

Prepared without examination of title by
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DECLARATION OF CONDOMINIUM
OF
ISLAND COURT VENICE,
A CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM OF ISLAND COURT VENICE, A CONDOMINIUM is made, entered into and submitted this ____ day of _____, 20__, by NOKOMIS VENTURES, LLC, a Florida limited liability company, who for and in behalf of itself, its grantees, designees, successors, substitutes and assigns, makes and agrees to the following declarations and submission statements, terms, provisions, conditions, easements, restrictions and covenants:

ARTICLE 1
Definitions Used in Declaration

1.1 Assessment means a share of the funds required for the payment of the common expenses which, from time to time, is assessed against the Unit Owners.

1.2 Association means ISLAND COURT VENICE CONDOMINIUM ASSOCIATION, INC., a non-profit Florida corporation, which is responsible for the operation, maintenance and management of the Condominium, and its successors and assigns.

1.3 Association Property means that property, real and personal in which title or ownership is vested in the Association for the use and benefit of its members.

1.4 Board of Administration or Board of Directors means the Board of Directors of the Association who are responsible for the administration and management of the Association.

1.5 Building means the structures on the Condominium Property in which the Unit or Units are located unless the condominium is a land condominium, and, where the context requires, the other buildings, if any, located in the Condominium.

1.6 Bylaws means the Bylaws of the Association existing from time to time.

1.7 Common Elements means and includes: (a) all portions of the Condominium Property not included in the Units; (b) easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and the Common Elements; (c) an easement of support in every portion of a Unit which contributes to the support of each Building or another Unit or improvement located thereon; (d) the property and installations (other than the property and installations owned by the utility companies providing utility services) required for the furnishing of utilities and other services to more than one Unit or to the Common Elements; and (e) any other parts of the Condominium Property designated as Common Elements in this Declaration or on the Condominium Plat.

1.8 Common Expenses means all the expenses properly incurred by the Association for or relating to the Condominium and all expenses for which Unit Owners are liable to the Association and shall include, but are not limited to, the following:

(a) Costs and expenses of administration of the Condominium and the Association and costs and expenses of maintenance, operation, repair and/or replacement of Association Property and the Common Elements (including the Limited Common Elements, except as otherwise expressly provided in this Declaration), and of all portions of the Units to be maintained by the Association, including but not limited to:

(i) Fire, other casualty, flood, windstorm, liability, Workers' Compensation, Directors & Officers coverage, and other insurance as provided herein.

(ii) Administrative costs and expenses of the Association, including professional fees and expenses.

(iii) Costs and expenses of water supply, sewage disposal, irrigation, and treatment service to the Common Elements and electricity to service the Common Elements and the Association Property, costs and expenses of water supply and sewage disposal, irrigation and treatment service to the individual Units unless individually metered by the utility provider, cost and expenses of pest control service to the Common Elements, cost and expense of garbage disposal and trash removal service to the Units (unless individually charged to a Unit by the service provider) and the Common Elements, and the costs and expenses of other utilities which are not individually metered to the Condominium Units.

(iv) Labor, materials and supplies used for or in conjunction with the maintenance, operation, repair and replacement of Association Property and the Common Elements and Limited Common Elements except as otherwise expressly provided herein.

(v) Costs and expenses of repairing damages to the Condominium Property in excess of insurance coverage.

(vi) Costs and expenses of a master antenna, satellite, or duly franchised cable television service obtained pursuant to a bulk contract.

(b) Costs and expenses of management of the Condominium, including the following:

(i) Salary of a manager, if any, his or her assistants and agents, and related employer taxes and employee benefits, if any,

(ii) Management fees payable to an outside management company, if any, and

(iii) Other expenses incurred in the management of the Condominium Property.

(c) The cost and expense of acquiring, owning, managing, operating, maintaining, repairing and replacing all land, improvements and personal property owned or leased by the Association and such additional land, improvements and personal property as may be purchased by the Association through action of the Board of Directors.

(d) All outlays, costs and expenses, if any, incurred by the Association in connection with the purchase, ownership, rental, operation, maintenance, repair, and/or replacement of any Unit acquired by the Association to house a Resident Manager for the Condominium, including without limitation, all down payments and closing costs, debt service, utilities (except for electricity and telephone service to the Unit while occupied by any Resident Manager which shall be paid by such Resident Manager), taxes, insurance premiums, the share of common expenses allocable to such Unit, and other expenses related thereto.

(e) All other costs and expenses that may be duly incurred by the Association through its Board of Directors from time to time in operating, protecting, managing and conserving the Condominium Property and in carrying out its duties and responsibilities as provided by the Condominium Act, this Declaration or the Bylaws.

(f) All other costs and expenses declared Common Expenses by provisions of the Condominium Act, this Declaration or the Bylaws.

(g) Any valid charge against the Condominium Property as a whole.

1.9 Common Surplus means the amount of all receipts and income of the Association, including, but not limited to assessments, rents, profits and revenues on account of the Common Elements, in excess of the amount of the Common Expenses.

1.10 Condominium means all of the Condominium Property as a whole when the context so permits, as well as the meaning stated in the Condominium Act.

1.11 Condominium Act means the Florida Condominium Act, as it exists on the date this Declaration is recorded in the Public Records.

1.12 Condominium Parcel means a Unit, together with the undivided share in the Common Elements which is appurtenant to the Unit, and when the context permits, all other appurtenances to the Unit.

1.13 Condominium Plat means the survey, plot plan and plat annexed hereto as Exhibit "A" and incorporated herein by this reference.

1.14 Condominium Property means the Lands, leaseholds, and personal property that are subjected to condominium ownership under this Declaration, whether or not contiguous, and all improvements now or hereafter located thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

1.15 Declaration or Declaration of Condominium means this Declaration, as it may be amended from time to time.

1.16 Developer means NOKOMIS VENTURES, LLC, a Florida limited liability company, its designees, successors, substitutes and assigns.

1.17 Exterior of the Unit means the land and landscaping within a Unit and the exterior surface of all improvements located thereon.

1.18 Improvements mean all structures and all portions thereof, and artificial changes to the natural environment (exclusive of landscaping), located on the Condominium Property, including, but not limited to, each Building.

1.19 Institutional Lender or Institutional First Mortgagee means and is construed to include but not be limited to a bank, savings and loan association, savings bank, insurance company, the Federal Housing Administration ("FHA"), the Veterans Administration ("VA"), the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the development/construction lender(s) for the Condominium, any other lender generally recognized as an institutional type lender, including affiliates thereof, the Developer and any Unit Owner holding a mortgage on the Condominium or any portion thereof or on a Unit or Units.

1.20 Land or Lands shall mean the real property owned by the Developer in fee simple (and easements, if any) being submitted to condominium ownership by this Declaration as ISLAND COURT VENICE, a condominium, Phase 1, and which are more particularly described in Exhibit "A" annexed hereto, which is incorporated herein by this reference, and if Developer shall submit to condominium ownership by amendment to this Declaration subsequent phases of ISLAND COURT VENICE, which are more particularly described in Exhibit "A" annexed hereto as "PHASE ___" (NOT SUBMITTED TO CONDOMINIUM AT THIS TIME), which is incorporated herein by this reference.

1.21 Limited Common Elements means those Common Elements, if any, which are reserved for the exclusive use of a certain Unit or Units to the exclusion of other Units as specified in this Declaration. Reference herein to Common Elements shall also include all Limited Common Elements unless the context would prohibit it or it is otherwise expressly provided.

1.22 Occupant means a person or persons in lawful possession of a Unit including, where the context permits or requires, the Owner or Owners thereof.

1.23 Operation or operation of the Condominium means and includes the administration, repair, maintenance,

replacement and management of the Condominium Property.

1.24 Public Records means the Public Records of the county in which the Lands are located.

1.25 Percentage Interest means the percentage interest of the Common Elements that are an appurtenance to a Unit, and the portion of the Common Expenses and Common Surplus which are attributable to and the responsibility of a Unit and Unit Owner.

1.26 Restrictions or Deed Restrictions means any covenants or restrictions set forth within the Public Records constituting covenants attaching to and running with the title to the Lands, except as subsequently modified or released in the manner therein provided, held by and for the benefit of the Developer, its successors, grantees and assigns.

1.27 The Condominium means the condominium being submitted to condominium ownership by this Declaration and known as ISLAND COURT VENICE, a condominium, Phase I and, if submitted to condominium, additional phases as merged into and combined with Phase I.

1.28 The Project means the condominium project known as ISLAND COURT VENICE, a condominium, Phase I of which shall consist of a maximum of 6 land condominium Units and that will be developed by the Developer on the Project site, and, if all other phases shall be submitted to condominium to merge with and combine with Phase I, may consist of a maximum of 26 condominium Units that will be built by the Developer on the project site, which may include property which is adjacent to the Condominium Property and/or which shares common elements of the Condominium and which may be added to the Condominium Property as provided herein.

1.29 Unit means that part of the Condominium Property which is subject to exclusive ownership. When used in a conveyance of a Unit, and elsewhere when the context permits, the word Unit shall include the appurtenances thereto which are elsewhere described herein. As this is a land condominium, as described in Article 5, the term "Unit" shall not include any buildings or improvements located on or within a Unit, however building or improvements located on a Unit are subject to restrictions that are contained in this Declaration.

1.30 Unit Owner or Owner of a Unit means the Owner of a Condominium Parcel.

1.31 Utility Services as used in the Condominium Act and as construed with reference to this Condominium, and as used in the Declaration, Articles and Bylaws, "utility services" shall include, but not be limited to, electric power, gas, hot and cold water, heating, refrigeration, air-conditioning, cable TV and garbage, trash, refuse and sewage disposal.

1.32 Voting Interests mean the voting rights distributed to and held by the Association's members pursuant to the Florida Condominium Act and this Declaration.

ARTICLE 2 Purpose of Declaration

2.1 The purpose of this Declaration is to submit, and the Developer hereby submits, (i) the fee simple title to the Lands, identified and described as being Phase I only within Exhibit "A" hereof, (ii) all easements, rights and appurtenances thereto belonging, (iii) all the improvements now and hereafter constructed or erected thereon (except for improvements located within a Unit) and (iv) all other property, real, personal or mixed, intended for use in connection therewith (all subject to the easements, encumbrances, restrictions and other matters hereinafter described in this Declaration or in any of the Exhibits hereto) to the Condominium form of Ownership and use in the manner provided herein and in the Florida Condominium Act, as it exists on the date hereof, excluding therefrom, however, all public or quasi-public utility lines, installations and equipment and related easements owned by such utility companies. It is intended that this be a condominium consisting of residential units.

ARTICLE 3 Identification of Condominium

3.1 Name and Location. The name by which this Condominium is to be identified and known is ISLAND COURT VENICE, a condominium, and it is located in Sarasota County, Florida at 437 Nokomis Ave., Venice, Florida .

3.2 The Lands. The legal description of the Lands, identified and described as Phase 1, only which are hereby submitted to the Condominium form of ownership and use at this time, is set forth in Exhibit "A" annexed hereto. The Developer and the Project's surveyor may make non-material changes and corrections in the legal description of the Lands as herein reserved by and to them.

3.3 Phase Development. This Condominium is a phase condominium project that is being developed in phases and may ultimately consist of 3 phases designated Phase 1, Phase 2, etc. Only Phase 1 as described within Exhibit "A" is being submitted to condominium ownership at this time by this Declaration. However, subsequent phases, as hereinafter described, may be added to and become a part of this Condominium, in the sole and absolute discretion of the Developer, pursuant to and in accordance with the terms and conditions of this Declaration as more particularly hereinafter set forth within Section 4.2 hereof.

ARTICLE 4 General Description of Condominium

4.1 Development Plan. This Condominium is a land and phase condominium project that is being developed and submitted to condominium ownership pursuant to the Condominium Act as it exists on the date hereof as further described herein below. The Condominium will consist of the improvements and common elements identified in more detail in the Condominium Plat and as may be set forth in Article 5.

4.2 Phase Development Plan and Reservation. This Condominium is a phase condominium project pursuant to Section 718.403, Florida Statutes. The Condominium may be developed in and may ultimately consist of a total of 26 Units located in 3 phases, as more particularly described within Exhibit "A" annexed hereto and incorporated herein by reference. Phase 1 will consist of 6 Units which shall be constructed within or on adjacent plots of land, with a 2 story residence to be constructed on each unit with abutting party walls. Additionally, Phase 1 will consist of the landscaped entrance(s), private driveway(s), and the recreational facilities and amenities serving the units in such phase as hereinafter more particularly described. Subsequent phases, if developed and added to the Condominium subsequently, will consist of an additional 20 Condominium Units to be located within or on adjacent plots of land of approximately 1,560 square feet, with a 2 story residence constructed on each unit with abutting party walls. If developed and submitted to this Condominium, subsequent phases shall also contain additional private driveway(s) and additional landscaping areas and amenities as extensions to the Phase 1 Condominium areas. In recognition that only Phase 1, as described within Exhibit "A", is being submitted to Condominium ownership at this time by this Declaration, and that the Developer is under no obligation to develop the remaining phases as part of this Condominium, the Developer does hereby reserve the right, in its sole and absolute discretion, to add subsequent phases to this Condominium, in which event such additional Phase shall become a part of this Condominium and thereafter be merged with it and all Phases submitted shall be operated as one Condominium.

If the Developer shall elect to proceed with the development of a subsequent phase, it will be added to this Condominium in the manner and within the timeframe required by Florida Statutes Section 718.403 unless extended as provided by statute. In the event a subsequent phase is not added to this Condominium by the Developer, its successors and/or assigns, on or before the aforesaid date, or in the event Developer, its successors and/or assigns, prior to such date elects not to proceed with the development or creation of any subsequent phase, then the proposed Units, Common Elements and Land shown within that particular phase will not become part of this Condominium, will not share in the Common Elements, Common Expenses or Common Surplus of the then existing phases, or in the voting rights of the Association, and the Lands comprising that particular phase, as more particularly described within Exhibit "A", shall be forever thereafter free and clear of all right, title, claim and interest of the Association and all Unit Owners and Mortgagees and other lienors in the preceding Phase 1 heretofore submitted and constituting the Condominium and shall not thereafter be subject to any of the terms or provisions of this Declaration, its exhibits, including the Condominium survey and plot plan.

The Lands which may become a part of the Condominium and upon which each proposed Phase may be built and the number and general size of the Units within each Phase is set forth within Exhibit "A" annexed hereto.

In order to create any subsequent phase and to add it to this Condominium, the Developer shall make, execute and record within the Public Records, an Amendment to this Declaration of Condominium and to the Condominium Plat attached as Exhibit "A". Such Amendment adding subsequent phases need be executed only by the Developer and shall not require the consent, joinder or execution thereof by Unit Owners, their Mortgagees or other lienors or the Association. All grantees,

contract vendees, mortgagees, other lienors, the Association and their respective heirs, personal representatives, successors, and/or assigns do hereby irrevocably agree to the foregoing. Such Amendment shall take effect at the time it is recorded in the Public Records.

In the event subsequent phases shall hereafter be added to this Condominium, Developer expressly reserves unto itself, its successors and assigns, the exercise hereinafter of those powers, actions and decisions necessary to accomplish complete construction of the proposed improvements as are deemed necessary or desirable in the Developer's sole discretion or that of applicable governmental authorities exercising jurisdiction thereof so as to insure the structural soundness, the architectural integrity and appearance of any and all phases. During construction of subsequent phase improvements Developer may be required to undertake and conduct certain construction activities which may be of minor inconvenience to Unit Owners within existing phases, including but not necessarily limited to: (i) obstruct temporarily for unknown periods of time outside parking spaces, accesses for both pedestrian and/or vehicular traffic, portions of existing Common Elements within Phase 1; (ii) operate construction equipment and store construction equipment and materials within Phase 1; (iii) operate machinery and conduct construction activities which may be a minor inconvenience to and disturbance of the day to day occupancy and use of Units and/or Common and/or Limited Common Elements by Phase 1 owners and Unit Occupants for unknown periods of time.

In the event subsequent phases shall hereafter be added to this Condominium, such subsequent phase when added will merge with and will become a part of the Condominium and all Common Elements of all phases then added (including the common recreational facilities and areas within each added phase) shall be available for use by the Unit Owners and Occupants in all added phases, except such Limited Common Elements within any phase having been reserved for the exclusive use, possession and occupancy by a Unit Owner or Unit Owners therein.

As previously discussed, Phase 1 shall consist of a maximum 6 Condominium Units. Each Condominium Unit Owner in Phase 1 will own 1/6th of the Common Elements and of the Common Surplus and will share and be responsible for 1/6th of the Common Expenses of the Condominium. Such shares, however, are subject to being changed as hereinafter provided when and if subsequent phases are created and added to the Condominium, and further subject to change if the Developer shall exercise its right, as set forth herein to change the boundary lines between two abutting Units it owns and to reallocate such equal shares in the Common Elements, Common Surplus and Common Expenses appurtenant to such two abutting Units pursuant to such paragraph.

Subsequent phases, if completed and added to the Condominium subsequently, will consist of a maximum 20 additional Units. At such time each subsequent phase is added to this Condominium by appropriate Amendment as hereinabove provided, if that become the case, all of the submitted Phases will then be considered as merged. Upon each such merger, each Unit shall be vested with an equal pro rata ownership of the Common Elements of the merged Phases, bear an equal pro rata responsibility for the Common Expenses of the merged Phases and be entitled to an equal pro rata share of the Common Surplus of the merged Phases, subject to change, however, if the Developer shall exercise its right, as set forth herein to change the boundary lines between two abutting Units it owns and to reallocate such equal shares in the Common Elements, Common Surplus and Common Expenses appurtenant to such two abutting Units pursuant to such paragraph.

Each Unit Owner in each Phase automatically is entitled to membership in the Association and each Unit in each Phase is entitled to one vote in the Association, as set forth in the Articles and Bylaws of the Association. If only Phase 1 is developed, each Unit will have one vote out of six. If subsequent phases are created and subsequently added to the condominium, each Unit in the merged Phases will have one vote out of total number of units in the merged Phases, which results in the dilution of the voting rights of the Units within Phase 1 that would have existed if only Phase 1 had been developed.

4.3 Developer's Absolute Right to Modify Subsequent Phases. The Developer hereby reserves the absolute and unqualified right in its discretion to change the height, design, size, layout, configurations and/or location of the Units and/or Buildings within subsequent phases at any time prior to the time each such subsequent phase is developed and subsequently added to the Condominium. In the event the Developer elects to proceed with the creation and development of subsequent phases until such time as the Units and other improvements within such Phase are subsequently added to the Condominium by appropriate Amendment as hereinabove provided, the Units within subsequent phases shall not be responsible for any assessments for Common Expenses and no portion of the Common Expenses nor liability or assessments for the same shall be allocated to such Units until such time.

4.4 Non-Interference by Unit Owners With Developer's Right to Develop, Construct, Complete and Sell the Condominium Project. The Unit Owners in this Condominium, jointly and severally acknowledge and agree, on their own behalf and on behalf of their mortgagees, heirs, grantees, successors, personal representatives and lienors, that: (i) the marketing, completion and sale of the Project may occur over an extended period of time, (ii) that their quiet enjoyment and use of their Units and this Condominium may be interfered with by such marketing, completion and sale, (iii) they waive all claims against the Developer, if any, arising from such interference and (iv) neither they nor the Association shall hereafter, by action or inaction, object to, prevent, hinder, delay or otherwise impede or attempt to prevent, hinder, delay or otherwise impede the marketing, completion and sale of the Project.

4.5 Developer's Use of Project's Common Elements and Facilities Until Project is Completed and Sold. All the present and future Unit Owners in this Condominium jointly and severally acknowledge and agree on their own behalf and on behalf of their mortgagees, heirs, grantees, successors, personal representatives and lienors that until the Project is completed and all the Condominium Units in the Project are sold, the Developer shall have the right to make such use of the Common Elements to facilitate such completion and sale, including, without limiting the generality of the foregoing, the right to use such Common Elements for social events, promotional events and sales events for sales prospects and others and the right to use, without payment of rent or fees, all common and other areas of the Condominium except Units not owned by the Developer, for such purposes, including sales and administrative offices, models and signs and display areas.

4.6 Additional Rights of Developer During Development and Sales Period. Notwithstanding anything herein contained or implied to the contrary, until the Project is completed and all Condominium Units in the Project are sold, the Developer and its agents and representatives shall have the right to use the unsold Units and the Common Elements and facilities of the Project to facilitate such completion and sale, including, without limiting the generality of the foregoing, the maintenance of a business, sales and/or construction office, the display of signs and other advertising and promotional materials and devices, the maintenance of a sales model or models and the showing of the Project and Units therein to prospective purchasers or lessees.

ARTICLE 5
Specific Description of Condominium

5.1 Survey, Graphic Description of Improvements and Plot Plan. A survey of the Lands in Phase 1, and other improvements located in the Common Elements and a plot plan identifying the Common Elements, Limited Common Elements, and each Condominium Unit within Phase 1 and providing approximate representations of their locations and dimensions as to those portions that are designated as Phase 1 is attached as Exhibit "A". All dimensions and locations shown on the Condominium Plat are approximate only and are subject to variances during the course of construction and shall be final only as certified to by the surveyor within the completed certificate of surveyor.

5.2 Survey, Graphic Description of Improvements and Plot Plan of Subsequent Phases. A survey of the Land proposed to be included within subsequent phases, a graphic description of the improvements in which the Units within subsequent phases are proposed to be located and other improvements proposed for subsequent phases and a proposed plot plan of subsequent phases approximately locating the Common Elements, Limited Common Elements and each Condominium Unit proposed within subsequent phases and providing approximate representations of their locations and dimensions appear as those portions of Exhibit "A" that are designated as subsequent phases (subject, however, to the Developer's right to modify subsequent phases as reserved within Article 4 hereinabove) and all such dimensions shown within the Condominium Plat are approximate only and are subject to variances during the course of construction and shall be final only as certified by the surveyor within the completed certificate of surveyor, page 1 thereof. The submission of subsequent phases shall cause a merger with Phase 1 and the existing Common Elements therein; in addition, the Common Elements within subsequent phases include all portions of the buildings (except the Units), all guest and visitor parking areas, all drives, all pedestrian paths, and such other improvements, facilities and areas as shown within the Condominium Plat.

5.3 Common Elements. The Common Elements of the Condominium include the Land and all other parts of the Condominium that are not part of or included within the Units. The Common Elements include (to the extent such elements are not included in a Unit) all portions of the buildings (except the Units), parking areas, drives and roadways, all walkways, the Condominium's drainage facilities and such other improvements, facilities and areas as shown on the Condominium Plat as well as the Common Elements listed in this Article. Some of the Common Elements, however, are designated Limited Common Elements and will be reserved for the exclusive use of a certain Unit or Units, as described below.

The Board of Directors of the Association may by rule or regulation, restrict, limit or otherwise impose conditions on the usage and assignment of the Common Elements.

All locations, areas, capacities, numbers, amounts and sizes as set forth herein are approximations. The Association may adopt rules and regulations restricting, limiting and governing the use and operation of any recreational and other commonly used facilities by the Unit Owners and their tenants and guests pursuant to Article 7. In addition, certain common facilities may be temporarily reserved by a particular Unit Owner to the exclusion of the other Unit Owners.

The Unit Owners in the aggregate shall be entitled to equal and full use and enjoyment of all the Common Elements, except the Limited Common Elements, except as otherwise expressly provided herein, and except as they may be restricted by the reasonable and uniform rules and regulations duly adopted by the Association's Board of Directors, which usage and enjoyment shall always be in recognition of the mutual rights and responsibilities of all of the Unit Owners.

PROVISO. Notwithstanding anything herein contained or implied to the contrary, the Developer hereby specifically reserves the exclusive right in its sole discretion, without the consent or approval of any Unit Owners, mortgagees or other lienors, contract vendees, the Association or any other person, to mark, modify, move, amend or change the location of the proposed roads providing ingress and egress to, through and/or from the Condominium, the proposed pedestrian paths providing ingress and egress to, through and from the Condominium and the location and/or dimensions of the proposed parking spaces when deemed necessary or desirable by Developer to save existing trees and shrubbery, or as may be required by governmental authority.

In addition to the improvements, open areas and common elements identified on the Plat and as otherwise described herein, the recreational facilities and areas to be owned either as Association Property or as Common Elements by all Unit Owners within Phase 1, and if subsequent phases are created and subsequently added to the Condominium, by all Units in the merged Phases, consist of the following as herein below described.

(a) An outdoor swimming pool and deck area. The pool will have a surface area of approximately 750 sq. ft. and will be heated by natural gas and lighted. It will measure approximately 50 ft. in length, will range in depth from 3 ft. to 6 ft., and will be capable of serving approximately 15 persons at any one time. No diving boards will be provided. The swimming pool will be surrounded by a minimum of a 5 ft. deck area which will be reasonably capable of accommodating a minimum of 25 persons at any one time. The pool area will also have a fence surrounding it and a building with restrooms.

(b) A landscaped entryway with signage

(c) There will be a minimum of 10 common element parking spaces (including 2 handicapped spaces) for visitors, guests and deliveries within the Condominium, and if the Developer elects to proceed with the development and subsequent submission of all subsequent phases to the Condominium, there will not be any additional common element parking spaces added.

5.4 Limited Common Elements. The Limited Common Elements ("L.C.E.") of the Condominium, if any, are listed below and/or identified on the Plat and are reserved for the exclusive use of the Units that such elements serve.

(a) Each unit shall have a 6 foot area within the roadway in front of the garages of each unit which shall be a limited common element driveway area serving such unit. However, parking is not allowed in such area if any part of a vehicle, trailer or the like extends onto the common element roadway or into an adjacent limited common element. Routine maintenance of the limited common element area shall be by the Association, unless otherwise excepted in this Declaration.

5.5 Easements. Each of the following non-exclusive easements are hereby granted, reserved and otherwise created in favor of the Developer, its grantees, successors and assigns, and the Unit Owners and other lawful occupants of Units in this Condominium and their guests and invitees (and in favor of public or private utility companies serving the Condominium, but as to such utility companies only where expressly specified) and are covenants running with the title to the Condominium Property, and notwithstanding any of the other provisions of this Declaration, may not be amended or revoked and shall survive the termination of the Condominium and the exclusion of any of the Lands of the Condominium from the Condominium to the extent reasonably required to enable the companies to provide their respective services.

(a) Utilities and Drainage. Drainage easements and easements for all water, sewer, electrical, telephone, cable T.V. and other utility lines and mains and drainage ditches, lines and structures, previously, now or here after providing service to the Condominium and/or the Units, the installation, repair, maintenance and replacement thereof and as may subsequently be required for utility services in order to adequately serve the Condominium and/or all Units, provided, however, easements through a Unit shall only be according to the plot plan and survey, unless approved in writing by the Unit Owner. The foregoing utility easements are and shall also be in favor of all utility companies servicing the Condominium to the extent reasonably required to enable the companies to provide their respective services.

(b) Pedestrian and Vehicular Traffic. For pedestrian traffic over, through and across all sidewalks and other paths, walks and lanes, as the same may from time to time exist upon the Common Elements (except for Limited Common Elements which may be designated for the exclusive use of a Unit or Units), and, for vehicular traffic over, through and across the private streets, parking lots, roads and drives, and such other portions of the Common Elements (except for Limited Common Elements which may be designated for the exclusive use of a Unit or Units) as may from time to time be paved and intended for such purposes, but the same shall not give or create in any person the right to drive or park upon any portions of the Condominium Property except those intended to be used for such purposes and reasonably suited therefor. This easement shall also be in favor of police, fire, emergency and service personnel while providing services to the Condominium or the Unit Owners.

(c) Encroachments. If (i) any portion of the Common Elements encroaches upon any Unit; (ii) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (iii) any encroachment shall hereafter occur as a result of (1) construction of the Improvements, (2) settling or shifting of the Improvements, (3) any alteration or repair to the Common Elements made by or with the consent of the Association, or (4) any repair or restoration of the Improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Improvements shall stand.

(d) Support and Use for Party Walls. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements. Where a common or equal party wall serves two (2) or more Units, each Unit so served shall have a non-exclusive easement of use and support of such party wall.

(e) Construction; Maintenance. The Developer (including its designees, contractors, successors and assigns) shall have the right, in its and their sole discretion from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of completing the construction thereof, or any part thereof, or any Improvements or Units located or to be located thereon, provided such activity does not prevent or unreasonably interfere, in the opinion of the Developer, with the use or enjoyment by the Unit Owners of the Condominium Property.

(f) Sales and Promotional Activity. For as long as there are any unsold Units in the Project, the Developer, its designees, successors and assigns, shall have the right to use any such Units and all parts of the Common Elements for models and sales/administrative offices, to show models and any unsold Units and the Common Elements to prospective purchasers and tenants, to erect on the Condominium Property signs and other promotional display materials, to advertise Units for sale or lease and for any other similar purposes the Developer deems appropriate in its opinion.

(g) Maintenance and Repairs. An easement and right of the Association or its designees to enter over, through and upon all the Condominium Property for the purpose of maintaining, repairing and replacing any portions of the Condominium that are the responsibility of the Association; provided, however, that entry into a Unit, except in the case of an emergency or as otherwise required to maintain any exterior building lighting or timers, shall be permitted only with the consent of the Unit Owner or pursuant to legal process.

(h) Other Easements as Shown on Plat. Other easements, if any, over, upon, through and across the Lands comprising Phase 1, as more particularly set forth on the Condominium Plat.

(i) Reservation of Additional Rights in Developer. Until such time as Developer has completed the Condominium together with the construction of all permitted improvements, and sold all of the Units contained within the Condominium Property, easements, including but not necessarily limited to, ingress and egress, utilities and drainage easements are hereby reserved and shall exist through, in, over and upon the Condominium Property as may be required,

convenient or desirable by Developer for the completion of the contemplated development of the Condominium and the permitted improvements thereupon, and the sale of the Units. Likewise, all such easements are also reserved to the Developer for the development of any adjacent lands, including subsequent phases, in the event Developer shall not elect to submit same to become a part of this Condominium. Neither the Unit Owners nor the Association shall interfere with in any manner whatsoever the completion and sale by Developer of such lands, whether submitted to this Condominium or separately developed outside of this Condominium as a separate Condominium or other type of project. In such event Developer shall be entitled to declare whether the users of such adjacent lands shall utilize the entranceway, connect to utilities and/or drainage system, and/or use and enjoy the recreational facilities in common areas (whether Common Elements or Association Property) within Phase 1 and shall bear expenses associated therewith based upon the number of units constructed thereupon or other similar equitable basis, but in no case lesser than 15 for calculation purposes only.

(j) Easement in Favor of Adjacent Parcel. Developer hereby reserves, declares and grants an ingress and egress easement in favor of property located immediately adjacent to the Condominium Property, and, in favor of the property located in subsequent phases if such property is not added to the Condominium as otherwise provided herein (the "Adjacent Property") across the area comprising the entryway and roadway. The ingress and egress easement shall be for the purpose of providing access to the Adjacent Property by the owner or owners thereof and their guests, licensees and invitees, and shall include the right to erect and maintain street and directional signage within the easement for the owner or owners of the Adjacent Property, and the sharing of costs of maintenance, operation and repair of the entryway, landscaping and signage based on the respective number of units built on the Condominium Property and the Adjacent Property. If necessary, any additional documentation required for the establishment of such easement shall be joined in and consented to by the Association upon presentation of the easement documentation, which shall be recorded in the Public Records.

(k) Subsequent Phases Easements. All the easements shown on the Condominium Plat, over, upon, through and across the Lands comprising that may comprise subsequent phases, if developed and submitted to Condominium, and all other easements heretofore set forth with respect to such Lands, except for those existing easements recorded in the Public Records, prior to the date hereof, shall become effective only from and after the date subsequent phases is subsequently added to the Condominium by appropriate Amendment, notwithstanding anything herein contained to the contrary, unless Developer elects to establish any pursuant to subparagraph (j) hereinabove.

5.6 Association's Right to Amend and Create Additional Easements. The Association shall at all times have the right, power and authority to declare and create, convey and dedicate, modify and amend, from time to time, without joinder and consent of any Unit Owner, mortgagee, or lienor, reasonable easements over, upon, in and through the Condominium Property for drainage, utility or other purposes and for ingress and egress provided, however, that at the time of the creation of such easements and at the time of the modification or Amendment of any such easements, such easements and such modifications and Amendments shall not unreasonably interfere with the peaceful and lawful use and enjoyment of the Condominium Property and the Units by the Unit Owners.

5.7 Alteration of Boundaries Between and Size of Abutting Units and of Interior Design and Layout of Units and Combining Abutting Units by Developer. The Developer hereby reserves the absolute right, in its sole discretion to modify, move, alter, amend or change the boundaries between abutting Units owned by the Developer in such a manner as to, among other things, and to increase the size of one such Unit and to decrease the size of the other, and to combine two abutting Units into one Unit, provided the Developer shall have obtained the consent of at least a majority of the total voting interests, and if any such Units are encumbered, the consent of the mortgagee thereto, unless such modification is required by any governmental entity.

The Developer also reserves the absolute right, in its sole discretion, without the consent or approval of any Unit Owner(s), mortgagee(s) or other lienor(s), contract vendee(s), the Association or any other person(s), to non-materially change, alter, modify or amend the layout of all Units, so long as the Developer owns and has not encumbered the Units so altered, or, if encumbered, has obtained the consent of such mortgagee to such change, alteration, modification or Amendment.

5.8 Amendment of Declaration by Developer to Reflect Alteration of Boundaries Between or Size of or Interior Design and Layout of Units or Combining of Units. The Developer shall reflect such a change, modification, alteration or Amendment in the boundaries between such abutting Units, in the size of such abutting Units or in the layout or arrangement of Units or the combination of two or more Units into one Unit as described above by filing an Amendment to the Condominium Plat prepared by a licensed Florida surveyor and an Amendment to the Condominium Declaration.

In the event the Developer by such Amendment combines two or more Units to create one new and larger Unit, the voting interest, interest in the Common Elements and the Common Surplus and the share of the Common Expenses previously assigned and appurtenant to the Units being combined shall be automatically reassigned to the new and larger Unit so that it has the interests and shares of all combined Units..

Such Amendment to the Declaration shall be executed with the formality required by law for the execution of a deed, shall be approved by a majority of the total voting interests, and need be signed only by the Association and the Developer and the mortgagee(s) holding a mortgage on the Unit(s) affected and shall include the recording data of the Declaration and be filed and recorded in the Public Records, and shall be effective from and after the date it is filed and recorded.

Such Amendment to the Condominium Plat need be executed only by a licensed Florida Land Surveyor, and shall be filed in the Condominium Plat Book of Sarasota County, Florida.

Such Amendment to the Declaration shall have as an Exhibit thereto a reduction of the Amendment to the Condominium Plat depicting the new boundary lines between and the new layout, design and arrangement of such abutting Units, the new boundary line of the new Unit resulting from the combination of two Units or the new layout, design and arrangement of such Unit(s), as the case may be.

5.9 Amendment to Declaration to Reflect Substantial Completion. All persons having any interest or rights in or acting with reference to this Condominium, whether as contract purchasers, grantees, mortgagees, lienors or otherwise, acknowledge and agree that if, at the time of the execution and recording of this Declaration and the Exhibits attached hereto and the Condominium Plat, the Condominium or any part thereof is not substantially completed, they irrevocably agree for themselves and their heirs, grantees, personal representatives, successors and assigns that the Developer by itself has the right to amend this Declaration and the Exhibits as may be necessary or desirable from time to time to identify, locate, dimension, and submit the improvements, Units and Common Elements as and when the construction of each portion thereof is substantially completed. At such time as the construction of the Condominium or any portion thereof is substantially completed, the Declaration shall be amended to reflect such substantial completion and to include the certificate(s) required by the Florida Condominium Act. Such an Amendment when signed and acknowledged by the Developer shall constitute an Amendment of/to this Declaration, without approval of the Association, other Unit Owners or contract vendees, lienors or mortgagees of Units or of the Condominium or any other person, whether or not elsewhere required for an Amendment. In the event of any variation between the actual situs of a Unit, Building or other improvement on the Condominium Property and that shown on the Condominium Plat, the actual situs of the Unit, Building or other improvement shall prevail.

5.10 Right of Unit Owners to Reserve the Use and Occupancy of Portions of Common Elements and Association Property. Notwithstanding anything herein contained or implied to the contrary, the Association shall have the right to grant the temporary exclusive use and occupancy of certain parts of the Common Elements and/or Association Property to a particular Unit Owner or Unit Owner's tenant and his/her/its guests to the exclusion of the other Unit Owners, tenants and their guests for a limited period of time on terms and conditions determined by the Board.

ARTICLE 6 The Units

6.1 The Units. The Units of the Condominium are more particularly described and the rights and obligations of their owners and occupants are established by this Declaration and all Exhibits annexed hereto.

6.2 Types of Units. This Condominium consists of land condominium units only and shall not include any of the structures or improvements located on or within a designated Unit. Each Unit shall have an equal Percentage Interest.

6.3 Unit Identification and Location. The Units within Phase I in this Condominium and the proposed additional Units within subsequent phases in this Condominium, if subsequently developed and submitted to Condominium, are designated and identified by a Unit number as designated on the Plat.

6.4 Definitions of Unit Boundaries. Each Unit shall include that part of the Condominium Property containing the Unit that lies within the boundaries of the Unit, which boundaries shall be determined in the following manner:

(a) Upper and Lower Boundaries. The Unit is a land condominium unit, and therefore the upper and lower boundaries shall not be defined or restricted by this Declaration.

(b) Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be the boundary lines of the Unit as depicted on the Condominium Plat.

(c) Exceptions. In cases not specifically covered above, and/or in any case of conflict or ambiguity, the Survey of the Units set forth as part of the Condominium Plat shall control in determining the boundaries of a Unit, except the provisions of subsection (b) above shall control unless otherwise specifically reflected to the contrary on such Survey.

6.5 Appurtenances to Units. The owner of each Unit shall own a share in and have a certain interest in the Condominium Property, which share and interest are appurtenant to the Unit, including, but not limited to, the following items that are appurtenant to the Units as indicated:

(a) Common Elements and Common Surplus. The Percentage Interest in the Land and other Common Elements of the Condominium and in the Common Surplus, subject, however, to possible adjustment in the event the Developer exercises its rights reserved in Article 4 and Section 5.7 hereof.

(b) Association Membership. The membership of each Unit Owner in the Association, with the full voting rights appertaining thereto, and the interest of each Unit Owner in the funds and assets held by the Association.

(c) Limited Common Elements. The use of the Limited Common Elements assigned to the Unit in this Declaration, if any.

(d) Easement for Air Space. An exclusive easement for the use of the air space above the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time. An easement in air space which is vacated shall be terminated automatically.

6.6 Liability for Common Expenses. Each Unit shall be liable for the Percentage Interest of the Common Expenses and Assessments of this Condominium, which is appurtenant to each Unit as set forth within Section 6.4 hereinabove, subject, however, to adjustment in the event the Developer exercises its rights reserved in Article 4 and Section 5.7 hereof and except as otherwise provided in Article 9 hereof.

6.7 Ownership of Common Elements and Common Surplus. Each Unit in this Condominium will own its Percentage Interest share in the Common Elements and Common Surplus of this Condominium, which are appurtenant to each Unit are set forth in Section 6.4 hereinabove, subject, however, to possible adjustment in the event the Developer exercises its rights reserved in Article 5 hereof.

ARTICLE 7 Use and Occupancy Restrictions

7.1 Use and Occupancy Restrictions. In order to provide for the congenial and harmonious use and occupancy of the Condominium Property and to protect the value of the Units, the use and occupancy of the Condominium Property and each Unit shall be in accordance with the provisions hereinafter set forth.

7.2 Occupancy and Use of Units. Each of the Units shall be used and occupied as a single family residence only, except as may be otherwise herein expressly provided. Under no circumstances may more than one family reside in a Unit at one time.

7.3 Corporations, Partnerships and Other Entities. The sale, transfer or lease of a Unit to a corporation, partnership, trust or other entity shall be conditioned upon (a) the prior designation by the purchaser, transferee or tenant as the case may be of the one single family or individual that will use the Unit as a single family residence, and (b) the prior approval by the Board of Administration of the designated single family or individual. No transient or general tourism type use of a Unit by a corporation, partnership trust or other entity shall be permitted. The single family or individual designated as the user and occupant of the Unit owned by a corporation, partnership, trust or other entity shall not be changed more than twice during

any one calendar year except in connection with the approved sale, transfer or lease of the Unit. Use of a Unit owned by a corporation, partnership, business, trust or other entity by others than the designated and approved single family or individual shall be subject to the same restrictions and limitations contained in the Declaration and/or the Rules and Regulations of the Association on the leasing of Units that are applicable to the other Units.

7.4 Restrictions on Overnight Occupants. No Unit shall be occupied overnight by more than eight (8) persons.

7.5 Children of Unit Owners Not Prohibited as Residents. There are no restrictions prohibiting children of Unit Owners from residing in this Condominium project.

7.6 Subdivision of Units Prohibited. Except as expressly reserved to the Developer, no Unit may be divided or subdivided for purposes of sale, transfer or lease.

7.7 Prohibitions. No owner, tenant or other occupant of a Unit shall:

(a) Paint or otherwise change the appearance of the exterior of the Unit or its improvements or any building or of any exterior wall, door, window, screen, patio, balcony, terrace or any other exterior surface; place any sunscreen, blinds or awning on any balcony or exterior surface or opening without prior written approval of the Board; place any draperies, blinds or curtains at or over the windows or doors of any Unit without a solid, light color exterior liner acceptable to the Board; tint, color or otherwise treat or apply anything to any window or door which will adversely or materially change or affect the uniform exterior appearance of any building in the opinion of the Board; plant, place or maintain any plant or landscaping outside of a Unit except upon prior written approval of the Board; erect or install any exterior lights or signs; place any signs or symbols in or on windows or doors; erect, place or attach any structures or fixtures within or to the Common Elements; nor any of the foregoing without the prior written consent of the Board. Provided, however, that a unit owner is permitted to display United States and official service flags in accordance with the Condominium Act.

(b) Make any structural alterations to or on any Unit or to the Common Elements; nor fasten any fixtures, or objects to walls, floors or ceilings that would damage any structural portions of the Common Elements or utilities or electrical lines or mains;

(c) Fail to conform to and abide by the Declaration and Bylaws and the uniform Rules and Regulations in regard to the use of the Units, the Association Property and the Common Elements which may be adopted from time to time by the Board, or fail to allow the Association to enter the Unit at any reasonable time, when necessary for maintenance, repair or replacement of common elements or emergency repairs necessary to prevent damage to common elements or another unit(s).

(d) Erect, construct or maintain any wires, aerials, antennas, satellite dishes, receiving dishes, garbage or refuse receptacles or other equipment or structures on the exterior of any building or the Unit or on or in any of the Common Elements, except with the prior written consent of the Board.

(e) Obstruct ingress or egress to the other Units or the Common Elements.

(f) Hang or display any laundry, garments or other unsightly items or objects which are visible outside of the Unit.

(g) Allow anything to remain in the common areas (whether Common Elements or Association Property) which would be unsightly or hazardous.

(h) Allow any rubbish, refuse, garbage or trash to accumulate in places other than the receptacles provided therefor, and each Unit, the Association Property and the Common Elements shall at all times be kept in a clean, safe and sanitary condition.

(i) Make use of the Common Elements and/or Association Property in such a manner as to abridge the equal rights of the other Unit Owners to their use and enjoyment, except as otherwise expressly provided herein and except for the Limited Common Elements as herein provided.

(j) Subject a Unit to a partition action in any court and all Unit Owners do by their acceptance of a conveyance of such Unit, waive any right to maintain or bring such action.

(k) Park, maintain or keep commercial vehicles, trucks (except for non-commercial trucks of less than 3/4 tons), motorcycles, campers, trailers, boats, watercraft, mobile homes, motor homes, recreational vehicles, and similar vehicles in any parking area, driveway or elsewhere in the Condominium other than in an enclosed garage, except service vehicles during the time their occupants are actually serving a Unit or the Common Elements; provided however, that this shall not prevent the maintenance and parking of such vehicles as may be essential and necessary to transport handicapped persons such as their wheelchairs or other similar devices. All permissible vehicles must be kept in designated or assigned spaces or garages overnight. Garage doors must be kept closed at all times when access through the garage doors is not active.

(l) Except for Association approved hurricane shutters or treated windows, install or permit the installation of storm or other shutters, awnings, shades or coverings over exterior windows, glass doors or other exterior surfaces without the prior written approval of the Board of Directors as to type, color and installation.

(m) Use any garage, balcony, landing or stairway or the Common Elements for outdoor cooking of any nature, except those areas, if any, designated by the Board for such purposes and designated by this Declaration for such use.

(n) Permit the installation of any objects or flooring in a Unit the weight of which (together with any padding or insulating materials), would exceed the approved or recommended load limit for the area involved.

(o) Discharge or otherwise dispose of any liquids which could harmfully effect the lawns, landscaping, Common Elements or drainage system.

(p) Do or perform any act, or fail to perform any act, which would increase the insurance rates and/or premiums

7.8 Pets Restricted. No Unit Owner may keep or maintain any pets or animals in a Unit, the Association Property or on the Common Elements except in compliance with this Declaration and Rules and Regulations of the Association. The Board of Directors may permit, in their sole discretion, a Unit Owner to keep no more than two pets (dogs and/or cats only). All permitted pets must be on a leash and accompanied by the owner when crossing the common elements, and a Unit Owner is completely responsible for cleaning up after their pets. No tenants, guests or invitees of a Unit Owner shall be permitted to bring pets or animals of any kind on the Condominium Property. No pets shall be allowed to roam free upon the Condominium Property or otherwise become a nuisance to the other Unit Owners. If, in the opinion of the Board, a permitted pet has become a nuisance in the sole discretion of the Board, the Board shall have the right to require the pet to be removed permanently from the Condominium Property upon seven (7) days written notice to the Unit Owner.

7.9 Common Elements. The Common Elements shall be used only for the purpose for which they are intended in the furnishing of services and facilities for the enjoyment of the Units and their occupants and as otherwise herein provided.

7.10 Nuisances. No nuisances as defined by the Association shall be allowed upon the Condominium Property, which shall include loud or disruptive noises as determined by the Board of Directors. Nor shall any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents be allowed, except for the sales, administrative, marketing and promotional activities of the Developer.

7.11 Lawful Use. No improper, offensive or unlawful use shall be made of the Condominium Property nor any part thereof; 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 which require maintenance, modification or repair of the Condominium Property as between the Association and the Unit Owners shall be the same as the responsibility for the maintenance and repair of the property as set forth in Article 8.

7.12 Leasing or Loaning. No portion of any Unit (other than an entire Unit) may be rented or leased. Leasing, renting or loaning of a Unit by a Unit Owner is not prohibited but is restricted as follows:

- (a) A unit owner may not lease for less than a minimum lease term of 30 days, and no more than 4

leases per year.

(b) All leases shall be on forms approved by the Association and shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of this Declaration, the Articles of Incorporation or Bylaws of the Association, applicable Rules and Regulations, or other applicable provisions of any agreement, document or instrument governing or affecting the Condominium.

(c) Any Unit Owner desiring to rent or lease a Unit shall submit such request in writing to the Association setting forth the name of the lessee, and supply such information as may be required by the Association. Approval of tenants shall not be unreasonably withheld.

(d) The Association may charge a fee in connection with each request for leasing approval but no such fee shall be in excess of the expenditures reasonably required for such lease approval, nor shall such fee be in excess of the maximum allowed by law.

(e) Provided, however, that no lease or loan granted shall in any way be violative of or vitiate or lessen any part of this Declaration or any restrictions upon the use or occupancy of the Unit or upon the use of the land as herein established or, as may be hereafter established, in the Public Records. The Unit Owner shall be jointly and severally liable with the tenant to the Association to repair any damage to the Condominium resulting from any acts or omissions of tenant, guests or tenants' guests (as determined in the sole judgment of the Association) and to pay for injury or damage to property caused by the negligence of the tenant, guests or tenant's guests. All leases shall be, as are hereby made, subordinate to any lien filed by the Association, whether prior to or subsequent to such lease. Regardless of anything herein to the contrary, Unit Owner shall notify the Association or any management company designated by the Association in advance of the identity and expected dates of stay of any tenants or guests to whom a Unit is loaned.

(f) The Board of Directors of the Association may by rule and regulation restrict and limit the lending of Units by the Unit Owners.

(g) During the period of time that a Unit is leased to others, the Unit Owner and the Unit Owner's family or guests shall not have the right to use or occupy the Association Property or Common Elements of the Condominium except as a guest in the presence of the tenant or occupant of the Unit, unless Tenant waives in writing Tenant's right to use or occupy the Association Property or Common Elements.

7.13 Other Covenants, Restrictions and Agreements. The title to each Unit has been or will be conveyed by the Developer subject to these instruments and to all easements, restrictions, covenants and agreements of record and to miscellaneous restrictions imposed by all State and local governmental authorities on the development of the parcel upon which the Condominium will be built (the "Governmental Restrictions").

7.14 Association Membership. In order to establish, protect and preserve the quality of this Condominium, each Unit Owner in this Condominium shall be required to become a member of the Association, and to maintain such membership in good standing.

7.15 Rules and Regulations. Uniform Rules and Regulations concerning the use of the Units the Association Property and the Condominium Property, including the Project's recreational facilities, may be made and amended from time to time by the Association, in the manner provided in the Articles or Bylaws. Copies of such Rules and Regulations and amendments thereto shall be furnished by the Association to all Unit Owners, occupants and Institutional Lenders on request.

7.16 Proviso. Provided, however, that notwithstanding anything herein contained or implied to the contrary in this Article 7, until the Developer has sold and/or transferred all of the Units in the Condominium, neither the Unit Owners nor the Association nor the use of the Condominium Property shall interfere with the marketing or sale of the Units by the Developer and the Developer may make such use of the unsold Units and the Common Elements (including, without limitation, any recreation or common rooms, office areas, patio area, the lawn and landscaped area and unassigned parking spaces or areas) as may facilitate the sale and/or lease of all Units, including, without limitation, the maintenance of a sales, administrative and/or other office(s), the erection and maintenance of models, the holding of various sales/promotional events or functions and the maintenance and display of signs and other sales exhibits and advertising materials.

ARTICLE 8
Maintenance, Repair, Replacement, Additions, Alterations and Improvements

8.1 Maintenance, Repair, Replacement, Additions, Alterations and Improvements. The responsibility for the maintenance, repair and replacement of the Condominium Property and restrictions upon additions, alterations and improvements thereto shall be as hereinafter provided.

8.2 Maintenance, Repair and Replacement By the Association. The Association shall maintain, repair and replace, as part of the Association's Common Expenses:

(a) All of the Common Elements and Limited Common Elements, except those that are the responsibility of the Unit Owners.

(b) All conduits, ducts, plumbing, pipes, wiring and other facilities for the furnishing of utility services contained in the portions of a Unit to be maintained by the Association, and all such conduits, ducts, plumbing, pipes, wiring and other facilities contained within a Unit that service part or parts of the Condominium other than or in addition to the Unit within which they are contained.

(c) All incidental damage caused to a Unit by such work shall be repaired promptly at the expense of the Association.

(d) All grounds, landscaping, and common facilities and amenities throughout the Condominium, except those entirely within a Unit which are the responsibility of a Unit Owner (unless installed by the Developer or the Association) or common elements which are limited common elements for a Unit or Units, which shall be the responsibility of the Unit Owner or Owners which have the benefit of such limited common elements, except for the limited common element driveway areas serving each unit.

(e) All roofs of structures built on Units and exterior painting of such structures to the extent reserves for same may be collected by the Association under applicable law.

(f) Any exterior lights that are deemed by the Board to be necessary for the security of the Condominium.

8.3 Maintenance, Repair and Replacement By the Unit Owner. The obligation and responsibility of each Unit Owner for maintenance, repairs and replacement, at the Unit Owner's sole cost and expense, shall be as follows:

(a) To maintain, repair and replace, all portions of the Unit (except the portions specifically required to be maintained, repaired and replaced by the Association), including, but not limited to improvements; all landscaping and plantings located within a Unit pursuant to the approval of the Board; and exterior lighting. In the event an owner fails to properly maintain and repair the Unit or fulfill the obligations under this Article, the Association, at the direction of the Board of Directors, may make such repairs as the Board may deem necessary and the cost thereof shall be recovered from such defaulting Unit Owner. The Association shall be entitled in any action for collection from such Unit Owner to recover the cost of any repairs it shall make, plus interest at the highest lawful rate per annum and reasonable attorneys' fees incurred by the Association in the collection thereof. Such work shall be done without disturbing the rights of other Unit Owners.

(b) To maintain, repair and replace:

(i) the Exterior of a Unit (except roof repair and building painting which Association is responsible for, and landscaping installed by the Association) and the wiring, electrical outlet(s) and fixture(s) serving a Unit and all light bulbs therein, if any, except that exterior security lights and timers shall be the maintenance responsibility of the Association; and

(ii) interior of any storage areas or rooms that are designated as Limited Common Elements for a Unit.

Each Unit Owner shall promptly report to the Association any defects, damage or need for repairs which the Association is responsible for that comes to the attention of the Unit Owner. The Association shall be entitled to access a

Unit for any of the purposes included in this Article in accordance with this Declaration and in accordance with the Condominium Act.

8.4 Additions, Alterations or Improvements by the Association. Whenever in the judgment of the Board of Directors, the Common Elements, or any part thereof, shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of \$25,000 in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements, only if the making of such additions, alterations or improvements shall have been approved by a majority of the Units. Any such additions, alterations or improvements to such Common Elements, or any part thereof, costing in the aggregate \$25,000 or less in a calendar year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to the Common Elements shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses.

8.5 Additions, Alterations or Improvements by Unit Owners. The following restrictions shall apply to additions, alterations and improvements by Unit Owners:

(a) No Unit Owner shall make any additions, alterations or improvements in or to the Common Elements, or to any Limited Common Element or the Exterior of any Unit or the exterior of improvements within a Unit, including, but not limited to, paint, the installation of awnings or shutters in or on balconies, patios, decks and/or roof areas, without the prior written consent of the Board of Directors or, with respect to hurricane shutters only, pursuant to rules and/or regulations adopted by the Board of Directors. No enclosures of balconies, decks, patios or lanais or roof areas shall be permitted unless installed by the Developer or unless otherwise provided herein specifically to the contrary.

(b) No Unit Owner shall paint or otherwise decorate or change the appearance or architecture of all or any portion of the exterior of the Building, the Unit or the Limited Common Elements or Common Elements without the prior written consent of the Board of Directors, except as may be otherwise expressly provided herein.

(c) The Board shall have the obligation to answer any written request by a Unit Owner for approval of such additions, alterations or improvements in such Unit Owner's Limited Common Elements within thirty (30) days after such request and all additional information requested by the Board is received, and the failure to so answer within the stipulated time shall constitute the Board's consent, provided that during such period, the Board shall have the absolute right, with or without cause, to reject any such request.

(d) The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise.

(e) Once approved by the Board, such approval may not be revoked thereafter unless there is a change in the approval, alteration or improvement from what was submitted to the Board for approval.

(f) A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and his heirs, personal representatives, successors and assigns, to hold the Association and all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and such Unit Owner shall be solely responsible for the maintenance, repair, replacement and insurance thereof from and after that date of installation or construction thereof as may be required by the Association.

(g) If the Owner fails to construct the addition, alteration or improvement in the manner approved, the Owner shall be obligated to make all corrections necessary and if such Owner fails to do so, the Association, upon notice to the Owner, may make such corrections and demand payment from such Owner all the cost of such correction and to seek collection therefrom upon nonpayment.

(h) The Board may appoint an Architectural Control Committee to assume the foregoing functions on behalf of the Board.

ARTICLE 9

Assessments

9.1 Assessments. The making and collection of regular and special assessments against the Unit Owners for the Common Expenses shall be pursuant to the Condominium Act, the Bylaws and the provisions hereinafter provided.

9.2 Share of Common Expenses. Each Unit shall, except as otherwise specifically provided in this Article and subject to possible adjustment if the Developer exercises its rights reserved in Articles 4 and 5 hereof, be liable for its Percentage Interest share of the Common Expenses for Phase 1, and if subsequent phases are developed and submitted hereafter to Condominium, for the share of the Common Expenses equal to the percentage calculated by the number 1 divided by the total number of all Units in all phases submitted to condominium.

9.3 Annual Budget of Common Expenses. The Annual Budget of Common Expenses for the Association and the Condominium shall be adopted by the Board of Directors of the Association.

9.4 Right of Association to Collect Interest and Late Charges. The Association shall have the right to collect interest on and late charges on delinquent assessments. The rate of interest and the amount of the late charges payable shall be uniform, shall not exceed those permitted by law and shall either be set forth in the Bylaws of the Association or, if not, shall be established from time to time by the Board of Directors of the Association.

9.5 Right of Association to Accelerate Assessments. In the event a Unit Owner becomes delinquent in the payment of any installment of an assessment, the Association shall have the option and right, in addition to all other rights and remedies it may have with respect to the delinquent assessment, of accelerating the obligation of such delinquent owner to pay (i.e., the due date of) the remaining balance of the assessments due from the Unit Owner for the current budget year of the Association. The entire accelerated assessment shall be due, at the Association's option, upon its execution and recording of its Claim of Lien in the Public Records. Such delinquent Unit Owner shall also be obligated to promptly pay any and all interim assessment increases occurring after the acceleration of the unpaid installments (i.e., the balance) of the assessment by the Association.

9.6 Interest; Late Charges; Application of Payments. Assessments and installments of such assessments paid on or before ten (10) days after the date when due shall not bear interest (including accelerated assessments), but all such sums not paid on or before ten (10) days after the date when due shall bear interest at the maximum rate of interest allowed by law from the date when due until paid and shall be subject to late charges as determined by the Board of Directors from time to time. All payments upon account shall be first applied to late charges and interest, if any, and then to the principal amount of the payment first due.

9.7 Lien for Assessments. There shall be a lien on each Unit for unpaid assessments, together with late charges and interest as provided by the Condominium Act, which shall also secure the costs and reasonable attorneys' fees incurred by the Association incident to the collection of such assessments and/or the preparation, enforcement and foreclosure of such lien, whether suit is filed or not, and, whether such legal fees are for negotiations, trial, appellate or other legal services. Except as provided in Florida Statutes Section 718.116(5)(a), the lien shall be effective from and shall relate back to the recording of the original Declaration. However, as to first mortgages of record, the lien is effective from and after the recording of a claim of lien in the Public Records of the county in which the condominium is located. Nothing herein contained shall be construed as releasing an Institutional Lender or other purchaser who acquires title to a Unit by foreclosure or deed in lieu of foreclosure from responsibility for payment of that Unit's share of Common Expenses and Assessments accruing during such Lender's or purchaser's ownership of the Unit, whether the Unit is occupied or unoccupied, and for payment of unpaid Assessments that became due prior to its receipt of the deed, as limited in amount and prior time period by Florida Statutes § 718.116(1).

9.8 No Assessments of Common Expenses Against Unsubmitted Units. No portion of the Common Expenses nor liability for the same shall be assessed against any Unit not yet submitted to condominium. Each Unit shall commence bearing its proportionate share of Common Expenses when this Declaration or Amendment to this Declaration submitting subsequent phases is recorded in the Public Records.

9.9 Rental Pending Foreclosure. In any action involving a foreclosure of a lien for assessments, the owner of a Unit subject to the lien may be required by the Court in its discretion, if occupying the Unit during the pendency of the foreclosure, to pay reasonable rental for the Unit during the period of such occupancy and the Association shall be entitled to

the appointment of a receiver to collect the same.

9.10 Schemes or Devices to Avoid Liability for Assessments. The liability of a Unit Owner or Unit Owners for assessments may not be avoided or abated by the Unit Owner(s) by waiving or abandoning, either voluntarily or involuntarily, the use of the Unit or the Common Elements or by an interruption in or an interference with the availability of or use of the Unit or Common Elements to the Unit Owner.

ARTICLE 10 Association

10.1 Association. The operation of the Condominium shall be by the Association which shall fulfill its functions pursuant to the provisions hereinafter set forth. Notwithstanding anything hereinafter contained or implied to the contrary, the Association shall fulfill its functions and obligations without discriminating against any Unit Owner or any group of Unit Owners.

10.2 Articles of Incorporation of the Association. A copy of the Articles of Incorporation of the Association is attached to this Declaration as Exhibit "B".

10.3 Bylaws. The administration and management of the Association and the operation of the Condominium Property shall be governed by the Bylaws, a copy of which is attached as Exhibit "C" to this Declaration.

10.4 Membership and Voting Interests and Rights. All Unit Owners in the Condominium are and must be members of the Association. The owner(s) of each Unit shall be entitled to the Voting Interest for each Unit owned equal to the Percentage Interest for each Unit as provided in this Declaration, the Articles of Incorporation and/or the Bylaws.

10.5 Powers. The Association shall have all of the powers and duties reasonably necessary to operate the Condominium Property as set forth in the Condominium Act, the corporation statutes of Florida, this Declaration and the Articles of Incorporation and Bylaws of the Association, and as the same may be amended from time to time. It shall also have the power prior to and subsequent to the recording of this Declaration to acquire and enter into agreements whereby it acquires leaseholds, memberships and other possessory or use interests in real and personal property, including, but not limited to country clubs, club houses, golf courses, marinas and other recreational facilities, whether or not contiguous to the Lands of the Condominium, intended to provide for the use or benefit of Unit Owners and to declare the expenses of rental, membership fees, operation, replacements and other undertakings in connection therewith to be Common Expenses and may make such covenants and restrictions respecting the use of the facilities not inconsistent with the Condominium Act as may be desired. The Association shall also have the power to contract for the management of the Condominium and to delegate to the contractor all of the powers and duties of the Association except such as are specifically required by this Declaration, the Bylaws or the Florida Condominium Act to have the approval of the Board of Directors or the membership of the Association.

10.6 Right of Association to Collect Use Fees; Clean-Up Fees; Security Deposits. If under the terms of this Declaration the Association has the power and authority to allow certain owners and tenants of Unit Owners and/or their guests the exclusive use and occupancy of portions of the Common Elements or Association Property for a private party, seminar or other social function for various limited periods of time, the Association shall also have the power and authority to charge, levy and collect a use fee and/or clean-up fee and a security deposit from the Unit Owners and/or a Unit Owner's tenant using such facilities. The amount of such fees and charges shall be determined from time to time by the Board of Directors of the Association. The Association shall also have the power and authority to charge a Unit Owner or the tenant of a Unit Owner a security deposit not to exceed the amount of \$5,000 to secure the Association against damage to the Common Elements or the Association Property when the Unit Owner rents same.

10.7 Additional Powers of Association. The Association shall have the irrevocable right of access into any Unit during reasonable hours when necessary to make emergency repairs and to do other work necessary for the proper maintenance, repair or replacement of any Common Elements of the Condominium. The Association shall also have the right and power to grant and relocate easements, licenses and permits over the Common Elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium. The Association shall also have the power to adopt and amend rules and regulations governing the details of the operation and use of the Condominium Property.

10.8 Obligations of the Association. The Association shall have all of the obligations imposed upon it by the Florida Condominium Act. In addition, the Association shall make available to Unit Owners and to all Institutional Lenders holding a mortgage on any Unit in the Condominium and, if required by applicable law, to insurers of any first mortgages current copies of the Declaration of Condominium, the Articles and Bylaws of the Association, the Rules and Regulations or other items within the Official Records for inspection during normal business hours and copying thereof at the expense of the inspecting party. The Association shall also make available to prospective purchasers current copies of the Declaration of Condominium, the Articles and Bylaws of the Association, the Rules and Regulations of the Condominium and the most recent annual financial information required to be provided by the Association.

10.9 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for the injury or damage, other than the cost of maintenance and repair which shall be shared equally by all Units, caused by any latent condition of the property to be maintained by the Association, or caused by the elements or other owners or persons.

10.10 Restraint Upon Assignment of Shares and Assets. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, encumbered or transferred in any manner, except as an appurtenance to the Unit.

10.11 Approval or Disapproval of Matters. Whenever a decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such owner in an Association meeting, unless the joinder of all record owners is specifically required by this Declaration, the Articles of Incorporation or the Bylaws.

10.12 Right of Association to Cancel Contracts. The Association shall have a right of termination of any contract or lease entered into by the Association prior to the turnover of the control of the Association by the Developer and which is unfair or unreasonable, which right of termination shall be exercisable without penalty at any time after transfer of control of the Association by the Developer upon not more than 90 days' written notice to the other party to such contract or lease.

10.13 Developer's Right to Control and Manage Association During Development and Sales Period. The Developer has and hereby reserves the right to control the management and operation of the Condominium and the affairs and decisions of the Association and its Board of Directors during the development and sales period of the Condominium by electing initially all and thereafter a majority of the Directors of the Association in accordance with Florida Statutes §718.301(1), and Article 5.1 of the Articles of Incorporation of the Association attached as Exhibit "B" hereto. Notwithstanding the foregoing, the Developer may terminate such right of control at any time by relinquishing and waiving such right in writing and turning over control of the Board of Directors and the Association to the Unit Owners as provided in the Condominium Act, who shall accept such turnover.

During the period the Developer retains such control, and except as otherwise specifically provided in the Act, the Developer shall have the right to take all actions, make all decisions and do all things in behalf of the Association, including but not limited to the right to enter into contracts in behalf of the Association for the purchase of property and for maintenance, operation and management of the Association and the Condominium, the maintenance, repair and replacement of the Condominium and property and facilities serving the Condominium, the determination of budgets and assessments and the levy and collection of assessments against the Unit Owners and the enactment and enforcement of uniform Rules and Regulations governing the ownership, occupancy and use of the Units and the Condominium Property.

While exercising such control and management, however, the Developer shall observe the format and formalities of the Association's corporate regime and structure, including maintenance of all required minutes, books and records and the provisions of the Condominium Act and any rule promulgated thereunder.

ARTICLE 11 Insurance

11.1 Insurance. The insurance, other than title insurance, which shall be carried upon the Condominium Property and the property of the Unit Owners shall be governed by the provisions hereinafter set forth.

11.2 Personal Insurance. Each Unit Owner shall be responsible for purchasing, at his, her or its own expense, liability insurance to cover accidents occurring within the Unit or on that Unit's Limited Common Elements and insurance coverage for all personal property. Insurance policies issued to individual Unit Owners shall provide that the coverage afforded by such policies is excess over the amount recoverable under any other policy covering the same property without rights of subrogation against the Association. Notwithstanding the foregoing, any insurance otherwise required to be maintained by the Unit Owners by the terms hereof may be included in insurance coverage purchased by the Association and paid for as part of the Common Elements if so authorized by the Board and if approved by a majority of the Unit Owners.

11.3 Authority to Purchase; Named Insured. The Association shall have the following responsibilities:

(a) The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Association Property, and the Condominium Property required to be insured by the Association pursuant to the Condominium Act. A copy of each policy of insurance in effect shall be made available for inspection by the Unit Owners at all reasonable times.

(b) As this is a land condominium, except as otherwise specifically provided herein, the Association shall only be required to obtain public liability and property insurance coverage for Common Elements and Unit Owners shall have the responsibility of obtaining all other insurance coverages for their Unit and all improvements and personal property located thereon.

(c) All insurance policies upon the Condominium Property which are the responsibility of the Association shall be purchased by the Association and the named insured shall be the Association, individually, and for the use and benefit of the Unit Owners, naming them and their mortgagees as their interests may appear. Provision shall be made for the issuance of mortgage endorsements and memoranda of insurance to the mortgagees of Unit Owners.

11.4 Casualty. All of the facilities in the Condominium to be insured by the Association, including all Buildings and improvements and all personal property belonging to the Association or a part of the Common Elements, and to the extent permitted under applicable law and to the extent assessments and/or reserves may be collected for insurance of structures built upon each Unit, shall be insured in an amount equal to 100% of their then current replacement cost excluding land, foundations, excavations and other items that are usually excluded from such insurance coverage, as determined annually by the Board of Directors of the Association. Such coverage shall afford protection against:

(a) Loss or damage by fire and all other hazards normally covered by the standard extended coverage endorsement and all other perils customarily covered in similar types of projects, including those covered by the standard "all risk" endorsement;

(b) "Master" or "blanket" policy of flood insurance if the Condominium or any portion thereof is located in a special flood hazard area, as defined by the Federal Emergency Management Agency or its successors, in an amount not less than the lesser of (i) the maximum coverage available at subsidized rates under the National Flood Insurance Program for all Buildings and other insurable property within the Condominium located within the special flood hazard area, or, (ii) 100% of current replacement cost thereof.

(c) Such other risks as from time to time shall be customarily covered with respect to Buildings similar in construction, location and use as the Buildings on the land, including, but not limited to, vandalism and malicious mischief.

The casualty policy shall contain a waiver of the right of subrogation against Unit Owners individually, a provision that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of the Unit Owners collectively and a provision that the policy is primary in the event the Unit Owner has other insurance covering the same loss.

11.5 Public Liability. A comprehensive general liability insurance policy shall be carried on the Common Elements and all other areas under the supervision of the Association in an amount of at least \$500,000 for bodily injury, death and property damage for any single occurrence, with excess coverage of at least \$1,000,000. The liability insurance shall provide coverage for death, bodily injury and property damage that results from the operation, maintenance or use of the Common Elements and any liability related to employment contracts to which the Association is a party. Additional public liability insurance shall be carried in such amounts and with such coverages as shall be determined by the Board of Directors of the

Association, including, but not limited to, hired automobile and non-owned automobile coverages and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.

11.6 Workers' Compensation. Workers' Compensation insurance shall be carried as may be required by law.

11.7 Other Insurance and Special Endorsements. The Association shall carry such other insurance and special endorsements as the Board of Directors shall determine from time to time to be desirable, and as may be required by applicable law or regulation.

11.8 Notice of Cancellation or Changes; Premiums. All insurance policies purchased by the Association shall require the insurer to give the Association and each holder of a first mortgage on a Unit in the Condominium at least ten (10) days prior written notice before it cancels or substantially changes the coverage for the Condominium. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.

11.9 Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property, to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon the payment of claims, provided, however, that no claims relating to an individual Unit upon which there is an Institutional First Mortgage shall be settled without the consent of the Institutional Lender holding the mortgage; and provided further, that if the Institutional First Mortgagee who holds mortgages securing a greater aggregate indebtedness than any other mortgagee requests the Association to appoint an independent institutional insurance trustee, the Association shall appoint such a trustee to handle the collection and disbursement of all casualty and property insurance proceeds; and provided further that no claims in excess of \$250,000 affecting the Common Elements shall be settled without the consent of all Institutional First Mortgagees.

11.10 Reconstruction and Repair. If any part of the Condominium Property shall be damaged by casualty, it shall be reconstructed or repaired immediately unless it is determined in the manner elsewhere provided that the Condominium shall be terminated. Notwithstanding anything hereinbefore contained or implied to the contrary, if the Condominium or any part thereof is damaged by fire or other casualty, such damage shall be restored and repaired according to the original plans and specifications unless those Institutional Lenders holding first mortgages on at least 40% of the Units agree otherwise and subject to compliance with applicable building, development and/or zoning laws and regulations.

11.11 Plans and Specifications. Any reconstruction or repair must be substantially completed in accordance with the plans and specifications for the original Building, or if not, then according to plans and specifications approved by the Board of Directors of the Association and Institutional First Mortgagees holding mortgages on the Units involved. However, such obligation is subject to applicable building, development and/or zoning laws and regulations which may require that the reconstruction or repair be completed with revised plans and specifications.

11.12 Responsibility. If the damage is only to those parts of a Unit for which the responsibility of maintenance and repair is that of the Unit Owner, the then Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility for reconstruction and repair after casualty or other damage shall be that of the Association. Insurance proceeds shall be applied to such reconstruction and repair, except for damage or destruction caused by the intentional or negligent act or omission of a Unit Owner which shall be the responsibility of that Unit Owner to the extent not covered by insurance.

11.13 Estimates of Cost. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

11.14 Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, the funds for the payment of the costs thereof are insufficient, the Association shall pay over sufficient amounts to provide funds to pay the estimated costs, which amount shall be part of the Common Expenses of the Association assessed against Unit Owners.

11.15 Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance and funds collected by the Association from assessments against Unit Owners, shall be

disbursed in payment of such costs in the manner required by the Board of Directors of the Association. The first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds, and if there is a balance in the construction fund after payment of all costs of reconstruction and repair for which the fund is established, such balance shall be distributed to the Association as Common Surplus.

11.16 Institutional Lender's Right to Advance Premiums. Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements of the Institutional Lender holding the greatest dollar volume of Unit mortgages, such Institutional Lender(s) shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, the mortgagee(s) shall be subrogated to the assessment and lien rights of the Association against the individual Unit Owners for the payment of such item of Common Expense.

11.17 General Requirements. If available, and where applicable, the Association shall endeavor to obtain policies which provide that the insurer waives its right of subrogation as to any claims against Unit Owners, the Association, their respective servants, agents and guests. Insurance companies authorized to do business in the State of Florida shall be affirmatively presumed to be good and responsible companies and the Board of Directors of the Association shall not be responsible for the quality or financial responsibility of the insurance companies, provided they are licensed to do business in the State of Florida.

11.18 Equitable Relief. Any Unit Owner and any Institutional Lender owning and holding a mortgage encumbering a Unit in this Condominium shall have the right to petition a court having equity jurisdiction in and for the county where the Condominium Property is located for equitable relief relating to the provisions, rights and obligations of this Article.

11.19 Damage by Unit Owner. In the event any damage not covered by insurance is caused to any Unit and/or the Common Elements by a Unit Owner or a tenant, occupant, guest, licensee or invitee thereof or any pet of the foregoing, such damage shall be repaired at the cost and expense of the Unit Owner.

ARTICLE 12 Transfer of Interests

12.1 Maintenance of Community Interests. In order to maintain a congenial and compatible community that is personally and financially responsible and thus protect the value of the Units, the transfer of Units by any owner other than the Developer or an Institutional Lender shall be subject to the following provisions so long as the Condominium exists, which provisions each Unit Owner covenants to observe.

12.2 Transfers Subject to Approval. The following transfers shall be subject to approval:

(a) **Sale.** No Unit Owner other than the Developer or Institutional Lender may dispose of a Unit or any interest therein by sale or other transfer without the approval of the Board of Directors of the Association, except to another Unit Owner.

(b) **Gift.** No Unit Owner shall transfer the Unit by gift or other means of transfer not herein set forth without the approval of the Board of Directors of the Association. This provision shall not be applicable to the immediate family of a Unit Owner.

(c) **Devise or Inheritance.** A transfer by devise or inheritance shall not be subject to this Article.

12.3 Approval by Association. The approval of the Board of Directors of the Association which is required for the transfer of ownership of Units shall be obtained in the following manner:

(a) **Notice to Association.**

(i) **Sale.** A Unit Owner intending to make a bona fide sale or transfer of a Unit or any interest therein shall give to the Association notice of such intention, together with the name and address of the intended purchaser or transferee and/or such other information as the Association may reasonably require. The

Association may approve or disapprove a purchaser or transferee in the discretion of the Board, with any disapproval based on what is in the best interests of the Association and the community.

(ii) Gift; Other Transfers. A Unit Owner intending to make a gift of his or her Unit or by any other manner not heretofore considered or excluded, shall give to the Association notice of the proposed transfer of the Unit, together with such information concerning the new Unit Owner as the Association may reasonably require. The Association may approve or disapprove a purchaser or transferee in the discretion of the Board, with any disapproval based on what is in the best interests of the Association and the community.

(iii) Failure to Give Notice. If the notice to the Association herein required is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Unit, the Association at its election and without notice, may approve or disapprove the transaction or ownership. If the Association disapproves the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of such disapproval.

(b) Certificate of Approval. Within twenty (20) days after receipt of such notice and information of a proposed transfer or change of ownership as above set forth, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the President and Secretary, in recordable form, and shall be delivered to the purchaser or proposed transferee by gift and may be recorded in the Public Records, at the expense of the purchaser or transferee.

(c) Fee for Approval. The Association may charge a fee in connection with each request for approval but no such fee shall be in excess of the fee authorized by the Florida Condominium Act.

(d) Approval of Corporate Owner or Purchaser. Inasmuch as the Condominium may be used only for residential purposes, and a corporation cannot occupy a Unit for such use, if the purchaser or transferee of a Unit is a corporation or other business entity, the approval of ownership by the corporation or other business entity may be conditioned upon requiring that all persons occupying the Unit be also approved by the Association as herein provided.

(e) Subject to Rules. The Board may adopt such other terms, conditions and restrictions on transfer of interests if not prohibited by applicable statute or regulation.

12.4 Disapproval by Association. The Association may approve or disapprove a purchaser or transferee in the discretion of the Board, with any disapproval based on what is in the best interests of the Association and the community. The Association and Board shall comply with any legal obligation of confidentiality that may be required under applicable law.

12.5 Mortgage. No Unit Owner other than the Developer or an Institutional Lender who acquires title by foreclosure or deed in lieu thereof may mortgage a Unit or any interest therein without the approval of the Association, except to an Institutional Lender, the Developer, the construction lender for the Condominium or to a Seller to secure a portion or all of the purchase price. The approval of any other mortgagee may be upon conditions determined by the Association, or may be arbitrarily withheld.

12.6 Exceptions. The foregoing provisions of this Article shall not apply to a transfer or to a purchase by Developer or by a 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 a deed from the mortgagor or through foreclosure proceedings, nor shall such provisions apply to a transfer or sale by Developer or by a 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 duly advertised public sale with open bidding provided by law, such as, but not limited to an execution sale, foreclosure sale, judicial sale or tax sale.

12.7 Unauthorized Transactions. Any sale, change of ownership, lease, or mortgage which is not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved in writing by the Association.

12.8 Notice of Lien or Suit.

(a) Notice of Lien. A Unit Owner shall give notice, in writing, to the Association of every lien upon his or

her Unit other than for permitted mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

(b) Notice of Suit. A Unit Owner shall give notice, in writing, to the Association of every suit or other proceeding which may affect the title to his or her Unit, such notice to be given within five (5) days after the Unit Owner receives knowledge thereof.

(c) Failure to Comply. Failure to comply with this subsection concerning liens will not affect the validity of any judicial sale.

12.9 No Unlawful Discrimination. The provisions of this Article shall not be used directly or indirectly for the purpose of enforcing unlawful discriminatory policies.

12.10 Time Share Estates. No time share estates will or may be created in the Condominium, or any Unit thereof.

ARTICLE 13 Purchase of Units by Association

13.1 Purchase of Units by Association. The Association shall have the power to purchase Units in the Condominium and to otherwise acquire and hold, lease, mortgage and convey the same only in accordance with the following provisions. The decision of the Association to purchase a Unit and to acquire, hold, lease, mortgage and convey the same shall be made by its Board of Directors, without approval of its membership.

ARTICLE 14 Compliance and Default

14.1 Compliance and Default. Each Unit Owner and occupant of a Unit shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation, Bylaws and Rules and Regulations adopted pursuant thereto and as these documents and Rules and Regulations may be amended from time to time. Failure of a Unit Owner or occupant to comply shall entitle the Association or other Unit Owners to the relief provided for herein, in addition to the remedies provided by the Condominium Act.

14.2 Enforcement. The Association and its directors, officers and agents are hereby empowered to enforce this Declaration and the Bylaws and Rules and Regulations of the Association and has the irrevocable right of access to each Unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any Common Elements or any portion of a Unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or Association Property.

14.3 Fines. The Association may levy reasonable fines against a Unit and/or its Owner(s) for failure of the owner of the Unit or its occupant, licensee or invitee to comply with any provisions of the Declaration, the Bylaws, or the Rules or Regulations of the Association. No fine shall become a lien against a Unit. No fine shall exceed the maximum allowed by law per violation or in the aggregate, nor shall any fine be levied against any Unit Owner except after the giving of at least 14 days written notice and opportunity for a hearing to the Unit Owner and, if applicable, its tenants, licensee or invitees. A fine hereunder may be levied on the basis of each day of a continuing violation, with single notice and opportunity for hearing pursuant to the Condominium Act, if applicable.

14.4 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by the Unit Owner's act, neglect or carelessness, or by that of any member of such Unit Owner's family, such Unit Owner's guests, servants, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. A Unit Owner shall pay the Association the amount of any increase in its insurance premium occasioned by use, misuse, occupancy or abandonment of a Unit or its appurtenances, or of the Common Elements by the Unit Owner or such Unit Owner's family, tenants, guests, invitees or licensees.

14.5 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms or provisions of the Declaration, the Bylaws or the Rules and Regulations adopted pursuant thereto, as they may be amended from time to time, or for a declaratory judgment relating to the rights of the Association or Unit Owners

thereunder, the prevailing party shall be entitled to recover the costs and expenses of the proceeding and reasonable attorneys' fees to be awarded by the court, whether for trial, appellate or other legal services.

14.6 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation, the Bylaws, or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

ARTICLE 15 Amendments

15.1 Amendments. Except as otherwise specifically provided herein and except as otherwise specifically reserved by or to the Developer in Article 5 and Section 15.7, this Declaration of Condominium may be amended only in the manner hereinafter set forth. The Articles and/or Bylaws may be amended in accordance with their terms and shall not be considered an amendment of this Declaration by virtue of such documents being exhibits to this Declaration.

15.2 Notice. Notice of the subject matter of a proposed Amendment shall be included in the notice of all meetings at which a proposed Amendment is to be considered.

15.3 Resolution of Adoption. A resolution adopting a proposed Amendment may be proposed by either the Board of Directors of the Association or by at least thirty percent (30%) of the Voting Interests of the Association. Directors and members not present in person or by proxy at the meetings considering the Amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as otherwise required by the Florida Condominium Act and except as elsewhere provided, such approvals must be by not less than 2/3ds of the Voting Interests of the entire membership of the Association.

15.4 Limitation on Amendment. Provided, however, that no Amendment shall discriminate against any Unit Owner or any Unit nor against any class or group of Unit Owners or Units unless the Unit Owners so affected shall consent thereto, provided, further however, that notwithstanding anything herein contained to the contrary, any Amendment which changes the configuration or size of any Unit in any material fashion, materially alters or modifies the appurtenances of the Unit, or changes the proportion or percentage by which the Unit owner shares the Common Expenses and owns the Common Surplus, or which permits time-share estates to be created in any Unit of the Condominium, unless the record owner of the Unit and all record owners of liens on it shall join in the execution of the Amendment and unless a majority of the record owners of all other Units approve the Amendment. No Amendment shall change the provisions of any "Proviso" herein or Section 12.6 entitled "Exceptions" without the Developer's consent.

15.5 Further Limitations on Amendments. No Amendment shall adversely affect the right of the Developer, its heirs, personal representatives, successors, assigns, grantees, designees or nominees to complete the development, construction and sale of this Condominium. No Amendment that would alter or interfere with the rights of the Developer hereunder or which would increase the Developer's obligations hereunder shall be effective without the prior written consent of the Developer. No Amendment shall delete or modify all or any portion of this Article without the prior written consent of the Developer its heirs, personal representatives, successors, assigns, grantees, designees or nominees.

15.6 Execution and Recording. Except as provided in Article 5 and Section 15.7 herein and except as otherwise specifically provided herein, a copy of each such Amendment shall be attached to a certificate by the Association certifying that the Amendment was duly adopted, which certificate shall be executed by the appropriate officers of the Association with all the formalities of a deed. Any such Amendment shall be effective only when such certificate and copy of the Amendment are recorded in the Public Records.

15.7 Additional Rights of Developer to Amend Declaration. The Developer reserves the right to amend this Declaration and/or any of the Exhibits hereto, without the joinder or consent of the Association, the Unit Owners, Institutional Mortgagees, or any other person if such Amendment: (a) is necessary for the creation of a valid Condominium under the Florida Condominium Act or to correct deficiencies in the Condominium documents by including items required by the Florida Condominium Act, (b) is necessary to correct a scrivener's or preparer's or recording error or omission, or (c) does not materially and adversely affect the property rights of Unit Owners. Any such Amendment need only be signed by the Developer and recorded in the Public Records.

ARTICLE 16

Termination

16.1 Termination. The Condominium, subject to the provisions of Section 16.2 hereof, may be terminated in the manner provided in the Condominium Act.

16.2 Termination by Developer. Notwithstanding anything herein contained to the contrary, the Developer may terminate this Condominium at any time prior to the recordation of the conveyance of the first Unit by filing and recording an instrument in the Public Records, specifying that the Condominium is terminated and that termination is consented to by all mortgagees holding mortgages on the Lands and the Units, in which event this Declaration and all Exhibits hereto and all plats thereof shall be of no further force and effect.

16.3 Amendment. The section concerning termination cannot be amended without unanimous consent of the Unit Owners.

ARTICLE 17

Consent of Mortgagees, Institutional Lenders

17.1 Consent of Mortgagees. Regardless of anything in this Declaration to the contrary, if applicable law provides that the consent or agreement of a mortgagee is not required, or that any right or requirement of consent in the Declaration, the Articles, the Bylaws or any other document pertaining to the condominium is ineffective, void or not required, then such applicable law shall take precedence over any such right or requirement of a mortgagee.

17.2 Institutional Lenders; Notices. Upon written request to the Association identifying the name and address of the holder, insurer or guarantor and the Unit number or address, any such eligible Institutional Lender, insurer or guarantor shall be entitled to timely written notice by the Association of: (a) any proposed Condominium Amendment; (b) any proposed termination of the Condominium; (c) any condemnation loss or any casualty loss which affects a material portion of the Project or any Unit on which there is first mortgage held, insured or guaranteed by such eligible mortgage holder, insurer or guarantor, as applicable; (d) any delinquency in the payment of assessments or charges owed by an owner of a Unit subject to a first mortgage held, insured or guaranteed by such eligible holder, insurer or guarantor which remains uncured for period of sixty (60) days; (e) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and (f) any proposed action which requires the consent of any specified percentage of Institutional Lenders.

17.3 Additional Rights of Institutional First Mortgagees. In addition to all other rights herein set forth, and if permitted under applicable law, Institutional First Mortgagees shall have the right, upon written request to the Association, to:

- (a) Examine the Association's books;
- (b) Receive notice of Association meetings and attend such meetings;
- (c) Receive notice of an alleged default by any Unit Owner, for whom such Mortgagee holds a mortgage, which is not cured within thirty (30) days of notice of default to such Unit Owner; and
- (d) Receive notice of any substantial damage or loss to any portion of the Condominium Property.

ARTICLE 18

Severability

18.1 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision in this Declaration of Condominium, the Exhibits attached hereto and the Articles of Incorporation, Bylaws and Regulations of the Association shall not affect the validity of the remaining portions thereof.

ARTICLE 19
Additional Rights of Developer

19.1 **Election, Removal and Replacement of Directors and Officers of Association.** Subject to the rights of Unit Owners to elect directors of the Association, Developer hereby reserves unto itself, its successors, designees and assigns during the development and sale period, the exclusive right to elect, to remove and to replace from time to time the officers and directors of the Association (who need not be Unit Owners) as provided in the Articles of Incorporation of the Association. The Developer may terminate such rights earlier than provided in the Articles of Incorporation by voluntarily relinquishing control of the Board of Directors to the Unit Owners at any time.

19.2 **Miscellaneous.** The Developer reserves the right to use the name "ISLAND COURT VENICE" and all similar names and variations thereof in connection with future developments.

19.3 **Developer's Rights Inure to Benefit of Its Designees, Successors and Assigns.** All powers, privileges, easements, rights, reservations, restrictions and limitations herein reserved or otherwise created for the benefit of the Developer shall inure to the benefit of the Developer's designees, successors and assigns, and to such Lands or portion thereof owned by him.

ARTICLE 20
Miscellaneous

20.1 **Notices.** All notices to the Association required or desired hereunder or under the Bylaws of the Association shall be sent by certified mail (return receipt requested) to the Association c/o its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by him from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address, as may be designated by them from time to time in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of change of address, which shall be deemed to have been given when received, or five (5) business day after proper mailing, whichever shall first occur. Notices given by an Association in accordance with applicable law shall be deemed to be sufficient notice if different than the above.

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

20.3 **Exhibits.** There is hereby incorporated in this Declaration any materials contained in the Exhibits attached hereto which under the Act are required to be part of the Declaration.

20.4 **Signature of President and Secretary.** Wherever the signature of the President of the Association is required hereunder, the signature of a Vice-President may be substituted therefor, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an Assistant Secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

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

20.6 **Waiver.** No provision contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches.

20.7 **Ratification.** Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation

of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and Bylaws of the Association, and applicable Rules and Regulations, are fair and reasonable in all material respects and are fully enforceable in accordance with their terms.

20.8 Execution of Documents; Attorney-in-Fact. Without limiting the generality of other Articles of this Declaration and without such other Articles limiting the generality hereof, each Owner, by reason of the acceptance of a deed to such Owner's Unit, hereby agrees to execute, at the request of the Developer, all documents or consents which may be required by all governmental agencies to allow the Developer and its affiliates to complete the plan of development of the Project known as "ISLAND COURT VENICE", as hereafter amended, and each such Owner further appoints hereby and thereby the Developer as such Owners' agent and attorney-in-fact to execute, on behalf and in the name of such Owners, any and all of such documents or consents. This power of attorney is irrevocable and coupled with an interest.

20.9 Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.

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