on

determination of the deficiency, levy a Special Assessment against all Unit Owners. Such Special Assessments need not be approved by the Unit Owners. The Special Assessments shall be added to the proceeds available for reconstruction and repair of the property.

Section 3. DAMAGE TO COMMON ELEMENTS: VERY SUBSTANTIAL DAMAGE: Should such Very Substantial Damage occur, then a meeting of the Association shall be called by the Board of Directors to be held within a reasonable time after the casualty. A determination by the Board of Directors as to what is a reasonable time shall be conclusive. The purpose of the meeting shall be to determine the wishes of the Membership with reference to reconstruction or termination of the Condominium, subject to the following:

i. **INSURANCE SUFFICIENT:** If the insurance proceeds and Reserves available for reconstruction and repair are sufficient to cover the cost thereof, so that no Special Assessment is required, the Condominium property shall be reconstructed or repaired unless the then applicable zoning or other regulatory laws will not allow reconstruction of the same number and general type of Units, in which case the Condominium shall be terminated pursuant to Article XXII, Section 2.

ii. **INSURANCE INSUFFICIENT:** If the insurance proceeds and Reserves available for reconstruction and repair are not sufficient to cover the cost thereof so that a Special Assessment will be required, then unless at least 67% of the voting interests of the Association vote in favor of such Special Assessment and against termination of the Condominium, it shall be terminated pursuant to Article XXII, Section 2. If 67% of the voting interests of the Association approve the Special Assessment, the Association, through its Board, shall levy such Assessment and shall proceed to negotiate and contract for such reconstruction

and repairs. The Special Assessment shall be added to the proceeds of insurance and Reserves available for reconstruction and repair of the property.

iii. DISPUTES: If any dispute shall arise as to whether Very Substantial Damage has occurred, a determination by the Board of Directors shall be binding upon all Unit Owners.

Section 4. APPLICATION OF INSURANCE PROCEEDS: It shall be presumed that the first monies disbursed for reconstruction and repair shall be from the insurance proceeds and they shall first be applied to reconstruction of Common Elements and Association Property then to the Units; if there is a balance in the funds held by the Association after the payment of all costs of reconstruction and repair, such balance shall be retained by the Association. However, if Special Assessments were made pursuant to Article XVII, hereof, then all or a part of the remaining money shall be returned to the Unit Owners paying said Special Assessments pro rata, according to the amount each paid, up to the full amount each paid, and then to the Association.

Section 5. EQUITABLE RELIEF: In the event of Very Substantial Damage to the Condominium Property, and if the Property is not reconstructed or repaired within a reasonable period of time, any Unit Owner may petition a court for equitable relief, which may include a termination of the Condominium and a partition. For the purposes of this provision, it shall be conclusively presumed that reconstruction or repair has occurred within a reasonable period of time if substantial work is commenced within such time following the damage or destruction as is determined by the Board of Directors to be reasonable and the work proceeds without intentional and unwarranted delay to completion.

Section 6. PLANS AND SPECIFICATIONS: Any reconstruction or repairs must be

substantially in accordance with the plans and specifications for the original buildings, or in lieu thereof, according to plans and specifications approved by the Board of Directors and by the Owners of fifty-one percent (51%) of the voting interests of the Association, including the required approval of Owners of all damaged Units and the institutional first mortgagees for all such damaged Units, which approval shall not be unreasonably withheld.

ARTICLE XVIII

USE RESTRICTIONS

The use of the property of the Condominium shall be in accordance with the Rules and Regulations attached hereto and incorporated herein as Exhibit "E" and the following provisions:

Section 1. LAWFUL USE: No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or a Unit and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies that require maintenance, modification, or repair of Condominium Property or a Unit shall be the same as the responsibility for the repair and maintenance of the Property as expressed earlier in this Declaration.

Section 2. RULES AND REGULATIONS: The Rules and Regulations attached hereto as Exhibit "E" and made a part hereof by reference concerning the use of the Condominium Property including the Units may be amended from time to time by the Board of Directors. Copies of the Rules and Regulations and Amendments shall be furnished by the Association to all Unit Owners. No new or amended Rule or Regulation may be enforced prior to distribution to the Owners.

Section 3. USE AND OCCUPANCY OF THE UNITS is restricted to a single family

residential private dwelling by no more than six (6) persons at any one time, including their guests per Unit only. These Use Restrictions shall not be construed in such a manner as to prohibit a Unit Owner from maintaining a personal professional library, keeping personal business or professional records or accounts, or handling personal, business, or professional telephone calls or correspondence in and from Owner's Unit. Such uses are expressly declared customarily incident to the principal residential use. All guests must be registered with the Association on arrival and unregistered guests may be denied use of Recreational Facilities and amenities.

Section 4. ACCESS TO UNITS BY ASSOCIATION: The Association has an irrevocable right of access to the Units during reasonable hours when necessary for the purpose of maintenance, repair, and replacement of the Common Elements or of any portion of a Unit to be maintained by the Association pursuant to this Declaration or for making emergency repairs that are necessary to prevent damage to the Common Elements or to another Unit or Units. The right of access to a Unit shall be exercised after reasonable notice to the Unit Owners, unless such notice is not possible or practical under the circumstances, and with due respect for the occupants' rights to privacy and freedom from unreasonable annoyance, with reasonable precautions to protect the personal property within the Unit. The Association requires and shall retain a passkey to all Units. No Unit Owner shall install or alter any lock that prevents access while the Unit is unoccupied without providing the Association with a key. Said keys shall be accessible only by designated individuals in an emergency situation.

Section 5. PETS: One domestic pet or animal may be kept or harbored on the Condominium Property or Unit so long as such pet or animal does not exceed twenty-five (25)

pounds in weight and does not constitute a nuisance. A determination by the Board of the Association that an animal or pet kept or harbored in a Unit is a nuisance shall be conclusive and binding on all parties. No pet shall be "tied out" on the exterior of the Unit, or left unattended on the balcony or patio. All pets shall be walked on a leash not to exceed 6' in length. No pet shall be permitted outside a Unit except on a leash. When notice of removal of any pet is given, said pet shall be removed within forty-eight (48) hours of the giving of the notice. The Unit Owner shall clean up after their pet. Any violations of these provisions may trigger notice of removal of the pet and potential fining of unit owner.

Section 6. EXCLUSIVE USE - COMMON ELEMENTS: The Association may Lease to Unit Owners for appropriate temporary periods of time those portions of the Common Elements rationally appropriate and desirable for temporary exclusive use.

Section 7. COMMON ELEMENTS: The Common Elements shall be used for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Units.

Section 8. NUISANCES PROHIBITED: No nuisance shall be allowed upon the Condominium Property or within a Unit, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the Condominium Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Unit Owner shall permit any use of his Unit or make any use of the Common Elements that will increase the cost of insurance upon the Condominium Property.

Section 9. LEASING OF UNITS: After approval of the Board required herein, entire

Units may be Leased provided that the occupancy is only by the lessee, his or her family and guests. No rooms may be Leased and no transient tenants (i.e. tenants of less than seven (7) months) shall be accommodated in any Unit. The Lease of any Unit shall not release or discharge the Owner from compliance with any of his obligations and duties as a Unit Owner. No Lease shall be for a period of less than seven (7) months. Any such Lease shall be in writing and provide that all of the provisions of this Declaration, and Bylaws, and the Rules and Regulations of the Association pertaining to use and Occupancy shall be applicable and enforceable against any person Occupying a Unit to the same extent as against a Unit Owner, and a covenant shall exist upon the part of each such tenant or occupant to abide by the Rules and Regulations of the Association, the terms and provisions of this Declaration and the Bylaws. The Lease shall also and designate the Association as the Unit Owner's agent for the purpose of and with the authority to terminate any such Lease Agreement in the event of violations by the tenant of such covenant, which covenant shall be an essential element of any such Lease or tenancy agreement.

Section 10. SIGNS: No signs shall be displayed from a Unit or from the Condominium Property except those signs as shall have advance written approval by the Association.

Section 11. PROHIBITED VEHICLES: No commercial trucks or vans or other Commercial Vehicles shall be parked in any parking space without the written consent of the Board of the Association, except such temporary parking spaces provided for such purpose as may be necessary to effectuate deliveries to the Condominium, the Association, Unit Owners, or residents. It is acknowledged that there are pickup trucks and vans that are not used for commercial purposes, but are family vehicles. It is not intended that such noncommercial, family vehicles be prohibited. No campers, recreation vehicles, boats or boat trailers may be parked on

the Condominium Property. Motorcycles may be parked on the Condominium Property only with the prior written consent of the Board of Directors, which consent shall not be unreasonably withheld. No inoperable, junk vehicles or vehicles without current registration plates of any type may be brought into or stored upon any portion of the Condominium Property.

Section 12. RESIDENT AND VISITOR PARKING: Resident and Visitor's parking shall be as allowed and regulated in the Rules and Regulations (Exhibit "E"). In addition each Unit owner is assigned a parking space in front of their unit next to their garage. The unit owner is required to park a vehicle in their garage prior to using any of the open parking spaces available for additional cars and visitors cars. Unit owners must not use their garage for any purpose other than storing their vehicles. Violation of this provision may result in fining and appropriate action by the board to bring unit owner t compliance.

Section 13. PROVISO: Until the Developer has completed all of the contemplated Improvements and closed the sale of all of the Units of the Condominium, neither the Unit Owners nor the Association, nor the use of the Condominium Property shall interfere with the completion of the contemplated Improvements and the sale of the Units; Developer may make such use of the unsold Units and Common Elements, as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the property, and the display of signs.

Section 14. CHILDREN: Children of all ages shall be allowed. Parents or legal guardians of children shall be responsible for their behavior at all times. Bicycles and toys shall be stored inside Units.

Section 15. ALTERATION OF EXTERIOR APPEARANCE: No reflective film or other

type of window treatment shall be placed or installed on the inside or the outside of any Unit without the prior written consent of the Board of Directors. All such window treatments, if approved, shall have an exterior appearance of white. Any alterations, decorations, repairs or replacements which have an effect on the exterior appearance must be first approved by the Board.

Section 16. USE OF PROPERTY: No articles shall be hung or shaken from the doors, windows, or balconies. No articles shall be placed upon the outside window sills, or outside of balcony railings of the Units. Patios and garages are not to be used for storage.

Section 17. CHARCOAL BROILERS: Charcoal broilers or small open flame burners or electric grills are not permitted to be used on any of the Common Elements, except as may be provided in the Rules and Regulations. Furthermore, such grills may not be used in patios or balconies.

Section 18. STORAGE AREAS: All storage must be kept inside or designated outside storage areas. Unit Owners are prohibited from storing gasoline, paint, or any combustible items presenting a fire hazard. Common Elements cannot be used for storage purposes.

Section 19. REFUSE: All refuse shall be disposed of with care and in containers intended for such purpose. All trash must be contained in plastic trash bags and secured and placed in trash containers.

Section 20. RULES AND REGULATIONS: In addition to these specific use restrictions, the Board may establish reasonable Rules and Regulations on its own motion and vote of two thirds (2/3) of the Board which will govern the use, maintenance and operation of the Common Elements and the Condominium Project as a whole. Such Rules and Regulations shall be

reasonable and shall be consistent with the maintenance of a high standard and quality use and maintenance of the Condominium Project. Such Rules and Regulations and any subsequent additions thereto may clarify these use restrictions but shall in no event be inconsistent with this Article XVIII.

Section 21. MANAGER: The management of the Condominium Property shall be under the direct supervision of the Board of Directors or a manager contracted with for the purpose of managing the Condominium Project by the Association. The Board of Directors or manager are hereinafter collectively referred to as "Manager." It shall be the Manager's responsibility to provide for the maintenance of the buildings and grounds located on the Condominium Property as well as to enforce these Rules and Regulations. No resident shall direct, supervise or in any manner attempt to assert control or authority over any employee of the Association. The Manager and his designated representatives shall have access to all Units for maintenance, repairs and replacement, as necessary, of any Common Elements and to otherwise prevent any damage to the Common Elements or other Units. In all instances where a Unit Owner or approved lessee has tendered the keys to a particular Unit to another person, it is incumbent upon the Unit Owner or approved tenant to provide the Manager or, in his absence, his authorized representative with the name, telephone number and apartment number of such person. In the event of an emergency whereupon, in the judgment of the Manager or his authorized representative, it becomes necessary to forcibly enter a Unit of the Condominium Property, the cost of any damage incurred in said property shall be borne by the particular Unit Owner where said damage took place.

Section 22. OBSTRUCTION OF COMMON ELEMENTS: Common Elements shall not

be obstructed, littered, defaced or misused in any manner whatsoever.

Section 23. STRUCTURAL CHANGES: No structural changes or alterations shall be made in any Unit, unless the record owner of the units and all record owners of lien join in the execution of amendments and unless at least a majority of the record owners of all the units approve the amendment. Such prior consent of the Mortgagee may not be unreasonably withheld.

Section 24. Advertisement Displays: No Unit Owner or occupant of a Unit shall display any advertisement or posters of any kind, in or on the condominium Unit or the Condominium Property except upon written approval of the Board of Directors except as may be allowed by the Rules and Regulations.

Section 25. Installation of Over-the-Air Reception Devices: The United States Federal Communications Commission, pursuant to the Federal Telecommunications Reform Act of 1996, has promulgated certain regulations regarding Over-the-Air Reception Devices (OTARDs), under Title 47 of the United States Code of Federal Regulations, § 1.4000. OTARDs include satellite dishes, wireless cable antennas, and television broadcast signal antennas. These Regulations preclude the Association from imposing certain restrictions upon the Unit Owner to erect or maintain OTARDs to the extent that such regulations or restrictions serve to impair the reception of a reasonably clear signal. However, the Board of Directors is authorized to issue Rules and Regulations, by a majority vote, regulating such OTARDs, providing such Board adopted rule and Regulation is not inconsistent with any Federal or State Law or Regulation. Federal law allows for the imposition of the following restrictions on the placement and the use of OTARDs:

- a. No Unit Owner may erect an OTARD on any Common Elements.
- b. Unit Owners may erect and OTARD on Unit Owner Property.
- c. No Unit Owner may erect an OTARD more than twelve (12) feet in height without obtaining the approval of the appropriate local building department confirming that such OTARD is erected in a safe manner.
- d. No Unit Owner may erect a satellite dish that exceeds one meter in diameter on any Unit.
- e. It is the intent of this provision that the Board of Directors retains the authority to issue further Rules and Regulations of OTARDs in the event and to the extent that the Association's ability to regulate such OTARDs is challenged or increased by further actions of the United States Congress or the Federal Communications Commission.
- f. An OTARD or Qualifying Satellite Dish may not be located, attached and/or secured above the horizontal plain of the soffit nearest to the dish, and in no event higher than twelve (12') feet from the ground level.
- g. Provided the following shall not materially affect reception, Qualifying Satellite Dishes shall be painted or colored to blend in with the surroundings. If the Qualifying Satellite Dish is attached to a building or other structure, the Qualifying Satellite Dish shall be painted or colored to match with the building colors. If the Qualifying Satellite Dish is secured to a pole or slab, the Qualifying Satellite Dish shall be painted or colored to match with the surrounding landscaping.
- h. Qualifying Satellite Dishes shall not be attached and/or affixed to a building or structure in a fashion that is inconsistent with applicable building codes or which fails to

maintain the structural integrity and exterior finishes of the building.

- i. Unit Owners shall not permit their Qualifying Satellite Dishes to fall into disrepair or to become safety hazards.
- j. Unit Owners shall be responsible for Qualifying Satellite Dish maintenance and repair.
- k. Owners shall be responsible for repainting or replacement of OTARDs if the exterior surfaces thereof deteriorates.
- l. OTARDs may not be used in any manner which causes an increase in the cost of insuring, maintaining, repairing or replacing any portion of the Properties required to be maintained, repaired or replaced by the Association.

This section shall at all times be deemed to be amended to be in accordance with United States statutes, regulations and case law as may be in effect from time to time.

Section 26. Maintenance of Units: Each Unit Owner and the occupants of a Unit shall maintain the Unit in good condition and repair, including, but not limited to, all interior surfaces within or surrounding said Unit (such as the surfaces of the walls, ceilings, floors), whether part of the Unit or the Common Elements and shall maintain and repair the fixtures therein and shall pay for the costs of all utilities as are separately metered to his Unit. Expenses of maintenance and repair relating to the interior surfaces of the patios of the Units, if not maintained by unit owner, shall be borne by and assessed against the individual Unit Owner.

ARTICLE XIX

LEASE, CONVEYANCE, DISPOSITION

The purpose and object of this section is to maintain a quiet, tranquil, non-transient, and single-family oriented atmosphere with the residents living in compatible coexistence with other

financially responsible persons who are of like mind and acceptable both in character and comportment. This objective is considered to be both important and justified because of the necessity of sharing facilities and because of the large personal financial investment of each Owner. Therefore, the lease, conveyance, disposal, and financing of the Units by Owners shall be subject to the following provisions:

Section 1. ASSOCIATION APPROVAL REQUIRED: Except for Developer sales, no Owner may sell, Lease, give, or otherwise transfer ownership of a Unit or any interest therein in any manner without the prior written approval of the Association. The approval shall be a written instrument in recordable form (except for Leases) which shall include, without limitation, the nature of the transfer (sale, Lease, etc.), the parties to the transaction (sellers, purchasers, etc.), the Unit number, the name of the Condominium, and the Official Record Book (O. R. Book) and Page numbers in which this Declaration was originally recorded. For all Unit transfers of title other than from the Developer, the approval must be recorded simultaneously in the Public Records of Seminole County, Florida, with the deed or other instrument transferring title to the Unit.

a. **DEVISE OR INHERITANCE:** If any Unit Owner shall acquire title by devise or inheritance or in any other manner not heretofore considered, the continuance of ownership shall be subject to the approval of the Association. Such Owner shall give the Association notice of the title acquisition together with such additional information concerning the Unit Owner as the Association may reasonably require, together with a copy of the instrument evidencing the Owner's title, and if such notice is not given, the Association, at any time after receiving knowledge of such transfer, may approve or disapprove the transfer of ownership.

b. **LEASES:** Approvals of Leases need not be recorded. Only entire Units may be Leased. All Leases must provide, and if they do not, shall be deemed to provide, the agreement of the lessee(s) to abide by all of the Covenants of this Declaration and that a violation of the Association's Governing Documents is a material breach of the Lease and is grounds for damages, termination, and eviction, and that the lessee and the Owner agrees that the Association may proceed directly against such lessee(s) and that the lessee(s) shall be responsible for the Association's costs and expenses, including attorneys' fees, at all trial and appellate levels. If such costs and fees are not immediately paid by the lessee(s), the Unit Owner shall pay them and such funds shall be secured as a charge. Each Unit Owner irrevocably appoints the Association as Owner's agent authorized to bring actions in Owner's name and at Owner's expense including injunction, damages, termination, and eviction. The Rules and Regulations must be provided to the lessee(s) by or on the behalf of the Unit Owner at or before the commencement of the Lease term. The minimum Leasing period is seven (7) months, unless made more restrictive by the Board.

c. **MULTIPLE OWNERS:** De facto time sharing of Units is not permitted and approval will not be given for the sale of a Unit or an interest in a Unit to multiple persons (*e.g.*, siblings or business associates), who may intend that they and their families would split occupancy of the Unit into different time periods during the year.

d. **EXCEPTIONS:** The foregoing provisions of this Article shall not apply to a transfer to, or purchase by a bank, life insurance company, savings and loan association, real estate investment trust, or other institution or any institutional lender that acquires its title as the result of owning a mortgage upon the Unit concerned, and this shall be so whether the title is

acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provision apply to a transfer, sale or Lease by a bank, life insurance company, savings and loan association, real estate investment trust, or other institution or institutional lender that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires the title to a Unit at a duly advertised public sale with open bidding provided by law, such as but not limited to, execution sale, foreclosure sale, Judicial Sale or tax sale. Neither shall such provisions apply to the Developer, or any person who is an officer, stockholder or director of the Developer, or to any corporation having some or all of its directors, officers or stockholders in common with the Developer, and any such person or corporation or any limited partner or general partner shall have the right to freely sell, Lease, transfer or otherwise deal with the title and possession of a Unit without complying with the provisions of this Section, and without the approval of the Association.

Section 2. APPROVAL PROCEDURE: The approval of the Association shall be obtained as follows:

a. **WRITTEN NOTICE:** Not later than fifteen (15) days before the transfer of ownership occurs, or the first day of occupancy under a Lease, legal written notice shall be given to the Association by the Owner of his or her intention to sell or transfer an interest in any fashion. The notice shall include the name and address of the proposed acquirer and a correct and complete copy of the proposed documents to be executed to effectuate the transaction.

b. **TRANSFER FEE:** The Association may require such other and further information as it deems reasonably necessary and may impose a transfer fee not to exceed \$100 or as permitted by law from time to time.

c. **ASSOCIATION'S OPTIONS:** The Association must, within fifteen (15) days after receipt of all the information required above, either approve the transfer, disapprove it for cause, or, except in the case of disapproval for cause, on the written demand of the Owner, furnish an alternate purchaser it approves or the Association may itself elect to purchase, and the Owner must sell to such alternate purchaser or to the Association on the same terms set forth in the proposal given the Association or the Owner may withdraw from the proposed sale. In exercising its power of disapproval the Association must act in a manner that is neither arbitrary nor unlawfully discriminatory and withhold approval only for a reason or reasons rationally related to the protection, preservation, and proper operation of the Condominium and the purposes as set forth at the beginning of this Article XIX. If the Association fails or refuses within the allotted time to notify the Owner of either approval or disapproval in writing, or if it fails to provide an alternate purchaser or make an election to purchase the Unit itself when required to do so, then the Association shall conclusively be presumed to have approved the transaction, and the Association shall, on demand, provide a recordable certificate of approval. Whenever in this Article an approval is required of the Association in connection with the Leasing of any Unit, and such approval shall not have been obtained pursuant to the provisions hereof, failure upon the part of the Association to object in writing to such Leasing or transaction within ninety (90) days after the date of such event, or within thirty (30) days of the date upon which the lessee shall take possession of the premises, whichever date shall be later, shall constitute a waiver by the Association of the right to object and the Leasing of such Unit shall then be considered valid and enforceable as having complied with this Article XIX.

d. **CLOSING DATE:** The sale shall be closed within sixty (60) days after an alternate

purchaser has been furnished or the Association has elected to purchase unless the closing date is extended by mutual agreement the Association the Owner/seller.

e. **NOTICE OF DISAPPROVAL:** If the Association disapproves a proposed lease or transfer (subject to the qualifications contained in this Section 2) and Florida Statutes, notice of disapproval shall promptly be sent in writing to the Owner or interest holder, and the transaction shall not be completed.

Section 3. JUDICIAL SALES: Judicial Sales are exempt from this section.

Section 4. UNAPPROVED TRANSACTIONS: Any transaction that is not approved pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

Section 5. NOTICE TO ASSOCIATION: A Unit Owner who has obtained his title by purchase, gift, devise or inheritance, or by any other manner not previously specified, shall give to the Association notice of the acquiring of his title, together with such information concerning the Unit Owner as the Association may reasonably require, and a certified copy of the instrument evidencing the Owner's title.

Section 6. NOTICE OF LIEN OR SUIT:

a. **NOTICE OF LIEN:** A Unit Owner shall give written notice to the Association of every lien upon his or her Unit other than for authorized mortgages, taxes and Special Assessments within five (5) days after the attaching of the lien.

b. **NOTICE OF SUIT:** A Unit Owner shall give written notice to the Association of every suit or other proceeding which may affect the title to his Unit, such notice to be given within five (5) days after the Unit Owner shall receive knowledge or notice thereof

c. **FAILURE TO COMPLY:** Failure to comply with this subsection concerning liens will not affect the validity of a Judicial Sale.

ARTICLE XX

COMPLIANCE AND DEFAULT

Each Unit Owner, tenant, and other invitee shall be governed by, and shall comply with, the provisions of the Condominium Act as amended from time to time, this Declaration, including its Exhibits, the Articles, the Bylaws, and the Rules and Regulations.

Section 1. REMEDIES: Failure to comply shall be grounds for relief, which relief may include, but shall not be limited to, an action to recover damages, or injunctive relief, or both. Actions may be maintained by the Association or by any Unit Owner.

Section 2. NEGLIGENCE: A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any members of his family or his or their guests, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association.

Section 3. COSTS AND ATTORNEYS' FEES: In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the terms of the Governing Documents, or any Rules and Regulations adopted pursuant to them, the prevailing party shall be entitled to recover the costs of the proceeding, and recover such reasonable attorneys' fees and paralegal fees whether or not suit is instituted and as may be awarded by any Court, at trial or appellate levels and administrative hearings.

Section 4. OWNER INQUIRIES AND DISPUTES: In the event of an inquiry by an

Owner against the Association, the Board of Directors, or a Member thereof, such Owner, prior to the institution of any proceedings, shall give written notice in detail of the inquiry by certified mail to the Board of Directors. The Board shall respond in writing to the Unit Owner within thirty (30) days of the receipt of the inquiry. The Board shall either give a substantive response, notify the petitioner that a legal opinion has been requested, or notify the petitioner that advice has been requested from the Division. If the Board requests advice from the Division, the Board shall, within ten (10) days of receipt of the advice, provide a substantive response to the petitioner in writing. If a legal opinion is requested, the Board shall, within sixty (60) days of the receipt of the inquiry, provide a substantive response to the petitioner in writing. The failure to act as set forth above precludes the Association from recovering attorneys' fees and costs in any subsequent litigation, administrative proceedings, or arbitration arising out of the inquiry. If unresolved, a dispute, as defined in Section 718.1255(1) Florida Statutes, must be arbitrated in mandatory non-binding arbitration proceedings prior to commencement of litigation.

Section 5. NO WAIVER OF RIGHTS: The failure of the Association or any Owner to enforce any covenant, restriction, or other provision of the Governing Documents shall not constitute a waiver of the right to do so thereafter as to subsequent or other instances.

ARTICLE XXI

AMENDMENTS

Amendments to any of the Governing Documents shall be in accordance with the following:

Section 1. REQUIREMENTS: An Amendment to this Declaration may be proposed either by a majority of the Board of Directors or by twenty percent (20%) of the voting interests

of the Association, and may be considered at any regular or special meeting of the Owners of which due notice has been given according to the Bylaws, which notice includes notice of the substance of the proposed Amendment. Members may vote in person or by proxy and voting at a duly noticed meeting called for the purpose. Passage shall be evidenced by a certificate executed in recordable form signed by the President or Secretary of the Association that it has been enacted by the affirmative vote of the required percentage of the voting interests as set forth herein and the separate written joinder of mortgagees where required and shall include the recording date (identifying the location of the Declaration as originally recorded) and which shall become effective when recorded in the Public Records of Seminole County, Florida. Any Amendment proposed by the Association before control of the Association has been turned over by the Developer to the Non-Developer Owners must be consented to by the Developer.

Section 2. CORRECTORY AMENDMENT: Whenever it shall appear that there is a defect, error, or omission in any of the Governing Documents or in order to comply with applicable laws or requirements of government entities, the Amendment may be adopted by an affirmative vote of two-thirds (2/3) of the Board of Directors and without the consent of Unit Owners or their mortgagees or lienors.

Section 3. REGULAR AMENDMENTS: Amendments may be enacted by a two thirds (2/3) of the voting interests in the Association voting either in person or by proxy at a duly notice meeting held for that purpose.

Section 4. PROVISO: Provided, however, that no Amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Units, unless the Unit Owners so affected shall consent; and no Amendment shall change any Unit nor the share in the Common

Elements appurtenant to it nor increase the Owner's share of the Common Expenses, unless the record Owner of the Unit concerned and all record owners of liens on such Unit shall join in the execution of the Amendment. Any vote to amend this Declaration relating to a change in percentage of ownership in the Common Elements or sharing of the Common Expenses shall be conducted by secret ballot. Nor shall any Amendment make any such change which would in any way affect any of the rights, privileges, powers and/or options herein provided in favor of or reserved to the Developer, or any person who is an officer, stockholder or director of the Developer, or any corporation having some or all of its directors, officers or stockholders in common with the Developer, unless the Developer or any limited partner or general partner shall join in execution of such Amendment.

Section 5. MERGER AMENDMENT: In the event that this Condominium should desire to merge with one or more other Condominiums it may do so upon the affirmative vote of seventy-five percent (75%) of the total voting interests in this Association and the approval of all record holders of liens. The Boards of both this Association and the other Condominium(s) Association(s) affected by such merger shall notify the Division prior to taking any action to merge the Condominiums.

Section 6. DEVELOPER AMENDMENTS: Until relinquishment of Developer control of the Association (Turnover) and except as otherwise provided by law in Section 718.110(2) Florida Statutes, the Developer specifically reserves the right, without the joinder of any person, to make such Amendments to the Declaration and its Exhibits, or to the plan of development, as may be required by any lender or governmental authority, or as may be, in Developer's judgment, necessary or desirable. This Section 6 shall take precedence over any other provision

of the Declaration or its Exhibits.

Section 7. MORTGAGEE APPROVAL: Amendments materially affecting the rights or interests of mortgagees must have the approval of the holders of Institutional First Mortgagees of record representing fifty-one percent (51%) of the votes of Units subject to such mortgages who have requested that the Association notify them on any proposed action specified in this section. Implied approval shall be assumed when such holder fails to respond to any written request for approval within thirty (30) days after the mortgage holder receives proper notice of the proposal, provided that the notice was delivered certified or registered mail with a "Return Receipt" requested. Such prior consent of the Mortgagee may not be unreasonably withheld. In the event that mortgagee consent is provided other than by properly recorded joinder, such consent shall be evidenced by affidavit of the Association and recorded in the Public Records of Orange County, Florida. A change to any of the following shall be considered as material:

- a. Any change in the proportion or percentage by which the Owner of the Unit shares the Common Expenses and owns the Common Surplus
- b. Reallocation of interests or use rights in the Common Elements
- c. Redefinition of any Unit boundaries
- d. Convertibility of Units into Common Elements or vice versa

Section 8. DEVELOPER'S RIGHTS: No Amendment to this Declaration or any of the Governing Documents shall change the rights and privileges of the Developer without the Developer's written approval as long as the Developer holds any Units for sale in the ordinary course of business.

Section 9. WRITTEN AGREEMENTS: Any approval of Unit Owners on any matter called for by this Declaration, its Exhibits, or any statute to be taken at a meeting of Unit Owners is hereby expressly allowed to be taken instead by written agreement, without a meeting (which agreement may be in counterparts), subject to Sections 718.1 12(2)(d)4 and 617.0701, Florida Statutes.

Section 10. SURFACE WATER OR STORMWATER MANAGEMENT SYSTEM:

Any Amendment to this Declaration which affects the Surface Water or Stormwater Management System beyond maintenance in its original condition, including the water management portions of the Common Elements, must have the prior written approval of the St. John's River Water Management District. The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in these covenants and restrictions, which relate to the maintenance, operation and repair of the Surface Water or Stormwater Management System.

ARTICLE XXII

TERMINATION

Except for termination in connection with a merger of this Condominium with another, as provided for in Article XX.I, Section 5 above, the termination of the Condominium shall be carried out in accordance with the following:

Section 1. BY AGREEMENT: The Condominium may be caused to be terminated at any time by written agreement of the Owners of at least seventy-five percent (75%) of the Units, and of Institutional First Mortgagees as provided for in Article XXI, Section 7 above. The Board shall notify the Division of its intent to terminate the Condominium before taking any action to

terminate the Condominium. Upon recordation of the instrument evidencing consent of the requisite number of Unit Owners to terminate the Condominium, the Association within thirty (30) business days shall notify the Division of the termination and the date the document was recorded, and shall provide the Division a copy of the recorded notice of termination certified by the Orange County Clerk of the Circuit Court.

Section 2. WITHOUT AGREEMENT. ON ACCOUNT OF VERY SUBSTANTIAL DAMAGE: If the Condominium suffers Very Substantial Damage as set forth in Article XVII, Section 3, and it is decided as therein provided that the Condominium will not be reconstructed or repaired, the condominium form of Ownership of the property in this Condominium will be terminated. The Board shall notify the Division of its intent to terminate the Condominium before taking any action to terminate the Condominium. Upon recordation of the instrument evidencing consent of the requisite number of Unit Owners to terminate the Condominium by agreement of Owners who represent at least sixty-seven percent (67%) of the total allocated votes in the Association and by eligible mortgage holders who represent at least fifty-one percent (51%) of the votes subject to mortgages held by Institutional First Mortgagees, the Association within thirty (30) business days shall notify the Division of the termination and the date the document was recorded, and shall provide the Division a copy of the recorded notice of termination certified by the Orange County Clerk of the Circuit Court.

Section 3. PROCESS OF TERMINATION: Termination of the Condominium occurs when a Certificate of Termination meeting the requirements of this Section is recorded in the Public Records of Orange County, Florida.

- a. The termination of the Condominium by either of the foregoing methods shall be

evidenced by a Certificate of Termination, executed by the President or Secretary with the formalities of a deed, and certifying as to the facts effecting the termination. The Certificate also shall include the name and address of a Florida financial institution with trust powers or a licensed Florida attorney who is designated by the Association to act as the termination trustee (the "Termination Trustee", or "Trustee" for purposes of this Article XXII) and shall be signed by the Trustee indicating willingness to serve in that capacity.

b. The recording of that Certificate of Termination automatically divests the Association of title to all Association Property, and divests all Unit Owners of legal title to their respective Units, and vests legal title in the Termination Trustee named in the Certificate of Termination, to all real and personal Property that was formerly the Condominium Property or Association Property, without need for further conveyance. Beneficial title to the former Condominium and Association Property shall be transferred to the former Unit Owners as tenants in common, in the same undivided shares as each Owner previously owned in the Common Elements, without further conveyance. Each lien encumbering a Condominium Unit shall be automatically transferred to the equitable interest in the former Condominium Property and Association Property attributable to the Unit encumbered by the lien, with the same priority.

Section 4. WINDING UP OF ASSOCIATION AFFAIRS: The termination of the Condominium does not, by itself, terminate the Association. The former Unit Owners and their successors and assigns shall continue to be Members of the Association, and the Members of the Board of Directors and the officers of the Association shall continue to have the powers granted in this Declaration, and in the Articles of Incorporation and Bylaws, to the extent necessary to,

and for the sole purpose of, winding up the affairs of the Association in accordance with this Article.

Section 5. TRUSTEE'S POWERS AND DUTIES: The Termination Trustee shall hold legal title to the property for the benefit of the former Unit Owners and their successors, assigns, heirs, devisees, mortgagees, and other lien holders, as their interests shall appear. If the former Unit Owners approve a sale of the property as provided in this Section, the Termination Trustee shall have the power and authority to convey title to the purchaser, and to distribute the proceeds in accordance with the provisions of this Section. The Termination Trustee may charge a reasonable fee for acting in such capacity, and such fee as well as all costs and expenses incurred by the Termination Trustee in the performance of its duties, shall be paid by the Association or taken from the proceeds of the sale of the former Condominium and Association Property, and shall constitute a lien on the property superior to any other lien. The Trustee shall be entitled to indemnification by the Association from any and all liabilities and costs incurred by virtue of acting as Termination Trustee unless such liabilities are the result of gross negligence or malfeasance. The Termination Trustee may rely on the written instructions and information provided to it by the officers, directors, and agents of the Association, and shall not be required to inquire beyond such information and instructions.

Section 6. PARTITION, SALE: Following termination, the former Condominium Property and Association Property may be partitioned and sold on the application of any Unit Owner. If following a termination at least seventy five percent (75%) of the voting interests agree to accept an offer for the sale of the Property, the Board of Directors shall notify the Termination Trustee, and the Trustee shall complete the transaction. In that event, any action for

partition of the Property shall be held in abeyance pending the sale, and on the consummation of the sale shall be discontinued by all parties thereto. If the Unit Owners have not authorized a sale of the former Condominium and Association Property within one (1) year after the recording of the Certificate of Termination, the Trustee may proceed to sell the property without agreement by the Association or the former Unit Owners. The net proceeds of the sale of any of the Condominium Property or assets of the Association shall be distributed by the Termination Trustee to the beneficial Owners thereof, as their interests shall appear.

Section 7. PRICE: The sale price for each Unit shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association by appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment or specific performance of the sale upon the award rendered by the arbitrators may be entered in any Court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser. In an such action for specific performance the prevailing party shall also be entitled to his reasonable attorneys' fees and costs incurred in connection herewith.

Section 8. PAYMENT: The purchase price shall be paid in cash, provided, in the event there shall be a pre-existing first mortgage on the Unit, then the purchaser shall have the option of assuming the remaining principal obligation thereof, and that portion of the purchase price which is in excess of such mortgage shall be payable in cash at closing.

Section 9. CLOSING: The sale shall be closed within thirty (30) days following determination of the sale price.

Section 10. NEW CONDOMINIUM: The termination of the Condominium does not bar creation of another Condominium including all or any portion of the Condominium Property.

Section 11. PROVISIONS SURVIVE TERMINATION: The provisions of this Article XXII are covenants running with the land, and shall survive the termination of the Condominium until all matters covered by those provisions have been completed. The Board of Directors shall continue to function in accordance with the Bylaws and Articles of Incorporation, and shall have the power to levy Assessments to pay the costs and expenses of the Trustee and of maintaining the Condominium Property until it is sold. The costs of termination, the fees and expenses of the Termination Trustee, as well as post-termination costs of maintaining the former Condominium Property, are Common Expenses, the payment of which shall be secured by a lien on the beneficial interest owned by each former Unit Owner, which to the maximum extent permitted by law, shall be superior to, and take priority over, all other liens.

Section 12. SURFACE WATER or STORMWATER MANAGEMENT SYSTEM: In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the Surface Water or Stormwater Management System must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE XXIII

PROVISIONS PERTAINING TO DEVELOPER

Section 1. As long as the Developer holds any Unit for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer:

- a. Assessment of the Developer as a Unit Owner for Capital Improvements.
- b. Any action by the Association that would be detrimental to the sale of Units or the completion of the project by the Developer, including such use of unsold Units and Common Elements and Association Property as may facilitate completion, sale, maintenance of a sales office, showing of the property, and display of signs.

Section 2. DEVELOPER'S RESPONSIBILITY FOR ASSESSMENTS: The Developer guarantees that the Assessment for Common Expenses for each Unit of the Condominium which is owned by persons other than the Developer shall not increase over the sum of \$150.00 per month beginning on the date of recording of the Declaration and continuing until the end of the first calendar year from the date of the recording of the Declaration, or upon transfer and control of the Condominium Association to Unit Owners other than the Developer, whichever occurs first, whereupon such guarantee shall terminate. During that period, the Developer is excused from any obligation to pay the share of Common Expenses which would have been assessed against Units owned by the Developer during such guarantee period, provided Developer shall be responsible for paying the difference between the Condominium Association's expenses of operation otherwise to be funded by Assessments and the amount received from Unit Owners, other than the Developer, in payment of the Assessments levied against their Units.

ARTICLE XXIV

RIGHTS OF MORTGAGEES

Section 1. PARTIAL EXCUSAL FROM PRIOR ASSESSMENTS: An Institutional First Mortgagee who acquires title to a Unit by purchase at a foreclosure sale or by deed in lieu of foreclosure is liable for the unpaid Assessments that became due prior to the Institutional First Mortgagee's receipt of the deed, but in no event shall the Institutional First Mortgagee be liable for more than the Assessment amounts set forth in Article XXV below or in § 718.116 (l)(b), Florida Statutes. This provision shall not apply unless the Mortgagee joined the Association as a defendant in the foreclosure action. This Section shall be deemed amended so as to remain in conformity with the provisions of Section 718.116, Florida Statutes, as it may be amended from time to time.

Section 2. RIGHTS TO INFORMATION: Upon receipt by the Association from any Institutional First Mortgagee, guarantor, or insurer of a copy of the mortgage held by such Mortgagee, guarantor, or insurer on a Unit, together with a written request from such mortgagee or an insurer or guarantor of such mortgage specifying the address to which the following items are to be sent, the Association shall timely send to such Mortgagee, insurer, or guarantor the following, for which the Association may charge a reasonable fee:

- a. **FINANCIAL STATEMENTS:** A copy of a financial statement of the Association for the immediately preceding fiscal year; and
- b. **INSURANCE CANCELLATION:** Written notice of the cancellation or termination by the Association of any policies of insurance covering the Condominium or Association Property or any Improvements thereon, or any fidelity bonds of the Association

except when the reason for the termination or cancellation of the insurance policy or bond is to change insurance companies or because the policy or bond is not needed or is not available; and

c. **DAMAGE TO CONDOMINIUM:** Written notice of any damage or destruction to the Improvements located on the Common Elements or Association Property that affects a material portion of the Common Elements or Association Property or the Unit securing its mortgage; and

d. **EMINENT DOMAIN:** Written notice of a condemnation or eminent domain proceeding affecting a material portion of the Condominium Property or the Unit securing its mortgage; and

e. **FAILURE TO NOTIFY:** The failure of the Association to send any such notice to any such mortgagee, guarantor, or insurer shall have no effect on any meeting, action, or thing that was to have been the subject of such notice nor affect the validity thereof and shall not be the basis for liability on the part of the Association.

ARTICLE XXV

COLLECTION OF ASSESSMENTS

Section 1 GENERAL ASSESSMENT: The Board of Directors shall from time to time, and at least annually, prepare and adopt a Budget for Common Expenses, determine the amount payable by the Unit Owners to meet the Common Expenses of the Association, and uniformly allocate and assess such expenses among the Unit Owners on a per unit basis in accordance with the provisions of this Declaration and Bylaws. 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. The Budget for Common Expenses shall

include the Reserves required by the law or determined appropriate by the Board, 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 as well as extraordinary Association expenses and liabilities, the funding of Reserve accounts, or otherwise as the Board shall determine from time to time, and which may or may not need not be restricted or accumulated. Any adopted Budget for Common Expenses shall be subject to change by the Board of Directors and, if so changed, the amount of the General Assessment shall be changed in accordance with such revised Budget for Common Expenses to cover actual expenses at any time.

Section 2 SPECIAL. CAPITAL IMPROVEMENT: In addition to General Assessments, the Board of Directors may levy Special Assessments and Capital Improvement Assessments:

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 year, exceed \$5,000.00 or cause the total Assessments levied to exceed 115% of Assessments for the preceding year, the Board must obtain approval of a majority of the Owners of Units represented at a meeting duly called, noticed and held in accordance with the Bylaws and the Act.

Section 3 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 person 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.

Section 4 DEFAULT IN PAYMENT OF ASSESSMENTS: Assessments and installments thereof not paid on or before ten (10) days from the date of when such 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, no such rate shall exceed the maximum rate allowed by law. In the event that the Board has not established such a rate, the interest rate shall be eighteen percent (18%) per annum. Each delinquent payment shall also be subject to an administrative late fee in an amount not to exceed the greater of \$25.00 or five percent (5%) of the delinquent amount due or such other amount as may be permitted by § 718.116(3), Florida Statutes.

Section 5. LIEN FOR ASSESSMENTS: The Association shall have a lien on each Unit for any unpaid Assessments on such Unit, with interest thereon and for reasonable attorney's fees paralegal fees and costs incurred by the Association incident to the collection of the Assessment or enforcement of the lien, whether or not legal proceedings are initiated and including appellate fees. The lien shall be effective on the earliest date allowed by law, which shall be no later than as of the recording of the claim of lien. Such lien shall be evidenced by the recording of a claim of lien in the Public Records of Orange County, stating the description of the Unit, 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. 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 same manner as 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 to include such attorneys fees and costs from all appellate proceedings arising from such litigation.

As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid and after sixty (60) 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 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 ten (10) days of same taking effect.

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.

Section 6 NOTICE OF INTENTION TO FORECLOSE LIEN: 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 mail, return receipt requested, addressed to the Unit Owner. 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 Condominium Act.

Section 7. APPOINTMENT OF RECEIVER TO COLLECT RENTAL: If the Unit Owner remains in possession of the Unit and the claim of lien is foreclosed, the court in its discretion may require the Unit Owner to pay a reasonable rental for the Unit and the Association is entitled to the appointment of a receiver to collect the rent.

Section 8. INSTITUTIONAL FIRST MORTGAGEE: An Institutional First Mortgagee

who acquires title to a Unit as a result of foreclosure of its mortgage, or as a result of a deed given in lieu of foreclosure, is liable for the Common Expenses or Assessments or other charges imposed by the Association pertaining to such Unit that became due prior to the Mortgagee's receipt of the deed. In no event shall the Mortgagee, its successors and/or assigns be liable for more than six (6) months of the Unit's unpaid Common Expenses or Assessments accrued before the acquisition of the title to the Unit by the Mortgagee or one percent (1 %) of the original mortgage debt, whichever amount is less. This Section shall be deemed to be amended so as to at all times be in conformance with any changes to § 718.116, Florida Statutes. If there is any unpaid share of Common Expenses or Assessments or other charges extinguished by foreclosure of a superior lien or by a deed in lieu of foreclosure thereof, the unpaid share of Common Expenses or Assessments are Common Expenses collectible from all the Unit Owners in the Condominium in which the Unit is located.

Section 9. SUBORDINATION OF ASSOCIATION LIEN TO 1ST MORTGAGE: The Association's lien for the Assessments provided for herein is subordinate to the lien of any first mortgage given to an institutional lender, if the mortgage was recorded before the delinquent Assessment was due, now or hereafter placed upon a Unit; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any Assessments thereafter becoming due, nor from the lien of any such subsequent Assessment.

Section 10 POSSESSION OF UNIT: Any person who acquires an interest in a Unit, except Institutional First Mortgagees through foreclosure of a first mortgage of record or deed in

lieu thereof, including, without limitation, persons acquiring title by operation of law, shall be entitled to occupancy of the Unit and enjoyment of the Common Elements. A unit owner, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments that come due while he or she is the unit owner. The person acquiring title shall pay the amount owed to the association within 30 days after transfer of title. Failure to pay the full amount when due shall entitle the association to record a claim of lien against the parcel.

Section 11 CERTIFICATE OF UNPAID ASSESSMENTS: Any Unit Owner has the right to require from the Association a certificate showing the amount of unpaid Assessments against him with respect to his Unit.

Section 12 INSTALLMENTS: Unless changed by action of the Board, Assessments shall be payable in advance in monthly installments due on the first day of each month, provided a Unit Owner must remain at all times at least one month in advance of the monthly payment dates. Assessments shall be made against the Units.

ARTICLE XXVI

ASSOCIATION AGREEMENTS

The Association is authorized to enter into agreements to acquire leaseholds, memberships, and other possessory or use interests in lands or facilities such as country clubs, golf courses, marinas, and other facilities. Such interests need not be contiguous to the lands of the Condominium if they are intended to provide enjoyment, recreation, or other use or benefit to the Unit Owners. The Association shall also have the power to purchase any other land or recreational lease if such purchase is approved by two-thirds (2/3) of the voting interests of the

Association.

ARTICLE XXVII

CONDEMNATION:

Section 1. DEPOSIT OF AWARDS WITH ASSOCIATION: The taking of all or any part of the Condominium Property by condemnation or eminent domain shall be deemed to be a casualty to the portion taken and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Association; and if any fail to do so, 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 any sums payable to that Owner.

Section 2. DETERMINATION WHETHER TO CONTINUE CONDOMINIUM: Whether the Condominium will be continued after condemnation will be determined in the manner provided in Article XVII above for determining whether damaged property will be reconstructed and repaired after a casualty.

Section 3. DISBURSEMENT OF FUNDS: If the Condominium is terminated after condemnation, the proceeds of all awards and Special Assessments will be deemed to be Condominium Property and shall be owned and distributed in the manner provided for insurance proceeds when the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, the Owners of condemned Units, if any, will be made whole, and any Property damaged by the taking will be made usable in the manner provided below. Proceeds of awards and special charges shall be used for these purposes and shall be disbursed in the manner provided for disbursements of funds after

a casualty.

Section 4. ASSOCIATION AS AGENT: The Association is hereby irrevocably appointed as each Unit Owner's attorney-in-fact for purposes of negotiating or litigating with the condemning authority for the purpose of realizing just compensation for the taking.

Section 5. UNITS REDUCED BUT TENANTABLE: If the taking reduces the size of a Unit and the remaining portion of the Unit can be made tenantable, the awards for the taking of a portion of that Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

a. **RESTORATION OF UNIT:** The Unit shall be made tenantable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be paid by the Owner of the Unit;

b. **DISTRIBUTION OF SURPLUS:** The balance of the award, 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 Mortgagees.

Section 6. UNIT MADE UNTENANTABLE: If the taking is of any entire Unit or so reduces the size of a Unit that it cannot be made tenantable, 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 effected in the Condominium:

a. **PAYMENT OF AWARD:** The fair market value of the Unit immediately prior to the taking, as determined by agreement between the Unit Owner and the Association or by arbitration in accordance with this Article XXVII, Section 6 (d) below, shall be paid to the Owner of the Unit and to each Mortgagee of the Unit, the remittance being made payable jointly

to the Owner and the Mortgagee(s);

b. **ADDITION TO COMMON ELEMENTS:** If possible and practical, the remaining portion of the Unit shall become a part of the Common Elements and shall be placed in condition for use by all Unit Owners in the manner approved by the Board of Directors;

c. **ADJUSTMENT OF SHARES IN COMMON ELEMENTS:** The shares in the Common Elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements among the reduced number of Unit Owners. This shall be done by restating the shares of continuing Unit Owners in the Common Elements on an equal fractional basis of the total remaining number of units calculated as provided in Exhibit "B" to this Declaration;

d. **ARBITRATION:** If the fair market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and the Association within thirty (30) days after notice by either party, the value shall be determined by appraisal in accordance with the following: The Unit Owner, the first Mortgagee, if any, and the Association shall each appoint one M.A.I. appraiser, who shall appraise the Unit and shall determine the fair market value by computing the arithmetic average of their appraisals of the Unit. A judgment of specific performance on the value arrived at by the appraisers may be entered in any court of competent jurisdiction. The cost of appraisals shall be paid by the party selecting the appraiser.

Section 7. TAKING OF COMMON ELEMENTS: Awards for the taking of Common Elements shall be used to make the remaining portion of the Common Elements usable in the manner approved by the Board of Directors. The balance of such awards, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after

adjustment of these shares on account of the condemnation. If a Unit is mortgaged, the remittance shall be paid jointly to the Owner and Mortgagee(s) of the Unit.

Section 8. AMENDMENT OF DECLARATION: Changes in the Units, in the Common Elements and in the ownership of the Common Elements that are necessitated by condemnation shall be evidenced by an Amendment of the Declaration of Condominium as ordered by a court or approved by a majority of the Association's voting interest, without the consent of any Mortgagee being required for any such Amendment.

ARTICLE XXVIII

FUTURE DEVELOPMENT EASEMENTS

Developer, for itself and its successors and assigns, reserves easements over the Condominium Property as necessary to complete future development, if any, including construction access and utilities.

ARTICLE XXIX

CROSS-USE EASEMENTS

Developer for itself and its successors and assigns reserves a perpetual non-exclusive ingress and egress easement across areas of property identified on the Plan of Lago De Oro, a Condominium.

ARTICLE XXX

TIMESHARE ESTATES

Timeshare estates shall not be created in any of the Condominium Units.

ARTICLE XXXI

SEVERABILITY AND NONWAIVER

If any provision of this Declaration, its Exhibits, the Articles, Bylaws or the Rules and

Regulations of the Association as now constituted or as later amended or any section, sentence, clause, phrase, or word, or the application thereof in any circumstances, is held invalid, the validity of the remainder and of the application of any such provision, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby. The failure of the Association in any instance to enforce any covenant or provision of this Declaration or any of the Governing Documents shall not constitute a waiver of its right to do so thereafter in other instances.

ARTICLE XXXII

PARTITION

The undivided share and the Common Elements which is appurtenant to a Unit shall not be separated from it and shall pass with the title to the Unit, whether or not separately described; the share and the Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Units; shares and the Common Elements appurtenant to Units are undivided, and no action for Partition of the Common Elements shall lie.

ARTICLE XXXIII

RULE AGAINST PERPETUITIES

The Rule Against Perpetuities shall not defeat a right given any person or entity by the Declaration for the purpose of allowing Unit Owners to retain reasonable control over the use, occupancy and transfer of Units.

ARTICLE XXXIV

JOINDER AND CONSENTS

A person who joins in or consents to the execution of this Declaration subjects his/its interest in the Property to the provisions of the Declaration.

ARTICLE XXXV
REQUIREMENTS OF FNMA, FHLMC and BUD

Notwithstanding anything herein to the contrary set forth in this Declaration and its attached Exhibits, the following shall prevail and be binding upon all Unit Owners, the Developer, and anyone having an interest in the Property where a lender holds a mortgage upon a Unit in this Condominium and is subject to the Federal Home Loan Mortgage Corp. ("FHLMC"), Federal National Mortgage Association ("FNMA"), U.S. Department of Housing and Urban Development ("HUD"), and/or Veterans Administration ("VA") regulations:

Section 1 Any "right of first refusal" provision contained in the Governing documents shall not impair the right of a first Mortgagee to:

- a. Foreclose or take title to a Condominium Unit pursuant to the remedies provided in the mortgage, or
- b. Accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor, or
- c. Sell or lease a Unit acquired by the Mortgagee.

Section 2. Any Institutional First Mortgagee who obtains title to a Condominium Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will be liable for such Unit's unpaid Assessments or charges which accrue prior to the acquisition of title to such Unit by the Mortgagee to the extent specified in § 718.116 (1), Florida Statutes.

Section 3. Except as provided by statute, in case of condemnation or substantial loss to the Units and/or Common Elements of the Condominium Property, unless at least fifty-one percent (51%) of the eligible mortgage holders (based on one vote for each first mortgage owned), and by Owners who represent at least sixty-seven percent (67%) of the total allocated

votes in the Association (other than the sponsor, Developer, or builder) of the individual Condominium Units have given their prior written approval, the Association shall not be entitled to:

- a. By act or omission, seek to abandon or terminate the Condominium;
- b. Change the pro-rata interest or obligations of any individual Condominium Unit for the purpose of (i) levying Assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the prorata share of ownership of each Condominium Unit and the Common Elements;
- c. Partition or subdivide any Condominium Unit, or the exclusive easement rights appertaining thereto;
- d. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements for the Condominium shall not be deemed a transfer within the meaning of this clause.);
- e. Use hazard insurance proceeds for losses to any Condominium Property (whether to Units or to Common Elements) for other than the repair, replacement or construction of such Condominium Property substantially in accordance with the original plans and specifications and this Declaration;
- f. Change the voting rights appertaining to any Unit;
- g. Amend any provisions of the Declaration, Articles or Bylaws which are for the express benefit of holders or insurers or first mortgages on Units. The foregoing notwithstanding, if an eligible mortgage holder fails to respond to any written proposal within thirty (30) days

after it receives proper notice of the proposal, provided that notice was delivered by registered or certified mail with a return receipt requested, implied approval may be assumed.

Section 4. All taxes, Assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual Condominium Units and not to the Condominium Project as a whole.

Section 5. No provision of the Governing Documents gives a Condominium Unit Owner, or any other party, priority over any rights of the First Mortgagee of the Condominium and Unit pursuant to its mortgage in the case of a distribution to such Unit Owner or owner of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

Section 6. If the Condominium Project or any part thereof is on a leasehold estate, the Condominium Unit lease is a lease for a sublease of the fee, and the provisions of such lease shall comply with FHLMC requirements.

Section 7. All amenities, such as parking, and service areas, are a part of the Condominium and are covered by the mortgage at least to the same extent as are the Common Elements. All such Common Elements and amenities are fully installed, completed and in operation for use by the Condominium Unit Owners.

Section 8. Unless waived pursuant to Section 718.1 12(2)(f), Florida Statutes, Condominium Assessments or charges shall include an adequate Reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis, and shall be payable in regular installments rather than by Special Assessments.

Section 9. The Association may cancel, without penalty or cause, any contract or Lease

made by it before Unit Owners, other than the Developer, assume control of the Association, upon written notice to the other party.

Section 10. Upon written request, the Association shall furnish the following notices to the holder, insurer or guarantor of any mortgage of any Unit in the Condominium:

- a. Notice of any condemnation or casualty loss that affects a material portion of the Condominium Property or the applicable Unit.
- b. Notice of any delinquency and the payment of the Assessments or charges more than sixty (60) days past due as to the applicable Unit.
- c. Notice of any lapse cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

ARTICLE XXXVI

DUTIES OF ASSOCIATION RELATIVE TO STORMWATER SYSTEM

The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. Any repair or reconstruction of the surface or stormwater management system shall be as permitted or, if modified, as approved in writing by the St. Johns River Water Management District.

IN WITNESS WHEREOF, the undersigned corporation, by its duly authorized officer, has caused this Declaration of Condominium of Lago De Oro Condominium Association, Inc. and its Exhibits attached hereto be executed in this 6th day of OCTOBER 2005.

WITNESSES:

Jennifer Florida
(Signature)

JENNIFER FLORIDA
(Print)

Deleena E. B.
(Signature)

Rebecca E. Brown
(Print)

METROPOLIS HOMES CO
A Florida Corporation

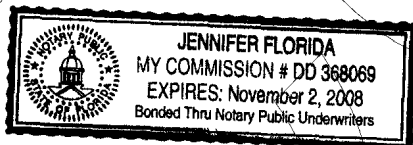
(Mansour M. Sabeti, President)

STATE OF FLORIDA

COUNTY OF Orange

The foregoing instrument was acknowledged before me this 6th day of OCTOBER 2005, by Mansour M. Sabeti, as President of METROPOLIS HOMES CO., a Florida Corporation, on behalf of said corporation, ☒ who is personally known to me or [] who has produced a Florida driver's license as identification.

Sworn to before me on 10-6, 2005



Jennifer Florida
(Signature)

STATE OF FLORIDA AT LARGE (SEAL)

Commission #: DD 368069

My Commission Expires: 11-2-08

**CONSENT OF MORTGAGEE TO DECLARATION OF CONDOMINIUM FOR
LAGO DE ORO CONDOMINIUM ASSOCIATION, INC.**

Bank of America N.A., a national banking association, the holder of a mortgage dated the 20th day of December, 2005, and recorded in Official Records Book 08394, Page 4688, of the Public Records of Orange County, Florida as has been or may be amended from time to time, ("Mortgage"), which mortgage encumbers the real property described in Exhibits "A" and "B" to Declaration of Condominium for Lago De Oro Condominium Association, Inc., hereby consents to the recording of this Declaration of Condominium.

DATE: May 18, 2007.

WITNESSES:

(Sign)

(Print)

(Sign)

(Print)

Bank of America N.A.

By: (Sign)

Name:

Title:

(SEAL)

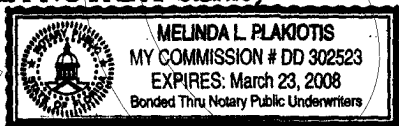
STATE OF FLORIDA

COUNTY OF Orange

The foregoing instrument was acknowledged before me this 18th day of May, 2007 by M. Travis Williams, as Vice President, of Bank of America N.A., on behalf of such national banking association. He/she is personally known to me or has produced identification as

My Commission Expires:

(AFFIX NOTARY SEAL)



(Signature)

Name:

(Legibly Printed)

Notary Public, State of FloridaDD 302523

(Commission Number)

PAGE 100 B

Exhibit "A"

Legal Description

1 page

COPY

EXHIBIT "A"

Page 1 of 1

LAGO DE ORO, A CONDOMINIUM. PHASE I

SECTION 2, TOWNSHIP 23 SOUTH, RANGE 30 EAST, ORANGE COUNTY, FLORIDA.

DESCRIPTION PHASE I:

LOTS 20 AND 21, (LESS THE EASTERLY 20 FEET FOR ROAD) GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

LESS PHASE 2A:

A PORTION OF LOT 21 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE SOUTHWEST CORNER OF SAID LOT 21; THENCE RUN S90°00'00"E ALONG THE SOUTH LINE OF SAID LOT 21 A DISTANCE OF 765.94 FEET FOR A POINT OF BEGINNING; THENCE DEPARTING SAID SOUTH LINE RUN N00°00'00"E A DISTANCE OF 74.16 FEET; THENCE RUN N90°00'00"E A DISTANCE OF 215.67 FEET; THENCE S00°00'02"E A DISTANCE OF 74.16 FEET TO THE SOUTH LINE OF SAID LOT 21; THENCE RUN N90°00'00"W ALONG SAID SOUTH LINE A DISTANCE OF 215.67 FEET TO THE POINT OF BEGINNING.

LESS PHASE 2B:

A PORTION OF LOT 21 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE SOUTHWEST CORNER OF SAID LOT 21; THENCE RUN S90°00'00"E ALONG THE SOUTH LINE OF SAID LOT 21 A DISTANCE OF 703.94 FEET; THENCE DEPARTING SAID SOUTH LINE RUN N00°00'00"E A DISTANCE OF 96.22 FEET FOR A POINT OF BEGINNING; THENCE RUN N00°00'30"W A DISTANCE OF 63.88 FEET TO THE NORTH LINE OF SAID LOT 21; THENCE RUN N89°59'36"E ALONG SAID NORTH LINE A DISTANCE OF 202.68 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE OF 63.89 FEET; THENCE RUN S89°59'49"W A DISTANCE OF 202.67 FEET TO THE POINT OF BEGINNING.

LESS PHASE 3A:

A PORTION OF LOT 20 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 20; THENCE RUN N90°00'00"E ALONG THE NORTH LINE OF SAID LOT 20 A DISTANCE OF 737.06 FEET FOR A POINT OF BEGINNING; THENCE CONTINUE N90°00'00"E A DISTANCE OF 215.67 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE OF 74.01 FEET; THENCE RUN N90°00'00"W A DISTANCE OF 215.67 FEET; THENCE RUN N00°00'00"E A DISTANCE OF 74.01 FEET TO THE POINT OF BEGINNING.

LESS PHASE 3B:

A PORTION OF LOT 20 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE SOUTHWEST CORNER OF LOT 21 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN S90°00'00"E ALONG THE SOUTH LINE OF SAID LOT 21 A DISTANCE OF 703.94 FEET; THENCE DEPARTING SAID SOUTH LINE RUN N00°00'12"W A DISTANCE OF 160.10 FEET FOR A POINT OF BEGINNING; THENCE RUN N00°00'30"W A DISTANCE OF 64.11 FEET; THENCE RUN N89°59'16"E A DISTANCE OF 164.67 FEET; THENCE RUN S00°00'00"W A DISTANCE OF 64.12 FEET TO THE NORTH LINE OF SAID LOT 20; THENCE RUN S89°59'30"W ALONG SAID NORTH LINE A DISTANCE OF 164.67 FEET TO THE POINT OF BEGINNING.

LESS PHASE 4A:

A PORTION OF LOT 20 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 20; THENCE RUN N90°00'00"E ALONG THE NORTH LINE OF SAID LOT 20 A DISTANCE OF 526.39 FEET FOR A POINT OF BEGINNING; THENCE CONTINUE S90°00'00"E A DISTANCE OF 210.67 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE OF 74.01 FEET; THENCE RUN S90°00'00"W A DISTANCE OF 210.67 FEET; THENCE RUN N00°00'00"E A DISTANCE OF 74.01 FEET TO THE POINT OF BEGINNING.

LESS PHASE 4B:

A PORTION OF LOT 20 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 20; THENCE RUN N90°00'00"E ALONG THE NORTH LINE OF SAID LOT 20 A DISTANCE OF 616.71 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE OF 96.01 FEET FOR A POINT OF BEGINNING; THENCE RUN S89°59'15"E A DISTANCE OF 147.36 FEET; THENCE RUN S00°00'30"W A DISTANCE OF 64.08 FEET TO THE SOUTH LINE OF SAID LOT 20; THENCE RUN N90°00'00"W ALONG SAID SOUTH LINE A DISTANCE OF 147.34 FEET; THENCE DEPARTING SAID SOUTH LINE RUN N00°00'31"W A DISTANCE OF 64.11 FEET TO THE POINT OF BEGINNING.

LESS PHASE 4C:

A PORTION OF LOTS 20 AND 21 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 20; THENCE RUN S90°00'00"E ALONG THE NORTH LINE OF SAID LOT 20 A DISTANCE OF 526.39 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE OF 96.01 FEET FOR A POINT OF BEGINNING; THENCE RUN S90°00'00"E A DISTANCE OF 66.32 FEET; THENCE RUN S00°00'13"E A DISTANCE OF 128.10 FEET; THENCE RUN N89°59'58"W A DISTANCE OF 66.33 FEET; THENCE RUN N00°00'00"W A DISTANCE OF 128.10 FEET TO THE POINT OF BEGINNING.

Exhibit "B"

Lago De Oro

3 pages

COPY

DESCRIPTION OF PHASES II THROUGH IV:

PHASE 2:

A PORTION OF LOT 21 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID LOT 21; THENCE RUN S90°00'00"E ALONG THE SOUTH LINE OF SAID LOT 21 A DISTANCE OF 765.94 FEET FOR A POINT OF BEGINNING; THENCE DEPARTING SAID SOUTH LINE RUN N00°00'00" E A DISTANCE OF 74.16 FEET; THENCE RUN N90°00'00"E A DISTANCE OF 215.67 FEET; THENCE RUN N90°00'00"E A DISTANCE OF 215.67 FEET; THENCE S00°00'02" A DISTANCE OF 74.16 FEET TO THE SOUTH LINE OF SAID LOT 21; THENCE RUN N90°00'00" W ALONG SAID SOUTH LINE A DISTANCE OF 215.67 FEET TO THE POINT OF BEGINNING.

AND

A PORTION OF LOT 21 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE, 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS THE FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID LOT 21; THENCE RUN S90°00'00" ALONG THE SOUTH LINE OF SAID LOT 21 A DISTANCE OF 703.94 FEET; THENCE DEPARTING SAID SOUTH LINE RUN N00°00'00"E A DISTANCE OF 96.22 FEET FOR A POINT OF BEGINNING; THENCE RUN N00°00'30"W A DISTANCE OF 63.88 FEET TO THE NORTH LINE OF SAID LOT 21; THENCE RUN N89°59'36"E ALONG SAID NORTH LINE A DISTANCE OF 202.68 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE OF 63.89 FEET; THENCE RUN S89°59'49"W A DISTANCE OF 202.67 FEET TO THE POINT OF BEGINNING.

AND

PHASE 3:

A PORTION OF LOT 20 ACRES SECTION A, AS RECORDED N PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 20; THENCE RUN N90°00'00" ALONG THE NORTH LINE OF SAID LOT 20 A DISTANCE OF 737.06 FEET FOR A POINT OF BEGINNING; THENCE CONTINUE N90°00'00"E A DISTANCE OF 215.67 FEET; THENCE DEPARTING SAID NORTH LINE RUN

EXHIBIT "B", page 2 of 3

S00°00'00"W A DISTANCE OF 74.01 FEET; THENCE RUN N90°00'00"W A DISTANCE OF 215.67 FEET; THENCE RUN N00°00'00"E A DISTANCE OF 74.01 FEET TO THE POINT OF BEGINNING.

AND

A PORTION OF LOT 20 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF LOT 21 GOLDENROD ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN S90°00'00"E ALONG THE SOUTH LINE OF SAID LOT 21 A DISTANCE OF 703.94 FEET; THENCE DEPARTING SAID SOUTH LINE RUN N00°00'12"W A DISTANCE OF 160.10 FEET FOR A POINT OF BEGINNING; THENCE RUN N00°00'30"W A DISTANCE OF 64.11 FEET; THENCE RUN N89°59'16"E A DISTANCE OF 164.67 FEET; THENCE RUN S00°00'00"W A DISTANCE OF 64.12 FEET TO THE NORTH LINE OF SAID LOT 20, THENCE RUN S89°59'30"W ALONG SAID NORTH LINE A DISTANCE OF 164.67 FEET TO THE POINT OF BEGINNING.

AND

PHASE 4:

A PORTION OF LOT 20 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 20; THENCE RUN N90°00'00"E ALONG THE NORTH LINE OF SAID LOT 20 A DISTANCE OF 526.39 FEET FOR A POINT OF BEGINNING; THENCE CONTINUE S90°00'00"E A DISTANCE OF 210.67 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE OF 74.01 FEET; THENCE RUN S90°00'00"W A DISTANCE OF 210.67 FEET; THENCE RUN N00°00'00"E A DISTANCE OF 74.01 FEET TO THE POINT OF BEGINNING.

AND

A PORTION OF LOT 20 GOLDEN ACRES SECTION A, AS RECORDED IN PLAT BOOK Q, PAGE 92 PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 20; THENCE RUN N90°00'00"E ALONG THE NORTH LINE OF SAID LOT 20 A DISTANCE OF 616.71 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE

EXHIBIT "B", page 3 of 3

OF 96.01 FEET FOR A POINT OF BEGINNING; THENCE RUN S89°59'15"E A DISTANCE OF 147.36 FEET; THENCE RUN S0°00'30" W A DISTANCE OF 64.08 FEET TO THE SOUTH LINE OF SAID LOT 20; THENCE RUN N90°00'00"W ALONG SAID SOUTH LINE A DISTANCE OF 147.34 FEET; THENCE DEPARTING SAID SOUTH LINE RUN N00°00'31" A DISTANCE OF 64.11 FEET TO THE POINT OF BEGINNING.

AND

A PORTION OF LOTS 20 AND 21 GOLDEN ACRES A, AS RECORDED IN PLAT BOOK Q, PAGE 92, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 20; THENCE RUN S90°00'00"E ALONG THE NORTH LINE OF SAID LOT 20 A DISTANCE OF 526.39 FEET; THENCE DEPARTING SAID NORTH LINE RUN S00°00'00"W A DISTANCE OF 96.01 FEET FOR A POINT OF BEGINNING; THENCE RUN S90°90'00"E A DISTANCE OF 66.32 FEET; THENCE RUN S00°00'13"E A DISTANCE OF 128.10 FEET; THENCE RUN N89°59'58"W A DISTANCE OF 66.33 FEET; THENCE RUN N00°00'00"W A DISTANCE OF 128.10 FEET TO THE POINT OF BEGINNING.

Exhibit "C"

Association Articles of Incorporation

15 pages

COPY



FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

October 19, 2005

METROPOLIS HOMES
128 EAST COLONIAL DRIVE
ORLANDO, FL 32801

The Articles of Incorporation for LAGO DE ORO CONDOMINIUM ASSOCIATION INC. were filed on October 17, 2005 and assigned document number N05000010735. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: Compliance with the following procedures is essential to maintaining your corporate status. Failure to do so may result in dissolution of your corporation.

A corporation annual report must be filed with this office between January 1 and May 1 of each year beginning with the calendar year following the year of the filing/effective date noted above and each year thereafter. Failure to file the annual report on time may result in administrative dissolution of your corporation.

A federal employer identification (FEI) number must be shown on the annual report form prior to its filing with this office. Contact the Internal Revenue Service to insure that you receive the FEI number in time to file the annual report. To obtain a FEI number, contact the IRS at 1-800-829-3676 and request form SS-4 or by going to their website at www.irs.ustreas.gov.

Should your corporate mailing address change, you must notify this office in writing, to insure important mailings such as the annual report notices reach you.


Should you have any questions regarding corporations, please contact this office at the address given below.

Suzanne Hawkes, Document Specialist
New Filings Section

Letter Number: 605A00063665

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of LAGO DE ORO CONDOMINIUM ASSOCIATION INC., a Florida corporation, filed on October 17, 2005, as shown by the records of this office.

The document number of this corporation is N05000010735.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Nineteenth day of October, 2005



CR2EO22 (2-03)

Glenda E. Hood
Glenda E. Hood
Secretary of State

FILED
05 OCT 17 PM 2:50
TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION
OF
LAGO DE ORO CONDOMINIUM ASSOCIATION INC.

The undersigned, being of legal age and competent to contract, for the purpose of organizing a not for profit corporation pursuant to the laws of the State of Florida, does hereby adopt the following Articles of Incorporation, and does hereby agree and certify as follows:

ARTICLE I

Name

The name of this corporation shall LAGO DE ORO CONDOMINIUM ASSOCIATION, INC., (hereinafter referred to as the "Association"). The street address of the initial principal office and mailing address of the corporation is c/o Metropolis Homes, 128 East Colonial Drive, Orlando, Florida 32801.

ARTICLE II

Commencement of Corporate Existence

Existence of the Association shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall exist perpetuity.

In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the Surface Water or Stormwater Management System must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE III

Purposes

The Association is organized for the purpose of providing an entity pursuant to Chapter 718, Florida Statutes, the Florida Condominium Act (hereinafter referred to as "the Act") for the operation of a condominium located in Orange County, Florida, and known Lago De Oro, A Condominium (hereinafter referred to as the "Condominium") to be created pursuant to the Declaration of Condominium (hereinafter referred to as the "Declaration") and the Act.

ARTICLE IV

Definitions

Terms used herein shall have the meanings ascribed to them in the Declaration, which is to be recorded in the Public Records of Orange County, Florida, unless the context indicates otherwise.

ARTICLE V

General Powers

The powers of the Association shall include and be governed by the following provisions:

Section 1. This Association shall have all of the powers enumerated in the Florida Not For Profit Corporation Act, Chapter 617, Florida Statutes, which are not inconsistent with the powers allowed by the Act as the same now exists and as hereafter amended, and all such other powers as are permitted by applicable law, these Articles of Incorporation and the Declaration. In the event of a conflict between the powers of the Association as set forth in these Articles of Incorporation, the Bylaws, or the Declaration and the Act, the Act shall prevail.

Section 2. All funds and the titles of all properties acquired by the Association, and their proceeds, shall be held in trust for the Members in accordance with the provisions of the Declaration, these Articles of Incorporation, and the Bylaws of the Association, and the costs, expenses, maintenance, care and upkeep of such properties for the benefit of the Members shall be considered Common Expenses of the Condominium.

Section 3. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and the Bylaws.

Section 4. The Association shall have the power and authority to levy, charge, assess and collect fees, charges and Assessments from the Unit Owners as allowed by the Declaration.

Section 5. The Association shall have the power to operate, maintain and manage the Surface Water or Stormwater Management System(s) in a manner consistent with the St. Johns River Water Management District Permit No. 4-095-97676-1 requirements and applicable District rules, and shall have the power to assist in the enforcement of the Declaration which relate to the Surface Water or Stormwater Management System.

Section 6. The Association shall have the power to levy and collect adequate Assessments against Members of the Association for the costs of maintenance and operation of the Surface Water or Stormwater Management System.

Section 7. Notwithstanding anything herein to the contrary, the Association shall exercise only such powers as are in furtherance of the exempt purposes of organizations set forth in Section 501 (c)(7) of the Internal Revenue Code and its regulations as the same now exist or as they may be hereinafter amended from time to time.

Section 8. The Association shall have no power to declare dividends, and no part of

its net earnings shall inure to the benefit of any or director of the Association or to any other private individual. The Association shall have no power or authority to engage in activities which consist of carrying on propaganda or otherwise attempting to influence legislation or to participate in, or intervene in, any political campaign on behalf of any candidate for public office.

Section 9. The Association shall have no capital stock.

Section 10. This Section shall not be construed to give the Association any powers not authorized by the Act.

ARTICLE VI

Membership

The Members of this not for profit corporation shall be qualified and admitted as set forth in the Bylaws of this Association.

Section 1. The Members of the Association shall consist of all of the record Owners of Units in the Condominium which have adopted these Articles, and after termination of the Condominium shall consist of those who are Members at the time of such termination, and their successors and assigns.

Section 2. Membership shall be acquired by recording in the Public Records of the County within which the Condominium is situate, a deed or other instrument establishing record title to a Unit in the Condominium, the Owner designated by such instrument thus becoming a Member of the Association, and the Membership of the prior Owner being thereby terminated, provided, however, any party who owns more than one Unit shall remain a of the Association so long as he shall retain title to or a fee ownerships interest in any Unit.

Section 3. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

Section 4. On all matters upon which the Member shall be entitled to vote, there shall be one vote for each Unit, which vote may be exercised or cast in such manner as may be provided in the Bylaws of the Association. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.

Section 5. The Developer shall be a Member of the Association and shall be allowed a vote for each Unit owned by the Developer.

ARTICLE VII

Initial Registered Office and Agent

The initial registered office of this Association shall be located at 128 East Colonial Drive, Orlando, Florida 32801, and the initial registered agent of the Association at that address shall be Mansour Max Sabeti. The Association may change its registered agent or the location of its registered office, or both, from time to time without amendment of these Articles of Incorporation.

ARTICLE VIII

Initial Board of Directors

This Association shall have three (3) Directors initially. The method of election of the Directors is set forth in the Bylaws of the Association. The number of Directors may be either increased or diminished from time to time as provided in the Bylaws. The name and street addresses of the initial Directors of this Association are:

NAME

ADDRESS

Mansour Max Sabeti

128 East Colonial Drive
Orlando, FL 32801

Lana Sabeti

128 East Colonial Drive
Orlando, FL 32801

Annette Andre

128 East Colonial Drive
Orlando, FL 32801

Section 1. The affairs of the Association shall be managed by a Board of Directors

(the "Board") who need not be Members of the Association. The Membership of the Board shall consist of not less than three (3) Directors until the control of the Association is transferred to the Unit Owners other than the Developer pursuant to Florida Statute 718.301. Thereafter, the Board may at the option of the board be increased to five (5) Directors. Provided, however, that the Board shall always consist of an odd number of Directors.

Section 2. Directors of the Association shall be elected at the annual meeting of the Members in the manner provided by the Bylaws. Directors may be removed without cause and the Board shall be filled in the manner provided by the Bylaws.

Section 3. The Directors named in these Articles shall serve until the first election of Directors, and any vacancies in office occurring before the first election shall be filled by the remaining Directors and / or the Developer. The first election of Directors shall not be held until the Developer, as defined in the Declaration is required by law to elect Directors in accordance with Section 718.301, Florida Statutes. The term of the first Board or their replacements, shall continue until the Developer voluntarily relinquishes control of the Association, or relinquishes control as required by Florida Statutes § 718.301(1)(a) - (e) as follows:

1. When Unit Owners other than the Developer own fifteen percent (15%) or

more of the Units in this Condominium that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect no less than one-third (1/3) of the Members of the Board of the Association. Unit Owners other than the Developer are entitled to elect not less than a majority of the Members of the Board of the Association:

(a) Three (3) years after fifty percent (50%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers;

(b) Three (3) months after ninety percent (90%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers;

(c) When all the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, others are being offered for sale by the Developer in the ordinary course of business;

(d) When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or

(e) Seven (7) years after recordation of the Declaration; or in the case of an association which may ultimately operate more than one condominium, seven (7) years after recordation of the declaration for the first condominium it operates; or, in the case of an association operating a phase condominium created pursuant to Section 718.403, Florida Statutes, seven (7) years after recordation of the declaration creating the initial phase, whichever occurs first. The Developer is entitled to elect at least one Member of the Board of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) in condominiums with fewer than five hundred (500) units, and two percent

(2%) in condominiums with more than five hundred (500) units, of the units in a condominium operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer owned units in the same manner as any other Unit owner except for purposes of reacquiring control of the Association or selecting a majority of the board of administration.

ARTICLE IX

Officers

Except for the initial officers, the affairs of the Association shall be administered by a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time designate. Any person may hold two (2) offices, excepting that the same person shall not hold the office of President and Secretary. Officers of the Association shall be those set forth herein or elected by the Board at its first meeting following the annual meeting of the members of the Association. and shall serve at the pleasure of the Board. The names and addresses of the officers who shall serve until their successors are designated by the Board are as follows:

President:

Mansour Max Sabeti
128 East Colonial Drive
Orlando, Florida 32801

Secretary:

Lana F. Sabeti
128 East Colonial Drive
Orlando, Florida 32801

Treasurer:

Annette Andre
128 East Colonial Drive
Orlando, Florida 32801

ARTICLE X

Incorporator

The name and street address of the person signing these Articles as Incorporator is:

Mansour Max Sabeti
128 East Colonial Drive
Orlando, Florida 32801

ARTICLE XI

Bylaws

Except as otherwise provided by law, the power to adopt, alter, amend or repeal the Bylaws shall be vested in the Board.

ARTICLE XII

Indemnification

In addition to any rights and duties under applicable law, the Association shall indemnify and hold harmless all of its Directors, officers, employees and agents, and former Directors, officers, employees and agents from and against all liabilities and obligations, including attorneys' fees, incurred in connection with any actions taken or failed to be taken by said Directors, officers, employees and agents in their capacity as such except for willful misconduct or gross negligence.

ARTICLE XIII

Amendment

Section 1. A resolution for the adoption of a proposed amendment to these Articles of Incorporation of Lago De Oro Condominium Association, Inc. may be proposed by the Board of the Association or by the Members of the Association. A Member may propose such an

amendment by instrument in writing directed to any member of the Board signed by not less than twenty percent (20%) of the Membership. Amendments may be proposed by the Board by action of a majority of the Board at any regularly constituted meeting thereof Upon an amendment being proposed as herein provided, the President, or in the event of his refusal or failure to act, the Board shall call a meeting of the Membership to be held not sooner than fifteen (15) days nor later than sixty (60) days thereafter for the purpose of considering said amendment. Directors and Members may express their approval of the amendment either in person at a meeting of the unit owners or by proxy.

Section 2. No amendment shall make any changes in the qualifications for Membership nor the voting rights of the Members, nor any change in Article V. Section 2 herein without approval in writing by all Members and the joinder of all record Owners of mortgages on the Condominium Units. No amendment shall be made that is in conflict with the Act or the Declaration. No amendment shall be made without the written consent of the Developer if such amendment shall: (a) cause an Assessment to be levied against the Developer, as a Unit Owner, for capital improvements; (b) constitute an action that would be detrimental to the sales of Units by the Developer; or (c) any other such action which would inhibit, impair or otherwise preclude the rights reserved to the Developer by way of the Declaration.

Section 3. A copy of such amendment shall be filed with the Secretary of State pursuant to the provisions of the applicable Florida Statutes, and a copy certified by the Secretary of State shall be recorded in the Public Records of the Orange County, Florida, the county in which the Condominium is located.

ARTICLE XIV

Headings And Captions

The headings or captions of these various Articles are inserted for convenience and none of them shall have any force or effect, and the interpretation of the various Articles shall not be influenced by any of said headings or captions.

IN WITNESS WHEREOF, the undersigned, being the incorporator hereinbefore named, for the purpose of forming a not-for-profit corporation pursuant to the laws of the State of Florida to do business both within and outside the State of Florida, hereby makes and files these Articles of Incorporation declaring and certifying that the facts stated herein are true, and hereby subscribes thereto and hereunto sets his hand and seal this 13th day of OCTOBER 2005.

INCORPORATOR

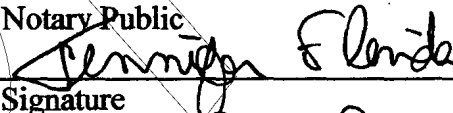

(SEAL)
Mansour Max Sabeti

STATE OF FLORIDA

COUNTY OF Orange

The foregoing instrument was acknowledged before this 13 day of October 2005, by Mansour Max Sabeti, ☒ who is personally known to me or [] who produced _____ as identification.

Notary Public


Signature

Signature

Jennifer Florida
Print Name

Print Name

11.2.08

My Commission Expires

Seal



**CERTIFICATE OF DESIGNATION OF
REGISTERED AGENT/REGISTERED OFFICE**

FILED
05 OCT 17 PM 2:50
TALLAHASSEE, FLORIDA

PURSUANT TO THE PROVISIONS OF SECTION 607.0501, FLORIDA STATUTES, THE
UNDERSIGNED ASSOCIATION, ORGANIZED UNDER THE LAWS OF THE STATE OF
FLORIDA, SUBMITS THE FOLLOWING STATEMENT IN DESIGNATING THE
REGISTERED OFFICE/REGISTERED AGENT, IN THE STATE OF FLORIDA.

1. The name of the Association is LAGO DE ORO CONDOMNIUM ASSOCIATION,
INC.
2. The name and address of the Registered Agent and office is:

Mansour Max Sabeti
128 East Colonial Drive
Orlando, Florida 32801

Having been named as Registered Agent to accept service of process for LAGO DE
ORO CONDOMINIUM ASSOCIATION, INC., at the place designated in this certificate, I
hereby accept the appointment as registered agent and agree to act in this capacity. I further
agree to comply with the provisions of all statutes relating to the proper and complete
performance of my duties, and I am familiar with and accept the obligations of my position as
registered agent.


Mansour Max Sabeti, Registered Agent

10/13/05
Date

Exhibit “D”

Association Bylaws

60 pages

COPY

BYLAWS
OF LAGO DE ORO CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

IDENTITY

These are the Bylaws of **LAGO DE ORO CONDOMINIUM ASSOCIATION, INC.**, a corporation not for profit organized under the laws of the State of Florida (the "Association"), for the purpose of operating that certain condominium located in Orange County, Florida, and known as **LAGO DE ORO, A CONDOMINIUM** (the "Condominium").

Section 1. Principal Office. The principal office of the Association shall initially be located at c/o Metropolis Homes, 128 E. Colonial Drive, Orlando, Florida 32801, or at such other place as may be designated by the Board of Directors.

Section 2. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 3. Seal. The seal of the Association shall bear the name of the corporation, the word "Florida," and the words "Corporation Not for Profit," and the year of incorporation.

ARTICLE II

DEFINITIONS

Section 1. ACT: shall mean Chapter 718, Florida Statutes governing the establishment and operation of condominiums in the State of Florida as the same may be amended from time to time.

Section 2. AMENDMENT: Any amendment(s) made to the Declaration.

Section 3. ARCHITECTURAL REVIEW COMMITTEE or ARC: The Architectural Review Committee of Lago De Oro Condominium Association, Inc.

Section 4. ARTICLES: The Articles of Incorporation for Lago De Oro Condominium Association, Inc.

Section 5. ASSESSMENT: The share of the funds required for the payment of Common Expenses that is assessed against a Unit Owner from time to time.

Section 6. ASSOCIATION: Lago De Oro Condominium Association, Inc., a Florida not-for-profit corporation, shall be the corporation responsible for the operation of Lago De Oro, A Condominium.

Section 7. ASSOCIATION PROPERTY or PROPERTY: All real or personal property owned or leased by the Association, or dedicated by a recorded plat to the Association for the use and benefit of its Members, as more particularly described in Exhibit "A" or as may be added hereafter by amendment or supplement to the Declaration and within connection with the additions of subsequent Phases to this Condominium Project.

Section 8. BOARD OF DIRECTORS. DIRECTORS. BOARD OR BOARD MEMBERS: The Board of Directors of Lago De Oro Condominium Association, Inc. which shall be responsible for the administration of the Association.

Section 9. BUDGET FOR COMMON EXPENSES OR BUDGET: A determination of the amount payable by the Unit Owners to meet the Common Expenses of the Condominium in order to allocate and assess such expenses among the Unit Owners in accordance with the provisions of the Governing Documents. The Budget for Common Expenses shall include the funding of reserves required by the law to be restricted or accumulated or determined appropriate by the Board

which may or may not need to be restricted, the costs of carrying out the powers and duties of the Association, any other expenses designated as Common Expenses by the Act and the Governing Documents and, extraordinary Association expenses and liabilities. Any adopted Budget for Common Expenses shall be subject to change by the Board of Directors.

Section 10. BYLAWS: These Bylaws of the Association, as they exist from time to time.

Section 11. CAPITAL IMPROVEMENT ASSESSMENTS: Amounts levied against each Owner and such Owner's Unit, representing a portion of the costs incurred by the Association for the non-recurring 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.

Section 12. CERTIFICATE OF TERMINATION: Document evidencing the termination of the Condominium, executed by the President or Secretary with the formalities of a deed, and certifying as to the facts effecting the termination.

Section 13. CHARGE or SPECIAL CHARGE: The obligation of a Unit Owner to pay or reimburse money to the Association that cannot be secured as an assessment pursuant to Florida Statute 718.116, but which will, if the charge is not paid, give rise to a cause of action against the Unit Owner pursuant to the Declaration.

Section 14. COMMERCIAL VEHICLE: A vehicle with lettering, or special equipment and configuration or display on it and/or which is primarily used in a trade or business.

Section 15. COMMITTEE: A group of Board Members, Unit Owners, or Board Members and Unit Owners appointed by the Board or Board Member to make recommendations to the Board regarding the Association budget or take action on behalf of the Board.

Section 16. COMMON ELEMENTS: The portions of the property submitted to condominium ownership and not included in the Units, including:

- a. The portions of the Condominium property, which are not included within the Units;
- b. 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 Common Elements.
- c. An easement of support in every portion of a Unit which contributes to the support of any other Unit of the building;
- d. The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements;
- e. Any hallways, foyers, doors, elevators, stairwells, alarm systems, access systems or security systems not contained within a specific Unit; and
- f. Any other parts of the Condominium Property designated as Common Elements pursuant to the Declaration or the Act.
- g. Pool, fitness room and other recreational facilities on common property
- h. All parking spaces located on common property

Section 17. COMMON EXPENSES: All expenses properly incurred by the Association for the Condominium and such expenses as may be declared to be Common Expenses by the Declaration.

Section 18. COMMON SURPLUS: The excess of all receipts of the Association above the Common Expenses.

Section 19. CONDOMINIUM PARCEL: A Unit together with the undivided share in the Common Elements that is appurtenant to the Unit.

Section 20. CONDOMINIUM PLOT PLAN OR PLOT PLAN: Graphic description of Condominium and its Improvements showing the location and boundaries of individual Units and Improvements drawn to scale.

Section 21. CONDOMINIUM PROJECT or CONDOMINIUM: The condominium known as Lago De Oro, A Condominium governed by the Declaration and the other Governing Documents.

Section 22. CONDOMINIUM PROPERTY or PROPERTY: The real and personal property, both tangible and intangible, subject to condominium ownership, whether or not contiguous; all Improvements thereon; and all easements and rights appurtenant thereto intended for use in connection with the condominium and more particularly described on Exhibit "A" attached hereto and incorporated herein as the same may be amended or supplemented for the purposes of adding additional Phases to the Condominium Project.

Section 23. DECLARATION: The Declaration of Condominium of Lago De Oro, A Condominium.

Section 24. DEVELOPER: Metropolis Homes Co., a Florida corporation, that has established this Condominium, and its successors and assigns. For purposes of the Declaration, the term "Developer" shall include the person or entity declaring the property to condominium ownership and any person or entity, including the construction mortgagee, who shall succeed to the Developer's interest in title and ownership, whether by purchase, foreclosure or deed in lieu of foreclosure and such successor shall have all of the rights and privileges of the Developer.

Section 25. DIVISION: The Division of Florida Land Sales, Condominiums, and Mobile Homes of the Department of Business and Professional Regulation.

Section 26. ELIGIBLE MORTGAGE HOLDERS: Those who hold a first mortgage on a Unit and who have requested notice, in writing, stating their name, address and the Unit number of the mortgage Unit.

Section 27. EXHIBITS: Exhibits attached to the Declaration shall include the following:

Exhibit "A" - Legal description of a portion of the Condominium Property described as Phase I and submitted by the Declaration to the Condominium form of ownership;

Exhibit "B" – Legal description of property owned by the Developer and proposed to be eventually included in the Condominium form of ownership as a part of the Condominium Property, including particularly proposed PHASES II through IV;

Exhibit "C" – Articles of Incorporation;

Exhibit "D" - Association Bylaws

Exhibit "E" - Association Rules and Regulations;

Exhibit "F" – Condominium Plot Plan and Survey;

Exhibit "G" – Condominium Floor Plan;

Exhibit "H" – Percentage of ownership of common elements and obligation for common expenses;

Section 28. Existing Property: The lands within the PHASES governed by the Declaration and the other Governing Documents, initially including PHASE I of this Condominium and proposed PHASES II through IV, when, as if made subject to the Declaration as described in Exhibits "A" and "B", respectively.

Section 29. FAMILY: One natural person or a group of two or more natural persons, each of whom is related to each of the others by blood, marriage, or adoption (exclusive of household servants); or not more than three (3) adult persons not so related, who reside together as a single, not-for-profit housekeeping Unit.

Section 30. GENERAL ASSESSMENT: The amount payable by the Unit Owners to meet the Common Expenses of the Condominium, uniformly allocated and assessed among the Unit Owners on a per Unit basis in accordance with the provisions of the Declaration and Bylaws. 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. The amount of the General Assessment shall be changed in accordance with any such revised Budget for Common Expenses to cover actual expenses at any time and as circumstances may require.

Section 31. GOVERNING DOCUMENTS: The Declaration and attached Exhibits setting forth the nature of the property rights in the Condominium and including the covenants running with the land that govern these rights, the Association's Articles, Bylaws and any Rules and Regulations as the same may be amended or supplemented from time to time. All other Governing Documents shall be subject to the provisions of the Declaration. The order of priority of the documents will be as follows: (1) Declaration; (2) Articles; (3) Bylaws; and (4) Rules and Regulations.

Section 32. GUEST: Any person who is physically present in or occupies a Unit on a temporary basis at the invitation of the Unit Owner without the payment of consideration.

Section 33. IMPROVEMENTS: All structures artificially created and appurtenances thereto of every type and kind located on the Existing Property, including, but not limited to, buildings, out-buildings, sprinkler pipes, walkways, stairs, drainage areas, drainage pipes, roads, driveways, parking areas, fences, retaining walls, landscaping, hedges, plantings, shrubs, poles and signs, the maintaining of which is the duty of the Developer or the Association.

Section 34. INSTITUTIONAL FIRST MORTGAGEE or MORTGAGEE: An institutional mortgagee or its assignee of a first mortgage on a Condominium Parcel, which shall be construed to include the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. The mortgagee may be a bank, a savings and loan association, a mortgage banker, a life insurance company, a real estate or mortgage investment trust, a pension or profit sharing trust, the Federal Housing Administration, the Department of Veterans Affairs, any institution under the conservatorship or receivership of the Resolution Trust Corporation; or its successors or assignees; any agency of the United States of America, or the Developer. The term also refers to any holder of a first mortgage against a Condominium Parcel which mortgage is guaranteed or insured, as evidenced by a recorded instrument, by the Federal Housing Administration, the Department of Veterans Affairs, any agency of the United States of America, or any other public or private corporation engaged in the business of guaranteeing or insuring residential first mortgage loans, and their successors and assigns.

Section 35. JUDICIAL SALE: The sale of a Condominium Parcel or Unit by the Clerk of Court under authority of a court's judgment in order to satisfy an unpaid judgment, mortgage lien, or other debt of the Owner.

Section 36. LEASE or LEASE AGREEMENT: The grant by a Unit Owner of a temporary right of use of the Owner's Unit for a valuable consideration.

Section 37. MEMBERS/MEMBERSHIP: Every person or entity who is the Owner of record of the fee simple interest in any Unit(s) located within the Condominium Property described on Exhibit "A" attached hereto, including the Developer, but excluding persons or entities holding an interest in a Unit merely as security for performance of an obligation, shall be a Member of the Association. Membership, other than the Developer's, shall be appurtenant to and may not be separated from ownership of a Unit.

Section 38. OCCUPY: The act of being physically present in a Unit on two or more consecutive days, including staying overnight. An occupant is one who inhabits or resides in a Unit.

Section 39. OPERATION: The administration and management of the Condominium Property.

Section 40. PERSON: An individual, corporation, trust, or other legal entity capable of holding title to real property.

Section 41. PHASE: A phase of a condominium pursuant to the provisions of Section 718.403, Florida Statutes.

Section 42. RESERVES: Association funds kept available to meet future contingencies.

Section 43. RULES & REGULATIONS: The Association's rules and regulations restricting Owners' use of the Property, which are passed and implemented by the Board from time to time.

Section 44. SPECIAL ASSESSMENT: Any Assessment levied against Unit Owners other than the General Assessment required by an annually adopted budget or 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.

Section 45. SURFACE WATER or STORMWATER MANAGEMENT SYSTEM: A system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

Section 46. TERMINATION TRUSTEE: A Florida financial institution with trust powers or a licensed Florida attorney who is designated by the Association who agrees to serve as the Association's trustee in winding up the affairs of the Association with regard to real and personal property, upon the Association's decision to terminate itself.

Section 47. TURNOVER: Developer's relinquishment of control of the Association as set forth in Article IV, Section 23 below.

Section 48. UNIT or CONDOMINIUM UNIT: A part of the Condominium Property that is subject to exclusive ownership in fee simple by a person or entity who is the record title holder of that Unit, and as further described in the Declaration.

Section 49. UNIT NUMBER: The letter, number, or combination thereof that is designated on the Condominium Plot Plan and Survey and used as the identification of a Unit.

Section 50. UNIT OWNER or OWNER: The record Owner of legal title to a Condominium Parcel.

Section 51. USE RESTRICTIONS: Restrictions upon an Owner's use of his Unit and the Common Elements as set forth in Article XVII below and in the Rules and Regulations.

Section 52. UTILITY SERVICES: Shall include, but not be limited to, electric power, gas, water, telephone, garbage and trash disposal, sewers, and cable television, together with all other public service and convenience facilities. Each Unit Owner shall be responsible for the payment of its telephone, electric and cable services. All other utilities shall be the responsibility of the Association, and shall be a Common Expense.

Section 53. VERY SUBSTANTIAL DAMAGE: As used in the Declaration, this term shall mean loss or damage to the Condominium Property whereby three fourths (3/4 or 75%) or more of the total Units are rendered uninhabitable.

Section 54. VOTING CERTIFICATE: A document which designates one of the record title owners, or the corporate, partnership, or entity representative, who is authorized to vote on behalf of a Condominium Unit that is owned by more than one (1) owner or by any entity.

Section 55. VOTING INTEREST: The voting rights distributed to the Association Members pursuant to § 718.104(4)(j), Florida Statutes.

Section 56. WORKING CAPITAL CONTRIBUTION: A \$150.00 charge paid by the person or entity that purchases a Unit from the Developer.

The terms used in these Bylaws shall have the same definitions and meanings as those set

forth in Chapter 718, Florida Statutes, the Condominium Act (the "Act"), as well as those set forth in the Declaration and the Articles, unless otherwise provided in these Bylaws or unless the context otherwise requires.

Section 57. RECREATIONAL FACILITIES: Improved portions of the Common Elements for the use and enjoyment for all Owners subject to the conditions provided in the Governing Documents, including but not limited to, the pool and fitness room.

ARTICLE III

MEETINGS OF MEMBERS AND VOTING

Section 1. Annual Meeting. The annual meeting of the Members shall be held on the date and at the place and time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and no later than thirteen (13) months after the last annual meeting. The purpose of the annual meeting shall be for the purpose of transacting annual business of the Association authorized to be transacted by the Members and to elect Directors.

Section 2. Special Meetings. Special meetings of the Members shall be held at such places as provided for annual meetings and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from at least ten percent (10%) of the voting interests of the Association. Requests for a meeting by the Members shall state the purpose for the meeting. Business conducted at any special meeting shall be limited to the matters stated in the notice for the meeting. The provisions of this Section of these Bylaws, as applicable, shall be modified by the provisions of F.S. 718.112(2)(e), concerning budget meetings; F.S. 718.112(2)(j),

concerning recall; F.S. 718.112(2Xf), concerning budget reserves; and F.S. 718.301(1)-(2), concerning election of Directors by Unit Owners other than the Developer. No special meetings shall be called or convened for the purpose of removal of Directors appointed by the Developer or to amend the Declaration or its exhibits to remove rights and reservations of the Developer, until Developer has relinquished control of the Association.

Section 3. Notice of Annual Meeting. Written notice of the annual meeting shall be mailed or hand delivered to each Unit Owner at least fourteen (14) days and not more than sixty (60) days before the annual meeting, stating the date, time, place and agenda. A copy of the notice shall be posted in a conspicuous place on the Condominium Property at least fourteen (14) continuous days before the annual meeting. An Officer of the Association shall provide an Affidavit or United States Post Office Certificate of Mailing, to be included in the official records of the Association, affirming that notices of the Association meeting were mailed or hand delivered to each Unit Owner at the address last furnished to the Association. Unit Owners may waive notice of the annual meeting either before or after the meeting. Notice of any meeting in which Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and the nature of the Assessments.

Section 4. Notice of Special Meetings. Except as modified by the specific requirements for special kinds of Members' meetings as set out in these Bylaws, notice of special meetings generally shall be in writing, state the place, day, and hour of the meeting, and state the purpose or purposes for which the meeting is called. The notice shall be delivered to each Unit Owner not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, the Secretary, or the

Officer or persons calling the meeting. If mailed, the notice shall be considered delivered when deposited in the United States mail addressed to the Unit Owner at the address that appears in the records of the Association, with postage prepaid. Payment of postage for notice of any special meeting, by whomever called, shall be an obligation of the Association.

Section 5. Notice of Budget Meeting. The Board of Directors shall mail or hand deliver to each Unit Owner at the address last furnished to the Association a notice and a copy of the proposed annual budget, not less than fourteen (14) days before the meeting at which the Board will consider the budget.

Section 6. Notice of Meeting to Consider Excessive Budget. If a budget adopted by the Board of Directors requires an Assessment against the Unit Owners for any calendar year exceeding one hundred fifteen percent (115%) of the Assessment for the preceding year (less any lawfully excluded items), a special meeting of the unit owners shall be called if within 21 days after adoption of the annual budget with a written request for a special meeting from at least 10 percent of all voting interests received by the Board. The special meeting shall be conducted within 60 days after adoption of the budget and notice of the special meeting shall be hand delivered or mailed to each unit owner at the address last furnished to the association at least 14 days prior to such special meeting.

Section 7. Notice of Meeting to Consider Recall of Board Members. A special meeting of the Unit Owners to recall a member or members of the Board of Directors may be called by ten percent (10%) of the voting interests which gives notice of the meeting as required for a meeting of Unit Owners, and states the purpose of the meeting. The notice must be accompanied by a dated copy of a signature list of at least ten percent (10%) of the Unit Owners. The meeting shall

be held not less than ten (10) days nor more than sixty (60) days from the date the notice of the meeting is given.

Section 8. Notice of Meeting to Elect Non-Developer Directors. Within seventy five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall call an election for the Members of the Board of Directors, and shall give at least sixty (60) days notice thereof.

Section 9. Quorum. A quorum at meetings of Members shall consist of persons entitled to exercise, either in person or by proxy, a majority of the voting interests of the entire Membership. The acts approved by a majority of the votes present either in person or by proxy at a meeting of which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration, the Articles, these Bylaws or the Act.

Section 10. Transfer of Association Control.

Rules affecting transfer of association control are as follows:

(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:

(a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

(c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;

(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or

(e) Seven years after recordation of the declaration of condominium.

The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent. Following the time the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration.

Section 11. Members Voting Rights. The Owner(s) of each Unit shall be entitled to one (1) vote for each Unit owned. If a Unit Owner owns more than one (1) Unit, such individual shall be entitled to one (1) vote for each Unit owned. Any two (2) Units which have been combined into one (1) living area shall be deemed to be two (2) Units (as if they had not been so combined) and shall therefore be entitled to two (2) votes to be cast by its Owner. The vote of a Unit shall not be divisible. When more than one person holds such interest in any Unit, all such persons shall be Members. The vote for each such Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Unit. Voting rights are appurtenant to a unit. Developer shall be entitled to one (1) vote for each unoccupied Unit

owned by the Developer.

Section 12. Majority Vote. The acts approved by a majority of the voting interests present in person or by proxy at a meeting at which a quorum is present shall be binding on all Unit Owners for all purposes unless the Act, the Declaration, the Articles, or these Bylaws require a larger percentage, in which case that larger percentage shall control.

Section 13. Membership-Designation of Voting Member. Persons or entities shall become Members of the Association upon the acquisition of fee simple title to a Unit in the Condominium after approval of the acquisition in the manner provided in Article XIX, Sections 1 and 2 of the Declaration. Membership shall be terminated when a person or entity no longer owns a Unit in the Condominium. If a Unit is owned by more than one natural person (other than a husband and wife), or a corporation, partnership, or other artificial entity, the voting interest of that Unit shall be exercised only by the natural person named in a voting certificate signed by all the natural persons who are owners or by the chief executive officer of the artificial entity and filed with the Secretary of the Association in its official records. Such a certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. If such certificate is not on file, the vote of such Owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

Section 14. Proxies: Powers of Attorney. Voting interests may be exercised in person or by proxy. However, in no event shall a proxy be used in electing a member of the Board in any elections. Each proxy shall set forth specifically the name of the person voting by proxy, the name of the person authorized to vote the proxy for him or her, and the date the proxy was given. Each proxy shall contain the date, time, and place of the meeting for which the proxy is given. If

the proxy is a limited proxy, it shall set forth those items that the holder of the proxy may vote and the manner in which the vote is to be cast. The proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings. No proxy shall be valid for more than ninety (90) days after the date of the first meeting for which it was given, and may be revoked at any time at the pleasure of the Unit Owner executing it. The proxy shall be signed by the Unit Owner or by the designated person mentioned in Article III, Section 13 of these Bylaws, or the duly authorized attorney-in-fact of that person or entity (provided the power of attorney is filed with the Secretary of the Association). The proxy shall be filed with the Secretary before or at the meeting for which the proxy is given. One holding a power of attorney from a Unit Owner properly executed and granting the authority, may exercise the voting interest of that Unit except that no unit owner shall permit any other person to vote his or her ballot in an election of the members of the Board. If the proxy expressly provides, any proxy holder may appoint, in writing, a substitute to act in his or her place. If this provision is not made, substitution is not authorized.

Section 15. Adjourned Meetings. If any meeting of Members cannot be organized because a quorum is not present, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present; except that when meetings have been called to consider the enactment of a budget to replace a proposed budget that exceeds one hundred fifteen percent (115%) of the Assessments for the preceding year, the meetings may not be adjourned for lack of a quorum and if a quorum is not present the excessive budget shall go into effect as scheduled. The time and place to which the meeting is adjourned shall be announced at the meeting at which the adjournment is taken and a notice shall be posted in a conspicuous

place on the Condominium Property as soon thereafter as may be practical stating the time and place to which the meeting is adjourned.

Section 16. Waiver of Notice. Unit Owners may waive their right to receive notice of any meeting, whether annual or special, by a writing signed by them to that effect. The waiver shall be filed with the Secretary of the Association either before, at, or after the meeting for which the waiver is given.

Section 17. Action by Members Without a Meeting. Unit Owners may take action by written agreement without a meeting, provided written notice is given to the Unit Owners in the manner prescribed elsewhere in these Bylaws appropriate to the subject matter to be agreed on, unless that notice is waived as provided in these Bylaws. The decision of a majority of the Unit Owners, or a larger percentage vote as otherwise may be required by the Act, the Declaration, the Articles, or these Bylaws (the decision to be evidenced by written response to be solicited in the notice), shall be binding on the Membership. The notice shall set forth a time period within which responses must be made by the Members, and responses received after that time period shall not be considered.

Section 18. Minutes of Meetings. The minutes of all meetings of Unit Owners shall be kept in a book open to inspection at all reasonable times by any Association Member, any authorized representative of the Member, and Board Members. The minutes shall be retained by the Association for a period of not less than seven (7) years. Association Members and their authorized representatives shall have the right to make or obtain copies at the reasonable expense, if any, of the Association Member.

Section 19. Order of Business. The order of business at annual meetings of Members and, as far as practical, at other Members' meetings, shall be:

- (1) Collection of election ballots.
- (2) Call to order.
- (3) Election of a chairman of the meeting, unless the President or Vice President is present, in which case he or she shall preside.
- (4) Calling of the roll, certifying of proxies, determination of a quorum.
- (5) Proof of notice of meeting or waiver of notice.
- (6) Reading and disposal of any unapproved minutes.
- (7) Reports of Officers.
- (8) Reports of Committees.
- (9) Appointment of inspectors of election.
- (10) Determination of number of Directors.
- (11) Election of Directors.
- (11) Determination of less than adequate Reserves or no Reserves.
- (12) Unfinished business.
- (13) New business.
- (14) Adjournment.

Section 20. Actions Specifically Requiring Unit Owner Approval. The following actions require approval by the requisite vote of the Unit Owners as provided in these Bylaws, the Declaration and the Articles of Incorporation and may not be taken by the Board of Directors acting alone:

(1) Amendments to the Declaration, except those made by the Developer prior to the transfer of control of the Association to the Association, or as otherwise provided specifically in the Declaration.

(2) Merger of two or more independent condominiums of a single complex to form a single condominium.

(3) Purchase of land or recreation lease.

(4) Cancellation of grants or reservations made by the Declaration, a lease, or other document and any contract made by the Association before the transfer of control of the Association from the Developer to Unit Owners other than the Developer, that provides for operation, maintenance, or management of the Condominium Association or Property serving the Unit Owners.

(5) Exercise of option to purchase recreational or other commonly used facilities lease.

(6) Providing no Reserves, or less than adequate Reserves.

(7) Recall of members of Board of Directors.

(8) Other matters contained in the Declaration, the Articles, or these Bylaws that specifically require a vote of the Members.

ARTICLE IV

DIRECTORS

Section 1. Number and Qualifications. The affairs of the Association shall be managed initially by a Board of three (3) Directors selected by the Developer. When Unit Owners other than the Developer are entitled to elect a majority of the Directors, the Board shall be composed of any odd number of Directors that the Board may decide within the limits set forth herein. The number of Directors, however, shall never be less than three(3). The Board shall remain at three (3) Directors

until such time as the Developer transfers control of the Association to Unit Owners other than the Developer, at which time the Board may consist of not less than three (3) nor more than five (5) members. Other than those selected by the Developer, Directors must be either Unit Owners, officers of a corporate Unit Owner, or partners of a partnership Unit Owner. No Director (except those selected by the Developer) shall continue to serve on the Board after ceasing to meet those requirements. Such a person so serving shall resign or be deemed to have resigned as Director no later than the occurrence of the event which results in the qualifications no longer being met.

Section 2. Election of Directors. Directors shall be elected at the annual meeting in the following manner:

- (1) Election of the Directors other than the Developer shall take place in accordance with the procedures as set forth in Section 718.112, Florida Statutes, and the Florida Administrative Code, as amended. Election of Directors thereafter shall be at each year's annual meeting.
- (2) The Board of Directors shall be elected by written ballot or voting machine.
- (3) Except as to vacancies created by the removal of Directors by Members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.
- (4) Only the developer may vote, in person or by limited proxy, to fill a vacancy on the board previously occupied by a board member elected or appointed by that developer. Only unit owners other than a developer may vote, in person or by limited proxy, to fill a vacancy on the board previously occupied by a board member elected or appointed by unit owners other than a developer.

(5) The Association shall mail or deliver, whether separately or included in other mailings, a first notice of the date of the election to each Unit Owner not less than sixty (60) days before the scheduled election. The Association shall mail or deliver to the Unit Owners at the addresses listed in the official records of the Association a second notice of the election, ballot, and any information sheets timely submitted by the candidates prior to the scheduled election. The information sheets shall not contain any communication from the Board that endorses, disapproves, or otherwise comments on any candidate.

(6) Subsequent to delivery of control of the Board to the Unit Owners other than the Developer, pursuant to F.S. §718.301, any Board Member may be recalled and removed from office with or without cause, by the vote or agreement in writing by a majority of all Unit Owners. A special meeting of the Unit Owners to recall a member of the Board of Directors may be called by ten percent (10%) of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners, and the notice shall state the purpose of the meeting. Recall shall operate in accordance with F.S. §718.112(2)(j).

(7) Provided, however, that until the Developer has relinquished control of the Association, the first Directors of the Association shall serve, and in the event of vacancies, the remaining Directors shall fill the vacancies, and if there are not remaining Directors, the vacancies shall be filled by the Developer, and the Directors serving during the Developer's control cannot be removed by a vote pursuant to paragraph (6) above. This shall not be interpreted or be construed so as to preclude annual meetings of the Membership.

Section 3. Term. Each Director's term of service shall extend until the next annual meeting of the Members and thereafter until his or her successor is duly elected and qualified or

until he or she is removed in the manner provided in Article IV, Section 5 of these Bylaws. However, at any annual meeting after the Developer has relinquished control of the Association and in order to provide a continuity of experience, the Members may vote to create classes of directorships having a term of one (1), two (2), or three (3) years so that a system of staggered terms will be initiated. If such a system is implemented, the first Board of Directors elected subsequent to the transfer of control to the Unit Owners shall elect two (2) Board members for two (2) years and the remaining Board Members for one (1) year. At the end of the initial term, they shall thereafter be elected for one (1) year terms, thereby staggering the Board members. In the event of a five (5) member Board of Directors or a larger Board of Directors, the majority number of Directors shall be elected every two (2) years.

Section 4. Vacancies. Except for vacancies resulting from removal of Directors by Members, vacancies in the Board of Directors occurring between annual meetings of Members shall be filled by majority vote of the remaining Directors. Any Director elected to fill a vacancy shall hold office only until the next election of Directors by the Members, irrespective of the length of the remaining term of the vacating Director. If a system of staggered terms is initiated by the Members of the Association, then the remaining term of any vacating Director shall be filled from the time of the next election of Directors by the normal Members election process.

Section 5. Removal. Any Director may be recalled and removed from office with or without cause by the affirmative vote or agreement in writing of a majority of all voting interests. A special meeting of the Unit Owners may be called for this purpose by ten percent (10%) of the voting interests upon giving notice of the meeting as required in these Bylaws. The notice shall state the purpose of the special meeting. Any vacancy on the Board of Directors thus created shall

be filled by a majority vote of the Members of the Association at the same meeting. No Director shall continue to serve on the Board if, during the Board Member's term of office, the Board Member's Membership in the Association is terminated for any reason.

Section 6. Resignation. Any Director may resign at any time by sending or personally delivering a written notice of resignation to the Association, addressed to the Secretary. The resignation shall take effect upon receipt of the notice by the Association, unless it states some fixed date in the resignation, and then from the date so fixed. Acceptance of a resignation shall not be required to make it effective. Resignation of any Director and the replacement procedures shall be controlled by sections 4 and 5 of this Article.

Section 7. Organizational Meeting. The organizational meeting of a newly elected Board of Directors shall be held within ten (10) days of the election at a place and time that shall be fixed by the Directors at the meeting at which they were elected and without further notice except notice to Unit Owners required by F.S. 718.112(2)(c). The Board of Directors may meet immediately following the meeting at which they are elected for the purpose of electing officers and changing banking resolutions without further notice, except for an announcement at the Unit Owners' meeting.

Section 8. Regular Meetings. The Board of Directors may establish a schedule of regular meetings to be held at a time and place as a majority of them shall determine from time to time. Notice of regular meetings, however, shall be given to each Director personally or by mail, telephone, telegraph, fax or e-mail at least three (3) days before the day named for the meeting with the notice of each meeting posted conspicuously on the Condominium Property at least forty eight (48) continuous hours before the meeting, except in an emergency. Said meeting

shall be open to all Unit Owners.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President and, in his or her absence, by the Vice President, and must be called by the Secretary at the written request of one-third of the Directors. Notice of the meeting shall be given personally or by mail, telephone, telegraph, by fax or e-mail. The notice shall state the time, place, and purpose of the meeting and shall be transmitted not less than three (3) days before the meeting. A copy of the notice of any special meeting shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours before the meeting, except in an emergency.

Section 10. Waiver of Notice. Any Director may waive notice of a meeting before, at, or after the meeting and that waiver shall be considered equivalent to the giving of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of the meeting, except when the Director's attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

Section 11. Quorum. A quorum at the meetings of the Directors shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors except when approval by a greater number of Directors is required by the Declaration, the Articles, or these Bylaws.

Section 12. Adjourned Meetings. If there is less than a quorum present at any meeting of the Board of Directors, the majority of those present may adjourn the meeting until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting

originally called may be transacted without further notice.

Section 13. No Proxy. There shall be no voting by proxy at any meeting of the Board of Directors.

Section 14. Presumed Assent. A Director present at any Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he or she votes against the action or abstains from voting because of an asserted conflict of interest.

Section 15. Joinder in Meeting by Approval of Minutes. A Director may submit in writing his or her agreement or disagreement with any action taken at a meeting that the Board Member did not attend, but the agreement or disagreement may not be used as a vote for or against the action taken and may not constitute the presence of that Director for the purpose of determining a quorum.

Section 16. Attendance by Conference Telephone. When a telephone conference is used, a telephone speaker shall be attached so that the discussion may be heard by the Board Members and by any Unit Owners present in an open meeting. Board Members utilizing telephone conference calls may be counted toward obtaining a quorum and may vote over the telephone.

Section 17. Meetings Open to Members. Meetings of the Board of Directors shall be open to all Unit Owners to attend, observe, and speak with reference to all designated agenda items subject to reasonable time limitations for speaking by Unit Owners as may be established by the presiding officer at the Board meeting. Notice of any meeting in which Assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that Assessments will be considered and set out the nature of the Assessments.

Section 18. Presiding Officer. The presiding Officer at Board meetings shall be the President or, in his or her absence, the Vice President, and in his or her absence, the Directors present shall designate any one of the Directors to preside.

Section 19. Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book open to inspection by any Association Member or the authorized representative of the Member and Board Members at all reasonable times. The Association shall retain these minutes for a period of not less than seven (7) years. Association Members and their authorized representatives shall have the right to make or obtain copies, at the reasonable expense, if any, of the Association Member.

Section 20. Compensation. Directors shall serve without pay, but shall be entitled to reimbursement for expenses reasonably incurred in the discharge of their duties.

Section 21. Order of Business. The order of business at meetings of Directors shall be:

- (1) Calling of roll.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading and disposal of any unapproved minutes.
- (4) Reports of Officers and committees.
- (5) Election of Officers.
- (6) Unfinished business.
- (7) New business.
- (8) Adjournment.

Section 22. Election of Directors by Unit Owners Other than Developer. Unit Owners other than the Developer are entitled to elect a Board Member or Board Members of the

Association, under the following schedule:

(1) When Unit Owners other than the Developer own fifteen (15%) or more of the Units in the Condominium that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect one third (1/3) of the Board Members of the Association.

(2) Unit Owners other than the Developer are entitled to elect a majority of the Board of Directors of the Association on the earliest of the following events:

a. Three (3) years after fifty percent (50%) of the units that will be operated ultimately by the Association have been conveyed to purchasers.

b. Three (3) months after ninety percent (90%) of the units that will be operated ultimately by the Association have been conveyed to purchasers.

c. When all of the Units that will be operated ultimately by the Association have been completed, some of them have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business.

d. When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business.

e. Seven (7) years after recordation of the Declaration creating the initial phase. The Developer is entitled to elect at least one (1) member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Units. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned units in the same

manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority of the Board of Directors.

Section 23. Relinquishment of Control. At the time the Unit Owners other than the Developer elect a majority of the members of the Board of Directors of the Association, the Developer shall relinquish control of the Association and the Unit Owners shall accept control. Not more than 90 days after Developer relinquishes control of the Association, Developer shall deliver to the Association at the Developer's expense, Association financial records listed in section 718.301(4)(c), Florida Statutes. Developer shall deliver all records set forth in Section 718.301(4) and (5), other than those set forth in Section 718.301 (4)(c), simultaneously with Developer's relinquishment of control of the Association. Nothing contained in these Bylaws shall be deemed to prevent the Developer from transferring control of the Association to Unit Owners other than the Developer before the occurrence of the events described in this subsection.

Section 24. Failure to Elect Director Quorum. If the Association or the Board of Directors fails to fill vacancies on the Board of Directors sufficient to constitute a quorum, any Unit Owner may apply to the circuit court within whose jurisdiction the Condominium is situated for the appointment of a receiver to manage the affairs of the Association, in the manner prescribed in the Act. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all the powers and duties of a duly-constituted Board of Directors and shall serve until the Association fills vacancies on the Board sufficient to constitute a quorum.

ARTICLE V

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Act, the Declaration, the Articles, and these Bylaws shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees, subject only to the approval by Unit Owners when that approval specifically is required. The powers of the Board shall include, but shall not be limited to, the following:

Section 1. Corporate Seal. To have a corporate seal, which may be altered at pleasure, and to use the same by causing it, or a facsimile thereof, to be impressed, affixed, or in any other manner reproduced provided, however, such seal shall always contain the words "corporation not for profit".

Section 2. Purchase or Acquire Real or Personal Property. To purchase, take, receive, lease, take by gift, devise or bequest or otherwise acquire, own, hold, improve, use, and otherwise deal in and with real or personal property or any interest therein, wherever situated. This power shall be deemed to include purchase or acquisition of Units as well.

Section 3. Sell Convey and Mortgage Real Property. To sell, convey, mortgage, pledge, create security interests in, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets subject to the terms of the Declaration and other provisions of these Bylaws.

Section 4. Loan Money. To lend money for its corporate purposes, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested.

Section 5. Sell, Convey and Purchase Personal Property. To purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise sell and deal in and with, shares or other interests in, or obligations of, other domestic or foreign corporations, whether for profit or not for profit Associations, partnerships or individuals, or direct or indirect obligations of the United States or of any other government, state, territory, governmental district, or municipality or of any instrumentality thereof.

Section 6. Contracts and Guarantees. To make contracts and guarantees and incur liabilities, borrow money at such rates of interest as its Board of Directors may determine, issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of all or any of its property, franchises, and income. To enter into, make, receive assignments of, grant assignments of, and perform contracts of every nature and kind for any lawful purpose, provided, however, that the term of such contracts shall not exceed three (3) years, and provided, further, that said contracts may provide for additional extensions of the original term in the absence of written notice of termination by either party.

Section 7. Conduct Business. To conduct its business, carry on its operations, and have offices and exercise the powers granted by the Florida Not For Profit Corporation Act or by other applicable law within the State of Florida.

Section 8. Elect Officers and Agents. To elect or appoint officers and agents and define their duties and allow them reasonable compensation.

Section 9. Enact and Amend Bylaws. To make and alter Bylaws, not inconsistent with its Articles of Incorporation or with the laws of the State of Florida, for the

administration and regulation of its affairs.

Section 10. Transact Lawful Business. To transact any lawful business which its Board of Directors shall find will be in aid of governmental policy.

Section 11. General Powers. To have and exercise all powers necessary or convenient to effect its general purpose.

Section 12. Right of Access to Units. The Association shall have an irrevocable right of access to each Unit during reasonable hours as necessary for the maintenance, repair, or replacement of any Common Elements or for making emergency repairs necessary to prevent damage to the Common Elements or to another Unit or Units.

Section 13. Lien and Foreclosure for Unpaid Assessments. To place a lien on each Condominium Unit for any unpaid Assessments with interest and for reasonable attorneys' fees, costs, and expenses incurred in the collection of the Assessment or enforcement of the lien. It also has the power to purchase the Condominium Unit at the foreclosure sale and to hold, lease, mortgage, or convey it.

Section 14. Grant or Modify Easements. The Association, without the joinder of any Unit Owner, may grant, modify, or move any easement if the easement constitutes part of or crosses Common Elements.

Section 15. Purchase Land or Recreation Lease. Any land or recreation lease may be purchased by the Association on the approval of two thirds (2/3) of the voting interests of the Association.

Section 16. Acquire Use Interest in Recreational Facilities, Acquisition of Use Interest For Recreational Leases. The Association may enter into agreements, acquire leaseholds,

Memberships, and other possessory or use interest in lands or facilities, such as country clubs, golf courses, marinas, and other recreational facilities, whether contiguous to the Condominium Property or not if they are intended to provide enjoyment, recreation, or other use or benefit to the Unit Owners. Subject to the provision of Chapter 718, Florida Statutes and the Declaration and Articles of Incorporation, enter into agreements, acquire leaseholds, memberships, and other possessory or use interest in lands or facilities, such as country clubs, golf courses, marinas, and other recreational facilities, whether contiguous to the Condominium Property or not if they are intended to provide enjoyment, recreation, or other use or benefit to the Unit Owners.

Section 17. Adopt Rules and Regulations. Adopt reasonable Rules and Regulations for the operation and use of the Common Elements and recreational facilities serving the Condominium subject to guidelines of the Declaration.

Section 18. Employ Personnel. The Association may employ and dismiss personnel as necessary for the maintenance and operation of the Condominium Property and may retain those professional services that are required for those purposes.

Section 19. Impose Fines. The association may levy reasonable fines against a unit for the failure of the owner of the unit, or its occupant, licensee, or invitee, to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association. No fine will become a lien against a unit. No fine may exceed \$100 per violation. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no such fine shall in the aggregate exceed \$1,000. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the unit owner and, if applicable, its licensee or invitee. The hearing must be held before a committee of

other unit owners. If the committee does not agree with the fine, the fine may not be levied. The provisions of this subsection do not apply to unoccupied units.

Section 20. Suspend Approval for Delinquent Unit Owner. The Board of Directors may disapprove the prospective tenant of any Unit Owner as long as the Unit Owner is delinquent in the payment of Assessments for Common Expenses.

Section 21. Authorize Private Use of the Common Elements. The Board of Directors may authorize Unit Owners or others to use portions of the Common Elements, such as social rooms and meetings rooms, for private parties and gatherings. Reasonable charges may be imposed provided a lease is entered into between the Association and the Unit Owner.

Section 22. Board of Directors' Duties: The duties of the Board shall include, but shall not be limited to, the following:

(a) **Maintain Official Records.** The Association shall maintain all of the records, when applicable, set forth in Article X of these Bylaws, which shall constitute the official records of the Association.

(b) **Obtain Insurance.** The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Association Property, and the Condominium Property.

(c) **Furnish Annual Financial Reports to Members.**

(d) **Give Notice of Liability Exposure.** If the Association may be exposed to liability in excess of insurance coverage in any legal action, it shall give notice of the exposure to all Unit Owners who shall have the right to intervene and defend.

(e) Provide Certificate of Unpaid Assessment. Any Unit Owner or Mortgagee of a Unit has the right to request from the Association a certificate stating the amount of all Assessments and other monies owed to the Association with respect to the Condominium.

(f) Pay Annual Fee to the Division of Florida Land Sales. Condominiums, and Mobile Homes for Each Residential Unit Operated by the Association.

(g) Approve or Disapprove Unit Transfer and Impose Fee. The Association may charge a preset fee of up to One Hundred Dollars (\$100) in connection with the approval or disapproval of any proposed mortgage, lease, sale, or other transfer of a Unit in the Condominium as provided in the Declaration.

(h) Pay Taxes or Assessments Against the Common Elements or Association Property.

(i) Pay Costs of Utilities Service Rendered to the Condominium and Association Property and Not Billed Directly to Individual Unit Owners.

(j) Repair or Reconstruct Improvements After Casualties.

Section 23. Certificate of Compliance. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the association's board as evidence of compliance of the condominium units to the applicable fire and life safety code.

Section 24. Limited Power to Convey Common Elements. The association is granted a limited power to convey a portion of the common elements to a condemning authority for the purpose of providing utility easements, right-of-way expansion, or other public purposes, whether negotiated or as a result of eminent domain proceedings.

ARTICLE VI

OFFICERS

Section 1. Executive Officers. The executive Officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer and a Secretary. The Officers shall be elected annually by the Board of Directors and may be removed without cause at any meeting by a vote of two-thirds (2/3) of the Directors present at any duly constituted meeting. A person may hold more than one office except that the President may not also be the Secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect other Officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

Section 2. President. The President shall be the Chief Executive Officer of the Association. He or she shall have all of the powers and duties that usually are vested in the office of President of an Association, including, but not limited to, the power to appoint committees from among the Members to assist in the conduct of the affairs of the Association as he or she may determine to be appropriate. The President shall preside at all meetings of the Board.

Section 3. Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He or she also shall assist the President and exercise those other powers and perform those other duties as shall be prescribed by the Directors.

Section 4. Secretary. The Secretary shall keep the minutes of all proceedings of the

Directors and the Members. He or she shall attend to the serving of all notices to the Members and Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He or she shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of an Association and as may be required by the Directors or the President.

Section 5. Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He or she shall keep books of account for the Association in accordance with good accounting practices, that, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. The Treasurer shall submit a treasurer's report to the Board at reasonable intervals and shall perform all other duties incident to the office of treasurer. All money and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board.

Section 6. Compensation. No compensation shall be paid to any officer of the Association. No officer who is a designee of the Developer shall receive any compensation for services as an officer of the Association.

ARTICLE VII

FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration, the Articles and the Act shall be supplemented by the following provisions:

Section 1. Board Adoption of Budget. The Board of Directors shall adopt a budget

for the Common Expenses of the Association in advance of each fiscal year at a special meeting of the Board called for that purpose at least forty-five (45) days before the end of each fiscal year.

Section 2. Budget Requirements. The proposed annual budget of Common Expenses shall be detailed and shall show the amount budgeted by accounts and expense classifications, including, when applicable, but not limited to:

- (a) Administration of the Association.
- (b) Professional and Management fees.
- (c) Maintenance.
- (d) Rent for recreational and other commonly used facilities.
- (e) Taxes on Association Property.
- (f) Taxes on leased areas.
- (g) Insurance.
- (h) Security provisions,
- (i) Other expenses,
- (j) Operating capital.
- (k) Fees payable to the Division of Florida Land Sales, Condominiums, and Mobile Homes.
- (l) Reserve accounts for capital expenditures and deferred maintenance, including, but not limited to, roof replacement, building, painting, and pavement resurfacing. The amount to be reserved shall be computed by means of a formula based on estimated remaining useful life and estimated replacement cost of each

Reserve item. Reserve funds and any interest accruing thereon shall remain in the Reserve account or accounts, and shall be used only for authorized Reserves expenditures unless their use for other purposes is approved in advance by a majority vote at a duly called meeting of the Association. Reserves must be included in the proposed annual budget, but may be waived from the final budget for only the present fiscal year if, by vote of the majority of the Members present at a duly called meeting of the Association, they shall determine for a fiscal year to waive such Reserves or provide Reserves less adequate than required by F. S. 718.112(2)(f). The vote to waive or reduce Reserves must be taken each fiscal year. If a meeting of the Unit Owners has been called to determine to waive Reserves or provide Reserves less adequate than required, and the result is not attained or a quorum is not attained, the Reserves, as included in the budget, shall go into effect.

Section 3. Notice of Budget Meeting. The Board of Directors shall mail a meeting notice and copies of the proposed annual budget to the Unit Owners not less than fourteen (14) days before the meeting at which the budget will be considered. The meeting shall be open to all the Unit Owners.

Section 4. Member Rejection of Excessive Budget. Upon adoption of a budget by the Board of Directors, a special meeting of the unit owners shall be called if within 21 days after adoption of the annual budget a written request for a special meeting from at least ten percent (10%) of all voting interests has been received by the board. The special meeting shall be conducted within sixty (60) days after adoption of the budget and notice of the special meeting

shall be hand delivered or mailed to each unit owner at least 14 days prior to such special meeting. At the special meeting, Unit Owners shall consider and adopt a budget, which adoption requires an affirmative vote of not less than a majority of all voting interests. If at the special meeting, a quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget adopted by the Board of Directors shall go into effect as scheduled.

Section 5. Alternative Budget Adoption by Members. At its option, for any fiscal year, the Board of Directors may propose a budget to the Unit Owners at a meeting of Members or in writing. If the proposed budget is approved by the Unit Owners at the meeting or by a majority of all voting interests in writing, the budget shall be adopted.

Section 6. Budget Restraints on Developer. As long as the Developer is in control of the Board of Directors, the Board shall not impose an Assessment for any year greater than one hundred fifteen percent (115%) of the previous year's Assessment without approval of a majority of all voting interests other than those held by the Developer.

Section 7. Accounting Records and Reports. The Association shall maintain accounting records in the county in which the Condominium is located, according to good accounting practices. The records shall be open to inspection by any Association member or the authorized representative of the Members at all reasonable times. The records shall include, but are not limited to:

- (a) Accurate, itemized, and detailed records of all receipts and expenditures.
- (b) A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each Assessment, the amount paid on the account, and the balance due.

(c) All audits which may be required, reviews, accounting statements, and financial reports of the Association or Condominium.

(d) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one (1) year. Within sixty (60) days after the end of each fiscal year, the Board of Directors shall mail or furnish by personal delivery to each Unit Owner a complete financial report of actual receipts and expenditures for the previous twelve (12) months.

Section 8. Depository. The depository of the Association shall be those banks or savings and loan Associations, state or federal, located in Florida, as shall be designated from time to time by the Board of Directors and in which the money for the Association shall be deposited. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons authorized by the Board of Directors. Any check or other withdrawal instrument of the Association shall require two signatures, at least one of which shall be a director.

Section 9. Fidelity Bonding. Each Officer and Director of the Association who controls or disburses its funds shall be bonded by a fidelity bond in an amount not less than the maximum funds that will be in the custody of the Association or its management agent at any one time. The cost of bonding shall be at the expense of the Association.

Section 10. Developer's Guarantee. Commencing with the recording of the Declaration and continuing until the end of the first fiscal year of the Association, Developer guarantees that the Assessment of Common Expenses shall not exceed \$150.00 per month for each Unit in the Condominium. Thereafter, Developer in its discretion, shall have the option of extending the

guarantee for additional one (1) month periods of time; provided, however, that notwithstanding any provision to the contrary, the guarantee shall automatically terminate on the date of the meeting of the Unit Owners at which transfer of control of the Association to Unit Owners other than the Developer occurs. The cash payments required from the Developer during the guarantee period shall be determined as follows:

(a) If at any time during the guarantee period the funds collected from the 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, the Developer shall advance sufficient cash to the Association at the time such payments are due; and

(b) No revenues or capital contributions other than regular periodic Assessments, and cash payments by the Developer as provided in sub-paragraph (a) of this Section, may be utilized for the payment of Common Expenses during the guarantee period. This restriction includes items such as interest revenues, vending revenues, laundry revenues, other non-assessment revenue, and capital contributions.

The Developer's total financial obligation to the Association at the end of the guarantee period shall be determined on the accrual basis using the following formula: the Developer shall fund the total Common Expenses incurred during the guarantee period; less the total regular periodic Assessments earned by the Association from the Unit Owners other than the Developer during the guarantee period regardless of whether the actual level charged was less than the maximum guaranteed amount.

ARTICLE VIII

ASSESSMENTS AND COLLECTION

Section 1. Assessments Generally. Assessments shall be made against the Units not less frequently than monthly in the discretion of the Board of Directors. The Assessments shall be made in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The Assessment funds shall be collected against Units in the proportions or percentages provided for in the Declaration. In the event that the regular annual Assessments prove to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors. Unpaid Assessments for the remaining portion of the fiscal year for which an amended Assessment is made shall be payable as determined by the Board of Directors. Provided, nothing herein shall serve to prohibit or prevent the Board of Directors from imposing a lump sum or Special Assessment in case of any immediate need or emergency.

Section 2. Special Assessments. The specific purpose or purposes of any Special Assessment, including emergency Assessments, that cannot be paid from the annual Assessment for Common Expenses, as determined by the Board of Directors, shall be set forth in a written notice of the Assessment sent or delivered to each Unit Owner. The notice shall be sent or delivered within the time before the payment or initial payment thereunder shall be due, as may be reasonable or practicable in the circumstances. Special Assessments shall be paid at the times and in the manner that the Board may require in the notice of the Assessment. The funds collected under a Special Assessment shall be used only for the specific purpose or purposes set forth in the notice, or returned to the Unit Owners. Excess funds may be used to reduce the next year's annual Assessments. Upon completion of the specific purpose or purposes, however, any excess funds shall be considered Common Surplus.

Section 3. Acceleration of Assessments. If a Unit Owner shall be in default in the payment of an Assessment, the Board of Directors may accelerate the remaining annual balance of the Assessment upon filing a claim of lien. The amounts due for the remainder of the budget year in which the claim of lien was filed shall be due and payable on the date the claim was filed.

Section 4. Charges for Other than Common Expenses. Charges by the Association against individual Members for other than Common Expenses shall be payable in advance and the billing and collection thereof may be administered by the Association. Charges for other than Common Expenses may be made only after approval of a Member or when expressly provided for in the Declaration or other Governing Document of the Association. These charges may include, without limitation, charges for the use of the Condominium Property, maintenance services furnished at the expense of a Member, and other services furnished for the benefit of a Member.

Section 5. Liability for Assessments. Each Unit Owner, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all Assessments that come due while he or she is the Unit Owner. Each Unit Owner is jointly and severally liable with the previous owner of the Unit for all unpaid Assessments that came due up to the time of transfer of title. A first Mortgagee or its successor or assignee who acquires title to a unit by foreclosure or by deed in lieu of foreclosure for the unpaid Assessments that became due before the mortgagee's acquisition of title is limited to the lesser of:

- (a) the Unit's unpaid Common Expenses and regular periodic Assessments that accrued or came due during the six (6) months immediately preceding the acquisition of title and for which

payment in full has not been received by the Association; or

(b) one percent (1 %) of the original mortgage debt.

The provisions of this paragraph shall not apply unless the first Mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location that was known to or reasonably discoverable by the Mortgagee.

A Unit Owner's liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the Assessments are made.

Section 6. Assessments; Amended Budget. If the annual Assessment proves to be insufficient, the budget and Assessments may be amended at any time by the Board of Directors. Unpaid Assessments for the remaining portion of the year for which an amended Assessment is made shall be payable in as many equal installments as there are installment payment dates remaining in the budget year as of the date of the amended Assessment. The budget shall not be amended for emergency or special nonrecurring expenses.

Section 7. Collection: Interest Administrative Late Fees, Application of Payment. Assessments and installments on them, if not paid within 10 days after the date they become due, shall bear interest at the rate of eighteen percent (18%) per year until paid. The Association may charge an administrative late fee not to exceed the greater of \$25.00 or five percent (5%) of each installment of the Assessment for each delinquent installment that the payment is late or such other amount as may be allowed by statute and determined by the Board of Directors. All Assessment payments shall be applied first to any interest then to any administrative late fee, then

to any cost, reasonable attorneys fees incurred in collection, and then to the delinquent Assessment payment due.

Section 8. Lien for Assessment. The Association has a continuing lien on each Condominium Unit to secure the payment of Assessments. The lien is effective for one (1) year after the claim of lien is recorded in the Public Records of Orange County unless, within that time, an action to enforce the lien is commenced. The claim of lien shall secure all unpaid Assessments that are due and that may accrue after the recording of the claim of lien and before the entry of a certificate of title, as well as interest and all reasonable costs and attorney's fees incurred by the Association incident to the collection process.

Section 9. Collection: Suit. Notice. The Association may bring an action to foreclose any lien for Assessments in the manner that a mortgage of real property is foreclosed. It also may bring an action to recover a money judgment for the unpaid Assessment without waiving any claim of lien. The Association shall give notice to the Unit Owner of its intention to foreclose its lien at least thirty (30) days before the foreclosure action is filed. The notice shall 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 his last known address.

Section 10. Fines. Before levying a fine under Article V, Section 19 of these Bylaws, the Board of Directors shall afford an opportunity for hearing to the party against whom the fine is sought to be levied, after reasonable notice of not less than fourteen (14) days. Said hearing shall be held before a committee of Unit Owners other than the Board. The notice shall include:

- (1) a statement of the date, time and place of the hearing;
- (2) a statement of the provisions of the Declaration, these Bylaws, and lawfully adopted

Rules and Regulations that have allegedly been violated; and

- (3) a short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved to the Board of Directors and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. Each day of violation shall be a separate violation. The affected Unit Owner, whether the offending party or not, shall be given notice of the hearing. No fine shall exceed \$100 per violation, a fine may be levied on the basis of each day of a continuing violation provided, however, that no such fine shall in the aggregate exceed \$1,000.

Subsequent to the hearing and any continuance thereof, but nevertheless, not later than ten (10) days following adjournment of the hearing, the Board of Directors shall make a final decision as to the levying and assessment of the fine. The Board of Directors however, may not impose a fine if the committee does not agree. Such decision shall be delivered to the party against whom the fine is sought to be levied by notice in writing at the last known address of the party. No fine shall become a lien against a Unit. No fines may be levied upon unoccupied Units.

ARTICLE IX

ASSOCIATION CONTRACTS.

GENERALLY

Section 1. Fair and Reasonable: Cancellation. Any contracts made by the Association before the Unit Owners assume control from the Developer shall be fair and reasonable. All contracts for the operation, maintenance, or management of the Association or Property serving the Unit Owners, made by the Association, whether before or after assumption of control of the

Association by the Unit Owners, shall not be in conflict with the powers and duties of the Association or the rights of the Unit Owners. Contracts made by the Association before the Unit Owners assume control may be canceled by the Unit Owners after assumption of control in the manner and under the circumstances as provided in the Condominium Act.

Section 2. Escalation Clauses in Management Contracts Prohibited. No management contract entered into by the Association shall contain an escalation clause, since such have been declared to be against the public policy of the state of Florida.

Section 3. Requirements for Maintenance and Management Contracts. Written contracts for operation, maintenance, and management entered into by the Association shall contain certain provisions in order to be valid and enforceable. These include, but are not limited to:

- (a) Specification of the services, obligations, and responsibilities of the service provider.
- (b) Specification of costs for services performed.
- (c) An indication of frequency of performance of services.
- (d) Specification of minimum number of personnel to provide the contracted services.
- (e) The disclosure of any financial or ownership interest that the Developer has in the service provider, if the Developer is in control of the Association.

ARTICLE X

ASSOCIATION OFFICIAL RECORDS

Section 1. The Association, from its inception, shall maintain each of the following items when applicable and to the extent such is required by Chapter 718, Florida Statutes, which items shall constitute the official records of the Association ("Official Records"):

- (a) A copy of the plans, permits, warranties, and other items provided by the

Developer under ES. 718.301(4).

- (b) A photocopy of the recorded Declaration of the Condominium operated by the and all amendments thereto.
- (c) A photocopy of the recorded Bylaws of the Association and all amendments thereto.
- (d) A certified copy of the Articles of Incorporation of the Association and all amendments thereto.
- (e) A copy of the current Rules and Regulations of the Association.
- (f) A book or books containing the minutes of all meetings of the Association, of the Board of Directors, and of Unit Owners, which minutes shall be retained for a period of not less than seven (7) years.
- (g) A current roster of all Unit Owners, their mailing addresses, Unit identifications, voting certifications, and, if known, telephone numbers. Additionally, the Association may require a copy of the deed or other instrument showing each Units ownership, together with a copy of any mortgage on the Unit and any satisfaction of that mortgage.
- (h) All current insurance policies of the Association and Condominiums operated by the Association.
- (i) A current copy of any management agreement Lease, or other contract to which the a party or under which the Association or the Unit Owners have an obligation or responsibility.
- (j) Bills of sale or transfer for all Property owned by the Association.
- (k) The accounting records and reports of the Association as set forth in Article VII,

Section 7 of these Bylaws.

(1) Ballots, sign-in sheets, and voting proxies, which shall be maintained for a period of one year from the date of the election, vote, or meeting to which the proxy relates.

(m) All rental records when the Association is acting as agent for the rental of Condominium Units.

(n) A copy of the current Frequently Asked Questions and Answers Sheet in a form adopted by the Division of Florida Land Sales, Condominiums, and Mobile Homes.

(o) All other records of the Association not specifically included in the foregoing that are related to the operation of the Association.

Section 2. The Official Records of the Association shall be maintained within the state of Florida and shall be open to inspection by any Association Member or the authorized representative of the Member at all reasonable times. The right to inspect the records includes the right to make or obtain copies, at the reasonable expense, if any, of the Association Member. The Association shall provide the records within ten (10) working days after receipt of a written request. The Association shall not be obligated to send copies of Official Records to the requesting Association Member. To the extent same is required by the Act, copies of the Declaration, Articles, Bylaws, Rules and Regulations and all amendments to each of the foregoing, as well as the Frequently Asked Question and Answer Sheet provided for in F.S. 7 18.504, shall be kept on the Condominium Property and be made available to Unit Owners and prospective purchasers upon payment by Unit Owners and prospective purchasers of the actual costs for preparing and furnishing these documents to those requesting the same. The Association shall also maintain copies of the year-end financial information required to be

provided by Section 718.111(13), Florida Statutes.

ARTICLE XI

OBLIGATIONS OF OWNERS

Section 1. Violations. Notice. Actions. In the case of a violation (other than the nonpayment of an Assessment) by a Unit Owner of any of the provisions of the Act, the Declaration, the Articles, these Bylaws, or any lawfully adopted Rules and Regulations, the Association by direction of its Board of Directors may transmit to the Unit Owner by certified mail, return receipt requested, a notice of the violation. If the violation shall continue for a period of thirty (30) days from the date of the notice, the Association shall have the right to treat the violation as an intentional and material breach of the provision cited in the notice. The Association, then, at its option, may take the following actions:

- (1) File an action to recover for its damages on behalf of the Association or on behalf of other Unit Owners.
- (2) File an action for injunctive relief requiring the offending Unit Owner to cease or desist from taking certain actions or to take such actions as are required to be taken to come into compliance or correct the violation.
- (3) File an action for both damages and injunctive relief

The foregoing action may be taken in addition to the Association's right to impose fines under Article V, Section 19 of these Bylaws.

A Unit Owner may bring an action against the Association or any Director for damages, injunctive relief, or both, if the Association or a Director willfully and knowingly fails to comply with the provisions of the Act, the Declaration, the Articles, these Bylaws, or the Rules and

Regulations.

Section 2. Attorneys' Fees. In any action brought under the provisions of Article XI. Section 1 of these Bylaws, the prevailing party is entitled to recover costs and reasonable attorneys' fees and paralegal fees, whether suit is brought or not and at all levels of any litigation, including any appeals.

Section 3. No Waiver of Rights. Neither a Unit Owner nor the Association may waive a provision of the Act if that waiver would adversely affect the rights of a Unit Owner or the purposes of the provision, except that Unit Owners or Board Members may waive notice of specific meetings in writing.

ARTICLE XII

ARBITRATION OF INTERNAL DISPUTES

All issues or disputes that are recognized by the Act or by administrative rules promulgated under the Act as being required for mediation or arbitration shall be resolved through the alternative dispute resolution procedures instead of civil litigation. Any issues or disputes that are so recognized as being appropriate, but not required, for mediation or arbitration may be, but are not required to be, resolved through said alternative dispute resolution procedures, or same may be resolved or enforced through civil litigation.

ARTICLE XIII

LIABILITY SURVIVES MEMBERSHIP TERMINATION

Termination of Membership in the Association shall not relieve or release a former Member from any liability or obligation incurred with respect to the Condominium Parcel during the period of Membership nor impair any rights or remedies that the Association may have

against the former Member arising out of Membership and his or her covenants and obligations incident to that Membership.

ARTICLE XIV

LIMITATIONS ON UNIT OWNER LIABILITY

FOR USE OF COMMON ELEMENTS

Each Unit Owner may be personally liable for the acts or omissions of the Association relating to the use of the Common Elements. That liability shall be shared with other Unit Owners in the same percentages as their respective interests in the Common Elements. No individual Unit Owner's liability shall exceed the value of his or her Unit.

ARTICLE XV

PARLIAMENTARY RULES

Unless suspended or other rules are approved by the body so meeting, ROBERT'S RULES OF ORDER (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Act, the Declaration, the Articles, or these Bylaws.

ARTICLE XVI

RULES AND REGULATIONS

Section 1. Board May Adopt. The Board of Directors from time to time may adopt and amend reasonable Rules and Regulations governing the details of the use and operation of the Common Elements, Association property, and recreational facilities serving the Condominium.

Section 2. Posting and Furnishing Copies. A copy of the Rules and Regulations adopted from time to time by the Board of Directors, and any amendments to existing rules and regulations, shall be posted in a conspicuous place on the Condominium Property and a copy

furnished to each Unit Owner. No rule, regulation, or amendment shall become effective until thirty (30) days after posting, except in the case of an emergency, in which case the rule, regulation, or amendment shall become effective immediately on posting.

Section 3. Reasonableness Test. Any rule or regulation created and imposed by the Board of Directors must be reasonably related to the promotion of the health, happiness, and peace of mind of the Unit Owners and uniformly applied and enforced.

ARTICLE XVII

RESTRICTIONS ON AND REQUIREMENTS FOR USE, MAINTENANCE, AND APPEARANCE OF UNITS

Section 1. Where Contained. Restrictions on the use, maintenance, and appearance of the individual Condominium Units shall be as stated in the Declaration and in the Rules and Regulations and amendments to the Declaration shall only be adopted pursuant to the amendment provisions set forth in Declaration.

Section 2. Tests for Validity of Restrictions. Restrictions contained in the Declaration and any amendments duly adopted by a vote of the Unit Owners shall be valid and in the nature of covenants running with the land, unless it is shown that such (1) are wholly arbitrary in their application; (2) are in violation of public policy; or (3) abrogate some fundamental constitutional right.

ARTICLE XVIII

PRIORITIES IN CASE OF CONFLICT

Section 1. In the event of conflict between or among the provisions of any of the

following, the order of priorities shall be, from highest priority to lowest:

- (1) The Act, as it existed on the date of recording the Declaration.
- (2) The Declaration.
- (3) The Articles.
- (4) These Bylaws.
- (5) The Rules and Regulations.

ARTICLE XIX

INDEMNIFICATION

Every current and former Officer and Director of the Association shall be indemnified by the Association against all expenses and liabilities, including reasonable attorneys' fees incurred and imposed in connection with any proceedings to which he or she may be a party, or in which he or she may become involved by reason of being or having been an Officer or Director of the Association, whether or not an Officer or Director at the time the expenses are incurred. The Officer or Director shall not be indemnified if adjudged guilty of gross negligence or willful misconduct or if he or she shall have breached his fiduciary duty to the Members of the Association. The Association shall not be liable, however, for payment of a voluntary settlement unless it is first approved by the Board of Directors. The foregoing rights shall be in addition to and not exclusive of all other rights to which the Director or Officer may be entitled.

ARTICLE XX

DEFECTIVE CONDOMINIUM DOCUMENTS; CURATIVE PROVISIONS

Under F.S. 718.110(10), the Association or a Unit Owner may petition the circuit court having jurisdiction in the county in which the Condominium property is situated to correct an

error or omission in the Declaration or any other documents required to establish the Condominium, affecting its valid existence, and which errors or omissions are not correctable by the amendment procedures in the Declaration or the Act. In any case, after three (3) years from the filing of the Declaration, it shall be deemed to be effective under the Act to create a Condominium, whether in fact it substantially complies with the mandatory requirements of the Act or not.

ARTICLE XXI

AMENDMENTS

Section 1. Amendments to these Bylaws shall be proposed and adopted in the following manner:

- (1) **Notice.** Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.
- (2) **Adoption.** An amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the voting interests of the Association. The amendment shall be adopted if it is approved by not less than two thirds (2/3) of the voting interests of the Association. Provided, however, that no amendment shall discriminate against a Condominium Unit Owner nor against a Condominium Unit or class or group of Units unless the Condominium Unit Owners so affected shall consent.
- (3) **Limitation.** No amendment shall be made that is in conflict with the Act or the Declaration, nor shall any amendment abridge, alter, or amend the rights of

the Developer or Mortgagees of Units without their consent.

(4) Recording. A copy of each amendment shall be attached to or included in a certificate certifying that the amendment was duly adopted as an amendment of these Bylaws. The certificate, which shall identify the first page of the book and page of the public records where the Declaration of the Condominium operated by the Association is recorded, shall be executed by the President or Vice President and attested by the Secretary of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of Orange County.

(5) Format. Proposals to amend existing Bylaws shall contain the full text of these Bylaws to be amended. New words shall be underlined and words to be deleted shall be lined through with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying "SUBSTANTIAL REWORDING OF BYLAW. SEE BYLAW NUMBER FOR PRESENT TEXT."

(6) Developer Rights. No amendment of these Bylaws may be adopted which effects the rights of Developer unless Developer joins in and consents to such amendment.

ARTICLE XXII

CONSTRUCTION

Whenever the context permits or requires, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

The foregoing were adopted as these Bylaws of **LAGO DE ORO CONDOMINIUM ASSOCIATION, INC.**, a Florida not-for-profit corporation, on this 6th day of OCTOBER, 2005.

LAGO DE ORO CONDOMINIUM ASSOCIATION, INC., a Florida not-for-profit corporation

Mansour Max Sabeti, President

ATTEST:

Lana Sabeti, Secretary

ADDRESS:

C/O Metropolis Homes
128 East Colonial Drive
Orlando, FL 32801

Exhibit “E”

Association Rules and Regulations

16 pages

COPY

RULES AND REGULATIONS
OF
LAGO DE ORO CONDOMINIUM ASSOCIATION, INC.

In addition to the provisions of the Bylaws of LAGO DE ORO CONDOMINIUM ASSOCIATION, INC. (hereinafter referred to as "Association") and the Declaration of Condominium, the following Rules and Regulations, together with such additional rules and regulations as hereafter may be adopted by the Board of Administration ("Board of Directors") of the Association, shall govern the use of all Units located in LAGO DE ORO, A CONDOMINIUM and the conduct of all residents thereof whether the same are Unit Owners, approved lessees or the guests of Unit Owners and lessees. All capitalized words and terms herein shall have the same meaning as defined in Article IV of the Declaration.

1. Residential Purposes Only

Each Unit on the Condominium Property shall be used only for residential purposes and as a single-family private dwelling for the Unit Owner, members of his family, approved tenants and social guests and for no other purposes.

- (a) Family. For purposes of Article IV, Section 28 of the Declaration of Condominium, the term "Family" shall mean and be defined as one natural person or a group of two or more natural persons, each of whom is related to each of the others by blood, marriage, or adoption (exclusive of household servants); or not more than three (3) adult persons not so related, who reside together as a single not-for-profit housekeeping Unit.

- (b) Use and Occupancy of Units.

- (1) Due to the restrictions as contained in the Declaration of Condominium relating to single-family use and occupancy of Units, Unit Owners, whether present or not, shall be allowed to have the following persons occupy the Unit; husband and/or wife; parents; children and grandchildren.
- (2) In the absence of the Unit Owner, guests may occupy the Unit with the prior written consent of the Association. Such visits are limited to a two (2) week period, twice in any calendar year.

2. Insurance Provisions. Unit Owners shall not permit or suffer anything to be done or kept in their Units, which will increase the rate of insurance or the insurance premiums on the Condominium Property.

3. Nuisance. Unit Owners shall not permit or suffer any unreasonable noise, disturbance or nuisance whatsoever on the Condominium Property which will obstruct or interfere with the rights of other Unit Owners; nor shall the Unit Owners commit or permit any nuisance, immoral or illegal act in or about the Condominium Property.

4. Compliance With Laws and Governing Documents. Unit Owners shall comply with all laws, orders and regulations of federal, state, county, municipal and other governmental authorities, and with the directions of any public officer pursuant to law, which shall impose any violation, order or duty upon the Unit Owners with respect to the Condominium Property or the use or occupancy thereof. The use of the Units shall be consistent and in compliance with existing laws, the provisions of the Declaration of Condominium, the Articles of Incorporation, the Bylaws, and these Rules and Regulations.

5. Manager. The management of the Condominium Property shall be under the direct supervision of the Board of Directors or a manager contracted with for the purpose of managing the Condominium Project by the Association. The Board of Directors or manager, are hereinafter collectively referred to as "Manager." It shall be the Manager's responsibility to provide for the maintenance of the buildings and grounds located on the Condominium Property as well as to enforce these Rules and Regulations. No resident shall direct, supervise or in any manner attempt to assert control or authority over any employee of the Association. The Manager and his designated representatives shall have access to all Units for maintenance, repairs and replacement, as necessary, of any Common Elements and to otherwise prevent any damage to the Common Elements or other Units.

In all instances where a Unit Owner or approved lessee has tendered the keys to a particular Unit to another person, it is incumbent upon the Unit Owner or approved tenant to provide the Manager or, in his absence, his authorized representative with the name, telephone number and apartment number of such person.

In the event of an emergency whereupon, in the judgment of the Manager or his authorized representative, it becomes necessary to forcibly enter a Unit of the Condominium Property, the cost of any damage incurred in said property shall be borne by the particular Unit Owner where said damage took place.

6. Complaints and Grievances. Any and all complaints and grievances should be directed, in writing, to the Manager.

7. Obstruction of Common Elements. Common Elements shall not be obstructed, littered, defaced or misused in any manner whatsoever.

8. Amendments for Structural Changes. No structural changes or alterations shall be made in any Unit, unless the record owner of the units and all record owners of lien join in the execution of amendments and unless at least a majority of the record owners of all the units approve the amendment. Such prior consent of the Mortgagee may not be unreasonably withheld.

9. Advertisement Displays. No Unit Owner or occupant of a Unit shall display any advertisement or posters of any kind, in or on the condominium Unit or the Condominium Property except for the developer.

10. Noise. Owners and occupants of Units shall exercise care to regulate the use and occupancy of their Units and to minimize noises in the use of musical instruments, radios, television sets, amplifiers or other loudspeaker devices in said Units so as not to disturb the other persons occupying Units within the Condominium Property. None of these devices shall be operated between the hours of 11:00 p.m. and the following 8:00 a.m. in such a manner as same shall disturb or annoy other occupants of the Condominium Property.

11. Installation of Over-the-Air Reception Devices. The United States Federal Communications Commission, pursuant to the Federal Telecommunications Reform Act of 1996, has promulgated certain regulations regarding Over-the-Air Reception Devices (OTARDs), under Title 47 of the United States Code of Federal Regulations, § 1.4000. OTARDs include satellite dishes, wireless cable antennas, and television broadcast signal antennas. These Regulations preclude the Association from imposing certain restrictions upon the Unit Owner to erect or maintain OTARDs to the extent that such regulations or restrictions serve to impair the

reception of a reasonably clear signal. However, the Board of Directors is authorized to issue Rules and Regulations, by a majority vote, regulating such OTARDs, providing such Board adopted Rule and Regulation is not inconsistent with any Federal or State Law or Regulation. However, such law does allow and the Association hereby does impose the following restrictions on OTARD installation and maintenance:

- a. No Unit Owner may erect an OTARD on any Common Elements.
- b. Unit Owners may erect and OTARD on Limited Common
- c. No Unit Owner may erect an OTARD more than twelve (12) feet in height without obtaining the approval of the appropriate local building department confirming that such OTARD is erected in a safe manner.
- d. No Unit Owner may erect a satellite dish that exceeds one meter in diameter on any Unit.
- e. It is the intent of this provision that the Board of Directors retains the authority to issue further regulations of OTARDs in the event and to the extent that the Association's ability to regulate such OTARDs is challenged or increased by further actions of the United States Congress or the Federal Communications Commission.
- f. An OTARD or Qualifying Satellite Dish may not be located, attached and/or secured above the horizontal plain of the soffit nearest to the dish, and in no event higher than twelve (12') feet

from the ground level.

- g. Provided the following shall not materially affect reception, Qualifying Satellite Dishes shall be painted or colored to blend in with the surroundings. If the Qualifying Satellite Dish is attached to a building or other structure, the Qualifying Satellite Dish shall be painted or colored to match with the building colors. If the Qualifying Satellite Dish is secured to a pole or slab, the Qualifying Satellite Dish shall be painted or colored to match with the surrounding landscaping.
- h. Qualifying Satellite Dishes shall not be attached and/or affixed to a building or structure in a fashion that is inconsistent with applicable building codes or which fails to maintain the structural integrity and exterior finishes of the building.
- i. Unit Owners shall not permit their Qualifying Satellite Dishes to fall into disrepair or to become safety hazards.
- j. Unit Owners shall be responsible for Qualifying Satellite Dish maintenance and repair.
- k. Unit Owners shall be responsible for repainting or replacement of OTARDS if the exterior surfaces thereof deteriorate.
- l. OTARDS may not be used in any manner, which causes an increase in the cost of insuring, maintaining, repairing or replacing any portion of the Properties required to be maintained, repaired or

replaced by the Association.

These Rules and Regulations pertaining to OTARDS shall be deemed to be amended so as to conform to all Federal Laws, rules and court decisions as they may be amended from time to time.

12. Use of Patios. No owner or occupant of a Unit shall use the terrace or patio of a Unit for the drying of laundry or the airing of bedding, or in such other manner as shall alter the exterior appearance of said terrace or patio. Patios are not to be used for storage. No articles shall be placed on the outside windowsills or outside Patio railings. Burners and grills may not be used in patios; balconies.

13. Maintenance of Units. Each Unit Owner and the occupants of a Unit shall maintain the Unit in good condition and repair, including, but not limited to, all interior surfaces within or surrounding said Unit (such as the surfaces of the walls, ceilings, floors), whether part of the Unit or the Common Elements, shall maintain and repair the fixtures therein and shall pay for the costs of all utilities as are separately metered to his Unit. Expenses of maintenance and repair relating to the interior surfaces of the terraces and balconies of the Units shall be borne by and assessed against the individual Unit Owner.

14. Pets. Only Unit Owners may keep a pet in a Unit. A Unit Owner may not keep more than 1 pet at one time. Pets shall be kept under control at all times and will not be permitted to cause any unnecessary noise or disturbance. Tenants and guests shall not be permitted to have pets. The weight of such pet shall not exceed 25 pounds.

Notwithstanding the above paragraph, all pets must be registered with the Association. Prior to any Unit Owner keeping a pet within the Condominium Property, a majority of the

Board of Directors must approve each particular pet in writing, which approval shall not be unreasonably withheld. The right to keep said pets by any Unit Owner may be revoked at any time by the decision of a majority of the Board of Directors in the exercise of their sole judgment and discretion that the pet has become a nuisance to other Unit Owners. Upon such revocation, the Unit Owner shall forthwith remove the pet from the Unit. The Unit Owner have no recourse against the Association or members of the Board of Directors for any decision made regarding the removal of pets from the Unit.

During such time when a pet is housed in a Unit, the Unit Owner will be required to indemnify and hold the Association harmless against any and all claims, liabilities, demands, debts, obligations, costs and expenses which may be sustained by or asserted against the Association and the members of its Board of Directors by reason of acts of said pets committed in or about the Condominium Property, and the Unit Owner shall also be responsible for the repair of all damage resulting from acts of said pet and must use proper scoopers to clean after the pet.

15. Trash Areas. Trash areas must be kept clean at all times. In addition, trash must be securely wrapped and/or bagged, and it is suggested that plastic disposal bags be used for this purpose, thus eliminating odors and damage.

16. Vehicles Permitted. Garages and Parking Spaces.

- (a) Residents must park their cars and other motor vehicles only in designated garages. All parking spaces outside the assigned parking spaces not subject to a Unit shall be under the control and supervision of the Association and may be used by the Unit Owners, their guests and invitees subject to these Rules and

Regulations and those as may be further promulgated by the Association.

Assigned parking spaces shall be free of debris and may not be used as storage.

Unit owners are required to park a vehicle in their garage prior to using any of the parking spaces available for additional cars and visitors cars. Use of garages or storage spaces or any other uses other than parking vehicles is in violation of these rules and may be subject to a fine. Garage doors are to stay closed except at times of entry and exit.

- (b) No boat trailers, or other trailers, commercial trucks and vans, campers, mobile homes and other commercial vehicles, other than private passenger cars, pick-up trucks and sport utility vehicles may be parked upon the Condominium Property. Motorcycles may be parked on Condominium Property with the prior consent of the Board of Directors, which consent shall not be unreasonably withheld. Vehicles necessary to the maintenance and management of the Condominium by the Association are exempted from the provisions contained herein.
 - (c) Unit Owners may not park a vehicle weighing more than two and one half (2 ½) tons on their property. Boats and trailers owned by Unit Owners are not permitted.
 - (d) Illegally parked cars may be towed away at the owner's risk and expense. Compliance with designated speed limits will be strictly enforced.
 - (e) No junk, inoperable vehicles or those without current registration plates may be parked on any portion of the Condominium Property.
17. Children. Children will be the direct responsibility of their parents or legal

guardians, including full supervision of them while within the Condominium Property and including full compliance by them with these Rules and Regulations and all other provisions of the Declaration and Bylaws of the Association. Children's toys and bicycles are to be stored within Units or the appurtenant garage and not in open parking areas, the Common Elements or other Condominium Property.

18. Specific Rules and Regulations Regarding Sale or Lease of Units. Although detailed rules have been outlined in the Declaration regarding sale or lease of Units, several specific Rules and Regulations are also provided for herein:

- (a) No Unit Owner may sell or lease his apartment without first giving written notice to the Board of Directors of the Association and without first obtaining the written approval of a majority of the Board of Directors.
- (b) Lease of a Unit shall not release or discharge the Unit Owner from compliance with any and all of his obligations, duties and responsibilities as a Unit Owner and a member of the Association.
- (c) Notice is hereby given that, if any Unit Owner contemplates selling or leasing his Unit, it is necessary that he obtain a confidential information form from the Board of Directors. This form must be filled out in every detail by the prospective purchaser or tenant, giving all the information requested. After completion, this form must then be sent to the attention of the Board of Directors for processing, together with a check for the established fee. All applicants for purchase or rental of a Unit may be required to appear before a screening board. If the application is denied, no reason need be given to the applicant, and no return of the processing

fee need be made.

- (d) In the event of an approved sale of a Unit, the Association will issue a Certificate of Approval, in recordable form. Prospective tenants must also be approved by the Board of Directors, prior to occupancy.
- (e) Before issuing the Certificate of Approval or approving a tenant, the Board of Directors may request an interview with the prospective buyer or tenant of a Unit.
- (f) To defray the cost of investigation, processing of forms and recording, an assessment of \$50 will be made against the seller of a Unit, payable to the Association. An assessment of \$50 will be made against an owner wishing to lease his Unit in accordance with the provisions of the Declaration of Condominium. The term of lease must be a minimum of seven (7) months in length. No tenant is permitted to sublet.
- (g) Tenants of any Unit shall not be permitted to have pets of any kind.
- (h) All provisions of the Declaration of Condominium, as amended, the Articles of Incorporation, as amended, Bylaws, as amended, and the Rules and Regulations of the Association pertaining to the use and occupancy of the condominium shall be applicable and enforceable against any and all persons occupying a Unit as a tenant to the same extent and effect as against the Unit Owners.

19. Specific Rules and Regulations Regarding Assessments and Fines.

- (a) Maintenance and Assessment payments are due on the first of every month, payable in advance, to the Association. No statement shall be sent, as this would incur an unnecessary expense of the Association. In addition, fines may be levied

by the Board of Directors for violations of any of the Rules and Regulations contained herein, or adopted from time to time by the Board of Directors. Special Assessments, Capital Improvement Assessments may also be levied in conformance with the Declaration.

- (b) The Association shall have a lien against each Unit for any unpaid Assessments, special Assessments if and when such charges are not paid by the 10th day of the particular month in which said payments are due. All such liens may be foreclosed by suit filed in the name of the Association.

20. General Rules and Regulations.

- (a) Unit doors are the responsibility of the Unit Owner and must be kept clean at all times.
- (b) Fire regulations do not permit open fires in Units except when fires are contained in fireplaces.
- (c) Cigarette receptacles shall not be used for trash items.
- (d) All storm shutters or other allowable enclosures of any patio and window shall be of such a material, design and color which is in keeping with the architectural design, integrity and color coordination of the exterior of the Condominium buildings, and shall be approved by the Board of Directors.
- (e) Unit Owners shall not permit rubbish, refuse or garbage to accumulate in the vicinity of the Units, nor permit any fire hazard to exist.
- (f) Unit Owners, tenants and their guests shall not at any time enter upon the roof of the building.

- (g) Unit Owners shall be responsible for the acts and conduct of their guests and tenants. Owners shall advise such guests and tenants of these Rules and Regulations and shall require them to comply herewith.
- (h) Any complaints, comments or suggestions as to the operation or maintenance of the Condominium Project and/or building should be in writing and given to the Manager and such must be signed by the owner.
- (i) No Unit Owner or occupant is authorized to reprimand or give orders to any other Unit Owner, guest, tenant or employee of the Condominium.
- (j) Complaints concerning misconduct, poor decorum or infractions of the regulations should be reported to the Manager.
- (k) No additions to, changes in, or deletions from the landscaping and structure of this development may be made without prior approval from the Board of Directors.
- (l) The sidewalk entrances, passages, elevators, if applicable, vestibules, stairways, corridors, halls, and all of the Common Elements must not be obstructed by shopping carts, chairs, benches, tables or any other object of a similar type nature, or encumbered or used for any purposes other than ingress and egress.
- (m) The personal property of all Unit Owners shall be stored within their Units, or where applicable, in assigned storage space.
- (n) No garbage cans, supplies, milk bottles or other articles shall be placed in the Common Elements, nor shall any linens, cloths, clothing, including bathing suits and towels, curtains, rugs, mops or laundry of any kind or other articles, be

shaken or hung from any of the windows, doors, terrace or patios or exposed on any part of the Common Elements. Fire exits shall not be obstructed in any manner, and the Common Elements shall be kept free and clear of rubbish, debris and other unsightly material.

- (o) Refuse and bagged garbage shall be deposited only in the area provided therefore.
- (p) No Unit Owner or lessee shall direct, supervise or in any manner attempt to assert any control over the employees of the Manager or the Association.
- (q) No inflammable, combustible or explosive fluid, chemical or substance, shall be kept in any Unit or within Common Elements or storage areas, except such as are required for normal household use.
- (r) Each Unit Owner who plans to be absent from his Unit during the hurricane seasons must prepare his Unit prior to his departure by:
 - (i) Removing all furniture, plants and other objects from his balcony; and
 - (ii) Designating a responsible firm or individual, if other than the Manager, to care for his Unit should the Unit suffer hurricane damage, and furnishing the Manager with the name of such firm or individual. Such firm or individual shall contact the Manager for clearance to install or remove hurricane shutters, and such party shall be subject to the approval of the Manager.
- (s) The Board of Directors reserves the right to make additional Rules and Regulations as may be required from time to time without consent of the Association and its members. These additional Rules and Regulations shall be as binding as all other Rules and Regulations previously adopted.

- (t) No person may enter upon the roof of any building on the Condominium Property. Sunbathing and work of any kind is not permitted on the roof or in any parking area.
- (u) Unit Owners and lessees are reminded that they are responsible for their actions, the actions of their children and their guests, and will be held responsible for any misbehavior or any damages to property or for failure to obey the Rules and Regulations.
- (v) There shall be no soliciting anywhere in the complex for any reason, cause, charity or purpose whatsoever except as provided herein. A small notice on the bulletin board of a building, or on any community bulletin board at the recreation facility, if applicable, regarding the charity and a request that people contribute to the charity if they are interested in contributing is permitted.

21. Units Owned by Corporations. Due to the restriction on single-family use of Units, Units owned by corporations must designate a natural single family who will use and occupy the Unit. This designation may be changed a maximum of once per calendar year. All designations shall be on forms promulgated by the Association, and subject to approval of the Association, which approval shall not be unreasonably withheld.

22. Compliance with Rules and Regulations. Each Unit Owner and each tenant and guest of the Unit Owner shall comply with and abide by all the above Rules and Regulations and also such Rules and Regulations as may hereafter be adopted from time to time the Board of Directors. Notwithstanding any of the above Rules and Regulations, the Board of Directors has the authority, under special circumstances, and in its sole discretion, to grant exceptions to these

Rules and Regulations, provided same are approved in writing by a majority of the Board of Directors. Additionally, the Board of Directors reserve the right to change or revoke the existing rules and make such additional Rules and Regulations from time to time in conformance with Article XVIII, Section 22 of the Declaration, as shall be deemed necessary or desirable for the safety and protection of the Condominium buildings or their occupants.

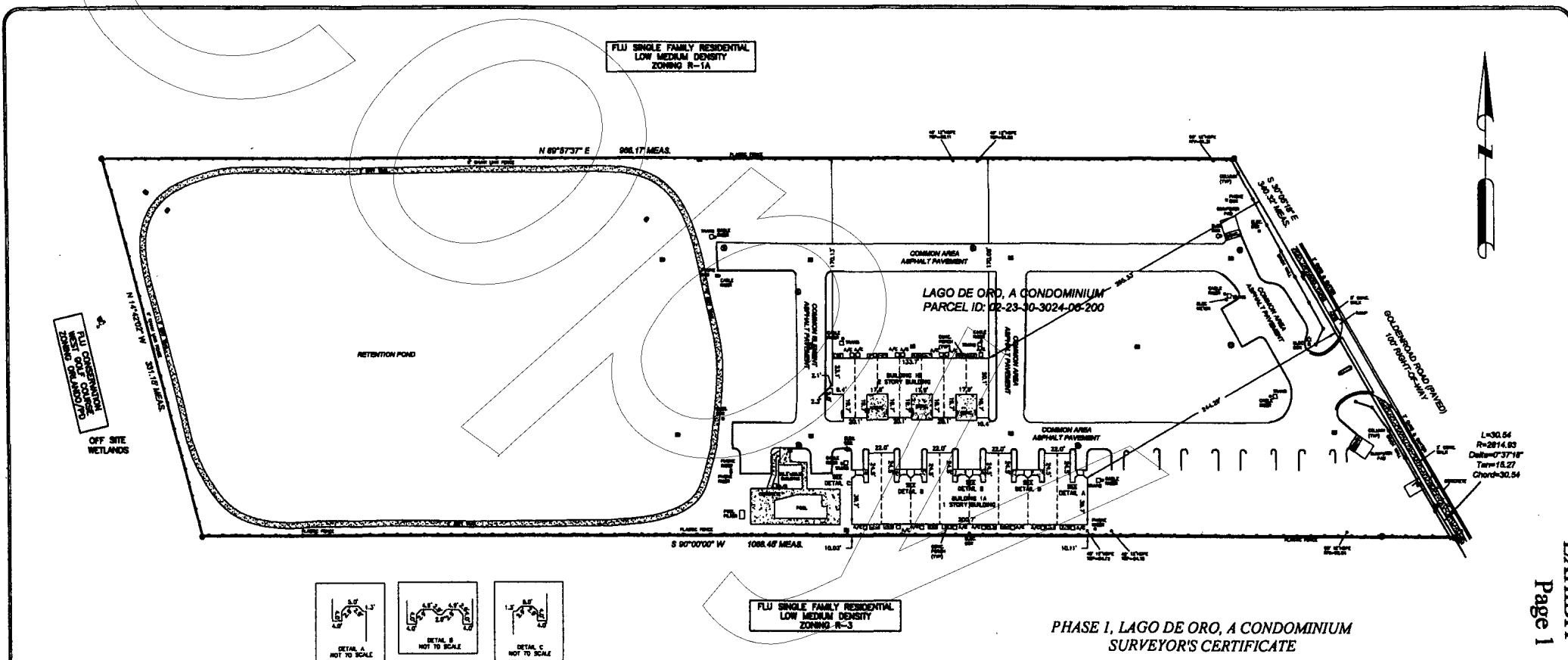
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Exhibit "F"

Condominium Plot Plan and Survey


6 pages

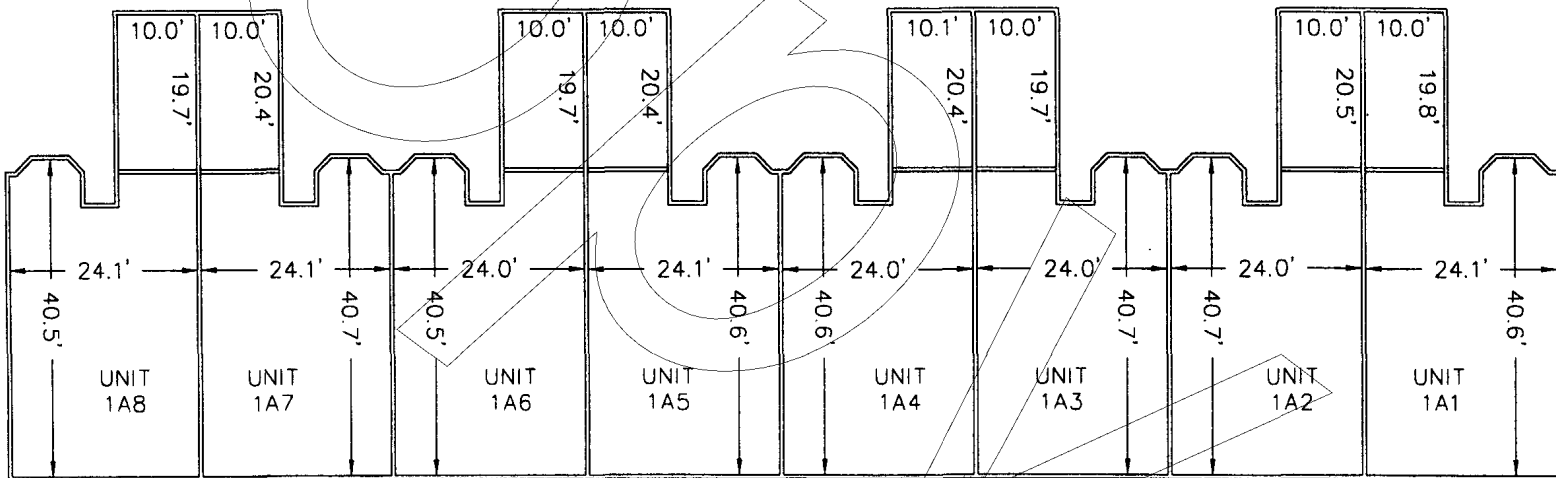
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**PHASE I, LAGO DE ORO, A CONDOMINIUM
SURVEYOR'S CERTIFICATE**

The undersigned, being a surveyor authorized to practice in the State of Florida, hereby certifies that the construction of the improvements of Lago De Oro, a condominium described in this survey, plot plan and graphic description of improvements is substantially complete so that such material, together with the provisions of the Declaration of Condominium, describing the condominium property is an accurate representation of the location and dimensions of the improvements and further, that the identification, location and dimensions of the common elements and of each unit can be determined from these materials.

Date: 05/31/2007	Drawn by: SDS	EXHIBIT TO DECLARATION OF CONDOMINIUM OF LAGO DE ORO, A CONDOMINIUM	CERTIFY TO: Metropolis Homes	GEOMARKS LAND SURVEYORS, INC. Florida LB #6994 8408 E. Colonial Drive, Orlando, FL 32817 Phone: (407) 736-1697; Fax: (407) 275-5275 www.geomarks.com	Not valid without the signature and original red seal of a Florida Licensed Surveyor and Mapper.	No.	Revisions	Date	
Scale: 1" = 100'	Checked by: AMS				May 31, 2007		1		
Sheet 1 of 3	Job Number: MET05533				Date	Andrea M. Spruace, PLS #5743	2		
							3		



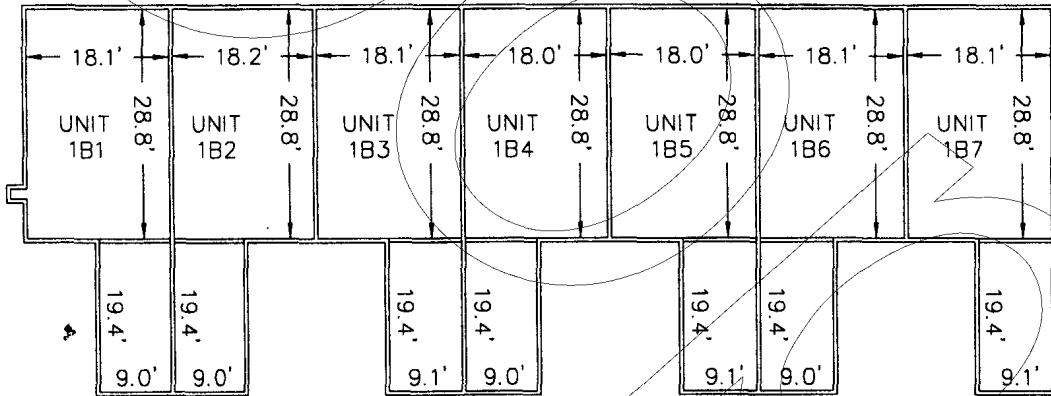
BUILDING 1A
1 STORY BUILDING
PHASE 1, LAGO DE ORO, A CONDOMINIUM

Date: 05/31/2007	Drawn by: SDS	EXHIBIT TO DECLARATION OF CONDOMINIUM OF LAGO DE ORO, A CONDOMINIUM	CERTIFY TO: Metropolis Homes	GEOMARKS LAND SURVEYORS, INC. Florida LB #6994 8408 E. Colonial Drive, Orlando, FL 32817 Phone: (407) 736-1697; Fax: (407) 275-5275 www.geomarks.com	No.	Revisions	Date
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Sheet 2 of 3	Job Number: MET05533				2		
					3		
					4		
					5		

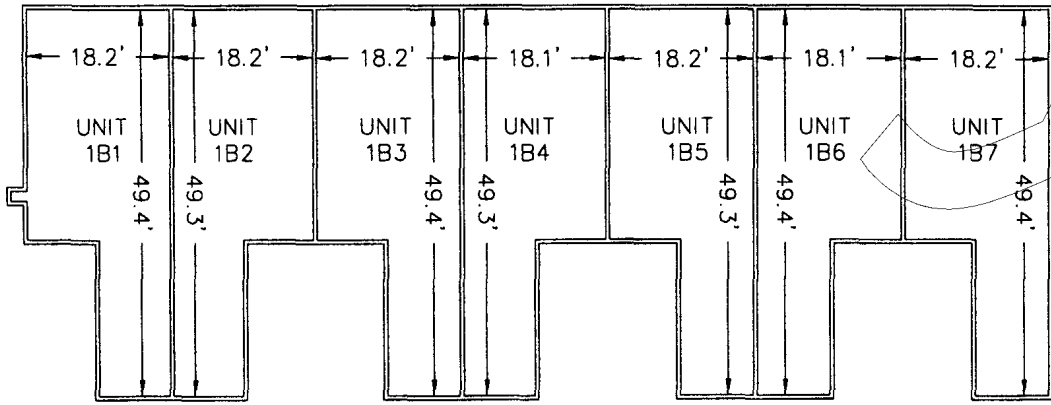
DWG: \\Geoserv\Land Projects\MET05533\dwg\CONDO-DOCS-BLDG-1-2.dwg | DATE: May 31 2007 4:14pm | ©This survey is protected by copyright and is certified only to the people listed above and only for this particular transaction. Any use or reproduction of this survey without the express permission of the surveyor is prohibited.



BUILDING 1B
2 STORY BUILDING
FIRST FLOOR
PHASE 1, LAGO DE ORO,
A CONDOMINIUM



BUILDING 1B
2 STORY BUILDING
SECOND FLOOR
PHASE 1, LAGO DE ORO,
A CONDOMINIUM



Date: 05/31/2007	Drawn by: SDS	EXHIBIT TO DECLARATION OF CONDOMINIUM OF LAGO DE ORO, A CONDOMINIUM	CERTIFY TO: Metropolis Homes	GEOMARKS LAND SURVEYORS, INC. Florida LB #6994 8408 E. Colonial Drive, Orlando, FL 32817 Phone: (407) 736-1697; Fax: (407) 275-5275 www.geomarks.com	No.	Revisions	Date
Scale: 1" = 20'	Checked by: AMS				1		
Sheet 3 of 3	Job Number: MET05533				2		
					3		

LAGO DE ORO, A CONDOMINIUM. COMMON AREA DESCRIPTION

SECTION 2, TOWNSHIP 23 SOUTH, RANGE 30 EAST, ORANGE COUNTY, FLORIDA

CONDOMINIUM BOOK
PAGE

EXHIBIT "F"
Page 5



GOLDENROD ROAD (100' R/W)

HOLLOW RIDGE
CIRCLE (50' R/W)

SHEET 2 OF 4

GRAPHIC SCALE
0' 25' 50' 100' 150'
1" = 50'

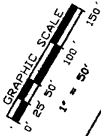
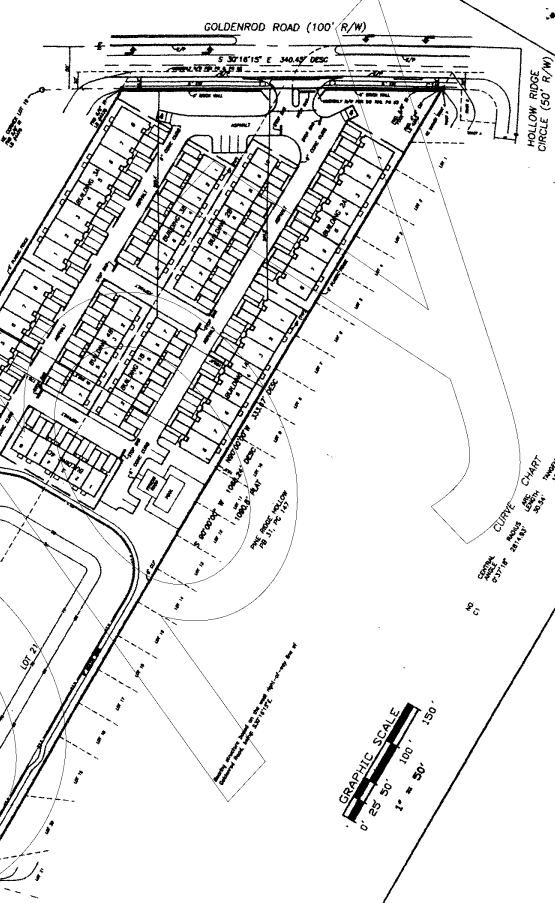
ACCURATE SURVEYS
OF
ORANGE COUNTY, FLORIDA
REGISTERED PROFESSIONAL SURVEYOR
STATE OF FLORIDA
(407) 894-5511 (407) 894-1777

EXHIBIT "F"
Page 6

CONDOMINIUM BOOK
PAGE

LAGO DE ORO, A CONDOMINIUM.
SECTION 2, TOWNSHIP 23 SOUTH, RANGE 30 EAST, ORANGE COUNTY, FLORIDA
LAGO DE ORO SITE PLAN
APPROVED FOR RECORD
BY THE BOARD OF COUNTY COMMISSIONERS
ON 11/11/2014
FOR THE DEVELOPMENT OF 100 UNITS
IN ACCORDANCE WITH THE
FLORIDA CONDOMINIUM ACT

VICINITY MAP N.T.S.

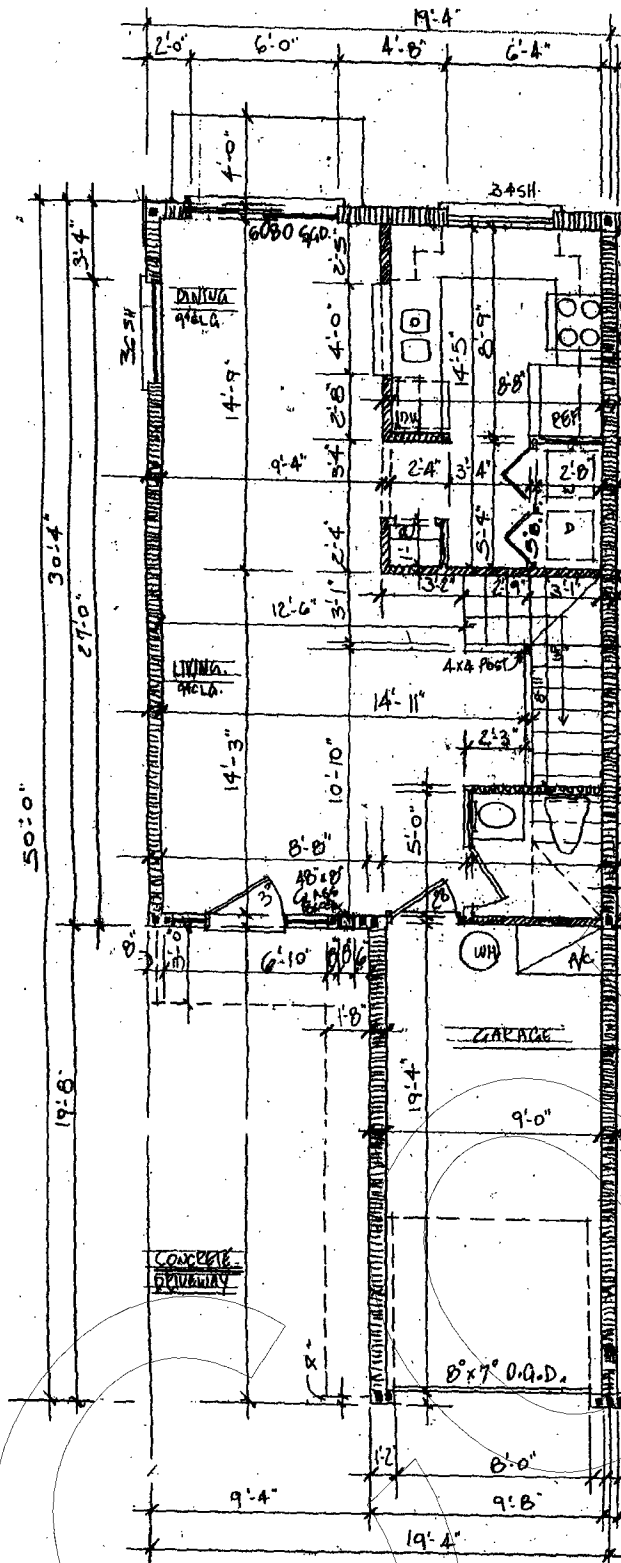


LINE CHART
BY ACCURATE SURVEY
OF ORANGE COUNTY
ENGINEERING, INC.
11111 W. 15th Ave., Suite 100
Orlando, FL 32835
(407) 844-5114 (407) 844-5117

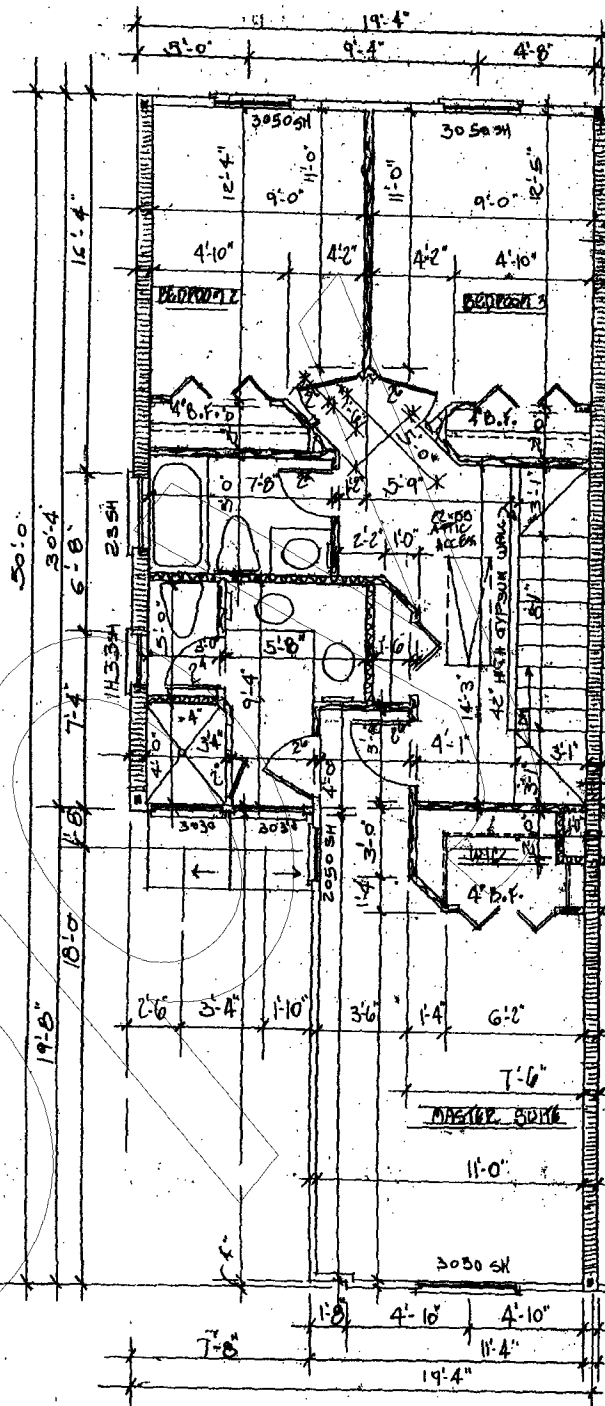
SHEET 4 OF 4

Exhibit "G"
Condominium Floor Plan
2 pages

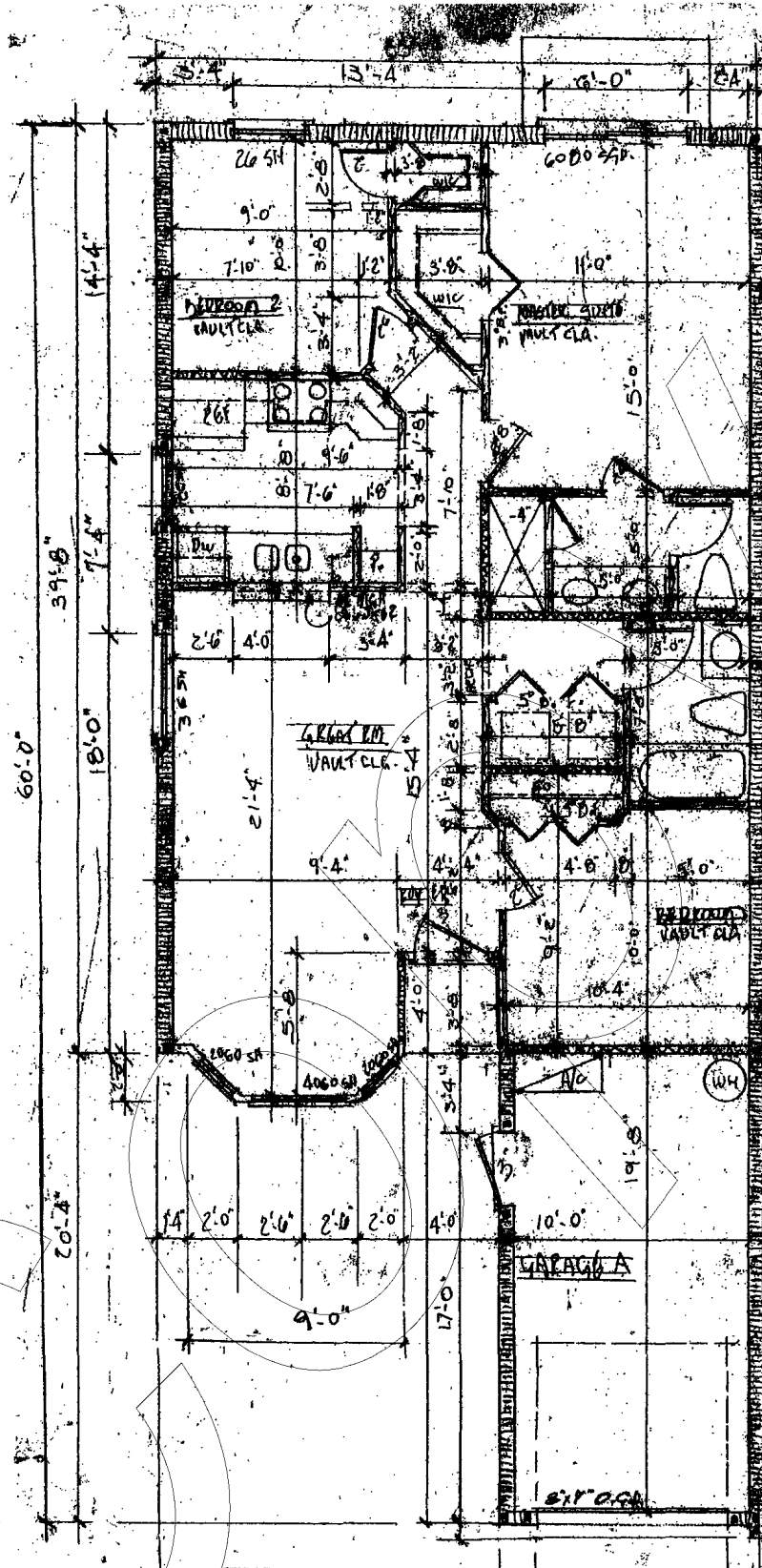
COPY



THE ORO
1st FLOOR PLAN



THE ORO
2nd FLOOR PLAN



THE LAGO
FLOOR PLAN

Exhibit "H"

Lago De Oro

Each owner's share of common element for Phase I : 1/15

COPY