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# CERTIFICATE OF RECORDATION OF AMENDED AND RESTATED DECLARATION OF CONDOMINIUM OF PASEO, A CONDOMINIUM AND THE ARTICLES OF INCORPORATION AND BYLAWS OF PASEO CONDOMINIUM ASSOCIATION, INC.

THE UNDERSIGNED being the President and Secretary of PASEO CONDOMINIUM ASSOCIATION, INC., a Florida non-profit corporation, do hereby certify that the attached Amended and Restated Declaration of Condominium of Paseo, a Condominium and the Amended and Restated Articles of Incorporation and Bylaws of Paseo Condominium Association, Inc., originally recorded at Instrument No. 2007000131860 et seq., of the Public Records of Lee County, Florida, were duly approved, adopted and enacted by the affirmative vote of the required percentage of unit owners at a meeting called for that purpose at which a quorum was present held on the 11th day of March 2021 and properly adjourned and reconvened on May 20, 2021. Dated this 8th day of June, 2021.

**WITNESSES:**

**(Sign)** _____

**(Print)** SUSAN VANDENACK

**(Sign)** _____

**(Print)** SHARI FOCANO

**PASEO CONDOMINIUM ASSOCIATION, INC.**

**BY:** _____
**President of the Association**
**Arlette Abbott**

**STATE OF FLORIDA**
**COUNTY OF LEE**

The foregoing instrument was acknowledged before me by means of [✓] physical presence or [ ] online notarization this 8th day of June 2021 by Arlette Abbott who is personally known to me or produced _____ as identification and did/did not take an oath.

**NOTARY PUBLIC:**

_____

Notary Public State of Florida
Indiana Hernandez
My Commission GG 233184
Expires 06/28/2022

STATE OF FLORIDA (SEAL)

My Commission Expires: June 28, 2022

**WITNESSES:**

**(Sign)** _____

**(Print)** SUSAN VANDENACK

**(Sign)** _____

**(Print)** SHARI FOLANO

**PASEO CONDOMINIUM ASSOCIATION, INC.**

**BY:** _____
**Secretary of the Association**
**Joette Brems**

**STATE OF FLORIDA**
**COUNTY OF LEE**

The foregoing instrument was acknowledged before me by means of [✓] physical presence or [ ] online notarization this 8TH day of June 2021 by Joette Brems who is personally known to me or produced _____ as identification and did/did not take an oath.

**NOTARY PUBLIC:** _____

Notary Public State of Florida
Indiana Hernandez
My Commission GG 233184
Expires 06/28/2022

STATE OF FLORIDA (SEAL)
My Commission Expires: June 28, 2022

NOTE: THIS A SUBSTANTIAL REVISION OF THE DECLARATION. SEE PRIOR DECLARATION FOR COMPARISON.

# AMENDED AND RESTATED DECLARATION OF CONDOMINIUM

# OF

# PASEO, A CONDOMINIUM

KNOW ALL PERSONS BY THESE PRESENTS:

The original Declaration of Condominium of Paseo, A Condominium, (hereinafter the "Condominium") was recorded at Instrument Number 2007000131860, in the Public Records of Lee County, Florida. That Declaration of Condominium, as it has previously been amended, is hereby further amended and is restated in its entirety.

## DEVELOPMENT OF PASEO

Paseo, a Condominium, is located within a planned master development known as Paseo. All of the property located within Paseo is subject to certain restrictions and regulations as provided in the Master Declaration of Covenants, Conditions and Restrictions for Paseo, to be recorded in Official Records of Lee County, Florida, and all subsequent amendments, and is herein referred to as the "Master Declaration".

The Master Declaration provides that each individual condominium association located in Paseo shall assess and collect assessments established by the Paseo Master Property Owners Association, Inc., herein referred to as the "Master Association," which is a Florida not-for-profit corporation formed for the purpose of enforcing the provisions of the Master Declaration. The assessments established by the Master Association are used for the improvement, maintenance, enhancement and operation of the Master Association property and to provide services which the Master Association is authorized or required to provide, including, but not Limited to, the payment of taxes and insurance on the Master Association property, construction of improvements, repair or replacement of Master Association property, collection of dues, fees or other charges levied by the Master Association, and for such other purposes reasonably related to the carrying out of the authorized functions and purposes of the Master Association. The amount of the assessments is set by the Board of Directors of the Master Association and the assessments are allocated among each individual association located in Paseo.

The Condominium contains multiple building types, Units and floor plans. The Condominium contains a total of one hundred twenty-three (123) residential condominium buildings and a total of seven hundred forty-nine (749) individual condominium Units. There are a total of twenty-two (22) different building types and layouts, with each building type containing different floor plan combinations, which floor plans and Unit names are described in the "Description of Improvements and Units; Survey and Plot Plan" Section of this Declaration and are graphically depicted on Exhibit "B" as amended to the original Declaration and incorporated herein by reference only and not attached.

Within the Condominium, there are (a) seven (7) buildings containing the Capistrano Unit; (b) eight (8) buildings containing the Carmel Unit; (c) two (2) buildings containing the Escondido Unit; (d) two (2) buildings containing the Laguna Unit; (e) one (1) building containing the Cordova, Capistrano and Carmel Units; (f) one (1) building containing the Castella, Carmel and Capistrano Units; (g) eleven (11) buildings containing the Cordova, Escondido, Castella and Laguna Units; (h) one (1) building containing the Castella, Carmel, Capistrano and Laguna Units; (i) one (1) building containing the Cordova, Capistrano, Carmel and Capistrano Units; (g) one (1) building containing the Castella, Carmel, Capistrano and Carmel Units; (k) one (1) building containing the Cordova, Capistrano, Carmel and Escondido Units; (I) one (1) building containing the Castella, Carmel, Capistrano, Carmel and Laguna Units; (m) one (1) building containing the Cordova, Capistrano, Carmel, Capistrano and Escondido Units; (n) twenty-three (23) buildings containing the Cordova, Capistrano, Escondido, Castella, Carmel and Laguna Units; (o) two (2) buildings containing the Castella, Carmel, Capistrano, Escondido, Cordova, Capistrano, Carmel and Laguna Units; (p) six (6) buildings containing the Santa Clarita, San Pablo, San Clemente, San Pablo Band Santa Anna End Units; (q) six (6) buildings containing the Santa Anna End, San Pablo, San Clemente, San Pablo B and Santa Rosa Units; (r) eight (8) buildings containing the Santa Clarita, San Pablo, San Clemente, San Pablo B, Santa Anna and Santa Anna End Units; (s) eight (8) buildings containing the Santa Anna End, San Pablo, San Clemente, San Pablo B, Santa Anna and Santa Rosa Units; (t) ten (10) buildings containing the Santa Anna End, Santa Anna, Santa Isabella, San Benito, San Fernando, Santa Maria, Santa Maria B, Santa Cruz, Santa Monica and Santa Barbara Units; (u) ten (10) buildings containing the Santa Barbara, Santa Monica, Santa Cruz, Santa Monica B, Santa Maria, San Fernando, San Benito, Santa Isabella, Santa Anna and Santa Anna End Units; and (v) twelve (12) buildings containing the Santa Barbara, Santa Monica, Santa Maria, San Fernando, San Benito, Santa Isabella, Santa Isabella, San Benito, San Fernando, Santa Maria, Santa Monica and Santa Barbara Units.

Each Unit and building are separately identified with a number as shown on the plot plan, survey and floor plans attached to the original Declaration as Exhibit "B" as amended which is incorporated herein by reference only and not attached. The first digit of a three (3) digit number, the first and second digit of a four (4) digit number and the first three digits of a five (5) digit number represent the number of the building in which the Unit is located. The last two (2) digits represent the Unit number. The specific Unit descriptions and floor plans corresponding to certain Unit numbers are shown in the plot plans, survey and floor plans attached to this Declaration as Exhibit "B". No Unit bears the same designation as any other Unit in the Condominium.

1. THE LAND: Developer owns certain real property located in Lee County, Florida, as more particularly described on Exhibit "A", attached hereto and incorporated herein by this reference (the "Land").

2. SUBMISSION STATEMENT: The Developer previously submitted the Land and all improvements erected thereon, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or fixed, located on and intended for use in connection therewith, to the condominium form of Ownership and use in the manner provided by the Florida Condominium Act as it exists on the date of the recording of this Declaration; excluding therefrom, however, any public utility installations, cable television lines, and other similar equipment that are owned by the utility furnishing services to the Condominium. No new land is being submitted to the Condominium by this amendment. The covenants and restrictions contained in this Declaration shall run with the land and be binding upon and inure to the benefit of all present and future Owners of condominium parcels. The acquisition of title to a Unit, or any other interest in the condominium property, or the lease, occupancy, or use of any portion of the condominium property shall constitute an acceptance and ratification of all provisions of this Declaration

as it may be amended from time to time and shall signify agreement to be bound by its terms.

This Condominium and this Declaration shall be subject to those restrictive covenants set forth in the Plan of Development described above.

3. NAME: The name by which this condominium shall be identified is Paseo, a Condominium (the "Condominium").

4. DEFINITIONS: The terms used in this Declaration and its exhibits shall have the meanings stated below and in Chapter 718, Florida Statutes, (The "Condominium Act"), unless the context otherwise requires.

4.1 "Architectural Review Board" or "ARB" means the committee formed by the Association to maintain the quality and architectural harmony of improvements within the Condominium.

4.2 "Assessment" means a share of the funds required for the payment of common expenses which from time to time are assessed against the Units.

4.3 "Association" means Paseo Condominium Association, Inc., a Florida corporation not for profit, the entity responsible for the operation of this condominium. The Association is a "Neighborhood Association", as defined in the Master Documents.

4.4 "Association Property" means all property, real or personal, owned or leased by the Association for the use and benefit of the Unit Owners.

4.5 "Board of Directors" or "Board" means the representative body which is responsible for the administration of the Association's affairs, and is the same body referred to in the Condominium Act as the "Board of Administration".

4.6 "Common Elements" or "Common Areas" means the real property described in Section 7 below, intended for the use and benefit of all Owners of Units in the Condominium, and all improvements thereon.

4.7 "Condominium Documents" means and includes this Declaration and all recorded exhibits hereto, and the Articles of incorporation and the Bylaws of the Condominium Association, as amended from time to time.

4.8 "Developer" means Stock Development, LLC, a Florida Limited liability company, its grantees, successors and assigns. A Unit Owner, solely by the purchase of a Unit, shall not be deemed a successor or assign of Developer or of the rights of Developer under the condominium documents or by law.

4.9 "Family" or "Single Family" shall refer to any one of the following:

(A) One natural person.

(B) Two or more natural persons who commonly reside together as a single housekeeping Unit, each of whom is related by blood, marriage or adoption to each of the others.

(C) Two or more natural persons not meeting the requirements of (B) above, but who

commonly and regularly reside together as a single housekeeping and economic Unit.

4.10 "Paseo" means the name given to the master planned community being developed by Stock Development, LLC, in Lee County, Florida.

4.11 " Guest" means any person (other than the Unit Owner and his or her family), who is physically present in, or occupies a Unit on a temporary basis at the invitation of the Owner or other legally permitted occupant, without the payment of consideration. "Temporary" means no longer than sixty (60) days in any calendar year.

4.12 "Institutional Mortgagee" shall refer to any one of the following:

(A) A lending institution holding a mortgage encumbering a Unit, including without limitation any of the following types of institutions or entities: a federal or state savings and loan or building and loan association, a bank chartered by a state or federal government, a real estate investment trust, a pension and profit sharing trust, a mortgage company doing business in the State of Florida, or a life insurance company doing business in Florida which is approved by the Commissioner of Insurance of the State of Florida.

(B) A governmental, quasi-governmental or private company that is engaged in the business of making, purchasing, holding, guaranteeing or insuring residential mortgages, including without limitation the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration and the Department of Urban Development.

4.13 "Lease" means the grant by a unit Owner of a temporary right of use of the Owner's unit for valuable consideration.

4.14 "Legal Fees" means reasonable fees for attorney and paralegal services incurred in connection with (i) negotiation and preparation for litigation, whether or not an action is actually begun, through and including all trial and appellate levels and post-judgment proceedings; and (ii) collection of past due assessments, including without limitation, preparation of notices and liens, and shall also include court costs through and including all trial and appellate levels and post-judgment proceedings.

4.15 "Limited Common Elements" means and includes those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units, and as further described in Section 8 below.

4.16 "Master Association" means the Paseo Master Property Owners Association, Inc., a Florida corporation not for profit. By acquisition of title to a Unit in the Condominium, each Unit Owner automatically becomes a member of the Master Association as further described in the Master Documents. Each Unit shall be obligated for assessments and other charges levied by the Master Association, such amounts to be collected by the Association as a common expense. Membership has only those rights and privileges contained in the Master Documents and in the rules promulgated by the Master Association. All Unit Owners in the Condominium shall be members of the Master Association.

4.17 "Master Documents" means the Master Declaration and all recorded exhibits to it, including the Articles of Incorporation, Bylaws, Rules and Regulations and policies of the Master

Association, all as amended from time to time.

4.18 "Occupy", when used in connection with a Unit, means the act of staying overnight in a Unit. "Occupant" is a person who occupies a Unit.

4.19 "Primary Institutional Mortgagee" means that institutional mortgagee which, at the time a determination is made, holds first mortgages on more Units in the Condominium than any other institutional mortgagee, such determination to be made by reference to the number of Units encumbered, and not by the dollar amount of such mortgages.

4.20 "Properties" means the real property described as such in the Master Declaration, together with any additional property subjected to the Master Declaration from time to time.

4.21 "Rules and Regulations" means those rules and regulations promulgated by the Board of Directors, governing the use of the Common Elements, the Units and the operation of the Association.

4.22 "Unit Owner" or "Owner" means the record Owner of legal title to a condominium Unit in this Condominium.

5. DESCRIPTION OF IMPROVEMENTS AND UNITS; SURVEY AND PLOT PLAN:

5.1 Description of Improvements and Units. The Condominium contains twenty-one (21) different condominium Unit floor plans, each named and described below and referred to herein as a "Unit type". As stated in the "Development" Section above, the buildings within the Condominium contain various combinations of the Unit types. Each Unit type may have been constructed with options, upgrades or changes pursuant to the final construction plans for each building and Unit, including without limitation conversion of loft areas to bedrooms, removal or relocation of internal non-structural bearing walls, and additions of optional storage areas, as further described on the plot plans and floor plans attached to the original Declaration as Exhibit "B" as amended. The Unit descriptions are as follows:

(A) Each Capistrano Unit is two (2) levels, contains approximately 1,768 square feet of living area, and contains two (2) full bathrooms, one half bath and two (2) bedrooms, a loft and has a patio, in addition to a 2-car garage.

(B) Each Carmel Unit is two (2) levels, contains approximately 1,484 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and two (2) bedrooms, and has a patio, in addition to a 2-car garage;

(C) Each Escondido Unit is two (2) levels, contains approximately 2,043 square feet of living area, and contains three (2) full bathrooms, one (1) half bath and three (3) bedrooms, and has a patio, in addition to two separate l-ear garages;

(D) Each Laguna Unit is two (2) levels, contains approximately 1,984 square feet of living area, and contains three (3) full bathrooms and three (3) bedrooms, in addition to two separate l-car garages.

(E) Each Cordova Unit is two (2) levels, contains approximately 1,484 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and two (2) bedrooms, and has a patio, in addition to a 2-car garage;

(F) Each Castella Unit contains approximately 1,768 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and two (2) bedrooms, a loft and has a patio, in addition to a 2-car garage.

(G) Each Santa Anna End Unit is two (2) levels, contains approximately 1,709 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and three (3) bedrooms, in addition to a 2-car garage.

(H) Each Santa Clarita Unit is two (2) levels, contains approximately 1,920 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and three (3) bedrooms, in addition to a 2-car garage.

(I) Each Santa Rosa Unit is two (2) levels, contains approximately 2,088 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and three (3) bedrooms, in addition to a 2-car garage.

(J) Each Santa Anna Unit is two (2) levels, contains approximately 1,655 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and three (3) bedrooms, and has a porch in addition to a 2-car garage;

(K) Each Santa Barbara Unit is three (3) levels, contains approximately 2,005 square feet of living area on the two upper levels, and contains two (2) full bathrooms, one (1) half bath and three (3) bedrooms, and has two (2) porches, in addition to a 2-car garage;

(L) Each Santa Cruz Unit is three (3) levels, contains approximately 1,788 square feet of living area on the two upper levels, and contains two (2) full bathrooms, one half bath and three (3) bedrooms, and has a porch, in addition to a 2-car garage;

(M) Each Santa Monica Unit is three (3) levels, contains approximately 1,500 square feet of living area on the two upper levels, and contains two (2) full bathrooms, one (1) half bath and two (2) bedrooms, and has a porch, in addition to a l-car garage;

(N) Each San Benito Unit is two (2) levels, contains approximately 1,508 square feet of living area, and contains two (2) full bathrooms and two (2) bedrooms, and has a porch, in addition to a l-car garage.

(O) Each San Fernando Unit is a single level, contains approximately 1,203 square feet of living area, and contains two (2) full bathrooms and two (2) bedrooms, and has a porch, in addition to a l-car garage.

(P) Each Santa Maria Unit is two (2) levels, contains approximately 1,493 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and two (2) bedrooms, and has a porch, in addition to a l-car garage;

(Q) Each Santa Isabella Unit is two (2) levels, contains approximately 1,616 square feet of living area, and contains two (2) full bathrooms, one (1) half bath and

two (2) bedrooms, and has a porch, in addition to a l-car garage;

(R) Each San Clemente Unit is a single level, contains approximately 1,382 square feet of living area, and contains two (2) full bathrooms and two (2) bedrooms, and has two (2) lanais, in addition to a 2-car garage.

(S) Each San Pablo Unit is two (2) levels, contains approximately 1,752 square feet of living area, and contains two (2) full bathrooms and three (3) bedrooms, and has a porch, in addition to a 2-car garage.

(T) Each San Pablo B Unit is two (2) levels, contains approximately 1,761 square feet of living area, and contains two (2) full bathrooms and three (3) bedrooms, and has a porch, in addition to a 2-car garage.

(U) Each Santa Monica B Unit is three (3) levels, contains approximately 1,504 square feet of living area on the two upper levels, and contains two (2) full bathrooms, one (1) half bath and two (2) bedrooms, and has a porch, in addition to a l-car garage.

All dimensions described herein or shown on the plot plan or floor plans in Exhibit "B" are approximate .

5.2 Survey and Plot Plan. Attached to the original Declaration as part of Exhibit "B", and incorporated by reference herein, are a survey of the Land, and a plot plan, which graphically describe the improvements in which Units are located, and which show all the Units, including their identification numbers, locations and approximate dimensions and the Common Elements and Limited Common Elements. Together with this Declaration, the exhibit is in sufficient detail to identify each Unit, the Common Elements, Limited Common Elements, and their relative locations and dimensions. No Unit bears the same designation as any other Unit in the Condominium.

5.3 Unit Boundaries. Each Unit shall include that part of the building that lies within the following boundaries:

(A) Upper and Lower Boundaries. The upper and lower boundaries of the Unit shall be the following boundaries extended to their intersections with the perimeter boundaries:

(1) Upper Boundaries. The horizontal plane of the unfinished lower surface of the ceiling of the Unit.

(2) Lower Boundaries. The horizontal plane of the unfinished upper surface of the floor of the Unit.

(B) Perimeter Boundaries. The perimeter boundaries of the Unit shall be the vertical planes of the unfinished interior surfaces of the drywall walls bounding the Unit as shown on the plots plans and floor plans for each Unit attached as Exhibit "B" hereto, extended to their intersections with each other and with the upper and lower boundaries.

(C) Interior Walls. No part of the non-structural interior partition walls within a Unit shall be considered part of the boundary of a Unit.

(D) Apertures. Where there are openings in any boundary, including, without limitation, windows, doors and skylights, the boundaries of the Unit shall extend to the interior unfinished surfaces of the coverings of such openings, and their frameworks thereof. Therefore, windows, doors, skylights, screens and all framing, casings and hardware, therefore, are excluded from the Unit.

(E) Utilities. The Unit shall not be deemed to include any pipes, wiring, ducts or other utility installations that are physically within the above-described boundaries, but which serve other Units or the Common Elements. Such utility installations shall be Common Elements.

In cases not specifically covered in this Section 5.3, or in any case of conflict or ambiguity, the graphic depictions of the Unit boundaries set forth in Exhibit "B" hereto shall control in determining the boundaries of a Unit, except the provisions of 5.3(D) above shall control over Exhibit "B".

6. CONDOMINIUM PARCELS; APPURTENANCES AND USE:

6.1 Shares of Ownership. The Owner of each Unit shall also own an undivided share in the Common Elements and the common surplus, in equal undivided fractional shares, the numerator of each fractional share being one (1) and the denominator being the total number of Units in the Condominium.

6.2 Appurtenances to Each Unit. The Owner of each Unit shall have certain rights and own a certain interest in the condominium property, including without limitation the following:

(A) An undivided Ownership share in the Land and other Common Elements and in the common surplus, as specifically set forth in Section 6.1 above.

(B) Membership in the Association, with full voting rights appertaining thereto, which shall be acquired and exercised as provided in the Articles of Incorporation and Bylaws of the Association, attached hereto as Exhibits "C" and "D", respectively.

(C) Membership and voting rights in the Master Association, with all the rights and obligations provided in the Master Documents, including the non-exclusive right to use the Common Areas of Paseo.

(D) The exclusive right to use the Limited Common Elements reserved for the Unit, or in common with one (1) or more other Units, but not all Units, and the non-exclusive right to use the Common Elements and Association property.

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

(F) Other appurtenances as may be provided by law or by this Declaration. Each Unit and its appurtenances constitute a condominium parcel".

6.3 Use and Possession. A Unit Owner is entitled to exclusive use and possession of his or her Unit. An Owner is entitled to use the Common Elements and association property in accordance with the purposes for which they are intended, but no use of the Unit or of the Common Elements and Association property may unreasonably interfere with the rights of other Unit Owners or other persons having rights to use the Condominium property. No Unit may be divided, and no fractional portion sold, leased or otherwise transferred without prior written approval of the Board of Directors. The use of the Units, Common Elements and Limited Common Elements shall be governed by the Condominium Documents and by the rules and regulations adopted by the Board of Directors, as set forth in the Bylaws.

6.4 Master Association Recreational Facilities. The recreation facilities described below are part of the Master Association and will be Common Elements of all residents within the Paseo community. Notwithstanding the foregoing, the Master Association may modify, amend, relocate or substitute other amenities as may be required by governmental authorities or as otherwise needed to preserve the character and aesthetics of the Condominium property or the Paseo community. The maximum number of Units which will use the recreational facilities in common is one thousand one hundred thirteen (1,113). The main club house is approximately twenty-two thousand five hundred twenty-eight (22,528) square feet on two (2) levels. The first level contains a reception area, covered vending area, two (2) offices, men's and women's bathrooms and locker rooms; gymnasium with cardiovascular, free weights, aerobic and office areas; outdoor seating area; cafe, ice cream shop; kitchen, service bar, multi-task bar; meeting room with a seating capacity of one hundred forty-four (144) people, electrical, mechanical and sprinkler rooms; three (3) storage rooms, multi-purpose room with billiards area, and an elevator. In addition, there is a separate theater building which has approximately three thousand seventy-seven (3,077) square feet. The theater has a seating capacity of one hundred (100) people. The theater building also contains seven hundred ninety-two (792) square feet of multipurpose activity space, three (3) offices, a lounge area, men's and women's restrooms each with a capacity of one (1) person, and projection, electrical and sprinkler rooms (collectively referred to as the "Clubhouse Facilities"). There is a main heated resort style swimming pool with a surface area of approximately five thousand five hundred sixty (5,560) square feet and a capacity of approximately one hundred sixty-five (165) persons. The pool depth will vary from a minimum of zero (0) feet at the infinity edge to a maximum of six (6) feet. The pool deck has a capacity of approximately two hundred twenty-five (225) people. There is also a ninety-five (95) square foot spa with a water depth of approximately three (3) to six (6) feet and capacity of approximately eight (8) to ten (10) persons. In addition, there is a children's pool with a surface area of approximately two hundred eighty (280) square feet and a depth of zero (0) feet to a maximum of one (1) foot. There are several other amenity areas located throughout the development, containing tennis courts, racquetball courts, a basketball court, a volleyball court, pickle ball courts, fishing pier and other recreational amenities as further depicted on Exhibit "B".

6.5 Quad Recreational Amenities. In addition, there are certain recreational amenities that serve only certain Units within the Condominium and are designed Limited Common Elements, as further described and defined in the "Swimming Pools and Other Quad Limited Elements" Section below. The five (5) Quads [as defined in Section 8.l(D)] contain pool amenity areas, each with a one thousand one hundred (1,100) square foot pool with a capacity of approximately twenty (20) people and approximately four thousand one hundred (4,100) square feet of deck space, which will accommodate approximately seventy-five (75) people. The depth of the Quad pools vary from approximately three and one-half (3.5) feet to five and one-half (5.5) feet. At each Quad, there is one (1) deck shower and four (4) shade cabanas, in addition to an overhead wooden trellis. Aside from the Quad amenities described above, there are no other amenities exclusive to the Condominium.

7. COMMON ELEMENTS; EASEMENTS:

7.1 Definition. The term "Common Elements" means all of the property submitted to condominium Ownership that is not within the Unit boundaries set forth in Section 5 above. The Common Elements include, without limitation, the following:

(A) The Land.

(B) All portions of the buildings and other improvements on the Land not included within the Units, including Limited Common Elements.

(C) Easements through each Unit for conduits, ducts, plumbing, wiring, and other facilities for furnishing utility services to Units and the Common Elements.

(D) An easement of support of every portion of a Unit or the Condominium which contributes to the support of a building.

(E) The fixtures and installations required for furnishing utilities and other services to more than one Unit or to the Common Elements.

7.2 Easements. Each of the following easements and easement rights is reserved through the Condominium property and is a covenant running with the Land of the Condominium, and notwithstanding any of the other provisions of this Declaration, may not be revoked and shall survive the exclusion of any land from the Condominium. None of these easements may be encumbered by any leasehold or lien other than those on the condominium parcels. Any lien encumbering these easements shall automatically be subordinate to the rights of Unit Owners with respect to such easements.

(A) Utility and Other Easements. The Association has the power, without the joinder of any Unit Owner, to grant easements such as electric, gas, cable television, or other utility or service easements, or relocate any existing access easements in any portion of the Common Elements as the Association shall deem necessary or desirable for the proper operation and maintenance of the Condominium. Such easements, or the relocation of existing easements, may not prevent or unreasonably interfere with the use of the Units. The Association may also transfer title to utility-related equipment, facilities or material, and take any other action to satisfy the requirements of any utility company or governmental agency to which any such utility-related equipment, facilities or material are to be so transferred.

(B) Encroachment. If any Unit encroaches upon any of the Common Elements or upon any other Unit for any reason other than the intentional act of the Unit Owner, or if any Common Element encroaches upon any Unit, then an easement shall exist to the extent of that encroachment as long as the encroachment exists.

(C) Ingress and Egress. A non-exclusive easement shall exist in favor of each Unit Owner and occupant, their respective guests and invitees for pedestrian traffic over, though, and across sidewalks, streets, paths, walks, and other portions of the Common Elements as from time to time may be intended and designed for such purpose and use, and for vehicular and pedestrian traffic over, though, and across such portions of the Common Elements as from time to time may be

paved or intended for such purposes, and for purposes of ingress and egress to the private roads within Paseo and the public ways.

(D) Support. Each Unit shall have an easement of support and necessity and shall be subject to an easement of support and necessity in favor of all other Units and Common Elements.

(E) Commons Association. A non-exclusive easement in favor of the Association for irrigation pump(s) and all irrigation lines and sprinklers within the Condominium which may be located on the Common Elements of the Condominium. In addition, the Developer and the Association shall have a non-exclusive and perpetual easement to enter upon, across, above, and under the Condominium property, including any Common Elements and any part of the Condominium, at reasonable hours to perform its responsibilities, including without limitation, maintenance, repair, inspection, and replacement of any portions of the Condominium Property or facilities located thereon. Furthermore, the Association may exercise all easement rights to perform any landscaping, maintenance, repair, replacement, or upkeep that the Association is obligated to properly perform as required under Section 11.1 of this Declaration or as necessary to affect the rights of the Association under Section 11.8 of this Declaration. The exercise of this easement shall not unreasonably interfere with the use of any Unit, and except in an emergency, entry into any Unit will only be made after a reasonable attempt is made to notify the Owner or occupant.

(F) Master Association. An easement in favor of the Master Association for ingress and egress over all streets within the Condominium. Owner A non-exclusive, perpetual easement exists for all other Owners within Paseo for ingress and egress over and across the streets. The Master Association further has the right to grant an easement for ingress and egress over the streets and elsewhere within Paseo, including within the Condominium, in favor of any person or entity designated by such Master Association , for the operations or maintenance of Paseo or any component thereof, and further reserves such right for the development, operation and maintenance of the stormwater drainage systems.

(G) Stormwater Drainage Facilities. A non-exclusive perpetual easement in favor of the Association, and the Paseo Community Development District ("CDD") under the Master Declaration, including their successors and assigns, encumbering portions of the Condominium located within utility and drainage easements as dedicated or designated by the Association, for the installation, maintenance and repair of stormwater drainage facilities, water lines and facilities, sewer lines and facilities, and any and all other utility facilities of any nature whatsoever; provided, however, the use or exercise of any rights under the terms of the easements reserved hereby shall not materially and adversely impact upon any subdivision improvements, recreational amenities, or any buildings, pools, lanais, or appurtenant structures or any improvements whatsoever. It is further provided that this easement includes the right of access as necessary for replacing, repairing and restoring any damage to the property or improvements thereon caused by the use of the easement area.

7.3 Restraint Upon Separation and Partition. The undivided share of Ownership in the Common Elements and common surplus appurtenant to a Unit cannot be conveyed or encumbered separately from the Unit and shall pass with the title to the Unit, whether or not separately described. No Owner may maintain an action for partition of the Common Elements. The shares in the funds and assets of the Association cannot be assigned, pledged or transferred except as an appurtenance to the Units.

8. LIMITED COMMON ELEMENTS:

8.1 Description of Limited Common Elements. Certain Common Elements have been, or may be, designated as Limited Common Elements, reserved for the use of a particular Unit or Units, to the exclusion of the other Units. The Limited Common Elements, and the Units to which their exclusive use is appurtenant, are as described in this Declaration and as further identified on the survey and plot plan attached as Exhibit "B" hereto. The following Common Elements are hereby designated as Limited Common Elements:

(A) Air Conditioning and Heating Equipment. All equipment, fixtures and installations located outside of a Unit, which furnish air conditioning or heating exclusively to that Unit, shall be Limited Common Elements, the exclusive use of which is appurtenant to the Unit, maintained, repaired and replaced by, and solely at the expense of, the Owner of the Unit.

(B) Courtyard or Veranda. Any courtyard, veranda, porch, lanai, deck or storage area attached to and exclusively serving a Unit shall be a Limited Common Element.

(C) Garages. There are shown on Exhibit "B" attached l-car and 2-car garages which are Limited Common Elements. Certain Units have assigned to them the exclusive right to use the garages attached to and serving such Units, together with the driveway serving such garages. The right to use such garages cannot be separated from the Unit to which it was originally attached and to which it serves. Maintenance of the interior spaces within a garage, including electrical installations, and of the rear entrance door, the hardware and interior surface of the overhead door, and the automatic door opener, shall be the Unit Owner's responsibility. Maintenance of the garage exteriors, garage overhead doors, roofs and structural components of the garages shall be by the Association as a common expense. However, if damage is caused to garages by an Owner, his guest, invitees, employees, or family, the Owner will be responsible for all costs incurred for to repair the garage, including the overhead doors, roofs and structural components to its original existing condition before the damage occurred.

(D) Swimming Pools and Other Quad Limited Elements. There are shown on Exhibit "B" certain Limited Common Elements labeled as L.C.E. and located within square block areas and surrounded by four (4) buildings each. Such areas include a swimming pool, deck area, sidewalks, grass areas, and signs or other aesthetic features. The square block areas, including those certain buildings surrounding such Limited Common Elements are referred to herein as "Quads". The buildings located within the Quads have the exclusive right to use the swimming pools and other Limited Common Elements located within the Quads. The right to use such Limited Common Elements within the Quads

cannot be separated from the Unit within the Quad to which such Limited Common Elements serve. Maintenance of the Limited Common Elements, including without limitation, the swimming pool, within each Quad, shall be by the Association, but will be billed to the Unit Owners within each Quad as a Limited Common Expense.

(E) Entries and Stairs. Any entries, stairways, stairwells and railings which are attached to, and which exclusively serve particular Units are Limited Common Elements for the exclusive use of the Units which they serve. The maintenance, repair and replacement thereof shall be the responsibility of the Association and shall be a Common Expense.

(F) Others. Any part of the Common Elements that is connected to or exclusively serves a single Unit and is specifically required in Section 11 of this Declaration to be maintained, repaired or replaced by or at the expense of the Unit Owner, shall be deemed a Limited Common Element, whether specifically described above or not.

9. ASSOCIATION: The operation of the Condominium is by Paseo Condominium Association, Inc., a Florida corporation not for profit, which shall perform its functions pursuant to the following:

9.1 Articles of incorporation. A copy of the Articles of incorporation of the Association is attached as Exhibit "C".

9.2 Bylaws. The Bylaws of the Association shall be the Bylaws attached as Exhibit "D" as may be amended from time to time.

9.3 Delegation of Management. The Board of Directors may contract for the management and maintenance of the Condominium property and authorize a licensed management agent to assist the Association in carrying out its powers and duties by performing such functions such as the submission of proposals, collection of assessments, keeping of records, enforcement of rules, approval of sales and leases and maintenance, repair and replacement of the Common Elements with the funds made available by the Association for such purposes. The Association and its Directors and officers, however, shall retain at all times the powers and duties provided in the Condominium Act.

9.4 Membership. The membership of the Association shall be comprised of Owners of the Units, as further provided in the Bylaws.

9.5 Acts of the Association. Unless the approval or affirmative vote of the Unit Owners is specifically made necessary by some provision of the Condominium Act or these condominium documents, all approvals or actions permitted or required to be given or taken by the Association may be given or taken by its Board of Directors, without a vote of the Unit Owners. The officers and Directors of the Association have a fiduciary relationship to the Unit Owners. A Unit Owner does not have the authority to act for the Association by reason of being a Unit Owner.

9.6 Powers and Duties. The powers and duties of the Association include those set forth in the Condominium Act and the Condominium Documents. The Association may contract, sue, or be sued with respect to the exercise or non-exercise of its powers and duties. For these purposes, the powers of the Association include, but are not Limited to, the maintenance, management, and operation of the Condominium property and Association property. The Association may impose fees for the use of

Common Elements or Association property. The Association has the power to enter into agreements to acquire leaseholds, memberships and other Ownership, possessory or use interests in lands or facilities, whether or not the lands or facilities are contiguous to the lands of the Condominium for the use and enjoyment of the Unit Owners.

9.7 Official Records. The Association shall maintain its official records as required by law. The records shall be open to inspection by members or their authorized representatives at all reasonable times. The right to inspect the records includes a right to make or obtain photocopies at the reasonable expense of the member seeking copies.

9.8 Purchase of Units. The Association has the power to purchase Units in the Condominium and to hold, lease, mortgage, or convey them, such power to be exercised by the Board of Directors.

9.9 Acquisition of Property. The Association has the power to acquire property, both real and personal. The power to acquire personal property shall be exercised by the Board of Directors. Except as otherwise provided in 9.8 above, the power to acquire Ownership interests in real property shall be exercised by the Board of Directors, but only after approval by at least a majority of the voting interests who are present and voting in person or by proxy at a meeting.

9.10 Disposition of Property. Except as provided in Section 9.8 above, any property owned by the Association, whether real, personal or mixed, may be mortgaged, sold, or otherwise encumbered or disposed of by the affirmative vote of a majority of the entire Board of Directors, without need for authorization by the Unit Owners. The Board of Directors, by the same vote requirement, is empowered to delegate any of its functions or convey any of its property to any governmental agency as may be required or deemed necessary from time to time.

9.11 Roster. The Association shall maintain a current roster of names and mailing addresses of Unit Owners. A copy of the roster shall be made available to any member upon request.

9.12 Indemnification. The Association covenants and agrees that it will indemnify and hold harmless the members of the Board from and against any and all claims, suits, actions, damages, and/or causes of action arising from any personal injury, loss of life, and/or damage to property sustained in or about Condominium property, Association property or the appurtenances thereto from and against all costs, legal fees, expenses and liabilities incurred in and about any such claim, the investigation thereof or the defense of any action or proceeding brought thereon, and from and against any orders, judgments and/or decrees which may be entered therein. Notwithstanding the foregoing, nothing herein shall impair the rights of the Association, or the Unit Owners as provided for under Section 718, Florida Statutes. Notwithstanding the foregoing, nothing herein shall impair the rights of the Association, or the Unit Owners as provided for under Section 718, Florida Statutes.

10. ASSESSMENTS AND LIENS: The Association has the power to levy and collect assessments against each Unit and Unit Owner in order to provide the necessary funds for proper operation and management of the condominium and for the operation of the Association. This power includes both "regular" assessments for each Unit's share of the common expenses as set forth in the annual budget, and "special" assessments for unusual, non-recurring or unbudgeted common expenses. The Association may also levy special charges against any individual Unit for any amounts, other than for common expenses, which are properly chargeable against such Unit under this Declaration or the Bylaws. Assessments shall be levied, and payment enforced as provided in Section 6 of the Bylaws, and as follows:

10.1 Common Expenses. Common expenses include all expenses of the operation, maintenance, repair, replacement or insurance of the Common Elements and association property, the expenses of operating the Association, and any other expenses properly incurred by the Association for the Condominium, including any amounts budgeted for the purpose of funding reserve accounts. The cost of water and sewer service to the Units and for irrigation shall be a common expense. Assessments levied by the Commons Association and the Master Association shall be common expenses. EACH UNIT OWNER ACKNOWLEDGES THAT ANY WATER PROVIDED FOR IRRIGATION PURPOSES MAY BE UNTREATED WATER OR TREATED EFFLUENT REUSE WATER. THE ASSOCIATION SHALL NOT BE RESPONSIBLE FOR THE QUALITY OF WATER PROVIDED FOR SUCH IRRIGATION PURPOSES.

Bulk cable contracts have been entered into by the Master Association for such services. If the Master Association is no longer provides such service for any reason, the Association can contract for basic cable or satellite television programming service in bulk for the entire Condominium, the costs of such service shall be a common expense to the extent permitted by law.

10.2 Share of Common Expenses. The Owner of each Unit shall be liable for a share of the common expenses equal to his or her share of Ownership of the Common Elements and the common surplus, as set forth in Section 6.1 above.

10.3 Ownership. Assessments and other funds collected by or on behalf of the Association become the property of the Association; no Unit Owner has the right to claim, assign or transfer any interest therein except as an appurtenance to his or her Unit. No Owner can withdraw or receive distribution of his or her share of the common surplus, except as otherwise provided herein or by law.

10.4 Liability for Assessments. The Owner of each Unit, regardless of how title was acquired, is liable for all assessments or installments thereon. Multiple Owners are jointly and severally liable. Except as provided in Section 20.3 below, whenever title to a condominium Unit is transferred for any reason, the transferee is jointly and severally liable with the transferor for all unpaid assessments against the transferor, regardless of when incurred, and without prejudice to any right the transferee may have to recover from the transferor any amounts paid by the transferee.

10.5 No Waiver or Excuse from Payment. The liability for assessments may not be avoided or abated by waiver of the use or enjoyment of any Common Elements or Association property, by abandonment of the Unit on which the assessments are made, or by interruption in the availability of the Unit or the Common Elements for any reason whatsoever. No Unit Owner may be excused from payment of his or her share of the Common Expenses unless all Unit Owners are likewise proportionately excused from payment, except as otherwise provided in Section 20.3 below as to certain mortgagees. Nothing herein shall be construed to prevent the Association from compromising or settling a past due assessment claim for less than full payment, if the Board determines that such action is in the best interest of the Association.

10.6 Application of Payments; Failure to Pay Interest. Assessments and installments thereon paid on or before ten (10) days after the date due shall not bear interest, but all sums not so paid shall bear interest at the highest rate allowed by law, calculated from the date due until paid. The Association may also impose a late payment fee (in addition to interest) to the extent permitted by law. Assessments and installments thereon shall become due, and the Unit Owner shall become liable for said assessments or installments on the date established in the Bylaws or otherwise set by the Board of Directors for payment. All payments on account shall be applied first to interest, then to late payment fees, and attorney's fees and costs, and finally to unpaid assessments, in such manner as is provided by law. No

payment by check is deemed received until the check has cleared.

10.7 Acceleration. If any special assessment or installment of a regular assessment as to a Unit becomes more than thirty (30) days past due, and a Claim of Lien is recorded, the Association shall have the right to accelerate the due date of the entire unpaid balance of the Unit's annual assessment and all special assessments for that fiscal year. The due date for all accelerated amounts shall be the date the Claim of Lien was recorded in the public records. The Association's Claim of Lien shall secure payment of the entire accelerated obligation, together with interest on the entire balance, attorney's fees and costs as provided by law; and said Claim of Lien shall not be satisfied or released until all sums secured by it have been paid. The right to accelerate shall be exercised by sending to the delinquent Owner a notice of the exercise, which notice shall be sent by certified, registered mail, by overnight courier service or hand delivered to the Owner's last known address, and shall be effective upon actual receipt, or shall be deemed given upon refusal to accept, or two (2) days following mailing of the notice postpaid. The notice may be given as part of the notice of intent to foreclosure, as required by Section 718.116 of the Condominium Act as amended from time-to-time hereafter or may be sent separately.

10.8 Liens. The Association has a lien on each Condominium Parcel securing payment of past due assessments, including interest and attorney's fees and costs incurred by the Association incident to the collection of the assessment or enforcement of the lien, whether before, during or after a lien foreclosure suit. The lien is perfected upon recording a Claim of Lien in the Public Records of Lee County, Florida, stating the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the assessments past due and the due dates. The lien is in effect until barred by law. The Claim of Lien secures all unpaid assessments coming due prior to a final judgment of foreclosure. Upon full payment, the person making the payment is entitled to a satisfaction of the lien.

10.9 Priority of Lien. The Association's lien for unpaid assessments shall be subordinate and inferior to any recorded first mortgage unless the Association's Claim of Lien was recorded prior to the mortgage. The Association's lien relates back to the date the original Declaration was recorded in the public records and therefore is superior to, and takes priority over, any other mortgage or lien regardless of when the mortgage was recorded, except as otherwise provided by law. Any lease of a Unit shall be subordinate and inferior to the Association's lien, regardless of when the lease was executed.

10.10 Foreclosure of Lien. The Association may bring an action in its name to foreclose its lien for unpaid assessments in the manner provided in the Condominium Act as amended from time-to-time hereafter and may also bring an action to recover a money judgment for the unpaid assessments without any lien rights.

10.11 Certificate as to Assessments. Within ten (10) business days after receiving a written request by a Unit Owner, Unit purchaser or mortgagee, the Association shall provide a certificate (sometimes referred to as an "estoppel letter") stating whether all assessments and other monies owed to the Association by the Unit Owner with respect to the condominium parcel have been paid. Any person other than the Owner who relies upon such certificate shall be protected thereby. The Association may charge the maximum amount allowed by law to issue an estoppel letter.

11. MAINTENANCE; LIMITATIONS UPON ALTERATIONS AND IMPROVEMENTS: Responsibility for the protection, maintenance, repair and replacement of the Condominium property, and restrictions on its alteration and improvement shall be as follows:

11.1 Association Maintenance. The Association is responsible for the protection, maintenance, repair and replacement of all Common Elements and Association property (other than the Limited Common Elements that are required elsewhere herein to be maintained by the Unit Owner). The cost is a Common Expense. The Association's responsibilities include, without limitation:

(A) Electrical wiring up to the circuit breaker panel in each Unit.

(B) Water pipes, up to the individual Unit cut-off valve inside each Unit.

(C) Cable television wiring up to the point where the wiring enters individual Units.

(D) Air conditioning condensation drain lines, up to the point of connection to an individual Unit drain line.

(E) Sewer lines, up to where the sewer lines enter individual Units.

(F) All installments located within one Unit but serving another Unit, or located outside the Unit, for the furnishing of utilities to more than one Unit or the Common Elements.

(G) The exterior surfaces of the main entrance doors to the Units.

(H) All exterior building walls, including painting, waterproofing and caulking.

(I) Roofs.

(J) Garages, to the extent provided in Section 8.1(C) hereof.

(K) The maintenance and replacement of all improvements within the courtyard(s) leading to Unit(s) as shown in Exhibit "B", including all landscaping.

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

11.2 Unit Owner Maintenance. Each Unit Owner is responsible, at his or her own expense, for all maintenance, repairs, and replacements of his or her own Unit and certain Limited Common Elements. The Owner's responsibilities include, without limitation:

(A) Maintenance, repair and replacement of screens, windows and window glass.

(B) The entrance door to the Unit and its interior surface.

(C) All other doors within or affording access to the Unit.

(D) The electrical, mechanical and plumbing fixtures, switches, valves, drains and outlets (including connections) located partially or entirely within the Unit or serving only the Unit, except those that are expressly made the Association's responsibility elsewhere in this Section 11.

(E) The circuit breaker panel located inside the Unit, and all electrical wiring into the Unit from the panel.

(F) Appliances, built-in cabinets, water heaters, smoke alarms and vent fans.

(G) All air conditioning and heating Units, service lines, equipment, thermostats, ducts and installations serving the Unit exclusively; provided, however, that if any repair or alteration is to be made to equipment located on the Common Elements, the prior approval of the Board of Directors shall be required.

(H) Carpeting and other floor coverings.

(I) Door and window hardware and locks.

(J) Shower pans.

(K) The main water supply shut-off valve for the Unit.

(L) All interior, partition walls which do not form part of the boundary of the Unit.

(M) The interior of the garage assigned to the Unit, the garage door and windows and the garage door opener.

11.3 Other Unit Owner Responsibilities. The Unit Owner shall also have the following responsibilities:

(A) Verandas and Courtyards. Where a Limited Common Element consists of a veranda, courtyard, storage area or stairway, the Unit Owner who has the right to the exclusive use of said Limited Common Elements shall be responsible for the day-to-day cleaning and care of the walls, floor and ceiling bounding the area, if any; any fixed and/or sliding glass doors in the entrance to said area and screens in the entrance to said area, if any; and the wiring, electrical outlet(s) and fixture(s) thereon, if any, and the replacement of light bulbs. No veranda or stairway may be carpeted, covered or enclosed in any way without the prior approval of the Board of Directors, and no carpeting or river rock may be installed or affixed to concrete surfaces exposed to the elements. The maintenance, repair, replacement and insurance of such approved carpeting, covering or enclosure shall be the responsibility of the Unit Owner. Maintenance, repair and replacement of all screening, including frames therefore and screen doors, if any, shall be the responsibility of the Owner. The Association is responsible for the maintenance, repair and replacement of all exterior building walls and concrete slabs and maintenance of landscaping in the courtyards which was originally provided by the Developer.

(B) Interior Decorating. Each Unit Owner is responsible for all decorating within his or her own Unit, including painting, wallpapering, paneling, floor covering, draperies, window shades, curtains, lamps and other light fixtures, and other furnishings and interior decorating.

(C) Flooring. All Units above the ground floor shall always have the floors covered with wall-to-wall carpeting installed over high quality padding, except carpeting is not required in kitchens, bathrooms, foyers or laundry rooms, or tile or hardwood as set forth below. An Owner who desires to install in place of carpeting any hard-surface floor covering (e.g., marble, slate, ceramic tile, parquet, hardwood, etc.) shall also install a sound absorbent underlayment of such kind and quality as to substantially reduce the transmission of noise to adjoining Units and must obtain written approval of the Board of Directors prior to making any such installation. If prior approval is not obtained, the Board, in addition to exercising all the other remedies provided in this Declaration, may require the Unit Owner to cover all such hard-surface flooring with carpeting, or require the removal of such hard-surface flooring at the expense of the offending Unit Owner. No carpeting of any kind may be installed or affixed to concrete surfaces exposed to the elements.

(D) Window Coverings. The covering and appearance of windows and doors, whether by draperies, shades, reflective film or other items, whether installed within or outside of the Unit, visible from the exterior of the Unit, shall be white or off-white in color and further subject to the rules and regulation of the Association.

(E) Modifications and Alterations. No Unit Owner may make any alterations to the exterior of his Unit, Limited Common Elements or Common Elements without the prior consent of the Board of Directors. Such alterations are subject to any development standards adopted by the Association and will require approval of the Commons Association. If a Unit Owner makes any modifications, installations or additions to his or her Unit, Limited Common Elements or the Common Elements, the Unit Owner and his or her successors in title shall be financially responsible for the insurance, maintenance, repair and replacement of the modifications, installations or additions, as well as the costs of repairing any damage to the Common Elements or other Units resulting from the existence of such modifications, installations or additions, and the costs of removing and replacing or reinstalling such modifications if their removal by the Association becomes necessary in order to maintain, repair, replace or protect other parts of the Condominium property. In the event of conflict, the provisions of this paragraph shall prevail over the provisions of Section 11.1 above.

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

(G) Duty to Report. Each Unit Owner shall promptly report to the Association or its agents any defect or need for repairs to the Condominium property or Association property, the remedying of which is the responsibility of the Association.

11.4 Alteration to Units, Limited Common Elements or Common Elements by Unit Owners. No Owner shall make or permit the making of any material alterations or substantial additions to his or her Unit, its appurtenant Limited Common Elements, or the Common Elements, or in any manner change the exterior appearance of any portion of the Condominium, without first obtaining the written approval of the Unit Board of Directors, which approval may be denied if the Board of Directors determines that the proposed modifications or alterations would adversely affect, or in any manner be detrimental to, the Condominium in part or in whole. Any glass, screen, curtain, blind, shutter, awning, or other modifications, additions or installations which may be installed where visible from outside the Unit are subject to regulation by the Board of Directors. No Owner may alter the landscaping in any way without prior Board approval and approval of the Master Association in accordance with the Master Declaration. If any Unit Owner requests approval of an alteration or modification involving the removal of any interior partition wall, the Association may permit such removal if the removal would not materially affect or interfere with the utility services constituting Common Elements, if any, located therein. The Board of Directors may revoke or rescind any approval of an alteration or modification previously given, if it appears that the installation has had unanticipated adverse effects on the Condominium. The approval of the Board of Directors pursuant to this Section 11.4 shall be in addition to any approval required by the Master Association.

11.5 Alterations and Additions to Common Elements and Association Property. The protection, maintenance, repair, insurance and replacement of the Common Elements and Association property is the responsibility of the Association, and the cost is a Common Expense. Beyond this function, the Association shall make no material alteration of, nor substantial additions to, the Common Elements or any real property owned by the Association which costs more than $10,000.00 in the aggregate in any calendar year without the prior approval of at least a majority of the voting interests who are present and voting in person or by proxy at a meeting. Alterations or additions costing less than this amount may be made with Board approval. If work reasonably necessary to protect, maintain, repair, replace or ensure the Common Elements or Association property also constitutes a material alteration or substantial addition to the Common Elements or Association property, no prior Unit Owner approval is required. The approval of the Board of Directors or the members pursuant to this Section 11.5 shall be in addition to any standards and approval of the Master Association. Unit

11.6 Enforcement of Maintenance. If, after reasonable notice, the Owner of a Unit fails to maintain the Unit or its appurtenant Limited Common Elements as required above, the Association shall have the right to institute legal proceedings to enforce compliance, or may take any other lawful actions to remedy such violations, including but not Limited to, repairing, replacing, or maintaining any item which in the business judgment of the Board of Directors constitutes an unreasonable danger to the Common Elements or residents. Any expenses incurred by the Association in performing work within the Unit as authorized by this Declaration shall be charged to the Unit Owner, together with reasonable attorney's fees and other expenses of collection, if any.

11.7 Negligence: Damage Caused by Condition in Unit. Each Owner shall be liable for the expenses of any maintenance, repair or replacement of the Common Elements, other Units, Association property, or personal property made necessary by his act or negligence, or by that of any member of his or her family or his or her guests, employees, agents or tenants. Each Unit Owner has a duty to maintain

his or her Unit, any Limited Common Element appurtenant to the Unit (except those Limited Common Elements required to be maintained by the Association, as provided in Section 11.1 above) and personal property therein in such a manner as to prevent foreseeable and reasonably preventable damage to other Units, the Common Elements, Association property or the property of other Owners and residents. If any condition, defect or malfunction resulting from the Owner's failure to perform this duty shall cause damage to other Units, the Common Elements, Association property or property within other Units, the Owner of the offending Unit shall be liable to the person or entity responsible for repairing the damaged property for all costs of repair or replacement not paid by insurance. If one or more of the Units involved is not occupied at the time the damage is discovered, the Association may enter the Unit without prior notice to the Owner and take reasonable action to mitigate damage or prevent its spread. The Association may, but is not obligated to, repair the damage with the prior consent of the Owner. Nothing herein contained shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

11.8 Association's Access to Units. The Association has an irrevocable right of access to the Units for the purposes of maintaining, repair and replacing the Common Elements or portions of a Unit to be maintained by the Association under this Declaration, and as necessary to prevent damage to the Common Elements or to one or more Units. The exercise of the Association's rights of access to the Unit shall be accomplished with due respect for the rights of occupants to privacy and freedom from unreasonable annoyance, as well as with appropriate precautions to protect the personal property within the Unit. The Association may retain a passkey to all Units. If it does, no Unit Owner shall alter any lock, nor install a new lock, which prevents access when the Unit is unoccupied, unless the Unit Owner provides a key to the Association. If the Association is not given a key, the Unit Owner shall pay all costs incurred by the Association in gaining entrance to the Unit, as well as damage to his or her Unit caused by gaining entrance thereto, and all damages resulting from delay in gaining entrance to the Unit caused by the non-availability of a key.

11.9 Pest Control. The Association may supply pest control services for the inside of each Unit, with the cost being a Common Expense. A Unit Owner has the option to decline service unless the Association determines that service is necessary for the protection of a building or the Condominium as a whole, in which case the Owner must either permit the Association's pest control company to enter the Unit, or must employ a licensed pest control company at the Owner's sole expense to perform the required pest control services and furnish written evidence to the Association that such treatment has occurred. Because the cost of pest control service provided by the Association is a Common Expense, the election of an Owner not to use the service shall not reduce the Owner's assessments.

11.10 Modification of Patio, Balconies or Veranda Enclosures. The Board of Directors may adopt a basic approved plan for tiling of patios, balconies and verandas. Unit Owners at their sole expense, may only tile such areas with specific written consent from the Board of Directors, provided that such tiling conforms in all respects to the approved basic plans and specifications, therefore. No Unit Owner may further screen or enclose the patio, balcony, or veranda serving the Unit.

11.11 Hurricane Shutters. Notwithstanding Section 11.10 above, the Board of Directors must adopt and approve one or more models, styles and colors of hurricane shutters as standard hurricane shutters for use on the Condominium. No hurricane shutter except of the standard models, colors and styles adopted by the Board of Directors may be installed.

11.12 Conformity with Master Documents. Notwithstanding anything in this Section 11 to the contrary, alterations, improvements, repairs and maintenance of the Condominium property shall conform to the provisions of the Master Documents, except where the provisions herein are more restrictive.

11.13 Combining Units. Nothing in this Declaration shall be construed as prohibiting the Board of Directors from authorizing the removal of any party wall between two (2) or more Units to allow them to be used together as one (1) Unit. In that event, all assessments, voting rights and the share of Common Elements shall be calculated as the Units were originally designated on the exhibits attached to the original Declaration, notwithstanding the fact that several Units are used as one, to the intent and purpose that the Owner of such combined Units shall be treated as the Owner of as many Units as have been so combined.

12. USE RESTRICTIONS. The use of the Condominium property shall be in accordance with the following provisions:

12.1 Units. Each Unit shall be occupied by only one (1) family and its guests at any time. Each Unit shall be used as a residence and for no other purpose. No Unit shall be permanently occupied by more than two (2) persons per bedroom, and no Unit shall be occupied overnight by more than two (2) persons per bedroom plus two (2) persons, such number to include all guests. No business, commercial activity or profession shall be conducted in or from any Unit. The use of a Unit as a "public lodging establishment" (as defined in Chapter 509, Florida Statutes) shall be deemed a business or commercial use. This restriction shall not be construed to prohibit any Owner from maintaining a personal or professional library, from keeping his or her personal, business or professional records in his or her Unit, or from handling personal, business or professional telephone calls or written correspondence in and from the Unit. Such uses are expressly declared customarily incident to residential use.

12.2 Approval of improvements. As set forth in the Master Documents, all buildings, structures, landscaping and improvements to be built on or in the Properties, including the Condominium, must be approved by the Master Association. The Master Declaration provides the procedure and method for obtaining said approval.

12.3 Minors. There is no restriction on the ages of occupants of Units. All occupants under 18 years of age shall be closely supervised at all times by an adult to ensure that they do not become a source of annoyance to other residents.

12.4 Pets. The Owner of each Unit may keep no more than two (2) commonly accepted household pets such as a dog or cat, not more than two (2) caged birds, and reasonable numbers of tropical fish in a Unit, subject to reasonable regulation by the Association. Notwithstanding the foregoing, no pet shall be permitted to be left unattended on any veranda, patio, Common Element, lanai, courtyard or in any garage, nor anywhere outside the Unit. All pets must be carried or leashed at all times while outside of the Unit. The Owner is responsible for cleaning up after his or her pet. The ability to keep such pets is a privilege, not a right, and the Board of Directors is empowered to order and enforce the removal of any pet which becomes in the sole and exclusive discretion of the Board a source of unreasonable annoyance or a danger to other residents of the Condominium or the Properties. No reptiles, amphibians, poultry or livestock may be kept at the Condominium.

12.5 Nuisances. No Owner shall use his or her Unit, or permit it to be used, in any manner which constitutes or causes an unreasonable amount of annoyance or nuisance to the occupant of another Unit, or which would not be consistent with the maintenance of the highest standards for a first-class residential condominium, nor permit the premises to be used in a disorderly or unlawful way. The use of each Unit shall be consistent with existing laws, the Master Documents, and the Condominium Documents, and occupants shall at all times conduct themselves in a peaceful and orderly manner.

12.6 Signs. No Unit Owner may post or display "For Sale", "For Rent", "Open House" or other signs or advertisements of any type anywhere on the Condominium property or on a vehicle on the Condominium property without the prior written consent of Unit the Board of Directors.

12.7 Use of Verandas, Courtyards, Lanais, Porches and Patios. Verandas, courtyards, lanais, porches, patios and storage areas shall not be obstructed, littered, defaced or misused in any manner. Verandas, courtyards, lanais, porches, patios and walkways shall be used only for the purposes intended, and they shall not be used for hanging or drying clothing, for cleaning of rugs or other household items, or for storage of bicycles or other personal property.

12.8 Motor Vehicles; Parking. Parking at the Condominium is restricted to private automobiles and passenger-type "mini-vans," jeeps and pick-up trucks having a capacity of no more than two (2) tons, and those vehicles permitted by the Master Documents. Abandoned or inoperable automobiles or oversized vehicles of any kind shall not be stored or parked on any portion of the condominium property. "Abandoned or inoperable vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of three (3) weeks or longer; provided however, this shall not include operable vehicles left on the Condominium property by Owners while on vacation. No golf carts, mopeds, motorcycles, commercial vehicles, campers, mobile homes, motor homes, house trailers or trailers of every other description, recreational vehicles, boats, or boat trailers shall be permitted to be parked or to be stored on the Condominium property, except in closed garages, so long as such storage in the garage does not cause permitted vehicles to be improperly parked. For the purpose of this Section, "commercial vehicles" shall mean those which are not designed and used for customary personal/family purposes. The absence of commercial-type lettering or graphics on a vehicle shall not be dispositive as to whether it is a commercial vehicle. The determination of the Association's Board of Directors as to the commercial nature of a vehicle shall be binding. Nothing herein shall prohibit the parking or storage of otherwise prohibited or restricted vehicles in an area within Paseo designated and made available by the Master Association for said parking and storage, subject to all restrictions, rules and regulations imposed by the Board of Directors of the Master Association upon such parking and storage. Because the number of parking spaces is Limited, the right of the Owners and occupants of any Unit to park, keep or store more than two (2) motor vehicles in the Condominium may be Limited or regulated by the Association. The prohibitions on parking contained hereinabove shall not apply to temporary parking of commercial vehicles such as for construction use or providing pick-up and delivery and other commercial services. No parking on lawns or in the streets shall be permitted. No vehicle shall be parked anywhere but in garages or on paved areas intended for that purpose, or as approved by the Association for construction or moving purposes. Nothing herein shall restrict the Association or its designees from placing, parking or storing vehicles that are engaged in any activity relating to maintenance, repair, replacement or protection of the Condominium property.

12.9 Antennae, Aerial and Satellite Dishes. No outside television, radio or other electronic towers, aerials, antennae, satellite dishes or devices of any type for the reception or transmission of radio or television broadcasts or other means of communication shall be placed upon any portion of a Unit, the Condominium property or Association property, except as may be required in connection with the provision of a cable television or master antenna system servicing the Condominium, or that comply with the terms of the Master Documents, or as may be allowed by any law. No ham radios or radio transmission equipment shall be operated or permitted to be operated within the Condominium property or the Association property without the prior written consent of the Board of Directors.

12.10 Hurricane Season. Each Unit Owner who plans to be absent from his or her Unit during hurricane season must prepare such Unit prior to departure by removing any and all furniture, potted plants and other movable objects, if any, from the lanai and exterior entry area and by designating a

responsible firm or individual satisfactory to the Association to care for the Unit should the Unit suffer hurricane damage. No hurricane shutters may be installed which do not comply with specifications adopted by the Board of Directors.

12.11 Garages. Garage doors shall be kept closed at all times except as necessary for ingress or egress purposes. Garages may be used only for the purposes intended and may not be converted to additional living space.

12.12 Additional Restrictions. The Master Documents contain additional restrictions which are applicable to the Condominium property and the Unit Owners. In the event of a conflict between the provisions of this Declaration, the provisions of the Master Documents and the provisions of the Master Documents shall control this Declaration. However, if this Declaration and the other Condominium Documents contain provisions which are more restrictive than those contained in the Master Documents, the more restrictive provisions shall control.

13. LEASING OF UNITS: In order to foster a stable residential community and prevent a motel-like atmosphere, the leasing of Units by Owners shall be restricted as provided in this Section. The ability of a Unit Owner to lease his or her Unit to others is a privilege, not a right. The privilege may be revoked by the Board of Directors if it is abused by the Owner. All leases of Units must be in writing. A Unit Owner may lease only his or her entire Unit, and then only in accordance with this Section, after receiving the approval of the Association. The lessee must be a natural person. All of the leasing restrictions contained herein apply to all types of occupancy of a Unit for which consideration has been paid to the Owner including but not Limited to occupancy pursuant to a license or other arrangement.

13.1 Procedures.

(A) Notice by the Unit Owner. An Owner intending to lease his or her Unit shall give to the Board of Directors, or its designee written notice of such intention at least twenty (20) days prior to the first day of occupancy under the lease together with the name and address of the proposed lessee, a fully executed copy of the proposed lease, and such other information as the Board may reasonably require. The Board may require a personal interview with any lessee and his spouse, if any, as a precondition to approval.

(B) Board Action. After the required notice and all information or interviews requested have been provided, the Board shall have twenty (20) days in which to approve or disapprove the proposed lease. If the Board neither approves nor disapproves within that time, its failure to act shall be deemed the equivalent of approval, and on demand the Board shall issue a written letter of approval to the lessee.

(C) Disapproval. A proposed lease shall be disapproved for good cause only if a majority of the whole Board so votes and in such case the lease shall not be made. In determining good cause, the Board shall consider on a case-by-case basis mitigating factors including but Limited to the recency and severity of the event and its detrimental impact on the Condominium. All persons seeking to occupy a Unit that were not approved in the initial lease application must be approved for occupancy as provided for herein. The Board may obtain background and credit checks for use in evaluating all proposed occupants. Appropriate good cause grounds for disapproval shall include, but are not limited to, the following:

(1) the Unit Owner is delinquent in the payment of assessments at the time the application is considered.

(2) the Unit Owner has a history of leasing his or her Unit without obtaining approval or leasing to troublesome lessees and/or refusing to control or accept responsibility for the occupancy of the Unit.

(3) the real estate company or rental agent handling the leasing transaction on behalf of the Unit Owner has a history of screening lessee applicants inadequately, recommending undesirable lessees or entering into leases without prior Association approval.

(4) the application on its face indicates that the person seeking approval or any of the proposed occupants intends to conduct himself or herself in a manner inconsistent with the covenants and restrictions applicable to the Condominium.

(5) the prospective lessee or any of the proposed occupants have been convicted of a felony involving violence to persons or property, a felony involving sale or possession of a controlled substance, or a felony demonstrating dishonesty or moral turpitude.

(6) the prospective lessee or any of the proposed occupants have a history of conduct which evidences disregard for the rights and property of others.

(7) the prospective lessee or any of the proposed occupants evidences a strong possibility of financial irresponsibility.

(8) the prospective lessee or any of the proposed occupants, during previous occupancy in this Condominium or elsewhere, have evidenced an attitude of disregard for the Association rules.

(9) the prospective lessee or any of the proposed occupants gives false or incomplete information to the Board as part of the application procedure, or the required transfer fees and/or security deposit are not paid; or

(10) the Owner fails to give proper notice of the Owner's intention to lease his or her Unit to the Board of Directors or allows the applicants to occupy the Unit before written approval has been granted.

(D) Failure to Give Notice or Obtain Approval. If proper notice is not given, the Board, at its election, may approve or disapprove the lease. Any lease entered into without approval, at the option of the Board, may be treated as a nullity, and the Board shall have the power to evict the lessee with five (5) days' notices, without securing consent to such eviction from the Unit Owner.

(E) Applications; Assessments. Applications for authority to lease shall be made to the Board of Directors on such forms and include such terms as the Board may provide from time to time. The legal responsibility for paying Condominium assessments may not be delegated to the lessee.

(F) Committee Approval. To facilitate and expedite approval of leases the Board of Directors may by resolution delegate its approval powers to an ad hoc committee, which shall consist of at least three (3) members or to the Association manager.

(G) No Discrimination. No lease shall be disapproved for an illegal discriminatory reason.

(H) If a lease is disapproved for good cause the Association has no obligation to provide an alternate lessee.

13.3 Term of Lease and Frequency of Leasing. No Unit may be leased for a period of less than thirty (30) consecutive days. No new lease shall begin until at least thirty (30) days have elapsed since the first day of the last lease. No lease may be for a period of more than one (1) year, and no option for the lessee to extend or renew the lease for any additional period shall be permitted without Board approval. No Unit may be leased more than twelve (12) times in any calendar year. A lease term that occurs between the end of one (1) calendar year and the beginning of another calendar year, shall be counted as one (1) lease and shall be attributable to the year in which the lease term began. The Board, at its discretion, may approve the same lease from year to year. No subleasing or assignment of lease rights by the lessee is allowed without Board approval. No Unit may be offered or advertised for lease for a lease term of less than thirty (30) continuous days.

13.4 Occupancy During Lease Term. No one but the lessee, his or her family members within the first degree of relationship by blood, adoption or marriage or as defined above, and his or her spouse and temporary house guests may occupy the Unit.

13.5 Occupancy in Absence of Lessee. If a lessee absents himself or herself from the Unit for any period of time during the lease term, his or her family within the first degree of relationship or as defined above already in residence may continue to occupy the Unit and may have house guests subject to all the restrictions in Sections 12 and 13.4 above. If the lessee and all of the family members mentioned in the foregoing sentence are absent, no other person may occupy the Unit.

13.6 Use of Common Elements and Association Property. To prevent overtaxing the facilities, a Unit Owner whose Unit is leased may not use the recreation or parking facilities during the lease term.

13.7 Regulation by Association. All of the provisions of the Condominium Act, the Condominium Documents and the rules and regulations of the Association shall be applicable and enforceable against any person occupying a Unit as a lessee or guest to the same extent as against the Owner. A covenant on the part of each occupant to abide by the rules and regulations of the Association and the provisions of the Condominium Documents, including without limitation, designating the Association as the Owner's agent with the authority to terminate any lease agreement and evict the tenants in the event of breach of such covenant, shall be deemed to be included in every lease agreement, whether oral or written, and whether or not specifically expressed in such agreement.

13.8 Fees and Deposits Related to the Lease of Units. Whenever the Board's approval is required to allow the lease of a Unit, the Association may charge the Owner a preset fee for processing the application, such fee not to exceed the maximum amount allowed by law (currently $150.00 per applicant with spouses or parent and child considered one (1) applicant). No fee maybe charged for approval of a renewal or extension of a lease with the same lessee. The Association may also require any deposits that are authorized by the Condominium Act as amended from time to time.

13.9 Applicability of Master Documents. All leases of Units shall be specifically subject to the Master Documents, and any failure of the lessee to comply with the Master Documents shall be deemed a default under the lease. The Master Association may require that a copy of the lease be furnished by the Unit Owner.

14. TRANSFER OF OWNERSHIP OF UNITS: In order to maintain a community of congenial, financially responsible residents with the objectives of protecting the value of the Units, inhibiting transiency, and facilitating the development of a stable, quiet community and peace of mind for all residents, the transfer of Ownership of a Unit shall be subject to the following provisions: (All persons seeking to occupy the Unit and not approved as part of the original application to transfer must also be approved as provided for herein).

14.1 Forms of Ownership:

(A) One Person. A Unit may be owned by one (1) natural person who has qualified and been approved as elsewhere provided herein.

(B) Two or More Persons. Co-Ownership of Units by two (2) or more persons is permitted. However, the intent of this provision is to allow flexibility in estate, tax or financial planning, and not to create circumstances where the Unit may be used as short-term transient accommodations for multiple families. If the co-Owners are other than lawful spouses, the Board shall condition its approval upon the designation of one (1) approved natural person as "primary occupant". The use of the Unit by other persons shall be as if the primary occupant were the only actual Owner. Any change in the primary occupant shall be treated as a transfer of Ownership by sale or gift subject to the provisions of this Section 14. No more than one such change will be approved in any twelve (12) month period except in the case of the death or incapacity of the primary occupant.

(C) Ownership by Corporations, Partnerships or Trusts. A Unit may be owned in trust, or by a corporation, partnership or other entity which is not a natural person, if approved in the manner provided elsewhere herein. The intent of this provision is to allow flexibility in estate, tax or financial planning, and not to create circumstances in which the Unit may be used as short-term transient accommodations for several individuals or families. The approval of a trustee, or corporation, partnership or other entity as a Unit Owner shall be conditioned upon designation by the Owner of one (1) natural person to be the "primary occupant". The use of the Unit by other persons shall be as if the primary occupant were the only actual Owner. Any change in the primary occupant shall be treated as a transfer of Ownership by sale or gift subject to the provisions of this Section 14. No more than one such change will be approved in any twelve (12) month period, except in the case of the death or incapacity of the primary occupant.

(D) Life Estate. A Unit may be subject to a life estate, either by operation of law or by a voluntary conveyance approved under Section 14.2 below. In such event, the life tenant shall be the only Association member from such Unit, and occupancy of the Unit shall be as if the life tenant was the only Owner. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy rights unless separately approved by the Association. The life tenant

shall be liable for all assessments and charges against the Unit. Any consent or approval required of Association members may be given by the life tenant alone, and the consent or approval of the holders of the remainder interest shall not be required. If there is More than one (1) life tenant, they shall be treated as co-Owners for purposes of determining voting and occupancy rights.

14.2 Transfers.

(A) Sale or Gift. No Unit Owner may dispose of a Unit or any interest in a Unit by sale or gift (including agreement for deed) without prior written approval of the Board of Directors.

(B) Devise or Inheritance. If any Unit Owner acquires his or her title by devise or inheritance, the right to occupy or use the Unit shall be subject to the approval of the Board of Directors under Section 14.3(A)(2) below. The approval shall not be denied to any devisee or heir who was the prior Owner's lawful spouse at the time of death or was related to the Owner by blood or adoption within the first degree.

(C) Other Transfers. If any person acquires title in any manner not considered in the foregoing subsections, the person shall have no right to occupy or use the Unit before being approved by the Board of Directors under the procedures outlined in Section 14.3 below.

(D) Committee Approval. To facilitate and expedited transfers the Board of Directors may by resolution delegate its approval powers to an ad hoc committee, which shall consist of at least three (3) members or to the Association manager. The Chairman of the committee shall be deemed a Vice President, and as such shall be empowered to execute Certificates of Approval on behalf of the Association.

14.3 Procedures.

(A) Notice to Association.

(1) Sale or Gift. An Owner intending to make a sale or gift of his or her Unit or any interest therein shall give to the Board of Directors or its designee written notice of such intention at least twenty (20) days before the intended closing date, together with the name and address of the proposed purchaser or donee, a copy of the executed sales contract, if any, and such other information as the Board may reasonably require. The Board may require a personal interview with any purchaser or donee and his spouse, if any, as a pre-condition to approval.

(2) Devise, Inheritance or Other Transfers. The transferee must notify the Board of Directors of his or her Ownership and submit a certified copy of the instrument evidencing his or her Ownership and such other information as the Board may reasonably require. The transferee shall have no occupancy or use rights until and unless approved by the Board but may sell or lease the Unit following the procedures in this Section or Section 13.

(3) Failure to Give Notice. If no notice is given, the Board of Directors, at its election, may approve or disapprove at the time it learns of the transfer. If any Owner fails to obtain the Association's approval prior to selling an interest in a Unit, such failure shall create a rebuttable presumption that the seller and the purchaser intend to violate the covenants of this Declaration and shall constitute good cause for Association disapproval.

(B) Board Action. Within twenty (20) days after receipt of the required notice and all information or interviews requested, or not later than sixty (60) days after the notice required by paragraph (A) above is received, whichever occurs first, the Board shall approve or disapprove the transfer. If a transfer is approved, the approval shall be stated in a Certificate of Approval executed by the President or Vice President of the Association in recordable form and delivered to the transferee. If the Board neither approves nor disapproves within the time limits as set forth above, such failure to act shall be deemed the equivalent of approval and on demand the Board shall issue a Certificate of Approval to the transferee.

(C) Disapproval. The Association's approval shall not be denied unless a majority of the whole Board so votes. If the Board disapproves for good cause, it shall have no obligation to provide an alternate purchaser of the Unit.

(D) In determining good cause to disapprove a transfer the Board shall consider on a case-by-case basis mitigating factors including but limited to the recency and severity of the event and its detrimental impact on the Condominium. All persons seeking to occupy a Unit that were not approved in the initial transfer application must be approved for occupancy as provided for herein. The Board may obtain background and credit checks for use in evaluating all proposed occupants. Appropriate good cause grounds for disapproval shall include, but are not Limited to, the following:

(1) the Unit Owner is delinquent in the payment of assessments at the time the application is considered.

(2) the real estate company or rental agent handling the transaction on behalf of the Unit Owner has a history of screening applicants inadequately, recommending undesirable applicants or entering into sale contracts without prior Association approval.

(4) the application on its face indicates that the person seeking approval or any of the proposed occupants intends to conduct himself or herself in a manner inconsistent with the covenants and restrictions applicable to the Condominium.

(5) the prospective Owner or any of the proposed occupants have been convicted of a felony involving violence to persons or property, a felony involving sale or possession of a controlled substance, or a felony demonstrating dishonesty or moral turpitude.

(6) the prospective Owner or any of the proposed occupants have a history of conduct which evidences disregard for the rights and property of others.

(7) the prospective Owner or any of the proposed occupants evidences a strong possibility of financial irresponsibility.

(8) the prospective Owner or any of the proposed occupants, during previous occupancy in this Condominium or elsewhere, have evidenced an attitude of disregard for the Association rules.

(9) the prospective Unit Owner or any of the proposed occupants gives false or incomplete information to the Board as part of the application procedure, or the required transfer fees are not paid; or

(10) the Owner fails to give proper notice of the Owner's intention to transfer his or her Unit to the Board of Directors or allows the applicants to occupy the before written approval has been granted.

14.4 Exception. The provisions of Section 14.1, 14.2 and 14.3 above are not applicable to the acquisition of title by an institutional mortgagee who acquires title through the mortgage, whether by foreclosure or deed in lieu of foreclosure, but are applicable to the subsequent sale of the Unit by the mortgagee.

14.5 Unapproved Transfers. Any sale or transfer which is not approved, or which is disapproved pursuant to the terms of this Declaration shall be void unless subsequently approved in writing by the Board.

14.6 Fees Related to the Sale of Units. Whenever herein the Board's approval is required to allow the sale or other transfer of an interest in a Unit, the Association may charge the Owner a preset fee for processing the application, such fee not to exceed the maximum amount allowed by law (currently $100.00 per applicant with spouses or parent and child considered one (1) applicant).

14.7 No Discrimination. The Board shall not disapprove a transfer for an illegal discriminatory reason.

14.8 No approval is required for a person or entity purchasing a Unit at a mortgage foreclosure sale.

15. INSURANCE: In order to adequately protect the Association and its members, insurance shall be carried and kept in force at all times in accordance with the following provisions:

15.1 By the Unit Owner. Each Unit Owner is responsible for insuring his or her own Unit, and the personal property therein, including all appliances, water heaters, built- in cabinets, floor, wall and ceiling coverings and electrical fixtures that are located within the Unit and are required to be repaired or replaced by the Owner, and all alterations, additions and improvements made to the Unit or the Common Elements or Limited Common Elements by the Owner or its predecessors in title. Each Unit Owner is expected to carry homeowner's insurance, with endorsements for leakage, seepage and wind-driven rain, additions and alterations, and loss assessment protection, or recognize that he or she bears financial responsibility for any damage or liability to other Owners that would otherwise be covered by such insurance.

15.2 Association Insurance; Duty and Authority to Obtain. The Association through its Board of Directors shall obtain and keep in force the insurance coverage which it is required to carry by law and under the Condominium Documents and may obtain and keep in force any or all additional

insurance coverage as it deems necessary. The names of the insured shall be the Association and the Unit Owners without naming them, and their mortgagees, as their interests shall appear. To the extent permitted by law, the Association may self-insure.

15.3 Required Coverage. The Association shall maintain adequate insurance covering all of the buildings and the Common Elements as well as all Association property, in amounts determined annually by the Board of Directors, such insurance to afford the following protection:

(A) Property. Loss or damage by fire, extended coverage (including windstorm), vandalism and malicious mischief, and other hazards covered by what is commonly known as an "All Risk" property policy.

(B) Liability. Premises and operations liability for bodily injury and property damage in such limits of protection and with such coverage as are determined by the Board of Directors, with cross-liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.

(C) Statutory Fidelity Bond. As required by law.

15.4 Optional Coverage. The Association may purchase and carry other insurance coverage as the Board of Directors may determine to be in the best interest of the Association and Unit Owners. Some of the more common options include:

(A) Flood insurance.

(B) Broad Form Comprehensive General Liability Endorsement.

(C) Directors and Officers Liability.

(D) Medical Payments.

(E) Leakage, seepage and wind-driven rain.

(F) Worker's Compensation.

15.5 Description of Coverage. A detailed summary of the coverage included in the master policies, and copies of the master policies, shall be available for inspection by Unit Owners or their authorized representatives upon request.

15.6 Waiver of Subrogation. If available and where applicable, the Board of Directors shall endeavor to obtain insurance policies which provide that the insurer waives its right to subrogation as to any claim against the Unit Owners, or their respective servants, agents or guests, except for any claim based upon gross negligence evidencing reckless, willful or wanton disregard for life or property.

15.7 Insurance Proceeds. All insurance policies purchased solely by the Association shall be for the benefit of the Association, the Unit Owners and their mortgagees as their interests may appear, and all proceeds shall be payable only to the Association. The duty of the Association shall be to receive such proceeds as are paid and hold the same in trust and disburse them for the purposes stated herein and for the benefit of the Unit Owners and their respective mortgagees in the following shares:

(A) Common Elements. Proceeds on account of damage to Common Elements shall be held in as many undivided shares as there are Units, the shares of each Unit Owner being the same as his share in the Common Elements.

(B) Units. Proceeds on account of damage within the Units shall be held in undivided shares based on the prorated amount of damage within each damaged Unit as a percentage of the total damage within all Units.

(C) Mortgagee. If a mortgagee endorsement has been issued as to a Unit, the shares of the mortgagee and the Unit Owner shall be as their interests appear. No mortgagee has the right to require application of insurance proceeds to any mortgage or mortgages which it may hold against a Unit or Units, unless insurance proceeds on account of damage to the Unit are not used for repairs, or the proceeds exceed the actual cost of repairs or reconstruction. Except as otherwise expressly provided, no mortgagee shall have any right to participate in determining whether improvements will be repaired or reconstructed after casualty.

(D) Deductible. The policies may provide for reasonable deductibles. In the case of property insurance, the deductible shall be paid as a Common Expense, but the Association may seek to recover the deductible from the Owner or other responsible party if said party was negligent in causing the property damage.

The foregoing notwithstanding, insurance proceeds on account of NFIP flood insurance policies (if any) covering specific Units which was purchased by the Association or various Unit Owners shall be used only for the purpose of repairing or replacing the Unit to which the respective policy applies and that Unit's appurtenant share of the Common Elements, and no other Unit Owner or Unit may benefit from said proceeds. If the Condominium is not to be restored or rebuilt, the proceeds shall accrue to the benefit of the respective Unit Owner and his or her mortgagees, if any.

15.8 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the Unit Owners in the following manner:

(A) Costs of Protecting and Preserving the Property. If a person other than the person responsible for repair and reconstruction has properly advanced funds to preserve and protect the property against further damage or destruction, the funds so advanced shall first be repaid, with interest if required.

(B) Cost of Reconstruction or Repair. If the damage for which the proceeds are paid is to be reconstructed or repaired by the Association, the remaining proceeds shall be paid to defray the costs as provided in Section 15.7(A) and (B) above. Any proceeds remaining after defraying costs shall be distributed to the beneficial Owners, remittances to Unit Owners and their mortgagees being paid jointly to them.

(C) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided herein that the damages for which the proceeds are paid shall not be reconstructed or repaired, the proceeds on account of that damage shall be distributed to the beneficial Owners, remittances to Unit Owners and their mortgagees being payable jointly to them.

15.9 Association as Agent. The Association is hereby irrevocably appointed as agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Association for damage or loss to the Condominium property.

16. RECONSTRUCTION OR REPAIR AFTER CASUALTY: If any part of the Condominium property is damaged by casualty, whether and how it shall be reconstructed or repaired shall be determined as follows:

16.1 Damage to Units. Where loss or damage occurs within one (1) or more Units, any Association insurance proceeds on account of the loss or damage shall be distributed to the Owner(s) of the damaged Unit(s) in shares as provided in Section 15.7 above. The Owner(s) of the damaged Unit(s) shall be responsible for reconstruction and repair and shall bear the burden of the deductible in the same shares as they received the benefits of the Association's coverage.

16.2 Damage to Common Elements- Less than "Very Substantial". Where loss or damage occurs to the Common Elements, but the loss is less than "very substantial", as hereinafter defined, it shall be mandatory for the Association to repair, restore and rebuild the damage caused by the loss, and the following procedures shall apply:

(A) The Board of Directors shall promptly obtain reliable and detailed estimates of the cost of repair and restoration and shall negotiate and contract for repair and reconstruction.

(B) If the proceeds of insurance and available reserves are insufficient to pay for the cost of repair and reconstruction of the Common Elements, the Association, upon determination of the deficiency, shall promptly levy a special assessment for the deficiency against all Unit Owners in proportion to their shares in the Common Elements. Notwithstanding any other provisions of the Condominium Documents to the contrary, such special assessments need not be approved by the Unit Owners. The special assessment shall be added to the funds available for repair or restoration of the property.

16.3 "Very Substantial" Damage. As used in this Declaration, the term "very substantial" damage shall mean loss or damage caused by a common occurrence whereby at least 3/4ths or more of the total Units cannot reasonably be rendered tenantable within sixty (60) days. Should such "very substantial" damage occur then:

(A) The Board of Directors and the officers, or any of them, are authorized, regardless of any other provision of this Declaration, to take such action as may appear to be reasonably necessary under emergency conditions, as further provided in Section 4.16 of the Bylaws. This authority includes actions to protect life and property, to evacuate or shore up structures and salvage property, to engage security to protect against looting or other criminal acts, and to alter the Condominium property or Association property as might be reasonable under the circumstances to protect the Condominium property or Association property from further damage or deterioration. This authority includes the authority to expend any and all available association funds, including reserves.

(B) The Board of Directors shall endeavor to obtain comprehensive, detailed estimates of the cost of repair and restoration.

(C) A membership meeting shall be called by the Board of Directors to be held not later than sixty (60) days after the Board has obtained the estimates, to determine the opinion of the membership on reconstruction or termination of the Condominium, subject to the following:

(1) If the insurance proceeds and reserves available for restoration and repair are sufficient to cover the estimated cost thereof so that it is reasonably anticipated that the repairs and reconstruction can be accomplished with a special assessment not exceeding fifteen percent (15%) of the total annual budget for the year in which the casualty occurred, then the Condominium shall be restored and repaired unless two-thirds (2/3rds) of the total voting interests shall vote for termination, in which case the Condominium shall be terminated.

(2) If upon the advice of legal counsel, it appears unlikely that the applicable zoning or other regulatory laws will allow reconstruction of the same number and general types of Units; or if the insurance proceeds, reserves and other association funds available for restoration and repair are not sufficient to cover the estimated cost thereof so that it is reasonably anticipated that the repairs and reconstruction can only be accomplished by levying special assessments exceeding fifteen percent (15%) of the total annual budget for the year in which the casualty occurred, unless two-thirds (2/3rds) of the total voting interests vote in favor of such special assessment and against termination of the Condominium, it shall be terminated and the property removed from the provisions of the Condominium Act. If the requisite number of Unit Owners approve reconstruction, the Board of Directors shall levy the necessary assessments and shall proceed to negotiate and contract for repairs and restoration. The proceeds from the special assessments shall be added to the funds available for repair and restoration of the property.

(D) If any dispute shall arise as to whether "very substantial" damage has occurred or as to the amount of special assessments required, a determination by at least 2/3rds of the Directors shall be conclusive and shall be binding upon all Unit Owners.

16.4 Application of Insurance Proceeds. It shall be presumed that the first monies disbursed for repair and restoration come first from the insurance proceeds. If there is a balance left in the funds held by the Association after the payment of all costs of repair and restoration, such balance shall be distributed to the Owners, except as otherwise provided in Section 15.7(C) above.

16.5 Equitable Relief. If damage to the Common Elements renders any Unit untenable and the damage is not repaired, reconstructed, or rebuilt within a reasonable period of time, the Owner of the untenable Unit may petition a court for equitable relief, which may include a termination of the Condominium and a partition. For the purposes of this provision, it shall be presumed that repair, reconstruction or rebuilding has occurred within a reasonable period of time if substantial work is commenced within six (6) months after the occurrence of the damage or destruction and is completed within nine (9) months thereafter.

16.6 Plans and Specifications. Any reconstruction or repairs must be substantially in accordance with the plans and specifications for the original buildings, or according to different plans and specifications approved by the Board of Directors, by the Owners of at least two-thirds (2/3rds) of the Units, and by the Primary Institutional Mortgagee, if any. Such approvals may not be unreasonably withheld. However, no change in plans and specifications shall materially reduce the interior floor space of any Unit without the consent of the affected Unit Owner and his institutional mortgagee, if any.

17. CONDEMNATION:

17.1 Deposit of Awards with Association. The taking of all or any part of the Condominium property by condemnation or eminent domain shall be deemed to be a casualty to the portion taken, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Association; and if any fail to do so, a special charge shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against any sums payable to that Owner.

17.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the same manner provided for determining whether damaged property will be reconstructed and repaired after casualty.

17.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of all awards and special assessments will be deemed to be Association property and shall be owned and distributed in the manner provided for insurance proceeds when the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, the Owners of condemned Units, if any, will be made whole, and any property damaged by the taking will be made usable in the manner provided below. Proceeds of awards and special assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds after a casualty.

17.4 Association as Agent. To the extent permitted by law, the Association is hereby irrevocably appointed as each Unit Owner's attorney-in-fact for purposes of negotiating or litigating with the condemning authority for the purpose of realizing just compensation for the taking.

17.5 Units Reduced but Tenantable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made tenantable, the awards for the taking of a portion of that Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

(A) Restoration of Unit. The Unit shall be made tenantable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be paid by the Owner of the Unit.

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

(C) Adjustment of Shares of Common Elements. If the floor area of a Unit is reduced by the taking, the number representing the share in the Common Elements appurtenant to the Unit shall be reduced in the proportion by which the

floor area of the Unit is reduced by the taking, and then the shares of all Unit Owners in the Common Elements shall be restated as percentages of the total of the numbers representing their original shares as reduced by the taking. Such amendment must be approved by the record Owner of the Unit and all record lienholders of liens on the Unit, a majority of all Unit Owners if it is not ordered by a governmental entity, and the consent of mortgagees as may be required under Section 718, Florida Statutes, for such amendment.

17.6 Unit Made Untenable. If the taking is of an entire Unit or reduces the size of a Unit so that it cannot be made tenable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

(A) Payment of Award. The award shall be paid to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagee(s).

(B) Addition to Common Elements. If possible and practical, the remaining portions of the Unit shall become a part of the Common Elements and shall be placed in condition for use by some or all Unit Owners in the manner approved by the Board of Directors.

(C) Adjustment of Shares in Common Elements. The shares of the Common Elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the Ownership of the Common Elements among the reduced number of Unit Owners. This shall be done by restating the shares of continuing Unit Owners in the Common Elements as percentages of the total of the numbers representing the shares of these as they existed prior to the adjustment. Such amendment must be approved by a majority of all Unit Owners if it is not ordered by a governmental entity, and the consent of mortgagees is not required for such amendment.

(D) Assessments. If the amount of the award for the taking is not sufficient to pay the fair market value of the condemned Unit to the Unit Owner and to condition the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for those purposes shall be raised by special assessment against all Unit Owners who will continue as Owners of Units after the changes in the Condominium resulting from the taking. The assessments shall be made in proportion to the shares of those Owners in the Common Elements after the changes resulting from by the taking.

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

17.7 Taking of Common Elements. Awards for the taking of Common Elements shall be used to make the remaining portion of the Common Elements usable in a manner approved by the Board of Directors. The balance of such awards, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustment of these shares on account of the condemnation. If a Unit is mortgaged, the remittance shall be paid jointly to the Owner and mortgagee(s) of the Unit.

17.8 Amendment of Declaration. Any changes in Units and in the Common Elements, in the Ownership of the Common Elements, and in the sharing of Common Expenses that are necessitated by condemnation shall be accomplished by amending this Declaration. Such amendment must be approved by the record Owner of the Unit and all record lienholders of liens on the Unit, a majority of all Unit Owners if it is not ordered by a governmental entity, and the consent of mortgagees as may be required under Section 718, Florida Statutes, for such amendment.

18. TERMINATION: The Condominium may be terminated in the following manner:

18.1 Agreement. The Condominium may be terminated at any time as provided in Section 718.117, Florida Statutes as amended from time-to-time hereafter.

18.2 Very Substantial Damage. If the Condominium suffers "very substantial damage" to the extent defined in Section 16.3 above, and it is not decided as therein provided that the Condominium will be reconstructed or repaired, the condominium form of Ownership of the property in this Condominium will be terminated without agreement.

18.3 Certificate of Termination. The termination of the Condominium by either of the foregoing methods shall be evidenced by a Certificate of Termination, executed by the President or Vice President of the Association with the formalities of a deed, and certifying as to the facts affecting the termination. The certificate shall also include the name and address of a Florida financial institution with trust powers, or a licensed Florida attorney, who is designated by the Association to act as termination trustee and shall be signed by the trustee including willingness to serve in that capacity. Termination of the Condominium occurs when a Certificate of Termination meeting the requirements of this Section is recorded in the Public Records of Lee County, Florida. A copy of the Certificate of Termination shall be provided to the Division of Florida Land Sales, Condominiums & Mobile Homes. The recording of that Certificate of Termination automatically divests the Association and all Unit Owners of legal title and vests legal title in the termination trustee named in the Certificate of Termination, to all real and personal property which was formerly the Condominium property or Association property, without need for further conveyance. Beneficial title to the former Condominium and Association property is owned by the former Unit Owners as tenants in common, in the same undivided share as each Owner previously owned in the Common Elements. Upon termination, each lien encumbering a Condominium Parcel is automatically transferred to the equitable share in the Condominium property attributable to the Unit encumbered by the lien, with the same priority.

18.4 Wind-up of Association Affairs. The termination of the Condominium, by itself, does not terminate the Association. The former Unit Owners and their successors and assigns shall continue to be members of the Association, and the members of the Board of Directors and the officers of the Association shall continue to have the powers granted in the Declaration, and in the Articles of incorporation and Bylaws, for the purpose of winding up the affairs of the Association in accordance with this Section.

18.5 Trustee's Powers and Duties. The termination trustee shall hold title to the property for the benefit of the former Unit Owners and their successors, assigns, heirs, devisees, mortgagees and other lien holders, as their interests shall appear. If the former Unit Owners approve a sale of the property as provided in this Section, the termination trustee shall have the power and authority to convey title to the real property, and to distribute the proceeds in accordance with the provisions of this Section. The termination trustee shall be entitled to charge a reasonable fee for acting in such capacity, and such fee and all costs and expenses incurred by the termination trustee in the performance of its duties shall be paid by the Association or taken from the proceeds of the sale of the former Condominium and Association property and shall constitute a lien on the property superior to any other lien. The trustee shall be entitled to indemnification by the Association from any and all liabilities and costs incurred by virtue of acting as termination trustee unless such liabilities are the result of gross negligence or malfeasance. The termination trustee may rely upon the written instructions and information provided by officers, Directors or agents of the Association, and shall not be required to inquire beyond such information and instructions. The Board of Directors may serve as the termination trustee.

18.6 Partition; Sale. Following termination, the former Condominium property and Association property may be partitioned and sold upon the application of any Unit Owner. If following a termination, at least seventy-five (75%) of the voting interests agree to accept an offer for the sale of the property, the Board of Directors shall notify the termination trustee, and the trustee shall complete the transaction. In that event, any action for partition of the property shall be held in abeyance pending the sale, and upon the consummation of the sale shall be discontinued by all parties thereto. If the Unit Owners have not authorized a sale of the former Condominium and Association property within one year after the recording of the Certificate of Termination, the trustee may proceed to sell the property without agreement by the former Unit Owners. The proceeds of the sale of any of the property or assets of the Association shall be distributed by the termination trustee to the beneficial Owners thereof, as their interests shall appear.

18.7 New Condominium. The termination of the Condominium does not bar creation of another condominium affecting all or any portion of the same property.

18.8 Provisions Survive Termination. The provisions of this Section 18 are covenants running with the land and shall survive the termination of the Condominium until all matters covered by these provisions have been completed. The Board of Directors shall continue to function in accordance with the Bylaws and Articles of Incorporation and shall have all power to levy assessments necessary to pay the costs and expenses of maintaining the property until sold. The costs of termination, the fees and expenses of the termination trustee, as well as post-termination costs of maintaining the former Condominium property, each are Common Expenses, the payment of which shall be secured by a lien on the beneficial interest owned by former Unit Owners, which to the maximum extent permitted by law, shall be superior to, and take priority over, all other liens.

## 19. OBLIGATIONS OF OWNERS:

19.1 Duty to Comply: Right to Sue. Each Unit Owner, each tenant, guest and other invitee, and the Association shall be governed by and shall comply with the provisions of the Condominium Act, the Condominium Documents and the rules and regulations. Actions for damages or for injunctive relief, or both, for failure to comply may be brought by the Association or by a Unit Owner against:

(A) The Association;

(B) A Unit Owner;

(C) Anyone who occupies a Unit whether as a guest, licensee or lessee; or

€ Any member of the Board of Directors who willfully and knowingly fails to comply with these provisions.

19.2 Waiver of Rights. The failure of the Association or any member to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or member to enforce such right, provision, covenant or condition in the future. A provision of the Condominium Act may not be waived by a Unit Owner if the waiver would adversely affect the rights of the Owner or defeat the purpose of the provision, except that Unit Owners or Directors may waive notice of specific meetings as provided in the Bylaws. Any written instrument or instruction given by a purchaser or Unit Owner to an escrow agent may be relied upon by the escrow agent, whether or not such instruction and the payment of funds thereunder might otherwise constitute a waiver of any provision of the Condominium Act.

19.3 Attorney's Fees. In any legal proceeding arising out of an alleged failure of lessee, Unit Owner or the Association to comply with the requirements of the Condominium Act, or the Condominium Documents, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such attorney's fees as may be awarded by the court including at appellate levels.

19.4 No Election of Remedies. All rights, remedies and privileges granted to the Association or Unit Owners under any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party from exercising any other additional rights, remedies, or privileges as may be granted by the Condominium Documents, or at law or in equity.

20. RIGHTS OF MORTGAGEES:

20.1 Approvals. Written consent of the institutional mortgagee of a Unit shall be required for any amendment to the Declaration which would decrease the percentage interests of the Unit in the Ownership of the Common Elements, except as otherwise may be provided for in Section 718, Florida Statutes, and as provided in Sections 17.5(C), 17.6(C) and 17.8 above. Such consent may not be unreasonably withheld.

20.2 Notice of Casualty or Condemnation. In the event of condemnation, eminent domain proceedings, or very substantial damage to, or destruction of, any Unit or any part of the Common Elements, the record holder of any first mortgage on an affected Unit shall be entitled to notice.

20.3 Mortgage Foreclosure. To the extent permitted by law, a mortgagee of a first mortgage of record who acquires title to a Condominium Parcel by foreclosure of the mortgage, or by a deed given in lieu of foreclosure, shall not be liable for the share of Common Expenses or assessments attributable to the Condominium Parcel, or chargeable to the former Owner of the parcel, which came due prior to the mortgagee's acquisition of title, unless the payment of the past due amounts was secured by a claim of lien recorded by the Association prior to the recording of the first mortgage. It is acknowledged that as of the date of recording this Declaration, the Condominium Act provides that a first mortgagee who acquires title to a Unit by foreclosure or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the deed, however, the mortgagee's liability is limited to a period not exceeding twelve (12) months or one percent (1%) of the original mortgage debt, whichever amount is less. In the event the Condominium Act is amended to increase the liability of a first mortgagee who acquires title to a Unit by foreclosure or deed in lieu of foreclosure, the

first mortgagee shall be bound by such change. Any unpaid share of Common Expenses not due from the first mortgagee becomes a Common Expense collectible from all Unit Owners, including the mortgagee and its successors and assigns. No Owner or acquirer of title to a Condominium Parcel by foreclosure, or by a deed in lieu of foreclosure, whether or not the parcel is occupied, may be excused from the payment of any assessments coming due during the period of such Ownership.

20.4 Redemption. If proceedings are instituted to foreclose any mortgage or lien on any Unit, the Association, on behalf of one or more Unit Owners and with the permission of the mortgagee, may redeem the mortgage or lien for the amount due thereon and be thereby subrogated to all of the mortgagee's or lienor's rights of action, or the Association may purchase the Unit at the foreclosure sale. A mortgagee shall have an unrestricted, absolute right to accept title to the Unit in settlement and satisfaction of the mortgage or to foreclose its mortgage in accordance with its terms, and to bid upon the Unit at the foreclosure sale.

20.5 Right to Inspect Books. The Association shall make available to institutional mortgagees, upon written request, current copies of the Condominium Documents and the books, records and financial statements of the Association. "Available" shall mean ready for inspection, upon written request, during normal business hours, or under other reasonable circumstances. Photocopies shall be provided at the expense of the mortgagee requesting them.

20.6 Financial Report. Any institutional mortgagee is entitled, upon written request, to a copy of the most recent financial report of the Association.

20.7 Lender's Notices. Upon written request to the Association, any institutional mortgagee shall be entitled to timely written notice of:

(A) Any delinquency of sixty (60) days or longer in the payment of assessments or charges owned by the Owner of any Unit on which it holds a mortgage.

(B) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

(C) Any proposed action that requires the consent of a specified percentage of mortgage holders.

20.8 Exculpation of Association. The failure of the Association to provide to a mortgagee any notice required by this Section 20 shall not be the basis for liability on the part of the Association, unless the written request for the notice was given by the mortgage holder within one year before the notice should have been given.

20.9 Right to Cover Cost. Any institutional mortgagee shall have the right, but not the obligation, jointly or singularly, and at their sole option, to pay any of the assessments which are in default, and which may or have become a charge against any Unit. Any institutional mortgagee paying insurance premiums on behalf of the Association as set forth above shall be entitled to immediate reimbursement from the Association plus any costs of collection, including, but not Limited to, legal fees.

21. SECURITY. THE ASSOCIATION MAY, BUT SHALL NOT BE OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE CONDOMINIUM DESIGNED TO MAKE THE CONDOMINIUM SAFER THAN IT OTHERWISE MIGHT BE. THE

ASSOCIATION, ITS OFFICERS AND DIRECTORS SHALL NOT IN ANYWAY OR MANNER BE HELD LIABLE OR RESPONSIBLE FOR ANY VIOLATION OF THIS DECLARATION BY ANY PERSON. ADDITIONALLY, NEITHER THE MASTER ASSOCIATION, NOR THE ASSOCIATION MAKES ANY REPRESENTATIONS WHATSOEVER AS TO THE SECURITY OF THE PREMISES OR THE EFFECTIVENESS OF ANY MONITORING SYSTEM OR SECURITY SERVICE. ALL UNIT OWNERS AGREE TO HOLD THE MASTER ASSOCIATION, AND THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS HARMLESS FROM ANY LOSS OR CLAIM ARISING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT. NEITHER THE ASSOCIATION NOR THE MASTER ASSOCIATION, SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE CONDOMINIUM. NEITHER THE ASSOCIATION NOR THE MASTER ASSOCIATION OR THEIR OFFICERS OR DIRECTORS SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OR SECURITY MEASURES UNDERTAKEN, IF ANY. ALL UNIT OWNERS AND OCCUPANTS OF ANY UNIT, AND TENANTS, GUESTS AND INVITEES OF UNIT OWNERS, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD AND OFFICERS, THE MASTER ASSOCIATION AND ITS BOARD OF DIRECTORS AND OFFICERS DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM, IF ANY, DESIGNATED BY OR INSTALLED ACCORDING TO THE GUIDELINES ESTABLISHED BY THE MASTER ASSOCIATION, OR THE ASSOCIATION MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH UNIT OWNER AND OCCUPANT OF ANY UNIT AND EACH TENANT, GUEST AND INVITEE OF A UNIT OWNER, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD AND OFFICERS, THE MASTER ASSOCIATION AND ITS BOARD OF DIRECTORS AND OFFICERS ARE NOT INSURERS AND THAT EACH UNIT OWNER AND OCCUPANT OF ANY UNIT AND EACH TENANT, GUEST, AND INVITEE OF THE UNIT OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD AND OFFICERS, THE MASTER ASSOCIATION AND ITS BOARD OF DIRECTORS AND OFFICERS HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY UNIT OWNER OR OCCUPANT OF ANY UNIT, OR ANY TENANT, GUEST OR INVITEE OF A UNIT OWNER RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED, IF ANY, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE CONDOMINIUM, IF ANY.

22. AMENDMENT OF DECLARATION: Except as otherwise provided elsewhere above as to amendments made by Developer, all amendments to this Declaration shall be proposed and adopted in the following manner:

22.1 Proposal. Amendments to this Declaration may be proposed by the Board of Directors, or by written petition to the Board signed by written petition signed by the Owners of at least 1/4th of the Units.

22.2 Procedures. Upon any amendment or amendments to this Declaration being proposed as provided above, the proposed amendment or amendments shall be submitted to a vote of the members not later than the next annual meeting for which proper notice can be given.

22.3 Vote Required. Except as otherwise provided by law, or by specific provision of the Condominium Documents, or except where a greater percentage vote is required by this Declaration for a certain action (in which case such greater percentage shall also be required to effectuate an amendment) (e.g., Section 9.13 herein), this Declaration may be amended by concurrence of at least 2/3rds of those voting interests who are present, in person or by proxy, and voting at any annual or special meeting called for the purpose. Owner

22.4 Certificate; Recording. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Declaration, which certificate shall be in the form required by law and shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when the certificate and a copy of the amendment are recorded in the Public Records of Lee County, Florida.

22.5 Proviso. An amendment to this Declaration may change the configuration or size of any Unit in a material fashion, materially alter or modify the appurtenances to the Unit, or change the proportion or percentage by which the Unit Owner shares the Common Expenses of the Condominium and owns the common surplus of the Condominium, only if the record Owner of the Unit, the institutional mortgagee, if any, and the Owners of at least a majority of the total voting interests of the Condominium, consent to the amendment, unless same is required by a governmental entity. This proviso does not apply to changes in Ownership shares necessitated by condemnation or a taking by eminent domain under Section 17 above.

22.6 Rights of Institutional Mortgagees; South Florida Water Management District. No amendment shall be passed which shall materially impair or prejudice the rights, interests or priorities of the Association or any institutional mortgagee under this Declaration and the other Condominium Documents without the specific written approval of , the Association and any institutional mortgagees materially affected thereby. The consent of such institutional mortgage may not be unreasonably withheld. In addition, any amendment that would affect the surface water management system, including the water management portions of the Common Elements, if any, must have the prior approval of the South Florida Water Management District.

22.7 Amendments Required by Secondary Mortgage Market Institutions. Notwithstanding anything contained herein to the contrary, Association, without the consent of the Unit Owners, may file any amendment which may be required by an institutional mortgagee for the purpose of satisfying its Planned Unit Development criteria or such criteria as may be established by such mortgagee's secondary mortgage market purchasers, including without limitation, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation; provided, however, that any such Association-filed amendments must be in accordance with any applicable rules, regulations and other requirements promulgated by the United States Department of Housing and Urban Development.

23. MASTER ASSOCIATION: By taking title to a Unit in the Condominium, each Unit Owner becomes subject to the terms and conditions of the Master Declaration as it may be amended from time to time.

23.1 Membership in the Master Association. Each Unit Owner shall be a member in the Master Association, which membership shall carry such rights and obligations, and be exercised in such manner, as is more fully set forth in the Master Documents. The membership cannot be sold, conveyed or assigned separately from the Unit.

23.2 Voting in the Master Association. As provided in Section 23.1 above, all Unit Owners in this Condominium are automatically members of the Master Association. Notwithstanding such membership, only authorized representatives of the members shall be entitled to vote on behalf of the members of the Master Association. At Master Association meetings, the votes shall be cast as provided in the Master Association Bylaws.

24. MISCELLANEOUS.

24.1 Severability. The invalidity or unenforceability in whole or in part of any covenant or restriction or any section, subsection, sentence, clause, phase or word or other provision of this Declaration, or any recorded exhibit to this Declaration, shall not affect the remaining portions thereof.

24.2 Applicable Statutes. The validity, application and construction of this Declaration and its recorded exhibits shall be governed by the laws of Florida, particularly the Condominium Act, as it exists on the date of recording this Declaration in the Public Records of Lee County, Florida.

24.3 Conflicts. If there is an irreconcilable conflict between any provision of this Declaration or the Condominium Act, the Condominium Act shall control. If there is a conflict between this Declaration and the Condominium Association's Articles of Incorporation or Bylaws, this Declaration shall control.

24.4 Interpretation. The Board of Directors is responsible for interpreting the provisions of this Declaration and its exhibits. Such interpretation shall be binding upon all parties unless wholly unreasonable. A written opinion rendered by legal counsel that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation.

24.5 Exhibits. There is hereby incorporated within this Declaration any materials contained in the exhibits hereto which, under the Condominium Act, are required to be part of the Declaration.

24.6 Singular, Plural and Gender. Whenever the context so requires, the use of the plural shall include the singular and the plural, and the use of any gender shall be deemed to include all genders.

24.7 Headings. The headings used in the condominium documents are for reference purposes only, and do not constitute substantive matter to be considered in construing the terms and provisions of these documents.

24.8 Rule Against Perpetuities. In the event any court should hereafter determine any provisions as originally drafted herein in violation of the rule of property known as the "rule against perpetuities" or any other rule of law because of the duration of the period involved, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law, and for such purpose.

EXHIBIT "A"

Legal Description:

Paseo, a Condominium
Section 9, Township 45 South, Range 25 East
City of Fort Myers, Lee County, Florida

A tract or parcel of land lying in Section 9, Township 45 South, Range 25 East, City of Fort Myers, Lee County, Florida, said tract or parcel being more particularly described as follows:

All of Tracts "F2", "F3", "F4", "F5", "F6", "F7", "F8", "F9", "F1o", "F11", "F12", "F13", "F14", "F15", "F16", "F17", "F18", "F19", "F2o", "F21", "F22", "F23", "F24", "F25", "F26", "F27", "F28", "F29", and "F3o", as shown on the record plat for Paseo recorded in Instrument No. 2006000162884, Public Records of Lee County, Florida.

EXHIBIT "B"

Plot Plan, Surveys, Floor Plans

ATTACHED TO THE ORIGINAL DECLARATION AS AMENDED THEREAFTER INCORPORATED HEREIN BY REFERENCE ONLY AND NOT ATTACHED.

**NOTE: SUBSTANTIAL REVISION OF ARTICLES. SEE PRIOR ARTICLES FOR COMPARISON.**

# AMENDED AND RESTATED ARTICLES OF INCORPORATION

# PASEO CONDOMINIUM ASSOCIATION, INC.

Pursuant to Chapter 617, Florida Statutes, these Articles of Incorporation of Paseo Association, Inc., a Florida corporation not for profit, which was originally incorporated under the same name on December 5th, 2006, are hereby amended and restated in their entirety. All amendments included herein have been adopted pursuant to Chapter 617, Florida Statutes, and there is no discrepancy between the corporation's Articles of Incorporation as heretofore amended and the provisions of these Amended and Restated Articles other than the inclusion of amendments, adopted pursuant to Chapter 617, Florida Statutes, and the omission of matters of historical interest. The Amended and Restated Articles of Incorporation of Paseo Condominium Association, Inc., shall henceforth be as follows:

## ARTICLE I
## NAME AND ADDRESS

The name of the corporation, herein called the "Association", is Paseo Condominium Association, Inc. The address of the Association is as listed with Florida Department of State Division of Corporations.

## ARTICLE II
## PURPOSE AND POWERS

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act for the operation of Paseo, a Condominium, located in Lee County, Florida. The Association is organized and shall exist upon a non-stock basis as a corporation not for profit under the laws of the State of Florida, and no portion of any earnings of the Association shall be distributed or inure to the private benefit of any member, Director or officer of the Association. For the accomplishment of its purposes, the Association shall have all of the common law and statutory powers and duties of a corporation not for profit except as limited or modified by these Articles, the Declaration of Condominium or Chapter 718 Florida Statutes, as it may hereafter be amended from time to time, including but not limited to the following:

(A) To make and collect assessments against members of the Association to defray the costs, expenses and losses of the Condominium, and to use the proceeds of assessments in the exercise of its powers and duties.



EXHIBIT "C"

(B) To protect, maintain, repair, replace, and operate the condominium property.

(C) To purchase insurance upon the condominium property and Association property for the protection of the Association and its members.

(D) To reconstruct improvements after casualty and to make further improvements of the property.

(E) To make, amend and enforce reasonable rules and regulations governing the use of the common elements and association property, and the operation of the Association.

(F) To approve or disapprove the transfer of ownership, leasing and occupancy of units, as provided by the Declaration of Condominium.

(G) To enforce the provisions of the Condominium Act, the Declaration of Condominium, these Articles, and the Bylaws and any Rules and Regulations of the Association.

(H) To contract for the management and maintenance of the Condominium and the condominium property; to delegate any powers and duties of the Association in connection therewith except such as are specifically required by the law or by the condominium documents to be exercised by the Board of Directors or the membership of the Association.

(I) To employ accountants, attorneys, architects, and other professional personnel to perform the services required for proper operation of the Condominium.

(J) To enter into agreements, or acquire leaseholds, memberships, and other possessory or use interests in lands or facilities such as country clubs, golf courses, marinas, and other recreational facilities. It has the power whether or not the lands or facilities are contiguous to the lands of the Condominium, if they are intended to provide enjoyment, recreation, or other use or benefit to the unit owners.

(K) To borrow money without limit as to amount if necessary to perform its other functions hereunder.

(L) To assist, cooperatively with the Florida corporation not for profit established for the purpose of operating the recreational and common facilities of the Association, in the administration and enforcement of the Paseo covenants, as amended from time to time.

(M) To participate in mergers or consolidations with other condominium, or their associations, located in Paseo.

(N) To sue and be sued and appear and defend all actions and proceedings in its corporate name.

All funds and the title to all property acquired by the Association shall be held in trust for the benefit of members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the Bylaws.

## ARTICLE III
## MEMBERSHIP

(A) The members of the Association shall consist of all record owners of legal title to one or more units in the Condominium, as further provided in the Bylaws.

(B) The share of a member in the funds and assets of the Association cannot be assigned or transferred in any manner except as an appurtenance to his unit.

(C) The owners of each unit, collectively, shall be entitled to one (1) vote in Association matters, as further set forth in the Declaration of Condominium and the Bylaws. The manner of exercising voting rights shall be as set forth in the Bylaws.

## ARTICLE IV
## TERM

The term of the Association shall perpetual.

## ARTICLEV
## BYLAWS

The Bylaws of the Association may be altered, amended, or rescinded in the manner provided therein.

## ARTICLE VI
## DIRECTORS AND OFFICERS

(A) The affairs of the Association will be administered by a Board of Directors consisting of the number of Directors determined by the Bylaws, but not less than 5 Directors. In the absence of a Bylaw provision to the contrary, the Board shall consist of 5 Directors.

(B) Directors of the Association shall be elected by the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.

(C) The business of the Association shall be conducted by the officers designated in the Bylaws. The officers shall be elected each year by the Board of Directors at its first meeting after the annual meeting of the members of the Association, and they shall serve at

the pleasure of the Board.

## ARTICLE VII
## AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

(A) After the recording of the Declaration of Condominium of Paseo, a condominium in the Public Records, these Articles may be amended in the following manner:

(1) Proposal. Amendments to these Articles may be proposed by a majority of the Board or by petition of the owners of 1/4th of the units by a petition, in writing, signed by them.

(2) Procedure. Upon any amendment or amendments to these Articles being proposed by said Board or unit owners, such proposed amendment or amendments shall be submitted to a vote of the members not later than the next annual meeting for which proper notice can be given.

(3) Vote Required. Except as otherwise required for by Florida law, these Articles of Incorporation may be amended by vote of a majority of the voting interests present and voting in person or by proxy at any annual or special meeting, or by approval in writing of a majority of the total voting interests without a meeting, provided that notice of any proposed amendment has been given to the members of the Association, and that the notice contains the full text of the proposed amendment.

(4) Effective Date. An amendment shall become effective upon filing with the Secretary of State and recording a copy in the Public Records of Lee County, Florida.

## ARTICLE VIII
## REGISTERED AGENT

The Registered Agent shall be as listed with Florida Department of State Division of Incorporation.

## ARTICLE IX
## INDEMNIFICATION

To the fullest extent permitted by Florida law, the Association shall indemnify and hold harmless every Director and every officer and member of an official committee of the Association against all expenses and liabilities, including attorneys' fees, actually and reasonably incurred by or imposed on

him or her in connection with any legal proceeding (or settlement or appeal of such proceeding) to which he may be a party because of his or her being or having been a Director or officer of the Association. The Association will advance all attorneys fees and costs during the pendency of the action. The foregoing right of indemnification shall not be available if a judgment or other final adjudication establishes that his actions or omissions to act were material to the cause adjudicated and involved:

(A) Willful misconduct or a conscious disregard for the best interest of the Association, in a proceeding by or in the right of the Association to procure a judgment in its favor.

(B) A violation of criminal law, unless the Director or officer had no reasonable cause to believe his or her action was unlawful or had reasonable cause to believe his action was lawful.

(C) A transaction from which the Director or officer derived an improper personal benefit. In the event of a settlement, the right to indemnification shall not apply unless the Board of Directors approves such settlement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which a Director or officer may be entitled. The indemnification hereby afforded to Directors and officers shall also extend to any other entity other than the Association found responsible or liable for the actions of such individuals in their capacity as Directors or officers.

**NOTE: SUBSTANTIAL REVISION OF THE BYLAWS. SEE PRIOR BYLAWS FOR COMPARISON.**

# AMENDED AND RESTATED BYLAWS

# OF

# PASEO CONDOMINIUM ASSOCIATION, INC.

1. GENERAL. These are the Bylaws of Paseo Condominium Association, Inc., hereinafter the "Association", a Florida corporation not for profit organized under the laws of Florida for the purpose of operating a residential condominium pursuant to the Florida Condominium Act.

1.1 Principal Office. The principal office of the Association shall be at the Condominium, or such other place as shall be determined from time to time by the Board of Directors.

1.2 Seal. The seal of the Association shall be inscribed with the name of the Association, the year of its organization, and the words "Florida" and "not for profit" The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document or writing of the corporation where a seal may be required.

1.3 Definitions. The terms used herein shall have the same definitions as stated in the Declaration of Condominium to which these Bylaws are attached as Exhibit "D" shall also apply to terms in these Bylaws.

2. MEMBERS.

2.1 Qualifications. The members of the Association shall be the record owners of legal title to the units. In the case of a unit subject to an agreement for deed, the purchaser in possession shall be deemed the owner of the unit for purposes of determining voting and use rights. Membership shall become effective upon the latest to occur of the following events.

(A) Recording in the Public Records of a deed or other instrument evidencing legal title to the unit in the member.

(B) Approval by the Board of Directors as provided for in Section 14 of the Declaration of Condo minimum.

(C) Delivery to the Association of a copy of the recorded deed or other instrument evidencing title.

(D) Delivery to the Association, if required, of a written designation of a primary occupant.

2.2 Voting Rights: Voting Interests. The members of the Association are entitled to one (1) vote for each unit owned by them. The total number of possible votes ("voting interests") is equal to the total number of units in the Condominium. The vote of a unit is not divisible. The right to vote may not be denied because of delinquent assessments. If a condominium unit is owned by one natural person, his or her right to vote shall be established by the record title to the unit. If a unit is owned jointly by two (2) or more persons, that unit's vote may be cast by any one of the record owners. If two (2) or more owners of a unit do not agree among themselves as to how their one vote shall be cast, that vote shall not be counted for

any purpose. If the owner of a unit is not a natural person, the vote of that unit shall be cast by the unit's primary occupant designated as set forth in Section 14.1 of the Declaration of Condominium.

2.3 Approval or Disapproval of Matters. Whenever the decision of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision may be expressed by any person authorized to cast the vote of such unit a, an Association meeting as stated in Section 2.2 above, unless the joinder of all record owners is specifically required.

2.4 Change of Membership. Following written approval of the Association, as elsewhere required herein, a change of membership in the Association shall be established by the new member's membership becoming effective as provided in 2.1 above. At that time the membership of the prior owner shall automatically terminate.

2.5 Termination of Membership. Termination of membership in the Association does not relieve or release ,my former member from liability or an obligation incurred under, or in any way connected with, the Condominium during the period of his or her membership, nor does it impair any rights or remedies which the Association may have against any former member arising out of or in any way connected with such membership and the covenants and obligations incident thereto.

3. MEMBERS' MEETINGS: VOTING.

3.1 Annual Meeting. There shall be an annual meeting of the members in each, calendar year. The meeting shall be held during the first three (3) months of the year, at a day, place and time designated by the Board of Directors, for the purpose of transacting any business duly authorized to be transacted by the members. In conjunction with the annual meeting, all ballots cast in the annual election of Directors shall be counted and results announced.

3.2 Special Members' Meetings. Special members' meetings must be held whenever called by the President or by a majority of the Board of Directors. Special meetings may also be called by members having at least ten percent (10%) of the votes of the entire membership, provided that the notice of the meeting is signed by all the members calling the meeting. Business at any special meeting shall be limited to the items specified in the notice of meeting.

3.3 Notice of Meetings; Waiver of Notice. Notice of all members' meetings must state the time, date, and place of the meeting and include an agenda for the meeting. The notice must be mailed to each member at the last address furnished to the Association by the member or may be furnished by personal delivery. The member bears the responsibility for notifying the Association of any change of address. The notice must be posted on the condominium property and mailed or delivered at least fourteen (14) days before the meeting. If ownership of a unit is transferred after notice has been mailed, no separate notice to the new owner is required. Attendance at any meeting by a member constitutes waiver of notice by that member unless the member objects to lack of notice at the beginning of the meeting. Notice of any meeting may be waived in writing by any person entitled to receive such notice.

3.4 Notice of Annual Meeting: Special Requirements. Notice of the annual meeting, together with an agenda, shall be posted in a conspicuous place on the condominium property for at least fourteen (14) continuous days prior to the annual meeting. The notice and agenda of the annual meeting shall also be sent by first class mail to each owner at least fourteen (14) days before the meeting, and an affidavit of the officer or other person making such mailing shall be retained in the Association records as proof of mailing. Notice of the annual meeting may be delivered in person to any unit owner, instead of by mail, if a written waiver of mailing is obtained.

3.5 Quorum. A quorum at a members' meeting is attained by the presence, either in person or by proxy, of persons entitled to cast at least thirty percent (30%) of the votes of the entire membership. Once a quorum has been attained, the subsequent withdrawal of members from a meeting does not affect the existence of a quorum for the remainder of that meeting.

3.6 Vote Required. The acts approved by a majority of the votes cast at a duly called meeting of the members at which a quorum has been attained shall be binding upon all unit owners for all purposes, except where a greater or different number of votes is expressly required by law or by any provision of the condominium documents.

3.7 Proxy Voting. To the extent lawful, a person entitled to attend and vote at a members meeting may establish his or her presence and cast his or her vote by proxy. Proxies may not be used in electing Directors in a general or runoff election.

(A) Limited Proxies. Only limited proxies may be used to vote by proxy on substantive issues such as whether to waive or reduce the funding of reserves or financial statement requirements, or whether to approve proposed amendments to the Condominium Documents, and for voting on all other substantive matters on which a vote of the members is required or permitted by law. Limited proxies may be used in an election to fill a vacancy or vacancies caused by recall of a Director or Directors.

(B) General Proxies. General proxies may be used to establish a quorum, for other matters for which a limited proxy is not required, for votes on procedural questions, and for voting on non-substantive amendments to items or proposals for which a limited proxy is being used.

A proxy may be given by any person entitled to vote but shall be valid only for the specific meeting for which originally given, and any lawful reconvening of an adjournment of that meeting. In no event shall any proxy be valid for a period longer than 90 days after the date of the meeting for which it was originally given. Every proxy is revocable at any time at the pleasure of the member who executed it. To be valid, a proxy must be in writing, dated and signed by the person authorized to cast the unit's vote under Section 2.2 above. It must also specify the date, time and place of the meeting for which it is given, and the original must be delivered to the Association at or before the appointed time of the meeting (or reconvening thereof). Holders of proxies need not be Association members. A proxy that names more than one (I) natural person as its holder is invalid, but the holder of the proxy may, if the proxy expressly so provides, substitute another person to act as holder of the proxy. Proxyholders must be Members.

3.8 Adjourned Meetings. Any duly called meeting of the members may be adjourned to be reconvened at a specific later time and place by vote of the majority of the voting interests present, regardless of whether a quorum has been attained. Any business which might have been conducted at the meeting as originally scheduled may instead be conducted at the continuance.

3.9 Order of Business. The order of business at members' meetings shall be substantially as follows:

(A) Counting of ballots in election of Directors (if necessary).
(B) Call of the roll or determination of quorum.
(C) Reading or disposal of minutes of the last members' meeting.
(D) Reports of Officers.
(E) Reports of Committees.

(F) Unfinished Business.
(G) New Business.
(H) Adjournment

3.10 Minutes. Minutes of all meetings of the members, and of the Board of Directors, shall be kept m a businesslike manner, and available for inspection by members or their authorized representatives at all reasonable times, and for at least seven (7) years after the meeting. Minutes must be reduced to written form within 30 days after the meeting at which they were taken.

3.11 Parliamentary Rules. Roberts' Rules of Order (latest edition) shall guide the conduct of the Association meetings when not in conflict with the law, with the Declaration, or with these Bylaws. The presiding officer may appoint a Parliamentarian whose decision on questions of parliamentary procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

3.12 Action by Members Without Meeting. Except for the holding of the annual meeting, any action required or permitted to be taken at a meeting of the members may be taken by mail without a meeting if written ballots or other instruments expressing approval of the action proposed to be taken are signed and returned by members having not less than the minimum number of votes that would be necessary to take such action at a meeting, or majority of the total votes of the entire membership, whichever is greater, unless as lesser vote is sufficient by law. If the requisite number of written ballots are received by the Secretary within 30 days after the date the ballots regarding the proposed action were mailed to the members, a resolution shall be passed by the Board of Directors adopting the proposed action and it shall be authorized of full force and effect as if the action had been approved by vote of the members at a meeting of the members held on the 30th day. Within ten (10) days thereafter, the Board shall send written notice of the action taken to all members who have not consented in writing. Nothing in this paragraph affects the rights of members to call a special meeting of the membership, as provided for by Section 3.2 above, or by law. If the vote is taken by the method described in this Section, the list of unit owners on record with the Secretary at the time of mailing the voting material shall be the list of qualified voters.

3.13 Participation at Meeting by Remote Communication. If authorized by the Board of Directors as provided in Section 617.0721 F.S., and subject to such guidelines and procedures as the Board of Directors may adopt, members and proxy holders who are not physically present at a meeting may, by means of remote communication:

(A) Participate in the meeting.

(B) Be deemed to be present in person and vote at the meeting if:

1. The corporation implements reasonable means to verify that each person deemed present and authorized to vote by means of remote communication is a member or proxy holder; and

2. The corporation implements reasonable measures to provide such members or proxy holders with a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to communicate and to read or hear the proceedings of the meeting substantially concurrent with the proceedings.

4. BOARD OF DIRECTORS. The administration of the affairs of the Association shall be by a Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Declaration, Articles of Incorporation, and these Bylaws, shall be exercised by the Board, subject to approval or

consent of the unit owners only when such is specifically required.

4.1 Number and Terms of Service. The Board is composed of five (5) Directors

It is the intention of these Bylaws that the staggered Directorate previously established be maintained, with two (2) Directors elected for two-year terms in one year and three (3) Directors elected for two-year terms the following year, and so on. The Board may, by unanimous vote, increase the size of the Board to seven (7) members provided that a motion or resolution signifying same is adopted at least ninety (90) days before the subject annual meeting. In such cases. the Board may hold the number of seats it determines to be appropriate, if any, open for one (1) year terms so that the staggered system is adjusted for the election of four (4) Directors in one year, three (3) the following year, and so on. A Director's term ends at the annual election at which his successor is to be duly elected, unless he sooner resigns or is recalled as provided for in Section 4.5 below. Directors shall be elected by the members as described in Section 4.3 below, or in the case of a vacancy, as provided in 4.4 below.

4.2 Qualifications. Each Director must be a member or the spouse of a member. If the unit is owned by a corporation, partnership, trust or limited liability company then any officer, director, partner, trustee, beneficiary or managing member is eligible to serve as a Director.

4.3 Elections. On the date of the annual election the members shall elect, by written secret ballot, as many Directors as there are regular terms of Directors expiring, unless balloting is dispensed with as provided for by law.

(A) First Notice; Candidates. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver to each unit owner entitled to vote, a first notice of the date of the election, which may be included as part of another Association mailing, including regularly published newsletters. Any unit owner or other eligible person who wants to be a candidate for Director shall give written notice to the Association at least forty (40) days before the annual election. Candidates may also be nominated by any other method permitted by law.

(B) Second Notice; Candidate Information Sheets. If the number of candidates exceeds the number of vacant Director seats, balloting is required. At least fourteen (14) days before the election, the Association shall mail or deliver a second notice of election, to all unit owners entitled to vote therein, together with the written notice and agenda of the annual meeting complying with the provisions of Section 3.3 above, a ballot listing all qualified candidates in alphabetical order, by surname. Upon timely request of a candidate, the Association shall also include an information sheet (no larger than 8 ½ inches by 11 inches, which must be furnished by the candidate not less than thirty-five (35) days before the election) with the ballot mailing. The costs of mailing or delivery and copying sheets are borne by the Association. The Association is not liable for the contents of the information sheets prepared and furnished by the candidate.

(C) Balloting. Where balloting is required., Directors shall be elected by a plurality of the votes cast, provided that at least twenty percent (20%) of the eligible voters cast ballots. Proxies may not be used in the election. No unit owner shall permit any other person to vote his or her ballot, and any such ballot shall be deemed invalid, and any unit owner who violates this provision may be fined by the Association in accordance with the governing provisions of the Condominium Act. In the election of Directors, each unit shall have as many votes as there are

Directors to be elected, but no unit may cast more than one vote for any candidate, it being the intent hereof that voting for Directors shall be non-cumulative. Tie votes shall be broken by agreement among the candidates who are tied, or if there is no agreement, by lot, or by any other method required or permitted by law.

(D) If for any reason there arise circumstances in which one or more Directors must be elected for a (two) 2-year term at the same time as another Director must be elected for a one-year term, the candidate receiving the most votes shall be elected to the longest term.

Notwithstanding the provisions of Section 3.7 or this Section 4.3, the Association may by the affirmative vote of a majority of the voting interests, provide for different voting and election procedures by amendment to these Bylaws, which vote may be by limited proxy specifically delineating the different voting and election procedures. The different voting and election procedures may provide for elections to be conducted by limited or general proxy.

4.4 Vacancies on the Board. If the office of any Director becomes vacant for any reason, a successor or successors to fill the remaining unexpired term or terms shall be appointed or elected as follows:

(A) If a vacancy occurs because of death, disqualification, or resignation of a Director, a majority of the remaining Directors, even if less than a quorum, or if applicable. the sole remaining Director shall appoint a successor, who shall hold office for the remaining unexpired term, if any, unless otherwise provided by law.

(B) If a vacancy occurs as a result of a recall and less than a majority of the Directors are removed, the vacancy may be filled by appointment by a majority of the remaining Directors, even if less than a quorum. If vacancies occur as a result of a recall in which a majority or more of the Directors are removed, the vacancies shall be filled as provided by law.

4.5 Removal of Directors. Any or all Directors may be removed with or without cause by a majority vote of the entire membership, either by a written agreement or at any meeting called for that purpose. If a meeting is held or recall agreements are filed for the removal of more than one Director, the question shall be determined separately as to each Director sought to be removed. If a special meeting is called by ten percent (10%) of the voting interests for the purpose of recall, the notice of the meeting must be accompanied by a dated copy of the signature list, stating the purpose of the signatures. The meeting must be held not less than fourteen (14) days nor more than sixty (60) days from the date that notice of the meeting is given.

4.6 Organizational Meeting. The organizational meeting of a new Board of Directors shall be held within 10 days after the election of new Directors at such place and time as may be fixed and announced by the Directors at the meeting in conjunction with which they were elected.

4.7 Other Meetings. Meetings of the Board may be held at such time and place in Lee County, Florida, as shall be determined from time to time by the President or a majority of the Directors. Notice of meetings shall be given to each Director, personally or by mail, telephone or facsimile at least 2 days prior to the day named for such meeting.

4.8 Notice to Owners. Except as otherwise provided below, all meetings of the Board of Directors must be open to attendance by unit owners. The right of owners to attend Board meetings includes the right to speak on all designated agenda items, subject to reasonable rules adopted by the Board of Directors governing the manner, duration and frequency of doing so. Notices of all Board meetings, together with an agenda of the business to be conducted, shall be posted conspicuously on the condominium property at least forty-eight (48) continuous hours in advance, except in an emergency, and subject to the following special circumstances:

(A) Assessments to be Considered. Notice of any Board meeting at which assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and disclose the nature of such assessments. Notice of any Board meeting at which a special assessment will be considered must also be posted in a conspicuous place on the condominium property and mailed to the owners of each unit at least 14 days before the meeting, except in an emergency, and an affidavit of mailing must be retained as proof of mailing.

(B) Budget Meetings. Notice of any Board meeting held to formally adopt a budget, or to amend a previously adopted budget, must be mailed to the unit owners as further provided in Section 6.2 below.

(C) Meetings with Association Legal Counsel. Meetings between either the Board, or a committee, and Association legal counsel, regarding proposed, impending or ongoing litigation, to the extent the meeting is held for the purpose of seeking or rendering legal advice regarding that litigation, may be held without notice to unit owners and may be closed.

(D) Meetings to Discuss Personnel Matters. Meetings of the Board regarding personnel matters may be held without notice to unit owns and may be closed.

(E) Meetings to Adopt Electronic Voting. Notice of any Board meeting held to formally adopt a resolution for electronic voting, must be mailed to the unit owners and posted at least 14 days before the meeting.

4.9 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Attendance at meeting by a Director who does not object to lack of notice at the beginning of the meeting shall be deemed to have waived notice. If all Directors are present at a meeting, no notice to Directors shall be required.

4.10 Quorum of Directors. A quorum at a Board meeting exists only when at least a majority of all Directors are present in person at a duly called meeting. Directors may participate in any meeting of the Board, by a conference telephone call or similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation in a meeting by such means is equivalent to presence in person. Directors may not vote or participate in Board meetings by proxy or by secret ballot, except that officers may be elected by secret ballot.

4.11 Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum exists shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the condominium documents or by applicable statutes. A Director who is present at a meeting of the Board shall be deemed to have voted with the prevailing point of view on every question, unless he or she voted against the question or abstained from voting because of an asserted conflict of interest. The vote or abstention of each Director present on each issue voted upon shall be recorded in the minutes.

4.12 Adjourned Meetings. The majority of the Directors present at any duly called meeting of the Board, regardless of whether a quorum exists, may adjourn the meeting to be reconvened at a specific time and date. At any reconvened meeting, provided a quorum is present, any business may be transacted that might have been transacted at the meeting originally as called.

4.13 Presiding Officer. The President of the Association, or in his absence, the Vice President, shall be the presiding officer at all meetings of the Board of Directors. If neither is present, the presiding officer shall be selected by majority vote of the Directors present.

4.14 Compensation of Directors and Officers. Neither Directors nor officers shall receive compensation for their services as such. Directors and officers may be reimbursed for all actual and proper out-Of-pocket expenses relating to the proper discharge of their respective duties.

4.15 Committees. The Board of Directors may appoint from time to time such standing or temporary committees as it deems necessary or convenient for the efficient and effective operation of the Condominium. A committee has only such powers and duties as are assigned to it in the Board resolution creating the committee. Meetings of a committee for the purpose of taking final action on behalf of the Board, or to make recommendations to the Board regarding a budget, must be noticed and conducted with the same formalities as are required for Board meetings in Section 718.112(2)(c), Florida Statutes, as amended. Meetings of committees that do not take final action on behalf of the Board, or make recommendations to the Board regarding a budget, are exempt from this requirement. Meetings between a committee and Association legal counsel are exempt to the extent of the attorney-client privilege.

4.16 Emergency Powers. In the event of any "emergency" as defined in Section 4.16(G) below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by Sections 617.0207, 617.0303, and 718.1265 Florida Statutes, as amended from time to time.

(A) The Board may name as assistant officers persons who are not Directors, which assistant officers shall have the same authority as the executive officers to whom they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Association

(B ) The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.

(B) During any emergency the Board may hold meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The Director or Directors in attendance at such a meeting shall constitute a quorum.

(C) Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association shall bind the Association; and shall have the rebuttable presumption of being reasonable and necessary.

(D) Any officer, director, or employee of the Association acting with a reasonable belief that his actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of willful misconduct

(E) These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency

(F) For purposes of this Section only, an "emergency" exists only during a period of time that the condominium, or the immediate geographic area in which the condominium is located, is subjected to:

(1) a state of emergency declared by local, civil or law enforcement authorities;

(2) a hurricane warning;

(3) a partial or complete evacuation order

(4) federal or state "disaster area" status; or

(5) a catastrophic occurrence, whether natural or manmade, which seriously damages or threatens to seriously damage the physical existence of the condominium, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or act of terrorism.

An "emergency" also exists for purposes of this Section during the time when a quorum of the Board cannot readily be assembled because of the occurrence of a catastrophic event, such as a hurricane, earthquake, act of war or terrorism, medical pandemic or other similar event A determination by any 2 Directors, or by the President, that an emergency exists shall have presumptive validity.

4.17 Fiduciary Duty. Each member of the Board of Directors and each officer of the Association have a fiduciary relationship with the members of the Association. This fiduciary relationship imposes obligations of trust and confidence in favor of the Association and its members. It requires each member of the Board to act in good faith and in a manner he or she believes to be in the best interests of the members of the Association. It means the Board members must exercise the care and diligence of an ordinarily prudent person when acting for the community, and it requires each of them to act within the scope of their authority.

Directors and officers of the Association must devote enough time and effort to the performance of their duties to ensure that they are reasonably and faithfully carried out on behalf of the Association. The fact that the Association is a corporation not for profit, or that the members of the Board are volunteers and unpaid, does not relieve them from the standards of trust and responsibility that the fiduciary relationship requires. When confronted with an issue involving special expertise such as a question of law, building or construction matters, insurance or accounting questions, or other similar issues, the law also contemplates that the Board of Directors or an officer will seek the appropriate advice of a professional considered competent in the field and rely upon that advice provided.

5. OFFICERS. The executive officers of the Association shall be a President and a Vice President, who must be Directors, and a Treasurer and a Secretary, all of whom shall be elected annually by a majority vote of the Board of Directors. Any officer may be removed with or without cause at any meeting by vote of a majority of the Directors. Any person except the President may hold two (2) or more offices. The Board may, from time to time, appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one Vice President Any officer may resign at any time by giving written notice to the Association and unless otherwise specified therein, the resignation shall become effective upon receipt.

5.1 President. The President shall be the chief executive officer of the Association; shall preside at all meetings of the members and Directors; shall be ex officio ~~a~~ member of all standing committees; shall have general and active management of the business of the Association; and shall see that all orders and resolutions of the Board are carried into effect. The President shall execute bonds, mortgages and other contracts requiring the seal of the Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board of Directors to some other officer or agent of the Association.

5.2 Vice Presidents. The Vice Presidents, in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and they shall perform such other duties as the Board of Directors shall assign.

5.3 Secretary. The Secretary shall attend all meetings of the Board of Directors and of the members and cause all votes and the minutes of all proceedings to be recorded in a book or books to be kept for the purpose, and shall perform like duties for standing committees when required. The Secretary shall give, or cause to be given, proper notice of all meetings of the members, and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board or the President. The Secretary shall keep in safe custody the seal of the Association and, when authorized by the Board, affix the same to any instrument requiring it. The Secretary shall be responsible for the proper recording of all duly adopted amendments to the condominium documents. Any of the foregoing duties may be performed by an Assistant Secretary, if one is elected.

5.4 Treasurer. The Treasurer shall be responsible for Association funds and securities, budget preparation, and the keeping of full and accurate accounts in books belonging to the Association. The Treasurer is responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board. The Treasurer shall oversee the disbursement of Association funds, keeping proper vouchers for such disbursements, and shall render to the President and Directors, at meetings of the Board, or whenever they may require it, a full accounting of all transactions and of the financial condition of the Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if one has been designated.

6. FISCAL MATTERS. The provisions for fiscal management of the Association set forth in the Declaration of Condominium shall be supplemented by the following:

6.1 Depository. The Association shall maintain its funds in federally insured accounts in such financial institutions authorized to do business in the State of Florida as shall be designated from time to time by the Board. Withdrawal of funds from such accounts shall be only by persons authorized by the Board.

6.2 Budget. The Board of Directors shall adopt in advance a budget of common expenses for each fiscal year. A copy of the proposed budget, and a notice stating the time, date and place of the meeting of the Board at which the budget will be adopted, shall be mailed to or served on the owners of each unit not less than 14 days before that meeting, and an affidavit of the officer or other person making such mailing shall be executed and retained in the Association records as proof of mailing. The proposed budget must be detailed and must show the amounts budgeted by accounts and expense classifications, and comply with the requirements of the Condominium Act.

If in any fiscal year, the Board adopts a budget which requires assessments against unit owners which exceed one-hundred-fifteen percent (115%) of assessments for the preceding year, the Board shall conduct a special meeting of the members to consider a substitute budget if within 21 days after adoption of the budget, the Board receives a written request form at least ten percent (10%) of the voting interests requesting a special meeting. The special meeting shall be held within sixty (60) days after adoption of the budget At least fourteen (14) days prior to such meeting, the Board shall deliver to each owner, either by mail or hand delivery, a notice of the meeting. An affidavit of the officer or other personal making such mailing shall be executed and retained in the Association records as proof of mailing. If a majority of the voting interests of the Association approve the substitute budget, it shall be adopted. If there is not a quorum at the special meeting or if the substitute budget is not approved by a majority of the voting interests, then the budget previously adopted by the Board sha11 take effect as scheduled. Any determination as to whether assessments exceed one- hundred- fifteen percent (115%) of assessments for the prior fiscal year shall exclude any authorized provision for reasonable reserves for repair or replacement of the condominium property, anticipated expenses of the Association which the Board does not expect to be incurred on a regular or annual basis, or assessments for betterments to the condominium property.

6.3 Statutory Reserves for Capital Expenditures and Deferred Maintenance. In addition to operating expenses, the proposed budget must include provisions for funding reserve accounts for capital expenditures and deferred maintenance, as required by law. These accounts shall include, but not be limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance or replacement cost, and for any other item for which the deferred maintenance or replacement cost exceeds an estimated cost of $10,000. The amount to be reserved for each item shall be computed by a formula based on the estimated remaining useful life and estimated replacement cost of the item. The Association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item due to deferred maintenance. These reserves must be funded unless the members of the Association have, by a majority of the voting interests present at a duly called meeting of the Association, determined to fund no reserves, or less than adequate reserves, for a fiscal year. The vote to waive or reduce reserves, if any is taken, may be taken only after the proposed budget has been mailed to the unit owners as required in Section 6.2 above. Reserve funds, and all interest earned on said funds, shall be used only for the purposes for which the reserve account is established, unless use for another purpose is approved in advance by a majority of the members present and voting in person or by proxy at a duly called meeting of the Association.

6.4 Operating Reserves. In addition to the statutory reserves described in Section 6.3 above, or in place of them if the members so vote, the Board may establish one or more additional reserve accounts in the operating budget for contingencies, operating expenses, repairs, minor improvements or special projects. These reserves offset cash flow shortages, provide financial stability, and avoid the need for special assessments on a frequent basis. The amounts proposed to be so reserved shall be included in the proposed annual budget. These funds may be spent for any purpose approved by the Board.

6.5 Assessments; Installments. Regular annual assessments based on an adopted budget shall be payable in quarterly installments, in advance, due on the first day of January, April, July and October of each year. Written notice of each quarterly installment shall be sent to the members at least fifteen (15) days prior to the due date, but failure to send (or receive) the notice does not excuse the obligation of the unit owners to pay assessments. If an annual budget has not been adopted at the time the first quarterly installment for a fiscal year is due, it shall be presumed that the amount of such installment is the same as the last quarterly payment, and payments shall be continued at such rate until a budget is adopted and new quarterly installments are calculated, at which time an appropriate adjustment shall be added to or subtracted from each unit's next due quarterly installment.

6.6 Special Assessments. Special assessments may be imposed by the Board of Directors to meet unusual, unexpected, unbudgeted, or non-recurring expenses. Special assessments are due on the in the resolution of the Board approving such assessments. The total of all special assessments coming due in any fiscal year shall not exceed fifteen (15%) of the total annual budget for that year, including reserves unless a majority of the voting interests present and voting in person or by proxy at a meeting first consent. The notice of any Board meeting at which a special assessment will be considered shall be given as provided in Section 4.8 above; and the notice to the owners that the assessment has been levied must contain a statement of the purpose(s) of the assessment. The funds collected must be spent for the stated purpose(s) or returned to the members as provided by law.

6.7 Fidelity Bonds. The President, Secretary and Treasurer, and all other persons who are authorized to sign checks, shall be bonded in such amounts as may be required by law or otherwise determined by the Board of Directors. The cost of such bonds is a common expense.

6.8 Financial Reports. Within ninety (90) days after the end of each fiscal year, the Association shall

prepare and complete, or cause to be prepared and completed by a third party, a financial report for the preceding fiscal year. Within twenty-one (21) days after the financial report is completed or received by the Association from the third party, the Association shall mail to each unit owner at the address last furnished to the Association by the unit owner, or hand deliver to each unit owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon receipt of a written request from the unit owner. Each financial report shall comply with the applicable provisions of the Condominium Act.

6.9 Fiscal Year. The fiscal year for the Association shall begin on the first day of January of each calendar year. The Board of Directors may adopt a different fiscal year in accordance with law and the regulations of the Internal Revenue Service.

7. RULES AND REGULATIONS. The Board of Directors may, from time to time, adopt and amend administrative rules and regulations governing the use, maintenance, management and control of the common elements and units and the operation of the Association. Copies of such rules and regulations shall be furnished to each unit owner. Any rule or regulation created and imposed by the Board must be reasonably related to the promotion of health, happiness and peace of mind of the unit owners, and uniformly applied and enforced.

8. COMPLIANCE AND DEFAULT; REMEDIES. In addition to the remedies provided in Section 19 of the Declaration of Condominium, the following shall apply:

8.1 Fines and Suspensions. The Association through its Board of Directors may levy reasonable fines against a unit and or suspend the use rights of owners, family members of owners, guests, tenants and invitees for the failure of the unit owner or its occupant, licensee or invitee to comply with any provision of the Condominium Act, the Condominium Documents, or the rules and regulations. No fine will become a lien against a unit unless allowed by law and fines and suspensions shall be in an amount and for a length deemed necessary by the Board to deter future violations, but in no event shall any fine exceed the maximum amount allowed by law. A fine may be levied on the basis of each day of continuing violation, with a single notice and opportunity for hearing, provided that no such fine shall in the aggregate exceed the maximum amount allowed by law. With the concurrence of the Master Association Board of Directors the right to use the Master Association amenities may be suspended for violations the Condominium governing documents and non-payment of any monetary amounts owed to the Association. The procedure for imposing fines and suspensions shall be as follows:

(A) Notice: The party against whom the fine or suspension is sought to be levied or imposed shall be afforded an opportunity for hearing after reasonable written notice of not less than 14 days, and the notice shall include:

(1) A statement of the date, time and place of the hearing;

(2) A specific designation of the provisions of the Declaration, Bylaws or rules that are alleged to have been violated;

(3) A short and plain statement of the specific facts giving rise to the alleged violation(s); and

(4)The possible amounts of any proposed fine or length of the proposed suspension.

(B) Hearing: At the hearing the party sought to be fined or suspended shall have a reasonable opportunity to respond, to present evidence, to provide written and oral argument on all issues involved, and to review, challenge, and respond to any evidence or testimony presented by the Association. The hearing shall be conducted before a committee of three (3) unit owners

appointed by the Board, none of whom may then be serving as Directors. If the committee, by majority vote, which may be taken by secret ballot, does not agree with the fine, it may not be levied. As provided by law no hearing is required for a fine or suspension imposed for non-payment of any monetary amount owed to the Association.

8.2 Mandatory Non-Binding Arbitration. In the event of any dispute as defined in the Condominium Act, between a unit owner and the Association arising from the operation of the Condominium, the parties if required by law must submit the dispute to mandatory non-binding arbitration under the rules of the Division of Florida Land Sales, Condominiums and Mobile Homes before filing any lawsuit over the disputed matters. Nothing herein shall be construed to require arbitration of disputes related to the levy or collection of fees or assessments or any monetary amount.

8.3 Availability of Remedies. Each member, for himself, his or her heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of violations regardless of the harshness of the remedy utilized by the Association and regardless of the availability of other legal remedies. It is the intent of all members to give the Association methods and procedures which will enable it to operate on a business-like basis, to collect those monies due it and to preserve the right of the majority to enjoy the condominium property free from unreasonable disruptions and annoyance by the minority.

9. AMENDMENT OF BYLAWS. Except as otherwise provided in the Declaration of Condominium, amendments to these Bylaws may be proposed and adopted in the following manner:

9.1 Proposal. Amendments to these Bylaws may be proposed by a majority of the Board, or by written petition to the Board signed by at least one-fourth (1/4th) of the voting interests.

9.2 Procedure. Upon any amendment to these Bylaws being proposed by said Board or unit owners, the proposed amendment shall be submitted to a vote of the owners not later than the next annual meeting for which proper notice can be given.

9.3 Vote Required. Except as otherwise provided by law, or by specific provision of the Condominium Documents, these Bylaws may be amended by concurrence of at least two-thirds (2/3rds) of the voting interests present in person or by proxy and voting at any annual or special meeting called for the purpose, provided that notice of any proposed amendment has been given to the members in accordance with law.

9.4 Recording: Effective Date. A copy of each adopted amendment shall be attached to a certificate attesting that the amendment was duly adopted, which certificate shall be executed by the President or Vice President of the Association with the formalities of a deed. The amendment is effective when the certificate and copy of the amendment are recorded in the Public Records of Lee County, Florida. The certificate must identify the book and page of the Public Records where the Declaration of Condominium is recorded.

10. MISCELLANEOUS.

10.1 Gender: Number. Whenever the masculine or singular form of a pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

10.2 Severability. Should any portion hereof be void or become unenforceable, the remaining provisions of the instrument shall remain in full force and effect

10.3 Conflict If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws and the Declaration of Condominium or Articles of Incorporation, the provisions of the Declaration or Articles of Incorporation shall prevail over the provisions of these Bylaws.