

**BY-LAWS OF CASA DEL LAGO CONDOMINIUM ASSOCIATION, INC.**

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**BY-LAWS  
OF  
CASA DEL LAGO CONDOMINIUM ASSOCIATION, INC**  
(as amended December 29, 2023)  
(A Non-Profit Corporation)

**ARTICLE I. NAME**

This corporation shall be known as CASA DEL LAGO CONDOMINIUM ASSOCIATION, INC. a non-profit Florida Corporation.

**ARTICLE H. RIGHT AND LIABILITIES  
OF MEMBERS, DIRECTORS & OFFICERS**

**Section 1. Property interest of members, directors and officers.** No member, director or officer of the corporation shall have any right, title or interest in or to any property or asset of the corporation.

**Section 2. Non-liability for debts.** Private property of the members, directors and officers shall be exempt from liability for any debts of the corporation, and no member, director or officer shall be liable or responsible for any debt liability of the corporation

**ARTICLE III. MEMBERS**

**Section 1. Members.** Members shall consist of those persons qualified for membership as set forth in the Articles of Incorporation.

**Section 2. Meeting.** The Annual Membership meeting shall be held the first Thursday of December at 7:00 P.M., at the Casa Del Lago Clubhouse. The meeting will be moderated by someone other than a member of the Board of Directors.

**Section 3. Quorum.** The presence of one half (1/2) of the voting interests shall constitute a quorum to transact business. The act at a meeting where a quorum is present shall be the act of the membership. (FS 718.112(2b)1)

**Section 4. Voting.** Votes to change the various governing documents and to conduct Association business differ considerably. A summary of the requirements are as follows:

**Majority Vote**

Amendments to the Articles of Incorporation. (AI - ART. XT).

Amendments to the By-Laws (BL - ART. X).

Conducting Association Business (FS 718.112(2)(b)(1). (Majority of a Quorum).

Amendments to the Declaration of Condominiums (FS 718.110(1)(a). (Dec. - ART. XV).

**Sixty-Seven** % Financial Elements of Insurance

(FS 718.111(11) (Dec. - ART. X. D3b).

**Seventy-five %**

To alter/add to the Common Elements or Real Property (FS718.113)  
(No changes may effect safety or soundness).  
Sale of Association Assets following termination. (Dec. - ART. XX E).

**Ninety %** To dissolve the Association. (Dec. ART. XX.A.1).(FS718.117(1))

**One-Hundred %** To allow timeshare. (FS 718.110(8)).

**Methods of Voting:**

1. At official meetings (voters are present).
2. By proxy - must be in writing and cast by another member who is present at the meeting.  
Proxy votes are not permitted for elections.
3. By petition - An action approved by signature of the members.
4. By absentee ballot - A written vote on items which are not further amended. Must be submitted in advance to the Association President or Secretary,

**Section 5. Directors.** The members shall elect the Board of Directors according to Section 718 of the Florida Statutes governing Condominiums, and the board will elect officers from those members elected to the board.

**ARTICLE IV. DIRECTORS**

**Section 1. Function.** All business, property and affairs of the corporation shall be managed by the Board of Directors.

**Section 2. Number.** The Board of Directors shall be composed of five members. There may not be more than one Board member from any owner unit.

**Section 3. Term.** Board membership shall be for a period of two years beginning at the annual meeting of each year at which that directorship was filled by election. The membership on the Board of Directors occupied by the designee of the developer will be filled by appointment from the Board of Directors at the time that the developer relinquishes that seat, which appointment shall be effective until the next annual meeting at which the successors to that membership will be elected to two year terms. Directors shall be eligible to succeed themselves.

**Section 4. Vacancies.** Vacancies in the board shall be filled by a vote of the directors remaining in office. A director elected to fill a vacancy shall serve out the term of the replaced director.

**Section 5. Meetings.** The first meeting of the new Board shall be held immediately following the annual meeting of the members at the same place. Special meetings of the Board may be called by the chairman or by three directors at such time and place as may be fixed by the person or persons calling the meetings.

**Section 6. Place of Meetings.** All meetings of the Board will be held within Highlands County in the State of Florida.

**Section 7. Notice.** Written notice stating the time and place of the meetings of the Board shall be posted on the Association Bulletin Board by not less than five days and not more than fifteen days before the date of the meeting.

**Section 8. Quorum.** The presence of a majority of the total number of directors shall be necessary at any meeting to constitute a quorum to transact business. The act of a majority of directors present at a meeting where a quorum is present shall be the act of the Board of Directors.

**Section 9. Conflict of Interest** If an issue before the Board directly and personally affects a Board member, that member must abstain from voting.

## ARTICLE V. OFFICERS

**Section 1. Officers.** The officers of the corporation shall be a President, Vice-President, Secretary, Treasurer and one member at large. Officers shall be elected by the Board of Directors after the Annual Membership Meeting to hold office until the successors are elected and qualified. Vacancies shall be filled by vote of the directors, the officers filling such vacancy to serve until a successor is elected and qualified.

**Section 2. President.** The President shall preside at all meetings of members and of the Board, except the Annual Membership Meeting. (See ART. III Sec. 2.), shall make all committee appointments, and shall perform any other duties usually pertaining to the office of President or as may be prescribed by the Board.

**Section 3. Vice-President.** The Vice-President, in the absence or disability of the President, shall be the chief executive officer and shall perform other duties as required by the Board of Directors.

**Section 4. Secretary.** The Secretary shall record the minutes of all meetings of the Members, the Board of Directors and the Committees, and shall post or send out notices of all meetings as directed by the Board. The Secretary shall also transcribe and handle correspondence and the preparation of miscellaneous reports as the Board may request, and will be the keeper of the Corporate Seal.

**Section 5. Treasurer.** The Treasurer shall have custody of, and maintain the corporate financial records, keep full and accurate account of receipts and disbursements and render account thereof at the annual meetings of the membership and whenever else required by the Board or the President.

**Section 6. At Large Board Member.** This position shall be filled by a representative of the developer until such time as 95 units have been completed or the developer elects to vacate the position, whichever occurs first. Subsequent to the time the Developer no longer occupies this position it should be filled among the membership in the same manner as other Board members.

**Section 7. Ex-Officio Member.** This is a non-voting advisory position to be occupied by the immediate Past President.

## ARTICLE VI. COMMITTEES

The Association has established six (6) standing committees which operate under the general supervision of, and answer directly to, the Board. These committees serve two basic purposes: (1) Advising the Board on matters within the committee's purview and (2) managing their assigned areas.

**Section 1. Architectural** Responsible for all matters pertaining to Association buildings including maintenance, alterations, and additions.

**Section 2. Grounds.** Responsible for the maintenance and appearance of all grounds and landscaping.

**Section 3. Irrigation.** Responsible for the irrigation systems including wells and distribution systems.

**Section 4. Recreation.** Responsible for all recreational facilities: clubhouse, swimming pool, tennis court, shuffleboard, the beach/dock area.

**Section 5. Social Activities.** Responsible for promoting and encouraging social activities for residents.

**Section 6. Friendship.** Responsible for welcoming newcomers and for expressing sympathy and offering help, on behalf of the community, for members losses and illnesses.

**Section 7. Meetings.** The Committee Chairpersons shall meet on the first Wednesday of each month at 7:00 P.M. in the clubhouse, unless otherwise noticed. The meetings are open to all residents.

**Section 8. Organization.** Each committee may organize itself as it deems advantageous to the successful completion of its mission. This may include the establishment of sub-committees which answer to the Committee Chairperson.

**Section 9. Ad Hoc.** The Board may establish ad hoc committees as needed. Each ad hoc committee should have a specific purpose/goal and duration. When the goal is accomplished or the allotted time has elapsed the ad hoc committee is automatically terminated.

## ARTICLE VII FINANCIAL TRANSACTIONS

**Section 1. Contracts.** Except as otherwise provided in these By-Laws, the Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and behalf of the corporation and such authority may be general or confined to specific instances.

**Section 2. Checks, Drafts, Etc.** All checks, drafts, and other orders for the payment of money, and other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the corporation shall be signed by such officers, agent or agents, employee or employees of the corporation, and in such manner, as shall from time to time be determined by resolution of the Board.

**Section 3. Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks as the Board may elect.

**Section 4. Fiscal Year.** The fiscal year of the corporation shall run concurrently with the calendar year beginning January 1st. of each year, and shall end on the 31st day of December.

**Section 5. Accounting System and Reports.** The Board shall cause to be established and maintained in accordance with generally accepted principles of accounting, an appropriate accounting system.

**Section 6. Emergency Account.** An emergency account shall be established and maintained as described in the Declaration of Condominium, Article XXIF.

**Section 7. Fund Raising.** All funds earned from Association functions must be turned over to the Association treasurer within 24 hours of the completion of the event.

#### **ARTICLE VIII. SEAL**

The seal of the corporation shall be in circular form and shall have inscribed thereon the name of the corporation, the year incorporated, the fact that it is a Florida corporation and the words "corporation not for profit".

#### **ARTICLE IX. ARBITRATION**

In the case of any internal dispute arising from the operation of the condominium among the developer, unit owners, the association, their agents and assigns, the same may be submitted to voluntary binding arbitration pursuant to the Florida Arbitration Code at the written request of all parties.

#### **ARTICLE X. APPEAL**

Any unit owner may appeal a decision of the Board, by means of an appeal before a duly called meeting of the membership. A quorum must be present and a vote of 2/3rd's of the voting interest present required to over-rule a Board decision.

#### **ARTICLE XI. AMENDMENT**

These By-Laws may be altered, amended or repealed in the manner now or hereafter prescribed by law. Each amendment must be approved by a majority of the members entitled to vote thereon.

**CASA DEL LAGO CONDOMINIUM ASSOCIATION, INC.**

**DECLARATION OF CONDOMINIUM**

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**DECLARATION OF CONDOMINIUM FOR  
CASA DEL LAGO CONDOMINIUM ASSOCIATION, INC.**

This Declaration of Condominium is made this 29TH day of December, 2023, by Casa Del Lago Condominium Association, Inc.

**ARTICLE I  
SUBMISSION TO CONDOMINIUM OWNERSHIP**

The Developer hereby submits to condominium ownership the fee simple title to the land (herein the "Land") described on Exhibit "A" attached hereto and made a part hereof^ and all improvements now or hereafter situated thereon and all easements and rights appurtenant thereto, pursuant to the provisions of Chapter 718 of the Florida Statutes, as amended (the "Condominium Act").

All provisions, restrictions, reservations, covenants, conditions, and easements contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, shall be nonexclusive and perpetual unless sooner terminated as provided herein or in the condominium Act, and shall be binding upon all unit owners and units owned by the Developer, their grantees, devisees, mortgagees, heirs, personal representatives, successors, and assigns; and all parties claiming by, through, or under such persons agree to be bound by the provisions hereof and the Articles of Incorporation and the Bylaws of the Association. Both the burdens imposed and the benefits granted shall run with each unit and interest in the common elements.

**ARTICLE H  
NAME OF CONDOMINIUM**

The name by which the condominium property shall be identified is "Casa Del Lago Condominium Association, Inc." located at 2740 Palo Verde Drive, Avon Park, Fl. 33825.

**ARTICLE III  
DEFINITIONS**

The terms used in this declaration and its exhibits shall have the meanings stated in the Condominium Act and as follows, unless the context otherwise requires:

- A. **"Articles of Incorporation"** means the formative document creating the Association, as amended from time to time.
- B. **"Assessment"** means a share of the funds required for the payment of common expenses which from time to time is assessed against a unit owner.
- C. **"Association"** means Casa Del Lago Condominium Association, Inc. a Florida not for profit corporation, which corporation shall be responsible for the operation of the Condominium.
- D. **"Association Property"**: means all real and personal property owned or leased by, or dedicated by a receded plat to, the Association for the use and benefit of its members.

**E. "Board of Directors "or "Board"** means the board of directors responsible for the administration of the Association.

**F. "Bylaws"** means the bylaws of the Association as they exist from time to time.

**G. "Charge"** means the obligation of a unit owner to pay or reimburse money to the Association that cannot be secured as an assessment pursuant to F.S. 718.116, but which will, if the charge is not paid, give rise to a cause of action against the unit owner pursuant to this declaration.

**H. "Common Elements"** means: (1) all portions of the condominium property and the air space above which are not included within the units, including without limitation, all land, all easements and rights appurtenant thereto, and all parts of the improvements on the land that are not included within the units; (2) all easements granted to the Association, and (3) the property and installations required for the furnishing of utilities and other services to more than one unit or to the common elements.

**I. "Common Expenses"** means all expenses and assessments which are properly incurred by the Association for the Condominium. Common expenses include, without limitation: the expenses of the operation, maintenance, repair, replacements, or protection of the common elements, Association property, and the portions of the units, if any, required to be maintained by the Association, the costs of carrying out the powers and duties of the Association; and all other expenses designated as common expenses by the Condominium Act, this declaration, the Association's articles of incorporation, the Association's bylaws, and the other condominium documents. The common expenses also include the costs of the following: (a) insurance for directors and officers of the Association; (b) road maintenance and operation expenses; and (c) the assessments levied against the condominium property as a whole in accordance with Section 718.115.

**J. "Common Surplus"** means the excess of all receipts of the Association collected on behalf of the Condominium (including, but not limited to, assessments, rents, profits, and revenues on account of the common elements) over the common expenses.

**K. "Condominium"** means the condominium created by the declaration.

**L. "Condominium Documents"** means this declaration and the attached exhibits setting forth the nature of the property rights in the Condominium and the covenants running with the land that govern these rights. All of the other condominium documents will be subject to the provisions of the declaration. In the event of any conflict between these documents, the order of priority of the documents will be as follows: (1) this declaration, (2) the Association's articles of incorporation; (3) the Association's bylaws; and (4) the Association's rules and regulations.

**M. "Condominium Parcel"** means a unit, together with the undivided share in the common elements which is appurtenant to the unit and all other appurtenances thereto.

**N. "Condominium Property"** means the lands and personal property, both tangible and intangible, subjected to condominium ownership by this declaration, whether or not contiguous; all improvements thereon; and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

**O. "Declaration"** means this Declaration of Condominium, as it may from time to time be amended.

**P. "Developer"** means DD&H Partnership, 47 Lake Damon Drive, Avon Park, Florida, a Florida limited liability company, and its successors and assigns, provided there is an exclusive assignment of all the Developer's rights and obligations under this declaration. The Developer may make an exclusive or a non-exclusive assignment of all or a portion of its rights and obligations hereunder, or all or a portion of such rights and obligations as to only portions of the condominium property. In the event of a partial assignment, the assignee shall not be deemed the Developer as to the rights and obligations created by this declaration, but shall have only the rights and obligations of Developer specifically set forth in such assignment. No unit owner shall be considered a successor or assign of Developer as to the rights and obligations herein reserved to Developer solely by reason of owning or offering for sale or lease one or more units unless such status is expressly designated in an instrument executed and recorded by the Developer, or unless required by the Condominium Act.

**Q. "Exhibits"** means the following documents stated to this declaration, as they may be hereafter amended from time to time:

1. Legal description of the Land;
2. Condominium plot plans, surveys and floors plans;
3. Association's Articles of Incorporation;
4. Association's Bylaws; and
5. Rules and Regulations

**R. "Family"** means one natural person or a group of no more than four (4) persons, each of whom is related to each of the others by blood, marriage, or adoption; or not more than two adult persons not so related, who reside together as a single not-for-profit housekeeping unit.

**S. "Guest"** means any person who is physically present in or occupies a unit on a temporary basis at the invitation of the unit owner without the payment of consideration

**T. "Institutional Lender"** means a mortgagee, or its assignee, holding a first mortgage on a condominium parcel, if the mortgagee is a commercial bank, a savings and loan association, a mortgage banker, an insurance company or any subsidiary thereof, a real estate or mortgage investment trust, a pension or profit sharing trust, the Federal Housing Administration, the Department of Veterans Affairs, any agency of the United States of America, any other institutional lender engaged in financing the purchase, construction or improvement of real estate, or the Developer. The term also refers to any holder of a first mortgage encumbering a condominium parcel which mortgage is guaranteed or insured by the Federal Housing Administration, the Department of Veterans Affairs, any agency of the United States of America, or any other public or private institution engaged in the business of guaranteeing or insuring residential first mortgage loans, and their successors and assigns.

**U. "Lease"** means the grant by a unit owner of a temporary right of use of the owner's unit for a valuable consideration.

**V. "Limited Common Elements"** means those portions of the common elements which are reserved for the use of a certain unit or units to the exclusion of the other units, as described in this declaration.

W. **"Member"** means a person or entity qualified for membership in the Association as provided in the Bylaws.

X. **"Occupy"** means the act of being physically present in a unit on two or more consecutive days, including staying overnight. An occupant is one who occupies a unit.

Y. **"Person"** means an individual, corporation, trust or other legal entity capable of holding title to real property.

Z. **"Special Assessment"** means any assessment levied against unit owners other than the assessment required by a budget adopted annually.

AA. **"Unit"** means a part of the condominium property which is subject to exclusive ownership as described in this declaration.

BB. **"Unit Number"** means the letter, number, or combination thereof that is designated on the condominium plot plan and used as the identification of a unit.

CC. **"Unit Owner" or "Owner"** means the record owner of legal title to a condominium parcel.

DD. **"Utilities"** means the services available to the units and to the common elements, including, without limitation, electric, water, sewer, telephone, drainage, garbage and trash disposal.

EE. **"Utility Providers"** means any and all utility companies, whether public or private, that provide utilities.

FF. **"Voting Interest"** means the one full indivisible vote available to each unit in all matters in which the unit owners are given a vote,

GG. **"Voting Representative"** means the individual entitled to receive notices from the Association and to cast the vote for a unit at membership meetings of the Association. There shall be only one voting representative for each unit.

#### **ARTICLE IV** **DESCRIPTION OF DEVELOPMENT**

A. **Survey of the Land:** A survey of the Land is attached hereto and made a part hereof as Exhibit "B".

B. **Graphic Description of Improvements and Plot Plan:** A graphic description of the improvements located or to be located upon the Land, in which the units are located, and a plot plan thereof are attached hereto and made a part hereof as Exhibit "C". The relative location and approximate dimensions of each unit, the common elements, and limited common elements, are set forth on this exhibit. The construction of these improvements is not substantially complete. Upon substantial completion of construction, the Developer shall amend this declaration to include the surveyor's certificate required by Section 718.104(e), Florida Statutes, and shall record the certified plot plans in the public records of Highlands County, Florida.

The Developer reserves the right to alter the interior design or floor plan of the units as long as the Developer owns the units so altered, provided such alteration does not change the configuration or size of the unit. Any such alteration shall be reflected by an amendment to this declaration. Any amendments for such purpose need be signed and acknowledged by the Developer and the mortgagee of said units, if any, and must be approved by the Association of unit owners.

C. Identification of Units: This condominium creates (98- ninety eight) units upon the Land, which units shall be identified as Units #1 through #99 of Casa Del Lago Condominium. Each unit shall be identified, known and numbered as set forth in the graphic description of the improvements and the plot plan attached as Exhibit "C".

D. Share of Common Expenses and Common Surplus: Each unit share of the common expenses and owning the common surplus shall be the same as the unit's undivided share in the common elements.

E. Voting: Each unit shall have one full indivisible vote in all matters in which unit owners are given a vote under this declaration, the Association's articles of incorporation and bylaws, or the Condominium Act.

F. Future Phases: This condominium may be developed in phases. The land which may become a part of the condominium in the future and the land on which each phase is to be built is described on "Schedules A-6, A-7, A-8 & A-14" attached hereto. The Developer will complete and add Phases Two through 14, if at all, not later than April, 2006. The Developer may make nonmaterial changes in the legal description of any phase.

## **ARTICLE V**

### **UNITS, UNIT BOUNDARIES. AND APPURTENANCES**

A. Units: Each unit (and its undivided share in the common elements) is a separate parcel of real property that may be owned in fee simple. The unit may be conveyed, transferred, and encumbered like any other parcel of real property, independently of all other parts of the condominium property, subject only to the provisions of the condominium documents and applicable laws

1. IDENTIFICATION OF UNITS. The units in Phase One of the condominium are identified 1A through 1-G as shown on Schedule "B-1" attached hereto. Phases Two through Fourteen, if developed, will each consist of seven or eight units, each similar in size to those units in Phase One and each identified by the Phase prefix and then the letters corresponding to the number of units in each Phase. The maximum number of units, if all phases are completed, will be (98 – ninety eight units). The Developer retains the right to modify the plot as to location of units and building types as long as no more than eight (8) units are located on any phase and the units are not smaller than 1,100 square feet or larger than 1,800 square feet. The proposed plot plan of phases two through fourteen are shown on Schedules "N-2".

2. IMPROVEMENTS. The construction of Phase One of the Condominium is not substantially completed. It will be substantially completed in conformance with the survey, graphic description, and plot plan attached hereto as Schedule "B-1". Upon substantial completion of the improvements in Phase One this declaration will be amended to include a certificate of a surveyor authorized to practice in this state that such construction of improvements is substantially complete and portraying an accurate representation of the location and dimensions of the improvements. Developer reserves the right to change the interior design and arrangement of all units so long as Developer owns the unit so altered. No change shall increase the number of units or change the common elements, except by adding Phases two through fourteen, without amendment of this declaration.

**B. Unit Boundaries:** Each unit shall have the boundaries as defined below. The boundaries may exist now or may be created by construction of the buildings or by permissible repairs, reconstruction or alterations.

1. **Upper Boundary:** The upper boundary of each unit shall be the planes of the lower surface of the undecorated, unfinished, rough ceiling of the unit, extended to meet the perimeter boundary for the unit.
2. **Lower Boundary:** The lower boundary of each unit shall be the horizontal plane of the upper surface of the undecorated, unfinished, rough floor of the unit, (concrete slab for the unit) extended to meet the perimeter boundary for the unit.
3. **Perimeter Boundary:** The perimeter boundary of each unit shall be the vertical planes of the interior surfaces of the undecorated, unfinished rough perimeter walls of the unit, as shown on the Condominium Plot Plan, and the vertical plans of the inner surfaces of the unit's windows, doors, and other openings that abut the exterior of the building or common elements, including limited common elements; extended to an intersection with each other and with the upper and lower boundaries of the unit.

**C. Exclusive Possession:** Each unit owner is entitled to the exclusive possession of such owner's unit, subject to the provisions of the condominium documents. The Association has the irrevocable right of access to each unit as set forth in Article VII below.

**D. Easement for Air Space:** The Developer hereby grants to each unit owner an exclusive easement for the use of the air space occupied by such owner's unit, as it exists at any particular time and as the unit may lawfully be altered or reconstructed from time to time. This easement shall be terminated automatically as to any air space which is vacated from time to time.

**E. Appurtenances:** The ownership of each unit shall include all of the rights, title and interest of a unit owner in the condominium property and attributable to the unit ("appurtenances"). The appurtenances to a unit may not be separated from the unit and all the appurtenances shall be deemed to be conveyed, transferred, encumbered, or otherwise passed with the title to the unit, whether or not separately described or expressly mentioned. The appurtenances to a unit cannot be conveyed or encumbered except with the unit and no action for partition of the common elements shall lie. The appurtenances to an owner's unit include, but are not limited to:

1. **Common Elements and Common Surplus:** The owner's undivided ownership interest in the common elements and common surplus.
2. **Limited Common Elements:** The owner's right to use exclusively, or in common with one or more other designated units, the limited common elements reserved for the use of the owner's unit.
3. **Association Membership:** The owner's membership in the Association, with full voting rights appertaining thereto.
4. **Exclusive Possession and Easement for Airspace:** The owner's right to exclusive possession of the owner's unit and the easement for air space occupied by the unit, as set forth above.



**ARTICLE VI**  
**COMMON ELEMENTS AND EASEMENTS**

**A. Share of Common Elements:** The undivided share in the common elements appurtenant to each unit is one ninety-ninth (1/99).

**B. Use of Common Elements:** Each unit owner and the Association is entitled to use the common elements (other than limited common elements) in accordance with the purposes for which they are intended; but, no such use may hinder or encroach upon the lawful rights of other unit owners or of other persons entitled to use the common elements. When a unit is leased, an approved tenant shall have all use rights in the Association property and those common elements otherwise readily available for use generally by unit owners and the unit owner shall not have such rights except as a guest. The Association shall have the right to adopt rules to prohibit dual usage by a unit owner and a tenant of Association property and common elements otherwise readily available for use generally by unit owners.

**C. Easements:** Each of the following nonexclusive easements is hereby granted or reserved through the condominium property for the limited purposes set forth herein and subject to all the terms and conditions of this declaration.

**1. Easement for Vehicular Ingress and Egress:** A nonexclusive easement for for ingress and egress is granted to the Association, for the use and benefit of the owners and their tenants, guests, and invitees, for vehicular and pedestrian traffic over and across all streets, rights of way, and other portions of the common elements as may from time to time be intended for such use, which easement alone or with other recorded easements shall provide reasonable access to a public road. Nothing herein shall be construed to give or create in any person the right to park upon any portion of the condominium property except in areas specifically designated for parking purposes..

**2. Easement for Pedestrian Traffic:** A nonexclusive easement for ingress and egress is granted to the Association, for the use and benefit of the owners and their tenants, guests, and invitees, for pedestrian traffic over and across all walks, rights of way and other portions of the common elements as may from time to time be intend

**3. Easement Through Units for Utilities:** A nonexclusive easement is granted to the Association and utility providers through the units for conduits, ducts, pipes, plumbing, wiring, and other facilities for the furnishing of utilities and other services to units, the common elements, and other utility customers, both existing and future; provided, however, that such easement through a unit shall only be according to the plans and specifications for the building containing the unit or as the building is actually constructed, unless approved in writing by the unit owner.

**4. Easement Over Common Elements for Utilities:** A nonexclusive easement is granted to the Association and utility providers over, under, across, and through the common elements as may be required for the construction, maintenance and operation of utilities to adequately serve the condominium property. In addition, easements are reserved for such further utility easements over, under, across, and through the common elements as may be required from time to time to service the condominium property; provided, such further utility easements shall be granted as set forth below and shall be identified and located as the occasion shall arise.

5. **Easement For Support:** An easement of support is granted to the Association in every portion of a unit which contributes to the support of the building.

6. **Easement for Maintenance:** A nonexclusive easement is granted to the Association on, over, under, and across the common elements, including the limited common elements for maintenance purposes.

7. **Easement for Encroachments:** In the event any unit shall encroach upon any of the common elements or any other unit for any reason other than the intentional act of the unit owner, then a nonexclusive easement shall continue to exist to the extent of such encroachment so long as the same shall continue. In the event that any portion of the common elements shall encroach upon any unit, then a nonexclusive easement shall exist to the extent of such encroachment so long as the same shall continue.

In the event any unit or common element (including limited common elements) shall encroach upon any utility easement either granted or reserved herein, by plat or otherwise, such encroachment shall entitle the owner or owners of such encroaching property and their mortgagees, if any, to an automatic nonexclusive easement on said utility easement for as long as such encroachment shall continue.

D. **Additional Easements or Modifications of Easements:** The Board shall have the right and authority, without the joinder of any unit owner or other party for whose benefit the easement was created, to grant additional easements, and to modify, relocate, or vacate existing easements if the easement constitutes part of or crosses the common elements or Association property, as the Board shall deem necessary or desirable for the proper operation and maintenance of the condominium property, or any portion thereof, or for the general health or welfare of the unit owners, or for the purpose of carrying out any provision of this declaration, or otherwise; provided, that the granting of such easements, or the modification, relocation, or vacation of existing easements, will not prevent or unreasonably interfere with the use of the units for their intended purposes or affect the minimum requirements of Section 718.104(4)(m),F.S.

E. **Limited Common Elements:** The Association hereby reserves, as limited common element for the exclusive use of a certain unit or units to the exclusion of all other units, the following portions of the common elements:

1. All exterior doors (incl. garage doors), exterior door frames, windows, window frames and sills, window and door screens, exterior sliding glass doors and frames, and air conditioning/heating equipment serving only one unit shall be a limited common element reserved to such unit.

2. All wires, pipes, conduits, and similar installations which provide utilities to a single unit shall be limited common elements reserved to such unit

3. All items that are exterior to a unit and are expressly required to be maintained by the unit owner in Article VII (Maintenance) below shall be limited common elements reserved to such unit.

4. Each party-wall shall be a limited common element reserved to the units which are separated by the party-wall. As used herein, the term "party-wall" shall mean a vertical wall which lies between and separates two units.

5. All front courtyards.

ARTICLE VII  
MAINTENANCE OF CONDOMINIUM PROPERTY

A, Maintenance by the Association: The Association shall, at its expense, protect, maintain, repair, and replace, all Association property and all common elements, including all limited common elements, except the limited common elements that are required elsewhere in this declaration to be maintained by the unit owner. The cost shall be a common expense. The Association's responsibilities include, without limitation, protection, maintenance, repair and replacement of the following:

1. Electrical wiring from outside up to the circuit breaker panel serving each unit.
2. Water pipes from outside up to the main water supply shut-off valve for each unit.
3. Cable television lines up to the point of entry to the unit.
4. Sewer lines, up to the point where they enter the unit.
5. All installations, electrical fixtures, equipment, and other facilities, including all conduits, and wiring, located within one unit but serving another unit, or located outside the unit but serving another unit, or located outside the unit, for the furnishing of utilities to more than one unit or the common elements.
6. The painting of the exterior surface of all doors to the units and fixtures on the exterior of a building.
7. All exterior buildings walls, including painting, waterproofing, and caulking, and all unit perimeter boundary walls; except interior surfaces which are a part of a unit.
8. The foundations, load-bearing columns, joints, rafters, and roofs.
9. All termite control in all common areas and limited common elements.
10. The cleanliness of all outside walls, when needed, except for inner walls of Courtyard,
11. The attic vent fans.
12. Unit sidewalks, unit driveways, streets, roads and clubhouse parking.
13. All doors, door frames, sliding glass doors and frames, windows including the glass, window frames and sills, and door and window screens which are parts of the original construction, serving the unit exclusively.

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 the 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 repaired promptly by and at the expense of the Association, which shall restore the property as nearly as practical to its condition before the damage, and the cost shall be a common expense; except the Association shall not be responsible for the damage to any alteration or addition to the common elements made by a unit owner or his 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 it.

In addition, the Association shall repair or replace all damage to the condominium property caused by the Association, failure to fulfill its duties hereunder, even if such damage is to a portion of the condominium property which would otherwise be maintained by a unit owner.

If it is necessary for the Association to remove any improvement to a limited common element installed by a unit owner in conjunction with the Association's maintenance, repair or replacement of such limited common element, the cost to remove and replace the improvement will be the sole responsibility of the owner of the unit to which the limited common element is appurtenant.

B. Maintenance By Unit Owner: Each Unit Owner shall, at the owner's expense, protect, maintain, repair, and replace all portions of the owner's unit, except that portion required above to be maintained by the Association, and certain limited common elements as required below. Each owner's responsibilities include, without limitation, protection, maintenance, repair, and replacement of the following:

1. The circuit breaker panel serving the unit and all electrical wiring going into the unit from the panel.
2. From the water supply shut-off valve for the unit and all water pipes and connections from the shut-off valve.
3. Sewer lines from the point where they enter the unit.
4. All air conditioning and heating equipment, air conditioning condensation drain lines, thermostats, ducts, and installations serving the unit exclusively, whether located inside or outside of the unit.
5. All other wires, pipes, conduits, ducts, plumbing fixtures, switches, valves, drains, outlets, connections, equipment, and other utility installations and facilities serving the unit exclusively.
6. Appliances, water heater, smoke alarms, and vent fans, except attic vent fans.
7. All floor, ceiling, wall covers and paint installed within the unit or rear patio and Screens, windows and doors installed by the unit owner.

8. Door and window hardware and locks.
9. Shower pans.
10. All other improvements within the unit.
11. Other facilities or fixtures that are located or contained entirely within the unit and serve only that unit.
12. All interior partition walls that do not form a part of the boundary of the unit.
13. Each unit owner is responsible for the cleanliness and appearance of the inside of the unit and the appearance of the inside of the courtyard including the inside walls.
14. All approved improvements to the common elements installed by a unit owner shall be maintained, repaired or replaced by such owner or such owner's successors or assigns. This provision is not intended to permit such improvement without the prior written consent of the Association as provided in this declaration.

The unit owner shall perform the above work without disturbing the rights of other unit owners, to the extent reasonably possible. The unit owner shall repair and replace all damage to the common elements and other units caused by his work or fulfillment of such owner's maintenance, repair and replacement responsibilities hereunder.

In addition, the unit owner shall repair and replace all damage to the condominium property caused by the negligence or intentional acts of the unit owner, his tenants, guests, licensees, or invitees, or any occupant of the unit, or any licensee or invitee of any tenant or guest, but only to the extent the cost to repair the damage exceeds the proceeds of insurance received by the Association. The unit owner shall be responsible for cleaning all windows and sliding glass doors which serve his unit.

**C. Front Courtyards and Rear Patios:** Where a limited common element consists of a front courtyard or rear patio, the unit owner who has the right of exclusive use of the area shall be responsible for the day-to-day cleaning and care of the walls, floor, and ceiling bounding said area, if any; and the wiring, electrical outlets, and fixtures thereon, if any, and the replacement of light bulbs. The Association is responsible for the maintenance, repair, and replacement of all exterior walls of the building and the unfinished floor (concrete slabs). The unit owner shall be responsible for day-to-day cleaning and care, but all painting and maintenance of the exterior surfaces and structures of the building shall be the responsibility of the Association and shall be a common expense. The maintenance, repair, replacement, and insurance of such approved carpeting, covering, or enclosure shall be the responsibility of the unit owner.

**D. Interior Decoration:** Each unit owner is responsible for all decorating within the owner's unit, including painting, wallpapering, paneling, floor coverings, draperies, window shades, curtains, lamps, and other light fixtures, and other furnishings and interior decorating.

**E. Window Coverings:** The covering and appearance of the windows and doors, whether by draperies, shades, blinds, reflective film, or other items, whether installed within or outside of the unit, visible from the exterior of the unit, shall be subject to the rules and regulations of the Association.

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 or common elements, whether with or without Association approval, such owner shall be deemed to have warranted to the Association and its members that the owner's contractors are properly licensed and 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. Pest Control: Each unit owner is responsible for all pest control inside the unit, courtyard and patio, excluding termites.

H. Easement for Maintenance-Right of Access to Units: The Developer hereby grants to the Association a nonexclusive easement through the units and common elements as necessary: (a) for the maintenance, repair, or replacement of any portion of the common elements or of any portion of a unit required to be maintained by the Association pursuant to this declaration; or (b) to prevent damage to the common elements or to any unit. The Association, and its agents and employees, have an irrevocable right of access to each unit during reasonable hours when necessary for such purposes, except that access may be had at any time in case of emergency.

The Association has a right to gain access to any unit if it is reasonably necessary, in order to maintain, repair, or replace parts of the owner's unit. This right of access to a unit shall be exercised only after reasonable notice to the unit owners, unless such notice is not possible or practical under the circumstances, and with due respect for the occupants' rights of privacy, and freedom from unreasonable annoyance, and with reasonable precautions to protect the personal property within the unit.

I. Vegetation and Lawn Ornaments: The planting or removal of any vegetation or the erecting of any kind of lawn ornaments must be approved by the Board. See Casa Del Lago Residents Owners Guide for details.

## **ARTICLE VII** **ALTERATIONS AND ADDITIONS**

### **A Unit Owner Alterations and Additions;**

1. Common Elements Maintained by Association: No unit owner may paint, decorate or change the appearance of any portion of the exterior of any building, or enclose a porch, patio or front courtyard (except as set forth below), or otherwise alter, add to, improve, or remove any portion of the improvements and other common elements, including limited common elements, unless the Board shall approve the proposed work.

2. Units and Limited Common Elements Maintained by the Unit Owner: Unless the Board shall approve the proposed work, no alteration, addition, or improvement to the owner's unit, or to any limited common element required to be maintained by the owner, shall be made, constructed, erected, or installed by the unit owner which shall: (a) in whole or in part, remove, replace, reroute or otherwise affect any portion of the building contributing to its support or any conduit, pipe, duct, or wiring, or impair any easement provided in this declaration; or (b) remove, or change the style, pattern, material, texture, or outside color of, any door, window, screen, fixture, or equipment in the unit or exterior to it; or (c) cover, from the inside or outside, the glass or other transparent and/or translucent material in any exterior door or window with, or apply or affix thereto, any material or substance which shall render the same opaque or change the exterior color thereof, except interior draperies, curtains, shades or shutters which are lined, backed,

covered or painted on the side visible from the exterior with a color approved by the Board; or (d) affix to or cover any exterior door or window, or otherwise install on the exterior of any unit or building, any storm or hurricane shutter (except as set forth below) or awning or any protective or decorative panel, paneling, trim, enclosure, fixture, or appliance; or (d) otherwise change, modify or alter the exterior of any unit or building so that it thereby differs in appearance from the other units.

**3. Request Process:** The unit owner must first submit plans to the appropriate committee and that committee will make recommendations to the Board for the proposed work. The Board shall approve or disapprove, or require modifications to the proposed work. The Board's decision will be determinative of the matter. The owner must obtain all necessary approval and permits from all applicable governmental entities. The Board may require approval from engineers or other professionals as a prerequisite. The entire expense must be borne by the owner, including any subsequent maintenance and restoration.

**B. Association Alterations:** The Association by and through its Board, as it deems necessary or advisable in its discretion, shall have the right to make any alterations, additions or improvements to the common elements or to real property which is Association property, except for any of the following: (a) the sale, conveyance, or mortgage of such real property; (b) the purchase or acquisition of additional real property; and (c) any alteration, addition, or improvement with an estimated cost in excess of 5 (five) percent of the annual budget of the Association. The costs of such alterations, additions and improvements shall be a common expense.

**C. Material Alterations and Substantial Additions:** Except for changes made by an owner with Board approval or by the Association, as authorized above, there shall be no material alterations or substantial additions to the common elements or to real property which is Association property, unless the Board shall approve the alteration or addition. Notwithstanding the foregoing, the sale, conveyance, or mortgage of real property by the Association, the purchase or acquisition of additional real property by the Association, and any alteration, addition, or improvement made by the Association with an estimated cost in excess of 5 (five) percent of the annual budget of the Association, may be effectuated only upon approval of the Board of Directors and at least a majority of the total voting interests of the Association.

**D. Limitation:** Notwithstanding the above, a unit owner shall not do anything within his unit or on the common elements which would adversely affect the safety or soundness of any unit or the common elements or any portion of the Association property or condominium property required to be maintained by the Association, or which would impair any easement.

Any approved alteration to a rear patio/lanai area must allow for a minimum of a 2" (two inch) clearance from the outer edge of the base/floor.

**E. Storm Shutters:** The Board may adopt storm shutter specifications for each building which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code. The Board shall not refuse to approve the installations or replacement of storm shutters conforming to the specifications adopted by the Board. The periods of use of storm shutters shall be subject to regulation by the Board.

**F. Antennae:** The installation of any external antennae must be approved by the Board. No satellite dish may exceed 18" (eighteen inches) in diameter. VHF/UHF antennae may not exceed 21" (twenty-one inches) in any dimension or be placed more than 36" (thirty-six inches) above the highest point of the unit.

**G. Maintenance of Alterations, Installations or Additions;** If a unit owner makes any alterations, installations or additions to the unit or the common elements, the unit owner, and the owner's successor's in title, shall be financially responsible for

1. Maintenance, repair, replacement, and insurance of the alteration, installation or addition, such as rear patio enclosure. The perimeter walls of the building must remain the approved color of the building.
2. The costs of repairing any damage to the common elements or other units resulting from the existing of such alteration, installation, or addition; and
3. The costs of removing and replacing or reinstalling such alteration, installation, or addition if their removal by the Association becomes necessary in order to maintain, repair, replace or protect other parts of the condominium property for which the Association is responsible.
4. Window Replacement

## **ARTICLE IX INSURANCE-GENERAL**

**A. Duty and Authority to Obtain;** The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the unit owners, the Association property, and the common elements and all other parts of the condominium property required to be insured by the Association by the Condominium Act. The premiums for all insurance policies purchased by the Association shall be a common expense. All proceeds of such policies shall be payable to the Association. All such policies shall be issued by reputable insurance companies licensed to do business in the State of Florida and selected by the Board of Directors in its discretion.

**B Required Insurance Coverage;** The Association shall obtain and maintain the following insurance coverage:

1. **Casualty Property Insurance;** Casualty property insurance as required by Article X below.
2. **Liability Insurance;** Public liability insurance, including premises and operations liability endorsements, for bodily damage, in such amounts and with such coverage as may be required by the Board; with cross-liability endorsements to cover liabilities of all unit owners as a group to an individual unit owner.
3. **Automobile Insurance;** Automobile insurance, including liability for bodily injury and property damage, for all owned and non-owned motor vehicles used in Association business in such amounts and with such coverage as may be required by the Board.
4. **Worker's Compensation;** Worker's compensation insurance as required by law.
5. **Fidelity Bonding;** Blanket fidelity bonding of all persons authorized to sign checks, and the president, secretary, and treasurer of the Association, and all other persons who control or disburse funds of the Association, in an amount determined by the Board, but in no event less than the minimum amount required by the Condominium Act from time to time. The Association shall bear the cost of bonding, as a common expense.



6. **Directors and Officers Liability Insurance:** Adequate liability insurance for directors and officers of the Association, using the broad form of policy coverage for all directors and officers and, if available, liability insurance for committee members of the Association.

C. **Optional Coverage:** The Association may purchase and maintain such other or additional insurance coverage as the Board of Directors may determine from time to time to be in the best interests of the Association and unit owners.

D. **COPY of Policies:** A copy of each insurance policy in effect shall be made available at reasonable times for inspection by unit owners on request.

E. **Waiver of Subrogation:** The Board of Directors shall endeavor to obtain, if available and where applicable, insurance policies which provide that the insurer waives its rights to subrogation as to any claim against unit owners, the Association, or their respective servants, agents, or guests.

F. **Association As Agent:** The Association is hereby irrevocably appointed agent for each unit owner, with authority to negotiate, settle, and adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases in favor of any insurer upon the payment of claims, for each owner and for each holder of a mortgage or other interest in the condominium property.

G. **Unit Owner Insurance:** Each unit owner shall be responsible, at his expense, for purchasing insurance to cover: (1) loss or damage to personal property within such owner's unit and the owner's other property not covered by the casualty property insurance purchased by the Association; (2) such owner's personal liability for injury to persons or loss of damage to property of others; and (3) such owner's living expenses.

**ARTICLE X  
CASUALTY PROPERTY INSURANCE  
AND REPAIR AFTER CASUALTY**

A. **Duty and Authority to Obtain:** The Board of Directors shall obtain and maintain casualty property insurance covering all buildings and other improvements, and all other insurable Association property (including Association personal property), in an amount equal to the maximum insurable replacement cost, excluding foundation and excavation costs, as determined annually by the Board.

B. **Insured:** The name of the insured in all casualty property insurance policies purchased by the Association shall be the Association, individually and as agent for the unit owners and their mortgagees, without naming them, as their interests may appear. Such policies shall provide for the issuance of certificates of insurance and mortgage endorsements to any and all holders of a mortgage encumbering any unit.

C. **Coverage:** Casualty property insurance purchased by the Association shall afford protection against: (1) loss or damage by fire, windstorm (as available) and other hazards covered by a standard extended coverage endorsement; (2) such other hazards as from time to time may be customarily covered with respect to buildings and improvements similar in construction, location, and use, including without limitation water damage, vandalism and malicious mischief.

Every hazard policy issued to protect a condominium building shall provide that the word "building", whenever used in the policy, shall include, but shall not necessarily be limited to, fixtures, installations, or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual units as initially installed, nr replacements thereof like

kind of quality in accordance with the original plans and specifications, or as they existed at the time the unit was initially conveyed. Kitchen cabinets, bathroom vanities and any permanent fixtures shall be insured under the Condominium Master Policy.

However, such policies shall not cover, and the word "building" in hazard policies issued to protect a condominium building shall not include, any of the following property: (1) personal property within a unit; (2) floor coverings, wall coverings, and ceiling coverings within a unit; (3) electrical fixtures, appliances, air conditioning and heating equipment, water heaters, and (4) any alteration, improvement, or modification made by a unit owner; which shall all be the unit owner's responsibility to insure. Such policies shall only insure the condominium buildings according to its plans and specifications as of the date such building was submitted to condominium ownership, as subsequently altered, improved or modified by the Association.

D. Application of Proceeds/Repair After Casualty: All proceeds payable as a result of a casualty loss from insurance purchased by the Association shall be received and held by the Association in trust for the benefit of the Association, the unit owners and their mortgagees, for the purposes herein stated, and shall be applied and disbursed in the following manner:

1. Damage to Common Elements: If loss or damage occurs to the common elements (excluding limited common elements required to be maintained by the unit owners) it shall be mandatory for the Association to repair, reconstruct, restore or replace (collectively "repair") such property, unless the condominium shall be terminated as set forth below. The Board shall promptly obtain reliable and detailed estimates of the cost of such repair (including professional fees and bond premiums) and shall negotiate and contract for the work. The insurance proceeds received by the Association on account of such loss or damage shall be applied to the repair of such property. If these proceeds shall exceed the cost of such repair, the excess shall be retained by the Association and shall be allocated by the Board to the most appropriate reserve account. If these proceeds plus available reserves are insufficient to pay for the cost of the repair of such property, the Association shall promptly, on determination of the deficiency (whether before, during or upon completion of the repair), levy a special assessment against all unit owners in sufficient amounts to collect the amount of the deficiency. Such special assessments need not be approved by the unit owners. The special assessments shall be added to the proceeds for repair of such property. The cost of the repair of such property shall be a common expense..

2. Damage to Units and Certain Limited Common Elements: If loss or damage occurs to an owner's unit or to a limited common element required to be maintained and repaired by the owner, it shall be mandatory for such unit owner to repair such property, unless the condominium shall be terminated as set forth below. Any insurance proceeds received by the Association on account of such loss or damage shall be held by the Association in as many undivided shares as there are damaged units; the share of each owner being in proportion to the cost of restoring the damage suffered by the owner's unit or limited common element required to be maintained by such owner. The proceeds shall be paid by the Association to contractors, suppliers, and personnel for work done, materials supplied, or services required for the repair of such unit or limited common element (the payments shall be in such amounts and at such times as the unit owner may direct) or, at the option of the Association, shall be paid directly to the unit owner. The unit owner shall be responsible for such repair and shall bear the cost thereof, if any, in excess of the insurance proceeds received by the Association on account of such loss or damage. If the insurance proceeds received by the Association for such loss or damage exceeds the cost of such repair, the excess shall be retained by the Association. The Association shall pay all policy deductible amounts on Association policies in excess of 51,000.00 (one thousand dollars). If the unit owner fails to reoair such Droerty within a reasonable time, the Association may, after

ten days written notice to such owner, repair such property and assess the cost to such owner as an assessment under Article XI

3. Very Substantial Damage: If the loss or damage renders three-fourths (3/4) or more of the total units in the condominium uninhabitable ("very substantial damage"), then a meeting of the unit owners shall be called by the Board of Directors, to be held within a reasonable time after the casualty. A determination by the Board of Directors as to what is reasonable time shall be conclusive. The purpose of the meeting shall be to determine the wishes of the owners with reference to repair or termination of the condominium, subject o the following:

a. Insurance Sufficient: If the insurance proceeds and reserves available for repair are sufficient to cover the cost thereof, so that no special assessment is required, the condominium property shall be repaired as set forth above unless the then applicable zoning or other regulatory laws will not allow reconstruction of the same number and general type of units, in which case the condominium shall be terminated.

b. Insurance Insufficient: If the insurance proceeds and reserves available for repair of the property are not sufficient to cover the cost thereof, so that a special assessment will be required, then unless at least 67% of the total voting interests of the Association vote in favor of such special assessment and against termination of the condominium, the condominium shall be terminated. If 67% of the total voting interests of the Association approve the special assessment, the Association, through its Board, shall levy such assessment and shall proceed to negotiate and contract for such repair. The special assessment shall be added to the proceeds of insurance and reserves available for repair of the property.

c. Disputes: If any dispute shall arise as to whether "very substantial damage" has occurred, a determination by the Board of Directors shall be binding on all unit owners and their mortgagees.

4. Damaged Property Not Repaired: If very substantial damage shall occur to the condominium property and the condominium shall be terminated, the insurance proceeds received by the Association shall be distributed to the unit owners in the following shares:

a. Common Elements: Proceeds on account of loss or damage to the common elements (excluding limited common elements required to be maintained by the unit owners) shall be divided into as many shares as there are units; the share of each unit owner being the same as the owner's share in the common elements.

b. Units: Proceeds on account of damage to units and limited common elements required to be maintained by unit owners shall be divided into as many shares as there are damaged units; the share of each owner being in proportion to the cost of repairing the damage suffered by such owner's unit and appurtenant limited common elements.

5. Mortgagees: If a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the owner as their interests may appear and, notwithstanding the above provisions, any remittance directly to a unit owner shall be payable jointly to such owner and his mortgagee. This is a covenant for the benefit of mortgagees and may be enforced by them. In no event shall any mortgagee have the right to demand application of insurance proceeds to any mortgage or mortgages that it may hold against units except to the extent that the unit owner's share of the insurance proceeds exceed the actual costs of repair of

the damaged property and this excess is distributed to the unit owner. No mortgagee shall have any right to determine or participate in determining whether or not damaged property shall be repaired after the casualty.

**E. Equitable Relief:** In the event of substantial damage to or destruction of all or a substantial part of the condominium property, and if the property is not repaired within a reasonable period of time, any unit owner may petition a court for equitable relief, which may include a termination of the condominium and a partition of the condominium property. For the purposes of this provision, it shall be conclusively presumed that repair of the property has occurred within a reasonable period of time if substantial work has commenced within such time following the damage or destruction as is determined by the Board of Directors to be reasonable and the work proceeds without intentional and unwarranted delay to completion.

**F. Plans and Specifications:** Any repair must be substantially in accordance with the plans and specifications for the building or other improvement as of the date such building or other improvement was submitted to condominium ownership, as subsequently altered, improved, or modified by the Association; provided, however, the Board may authorize reasonable variations as may appear to them to be necessary or desirable; or in lieu thereof, according to plans and specifications approved by the Board of Directors and by the owners of 67% of the total voting interests of the Association.

## **ARTICLE XI** **ASSESSMENT**

**A. Assessments:** Funds for the payment of common expenses shall be collected by assessments against unit owners in the same proportions or percentages as their ownership interest in the common elements. The manner of collecting assessments from the unit owners shall be as stated in the Condominium Act and the Bylaws, as they may be amended from time to time. The Board shall have the power and authority to levy special assessments against the units in proportion to each unit's share in the common elements, if necessary to cover unanticipated expenses which may be incurred during the year..

**B. Liability:** Each unit owner, regardless of how his title has been acquired, including without limitation by purchase at a foreclosure or other judicial sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he is a unit owner. Additionally, a unit owner is jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. An owner's liability for assessments may not be avoided by waiver of the use or enjoyment of any common elements or by abandonment of his unit. No unit owner may be excused from the payment of his share of the common expenses, unless all unit owners are likewise proportionately excused from payment, except as expressly allowed in the Condominium Act, as amended from time to time.

When a mortgagee holding a first mortgage of record encumbering a condominium parcel acquires title to a unit by foreclosure or by deed in lieu of foreclosure, the liability of such mortgagee and its successors or assigns for the unpaid assessments that became due prior to the mortgagee's acquisition of title shall be as set forth in the Condominium Act, as amended from time to time. A mortgagee acquiring title to a condominium parcel as a result of foreclosure, or a deed in lieu of foreclosure, may not, during the period of its ownership of such parcel, whether or not the unit is unoccupied, be excused from the payment of some or all of the assessments coming due during the period of such ownership.

**C. Interest; Late Fee; Application of Payments:** Assessments and installments on them which are not paid when due shall bear interest at the highest lawful rate, from the due date until paid. In addition to interest, the Association shall have the right and power to charge the unit owner a late fee of \$10.00 (ten dollars) for any installment payment not paid when due, in such amounts as determined by the Board from time to time, up to the maximum amount allowed under the Condominium Act, as amended

from time to time. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. Notwithstanding the above, the Board may waive payment of interest, late fees, costs, or attorney fees on a determination by the Board that such a waiver is in the Association's best interest.

**D. Lien and Priority:** The Association has a lien on each condominium parcel to secure the payment of all assessments, as well as interest, late fees, and all reasonable costs and attorney fees incurred by the Association incident to the collection process. The lien is effective from and shall relate back to the recording of this original declaration, or, in the case of a lien on a condominium parcel located in a future phase, the last to occur of the recording of this original declaration or an amendment thereto creating the condominium parcel. However, as to first mortgages of record, the lien is effective from and after the recording of a claim of lien in the public records of Highlands County, Florida.

**E. Claim of Lien:** The Association may record a claim of lien among the public records of Highlands County, Florida, to give notice of unpaid assessments; however, except as to first mortgages of record, the recording of a claim of lien is not necessary to perfect the Association's lien rights hereunder.

**F. Collection:** The Association may bring an action in its name to foreclose a lien for assessments in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments, with interest, late fees and costs, without waiving any claim of lien. In either a lien foreclosure action or an action to recover a money judgment for unpaid assessments, the Association shall be entitled to recover from the unit owner all costs, including without limitation the filing and service of process fees, and its reasonable attorney's fees incurred incident to the collection process or enforcement of the lien, including without limitation legal services rendered prior to any litigation, during trial, upon any appeal, post judgment, and bankruptcy proceedings.

**G. Unpaid Assessments Are Common Expense:** If any unpaid share of common expenses or assessments is extinguished by foreclosure of a superior lien or by a deed in lieu of foreclosure thereof, the unpaid share of common expenses or assessments are common expenses collectible from all of the unit owners.

**H. Levying Fines:** The Board may levy such fines for violations of the Association's Rules and Regulations as may be appropriate and permitted by FS718.303(3).

## **ARTICLE XII**

### **CONVEYANCE, LEASE, MORTGAGE, AND OTHER TRANSFERS OF UNIT**

The purpose and object of this article is to maintain a quiet, tranquil, non-transient, and single family oriented community, with the residents living in compatible coexistence with other financially responsible persons who are of like mind and acceptable both in character and comportment. This objective is considered to be both important and justified because of the necessity of sharing facilities and because of the large personal financial investment of each owner. Therefore, all conveyances (whether for sale, gift or other reasons), leases, mortgages, and other transfers of any interest in any unit shall be subject to the following provisions:

**A. Board Approval Required:** Except for permitted transfers as hereinafter described, no unit owner may sell, convey, lease, give, mortgage or otherwise transfer in any manner any interest in a unit without the prior written approval of the Board.

**1. Leases:** The Association's Board of Directors must approve any lease. Only entire

units may be leased. All leases must provide, and if they do not, shall be deemed to provide, for the following: the agreement of the lessee(s) to abide by all of the covenants in the condominium documents; that a violation of the documents is a material breach of the lease and is grounds for damages, termination, and eviction; that the lessee and the owner agree that the Association may proceed directly against such lessee(s); and that the lessee(s) shall be responsible for the Association's costs and expenses, including attorney's fees, at all trial and appellate levels. If such costs and fees are not immediately paid by the lessee(s), the unit owner shall pay them and such funds shall be secured as a charge. Each unit owner irrevocably appoints the Association as the owner's agent authorized to bring actions in the owner's name and at the owner's expense, including actions and suits for injunction, damages, termination, and eviction. The rules and regulations must be provided to the lessee(s) by or on the behalf of the unit owner at or before the commencement of the lease term. The minimum period is six months and no unit may be leased more than two times per calendar year, unless made more restrictive by the Board.

2. **Multiple Owners:** Consistent with the above provisions, de facto time sharing of a unit is not permitted and approval will not be given for the transfer of a unit or an interest in a unit to multiple persons (e.g. siblings or business associates), who may intend that they and their families would split occupancy of the unit into different time periods during the year.

B. **Permitted Transfers:** The following transfers of an interest in a unit shall be permitted without approval of the Board: (1) any transfer by or to the Developer; (2) any transfer to the spouse of a unit owner, (3) any transfer to another approved unit owner (including a transfer upon the death of a unit owner to a surviving approved tenant by the entirety or a surviving approved joint tenant with right of survivorship); (4) any mortgage or other security interest given to an institutional lender, an approved unit owner, or prior approved unit owner (including a purchase money mortgage given to the selling unit owner); (5) any transfer to an institutional lender, an approved unit owner, or prior approved unit owner in lieu of foreclosure; and (6) any transfer pursuant to a public foreclosure or other judicial sale with open bidding, provided the Association is given at least thirty (30) days prior written notice of such sale; and (7) any transfer by devise, descent, inheritance or otherwise by operation of law upon the death of the unit owner.

C. **Approval Procedure:** The Board's approval of a transfer shall be obtained as follows:

1. **Application for Approval:** Any owner desiring to transfer any interest in his unit, other than a permitted transfer, shall, not later than fifteen (15) days before the proposed transfer, make written application to the Board for approval of the proposed transfer and pay the fee therefore if any. The application shall include (a) the name and address of the proposed transferee; (b) such additional information as the Board may reasonably require. Further, the unit owner shall cause the proposed transferee to make written application, which shall include an authorization for a credit check and for a background investigation; a consent to be bound by the condominium documents; and such additional information as the Board may reasonable require.

2. **Association's Options:** Within fifteen (15) days after the Board's receipt of all the information required above (including the credit and background reports), the Board must either approve or disapprove the proposed transfer. If the proposed transferee is an entity, the Board's approval may be conditioned upon the approval of the individuals who will be in possession of the unit. In exercising its power of disapproval, the Board must act in a manner that is neither arbitrary nor unlawfully discriminatory. The Board may withhold approval only for a reason or reasons rationally related to the protection, preservation, and proper operation of the Condominium and the purposes as set forth at the beginning of this article. If the proposed transferee is of good moral character, socially compatible, and financially responsible, the Board shall not unreasonably withhold its approval. If the Board

fails or refuses within the allotted time to notify the owner in writing of its approval or disapproval, then the Board shall conclusively be deemed to have approved the proposed transfer, and the Board shall, on demand, provide a recordable certificate of approval. Notwithstanding anything to the contrary in this declaration, the Board shall not be required to approve any transfer until such time as all unpaid assessments, charges and other amounts due and owing by the unit owner to the Association have been paid in full.

3. **Effect of Approval:** Upon approval of the proposed transfer, the owner shall be permitted to make the transfer substantially on the same terms as set forth in the application given to the Board. If the terms of the proposed transfer shall substantially differ from the terms set forth in the application, the owner shall amend the application and request approval of the proposed transfer upon such amended terms.

4. **Effect of Disapproval:** If the disapproved transfer is anything but a sale of the entire unit to a bona fide purchaser, it shall not be made. If the disapproved transfer was a proposed sale of the entire unit to a bona fide purchaser, on the written demand of the owner, the Board shall, within thirty (30) days from the later of the Board's receipt of such written demand or the Board's delivery of the written disapproval, provide an alternate buyer it approves, which can be the Association itself, to purchase the unit on the same terms as contained in the application, except for the closing date, which shall be as determined below. The proposed transferor may accept the proposed buyer furnished by the Board or he may withdraw his application. If the proposed transferor accepts the buyer furnished by the Board, the owner shall sell his unit to such buyer on the same terms as set forth in the application given to the Board, except the closing date shall be extended to a date not more than forty-five (45) days after the Board furnishes to the unit owner the name of the alternate buyer approved by the Board. If the Board fails or refuses within the allotted time to furnish to the unit owner in writing an alternate approved buyer, then, notwithstanding the disapproval, the Board shall conclusively be deemed to have approved the proposed transfer, and the Board shall, on demand, provide a recordable certificate of approval.

D. **Death of Unit Owner/Judicial Sales:** Except for permitted transfers, if any person shall acquire an interest in a unit by devise, descent, inheritance, or otherwise upon the death of the prior unit owner, or pursuant to a foreclosure or other judicial sale not permitted above, or by any other manner not described above, such transferee's continued ownership of such interest shall be subject to the written approval of the Board. Such transferee shall make written application to the Board for approval of the transfer to such transferee and pay the application fee therefor, if any. The application shall include (1) the name and address of such transferee; (2) a correct and complete copy of the instrument evidencing such transferee's interest; (3) an authorization for a credit check and for a background investigation; (4) a consent to be bound by the condominium documents; and (5) such additional information as the Board may reasonably require.

Within fifteen (15) days after the Board's receipt of all the information required by the Board (including the credit and background reports), the Board must either approve or disapprove the transfer to such transferee, in accordance with the above standards. If the Board fails or refuses within the allotted time to notify such transferee in writing of its approval or disapproval, then the Association shall conclusively be deemed to have approved the transfer to such transferee, and the Board shall, on demand, provide a recordable certificate of approval. Notwithstanding anything to the contrary in this declaration, the Board shall not be required to approve any transfer until such time as all unpaid assessments, charges and other amounts due and owing to the Association by the prior unit owner or such transferee have been paid in full.

If the Board disapproves of the transfer to such transferee, within thirty (30) days from the Board's delivery of the written disapproval, the Board shall furnish to such transferee an approved buyer, which can be the Association itself, to purchase the transferee's interest in the unit at the then fair market value of the interest; and such transferee shall sell his interest in the unit to such approved buyer. The purchase price shall be payable in cash at closing. The closing shall be within forty-five (45) days after the fair market value of the interest is determined. The fair market value of the interest shall be the value determined by agreement between such transferee and the approved buyer furnished by the Board within thirty (30) days after the Board furnishes to such transferee the name of the buyer. In the absence of such an agreement as to the value of the interest, then the value shall be the average of the fair market value amounts determined by two appraisers; such transferee shall select and pay for one of these appraisers and the buyer furnished by the Board shall select and pay for the other of these appraisers.

If the Board fails or refuses within the allotted time to furnish to such transferee in writing an approved buyer, then, notwithstanding the disapproval, the Board shall conclusively be deemed to have approved the transfer to such transferee, and the Board shall, on demand, provide a recordable certificate of approval. If the application for approval of the transfer is not made by the transferee, the Board, at any time after receiving knowledge of such transfer, may approve or disapprove the transfer at any time, and, if the Board shall disapprove the transfer, the above procedures shall apply.

E. Recording Approval: The Board's approval shall be set forth in a written instrument in recordable form (except for approvals of leases) which shall include, without limitation, the nature of the transfer (sale, lease, mortgage, etc.), the parties to the transaction (unit owners, purchasers, mortgagees, lessees, transferees, etc.), the unit number, the name of the Condominium, and the Official Record Book (O.R.Book) and Page numbers in which this declaration was originally recorded. Except for approval of leases, the approval must be recorded in the public records of Highlands County, Florida.

F. Unapproved Transfers: Any transfer that is not approved pursuant to the terms of this declaration shall be null and void, unless subsequently approved in writing by the Board. The Board shall be entitled to a judgment declaring null and void any instrument purporting to effectuate a transfer which was not approved as required above, and the unit owner shall pay the costs and reasonable attorney's fees for such action, and such obligation shall be a charge hereunder.

G. Application Fee: The Association may impose an application fee not to exceed the maximum amount as permitted by law.

### ARTICLE XIII USE RESTRICTIONS

The use of the condominium property shall be in accordance with the rules and regulations attached hereto.

A. Lawful Use: All applicable laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies that require maintenance, modification, or repair of condominium property shall be the same as the responsibility for the repair and maintenance of the property as expressed earlier in this declaration. No improper, offensive or unlawful use shall be made of the condominium property.

B. Amendment of Rules and Regulations: The rules and regulations as provided in a separate document (Resident's/Owner's Guide) may be amended, modified, revoked or added to, from time to time by the Board of Directors. A copy of the amendments shall be furnished by the Association to all unit owners. No new or amended regulation may be enforced prior to distribution to the owners. Changes



in the rules and regulations must be recorded in the public records of Highlands County, Florida.

**C. Single Family Residential Use/Guests:** Use and occupancy of a unit is restricted to a single family and its guests. Occupancy by guests in the absence of the unit owner is limited to two times per calendar year for a maximum period of 14 days (14 consecutive days or 30 total days per calendar year). All guests must be registered with the Association on arrival and unregistered guests may be denied use of the recreational facilities and amenities. Use and occupancy of a unit is restricted to residential use, except this restriction shall not be construed to prohibit a unit owner from keeping personal, business or professional records or accounts, or handling personal, business, or professional telephone calls or correspondence in and from the owner's unit, such uses are expressly declared customarily incidental to the residential use of a unit.

**D. Exclusive Use - Common Facilities:** The Association may lease to unit owners for appropriate temporary periods of time those portions of the common elements rationally appropriate and desirable for exclusive use (for example, but not by way of limitation, the pool area, beach/dock, shuffleboard, tennis court, social rooms, and meeting rooms),

**E. Nuisance Prohibited:** No person shall engage in any use, practice, exhibit any behavior, nor permit any condition to exist, that will constitute a nuisance or become a reasonable source of annoyance or disturbance to any occupant of the Condominium or that will interfere with any occupant's peaceful possession and proper use of the condominium property.

**F. Sanitary Condition:** Each unit shall be maintained in a sanitary condition and no rubbish, garbage or trash shall be allowed to accumulate and no fire hazard shall be allowed to exist.

**G. Pets:** Except for one dog and up to two house cats, no animals or pets of any kind shall be kept in any unit or on the common element. No pet shall be allowed to create any disturbance or nuisance of any kind nor allowed to run at large. The owner of any pet shall be liable for any damages caused by said pet.

**H. Employees and Servants:** No employee or servant of a unit owner shall be allowed to use any of the common elements for his or her personal use.

**I. Signs and Aerials:** No unit owner shall post any sign, advertisement or notice of any type on the common elements of his unit or erect any exterior antennae or aerial except upon written agreement of the Board of Directors. Limitations and use of signs anywhere shall be determined by the Board.

**J. Garbage Containers:** All garbage and trash shall be kept in containers approved by the Association and in designated locations.

**K. Estate/Moving Sale:** Although yard and garage sales are prohibited, a one-time estate/moving sale is permitted with the approval of the Board, the exception being the annual community sale at the clubhouse with the proceeds going to the clubhouse fund.

**L. Regulations:** Reasonable regulations concerning the use of the common property may be made and amended from time to time by the Board.

**ARTICLE XIV**  
**COMPLIANCE AND DEFAULT**

Each unit owner, tenant, and other invitee shall be governed by, and shall comply with, all of the provisions of the Condominium Act, this declaration, the Association's articles of incorporation, the Association's bylaws, and all other condominium documents, and the rules and regulations promulgated there under; as such provisions may be amended from time to time.

A.. Remedies: Failure to comply with such provisions shall be grounds for relief, which relief may include, but shall not be limited to, an action to recover damages, or action for injunctive relief, or both. Actions may be maintained by the Board or by any unit owner.

B. Costs and Fees: In such proceeding, including appeals, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees.

C. Negligence of Unit Owner: A unit owner shall be liable for and shall reimburse the Association for its reasonable and necessary expenses for any maintenance, repair or replacement rendered necessary by the act, omission, neglect, or carelessness of the unit owner or his family, guests, lessees, or invitees, in excess of the proceeds of insurance received by the Association. Such reimbursement shall include reimbursement of any increases in insurance premiums as a result of such act, omission, neglect or carelessness.

D. Owner Complaints and Disputes: In the event of a complaint by an owner against the Association, the Board of Directors, or a member thereof, such owner, prior to the institution of any proceedings, shall give written notice in detail of the complaint by certified mail to the Board of Directors. The Board shall respond in writing to the unit owner within 30 days of the receipt of the complaint. The Board shall either give a substantive response, or notify the complainant that a legal opinion has been requested, or notify the complainant that advice has been requested from the Bureau of Condominiums. If the Board requests advice from the Bureau of Condominiums, the Board shall, within 10 days of its receipt of the advice, provide a substantive response to the complainant in writing. If a legal opinion is requested, the Board shall, within 60 days after the receipt of the complaint, provide a substantive response to the complainant in writing. The failure to act as set forth above precludes the complainant and the Association from recovering attorneys' fees and costs in any subsequent litigation, administrative proceedings, or arbitration arising out of the complaint. If unresolved, a dispute, as defined in F.S. 718.1255(1), must be arbitrated in mandatory nonbinding arbitration proceedings prior to commencement of litigation, in accordance with F.S. 718.1255, as amended from time to time.

E. No Waiver of Rights: The failure of the Association or any owner to enforce any covenant, restriction, or other provision of the Condominium Act or the condominium documents shall not constitute a waiver of the right to do so thereafter as to subsequent or other instances.

**ARTICLE XV**  
**AMENDMENTS TO CONDOMINIUM DOCUMENTS**

Amendments to this declaration and any of the other condominium documents shall be in accordance with the following provisions:

A. Proposal and Consideration of Amendments: An amendment to the condominium documents may be proposed either by the Board of Directors or by written instrument signed by twenty-five (25%) percent of the total voting interests of the Association, and may be considered at any regular or special meeting of the unit owners, duly called or convened in accordance with the Bylaws of the

Association. The notice of the meeting at which the proposed amendment shall be considered shall include a notice of the substance of the proposed amendment.

B. Approval of Amendments: Amendments to the condominium documents shall be approved as follows:

1. Unit Owner Amendments: This declaration and the other condominium documents may be amended as to all matters, except those described in subparagraph 2 below (re Section 718.110(4) & (8) Amendments), if the amendment is approved by a majority of the total voting interests of the Association.

2. Section 718.110(4) & (8) Amendments: No amendment to the declaration may change the configuration or size of any unit in any material fashion, or materially alter or modify the appurtenances to a unit, or change the proportion or percentage by which a unit owner shares the common expenses and owns the common surplus, or permit timeshare estates to be created in any unit, unless the record owner of the unit and all record owners of liens on the unit join in the execution of the amendment and the amendment is approved by a majority of the total voting interests of the Association. The acquisition of property by the Association, and material alterations or substantial additions to such property or the common elements by the Association in accordance with the Condominium Act, as amended from time to time, shall not be deemed to constitute a material alteration or modification of the appurtenances to the units.

3. Correction Amendment: An amendment to the declaration or any other of the other condominium documents to correct a defect, error, or omission therein, or to comply with applicable laws or requirements of any government entity, may be adopted by the Board of Directors alone; provided, however, this procedure for amendment cannot be used if such amendment would materially or adversely affect the property rights of unit owners, unless the affected unit owners consent in writing to the amendment. This paragraph does not restrict the powers of the Association to otherwise amend the declaration or other condominium documents, but authorizes a simple process of amendment requiring a lessor vote for the purpose of correcting defects, errors, or omissions when the property rights of unit owners are not materially or adversely affected.

C. Certificate of Amendment: Passage of an amendment shall be evidenced by a certificate of the Association, executed by the president or vice-president of the Association in the form required for the execution of a deed, with the separate written joinder of mortgagees where required. The certificate shall include the recording data identifying the location of the declaration as originally recorded and shall state that the amendment was enacted by the affirmative vote of the required percentage of the voting interests (which vote may include later written approval of voters not present).

D. Effective Date: An amendment shall be effective when properly recorded in the public records of Highlands County, Florida.

E. Written Agreements: An approval of unit owners on any matter called for by this declaration, its exhibits, or any statute, to be taken at a meeting of unit owners is hereby expressly allowed to be taken instead of written agreement, without a meeting (which agreement may be in counterparts), subject to F.S. 718.112(2)(d)4 and F.S. 617.0701.

**ARTICLE XVI  
PROVISIONS PERTAINING TO THE DEVELOPER**

Until such time as the Developer has completed all of the contemplated improvements and as long as the Developer holds any unit for sale in the ordinary course of business, then:

A. Nonexclusive easements, including without limitation, ingress and egress, shall exist in favor of the Developer upon, under, through, and across the condominium property as may be required by the Developer for the completion of the contemplated improvements and the sale of the units.

B. Neither the unit owners nor the Association shall interfere in any way with, or take any action that would be detrimental to, such completion or improvements and sale of units by the Developer.

C. The Developer and its designees shall have the right to use any unsold units and the common elements in order to establish, modify, maintain and show, as it deems appropriate, model units, and sales and other offices. Without limiting the generality of the foregoing, the Developer and its designees may show model units and the common elements to prospective purchasers and tenants, place on the condominium property signs and other promotional material to advertise units for sale, and take all other action helpful to the sale, and promotion of units.

D. No assessment of the Developer as a unit owner for capital improvements shall be made without the approval in writing of the Developer.

**ARTICLE XVII  
CREATION AND ENFORCEMENT OF CHARGES**

The Association shall have a cause of action against unit owners to secure payment to the Association by unit owners of all charges, costs, and expenses to the Association that cannot be secured as assessments, regular or special, under Section 718.116, F.S. The charge shall bear interest at the highest lawful rate, and shall carry with it costs and attorneys' fees, including appeals, incurred in collection.

**ARTICLE XVIII  
FUTURE DEVELOPMENT EASEMENTS**

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

**ARTICLE XIX  
CONDEMNATION**

A. **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

B. **Determination Whether to Continue Condominium;** Whether the Condominium will be

continued after condemnation will be determined in the manner provided in Article X above for determining whether damaged property will be reconstructed and repaired after a casualty.

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

**D. Association As Agent:** The Board, acting for the Association, is hereby irrevocably appointed as each joint 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.

**E. 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:

**1. 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.

**2. 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.

**F. Unit Made Un-tenantable:** If the taking is of any entire unit or so reduces the size of a unit that it cannot be made tenantable, the award for the taking of the unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

**1. Payment of Award;** The fair market value of the unit immediately prior to the taking, as determined by agreement between the unit owner and the Association or by appraisal in accordance with subparagraph 4, below, shall be paid jointly to the unit owner and to each mortgagee, if any, holding a mortgage encumbering the unit.

**2. Addition to Common Elements;** If possible and practical, the remaining portion of the unit shall become a part of the common elements and shall be placed in condition for use by all unit owners in the manner approved by the Board of Directors

**3. Adjustment of Shares in Common Elements:** The shares in the common elements appurtenant to the units that continue as part of the Condominium shall be adjusted to distribute the share in the common elements appurtenant to the condemned unit equally among the remaining units within the Condominium.

**4. Appraisal Process:** 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 30 days after notice by either party, the value shall be determined by appraisals in accordance with the following. The unit owner, the first mortgagee, if any, and the Association shall each appoint one appraiser, who

shall each appraise the unit, and the fair market value of the unit shall be determined by computing the arithmetic average of the appraisals of the unit. A judgment of specific performance on the value arrived at by the appraisers may be entered in any court of competent jurisdiction. The cost of each appraisal shall be paid by the party selecting the appraiser.

G. Taking of Common Elements: Awards for the taking of common elements shall be used to make the remaining portion of the common elements usable in the manner approved by the Board of Directors. The balance of such awards, if any, shall be distributed to the unit owners in the shares in which they own the common elements after adjustment of these shares on account of the condemnation. If a unit is mortgaged, the remittance shall be paid jointly to the owner and mortgagee^ of the unit.

H. Amendment of Declaration: Changes in the units, in the common elements, and in the ownership of the common elements that are necessitated by condemnation shall be evidenced by an amendment to this declaration as ordered by a court or approved by a majority of the total voting interests, without the consent of any mortgagee being required for any such amendment.

## **ARTICLE XX** **TERMINATION**

A. Termination: The termination of the Condominium shall be carried out in accordance with the following:

1. By Agreement: The Condominium may be terminated and the condominium property removed from the provisions of the Condominium Act, at any time by written agreement of the owners of at least ninety (90%) percent of the units, and all Institutional Lenders holding a recorded lien affecting any of the condominium parcels.

2. Without Agreement, On account of Very Substantial Damage: If the Condominium suffers "Very substantial damage" to the extent defined in Article X above, and it is not decided as therein provided that the condominium property will be reconstructed or repaired, the condominium form of ownership of the property in this Condominium will be terminated.

B. Process of Termination; Termination of the Condominium occurs when a Certificate of Termination meeting the requirements of this article is recorded in the public records of Highlands County, Florida.

1. 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 effecting the termination. The certificate also shall include the name and address of a Florida financial institution with trust powers or a licensed Florida attorney who is designated by the Board to act as Termination Trustee, and shall be signed by the Trustee indicating a willingness to serve in that capacity.

2. The recording of the Certificate of Termination automatically divests the Association of title to all Association property, and divests all unit owners of legal title to their respective condominium parcels, and vests legal title in the Termination Trustee named in the Certificate of Termination, to all real and personal property that was formerly the condominium property or Association property, without need for further conveyance. Beneficial title to the former condominium property and Association property shall be transferred to the former unit owners as tenants in common, in the same undivided shares as each owner previously owned in the common elements, without further conveyance. Each lien encumbering a condominium parcel shall

be automatically transferred to the equitable interest in the former condominium property and Association property attributable to the unit encumbered by the lien, with the same priority.

**C. Winding Up of Association Affairs:** The termination of the Condominium does not, by itself, terminate the Association. The former unit owners and their successors and assigns shall continue to be members of the Association, and the members of the Board of Directors and the officers of the Association shall continue to have the powers granted in this Declaration, and in the Article of Incorporation and Bylaws, to the extent necessary to, and for the sole purpose of, winding up the affairs of the Association in accordance with this article.

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

**E. Partition Sale:** Following termination, the former condominium property and Association property, including all other assets, may be partitioned and sold on the application of any unit owner. If following a termination at least seventy-five (75%) percent of the total voting interests agree to accept an offer for the sale of the property, the Board of Directors shall notify the Termination Trustee, and the Termination Trustee shall complete the transaction. In that event, any action for partition shall be held in abeyance pending the sale, and, on the consummation of the sale, shall be discontinued by all parties thereto. If the unit owners have not authorized a sale of the former condominium property and Association property within one year after the recording of the Certificate of Termination, the Termination Trustee may proceed to sell the property without agreement by the Association or the former unit owners. The net proceeds of the sale of any or the property or assets of the Association shall be distributed by the Termination Trustee to the beneficial owners thereof, as their interests shall appear.

**F. New Condominium:** The termination of the Condominium does not bar the creation of another condominium including all or any portion of the condominium property.

**G. Provisions Survive Termination:** The provisions of this article are covenants running with the land, and shall survive the termination of the Condominium until all matters covered by those provisions have been completed. The Board of Directors shall continue to function in accordance with the Bylaws and Articles of Incorporation, and shall have the power to levy assessments to pay the costs and expenses of the Termination Trustee and of maintaining the property until it is sold. The costs of termination, the fees and expenses of the Termination Trustee, as well as post-termination costs of maintaining the former condominium property, are common expenses, the payment of which shall be secured by a lien on the beneficial interest owned by each former unit owner, which to the maximum extent permitted by law, shall be superior to, and take priority over, all other liens.

**ARTICLE XXI**  
**MISCELLANEOUS**

**A. Fiscal Management:** The fiscal management of the Condominium, including budget, fiscal year, charges, assessments, and collection of assessments, shall be as set forth herein and in the Association's Bylaws.

**B. Administration:** The administration of the Condominium shall be by the Board of Directors of the Association and its powers and duties shall be as set forth herein and in the Articles of Incorporation and the Bylaws

**C. Severability:** If any provision of this declaration or its exhibits as now constituted or as later amended or any paragraph, sentence, clause, phrase, or word, or the application thereof in any circumstances, is held invalid, the validity of the remainder and the application of any such provision, paragraph, sentence, clause, phrase, or word in other circumstances shall not be affected thereby.

**D. Waiver:** The failure of the Association in any instance to enforce any covenant or provision of this declaration or any of the condominium documents shall not constitute a waiver of its right to do so thereafter in other instances.

**E. Singular. Plural. Gender:** Whenever the context permits, use of the plural includes the singular, use of the singular includes the plural, and use of any gender includes all genders.

**F. Emergency Account:** The Association's Emergency Account shall be funded annually only by previous year's common surplus. The contribution amount will be \$1 per unit per month or the total of common surplus, whichever the is the lesser amount. Additional funding may be made at the discretion of the Board of Directors. Expenditures from the account will be restored through the next calendar year budget or by special assessment. Decisions on expenditures from this account shall be made by the Board of Directors.\*

*\*This article amended December 29, 2023 by virtue of Membership vote on December 7,2023. Clerk of Court certificate on file in the office.*

**G. Property Transfer Fee:** The Association will apply a transfer process fee on all property loan applications up to \$150 per application depending on the difficulty of application informational research required.\*\*

*\*\*This article added December 29, 2023 by virtue of Membership vote on December 7,2023. Clerk of Court certificate on file in the office.*

All other covenants and restrictions shall remain in full force and effect.