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**AMENDED AND RESTATED**

**DECLARATION OF CONDOMINIUM**

**OF**

**NORTHLAKE CONDOMINIUM, A CONDOMINIUM**

NOTE: This document is a substantial rewording of the Declaration of Condominium executed by Developer on May 7, 1980, recorded on April 27, 1981, at Official Records Book 3508, Page 1451, of the Public Records of Palm Beach County, as amended to this date (hereinafter the "Original Declaration"), except that all Exhibits to the Original Declaration which are not otherwise referenced herein or attached hereto remain unchanged and are hereby incorporated by reference herein as if attached hereto and made a part hereof.

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**1. INTRODUCTION AND SUBMISSION.**

- 1.1 The Land. The real property comprising this condominium located in Palm Beach County, Florida, is more particularly described in Exhibit A attached to the Original Declaration and incorporated by reference herein (the "Land").
- 1.2 Submission Statement. The Developer submitted the Land and all improvements thereon to the condominium form of ownership and use in the manner provided for in the Florida Condominium Act.
- 1.3 Name. The name by which this condominium is to be identified is NORTHLAKE CONDOMINIUM, A CONDOMINIUM (hereinafter called the "Condominium").

**2. DEFINITIONS.** The following terms when used in this Declaration and in its exhibits, and as it and they may hereafter be amended, shall have the respective meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

- 2.1 "Act" means the Florida Condominium Act (Chapter 718 of the Florida Statutes) as it may be amended from time to time, and all references herein to the Act shall mean and refer to the Act as amended to date and as amended from time to time, whether or not so stated.
- 2.2 "Articles" or "Articles of Incorporation" mean the Amended and Restated Articles of Incorporation of the Association, as amended from time to time.
- 2.3 "Assessment" means a share of the funds which are required for the payment of Common Expenses which from time to time is assessed against the Unit Owner.
- 2.4 "Association" or "Condominium Association" means NORTHLAKE CONDOMINIUM ASSOCIATION, INC., a not-for-profit Florida corporation, the entity responsible for the operation and maintenance of the Condominium.
- 2.5 "Association Property" means the property, real and personal, in which title or ownership is vested in, or which is dedicated on a recorded plat or leased to, the Association for the use and benefit of its members.
- 2.6 "Board" or "Board of Directors" means the representative body which is responsible for administration of the Association, and is the same body that is sometimes referred to in the Act as the "Board of Administration."

- 2.7 "Buildings" means the structures situated on the Condominium Property in which the Units are located.
- 2.8 "By-Laws" mean the Amended and Restated By-Laws of the Association, as they are amended from time to time.
- 2.9 "Committee" means a group of Board members, Unit Owners or Board members and Unit Owners appointed by the Board or the President to make recommendations to the Board regarding a proposed annual budget or otherwise to take action on behalf of or make recommendations to the Board.
- 2.10 "Common Elements" means and includes the portions of the Condominium Property which are not included in the Units or Association Property, as defined herein.
- 2.11 "Common Expenses" means: (1) expenses of administration and management of the Condominium Property and Association Property; (2) expenses of maintenance, operation, protection, repair or replacement of Common Elements and Association Property, as well as those portions of the Units for which the Association is responsible; (3) expenses declared Common Expenses by the provisions of this Declaration or by the By-Laws; (4) any valid charge against the Association or against the Condominium Property and Association Property; (5) the costs of carrying out the powers and duties of the Association; and (6) all expenses properly incurred by the Association in the performance of its duties, including expenses specified in Florida Statute, Section 718.115. Common expenses also include all reserves required by the Act or otherwise established by the Board, insurance for directors and officers, road maintenance and operation expenses, in-house communications, security services, and pest control services to the Units and Common Elements, as well as the Association Property, which are reasonably related to the general benefit of the Unit Owners even if such expenses do not attach to the Common Elements or property of the Condominium. The cost of communications services as defined in Chapter 202, Florida Statutes, information services, or internet service obtained pursuant to a bulk contract shall also be a Common Expense, but shall be allocated on a per Unit basis, and shall not include any other separate obligations of individual Unit Owners.
- 2.12 "Common Surplus" means the amount of all receipts or revenues, including Assessments, rents or profits collected by the Association which exceeds Common Expenses.
- 2.13 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements appurtenant to said Unit; and when the context permits, the term includes all other appurtenances to the Unit.
- 2.14 "Condominium Property" means the lands, leaseholds, improvements and other personal property submitted to Condominium ownership by the Original Declaration, and which is described in Exhibit "A" attached hereto, subject to the limitations thereof and exclusions therefrom, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

- 2.15 "County" means the County of Palm Beach, State of Florida.
- 2.16 "Declaration" or "Declaration of Condominium" means this instrument, as it may be amended from time to time.
- 2.17 "Developer" means the entity identified in the Original Declaration as Declarer.
- 2.18 "Guest" means any person who is not the Unit Owner or a lessee of a Unit or a member of the Unit Owner's or lessee's immediate family, who is physically present in, or occupies, a home on a temporary basis at the invitation of the Owner or other legally permitted occupant, without the payment of consideration
- 2.18 "Improvements" means all structures and artificial changes to the natural environment (exclusive of landscaping) located on the Condominium Property, including, but not limited to, the Buildings.
- 2.19 "Legal Fees" mean (a) reasonable fees for attorney and paralegal services incurred in the pre-suit enforcement of this Declaration, the Articles of Incorporation, By-Laws or rules and regulations, negotiation and preparation for litigation, whether or not an action is actually begun, through and including all trial and appellate levels and post-judgment proceedings; and (b) court costs through and including all trial and appellate levels and post-judgment proceedings.
- 2.20 "Limited Common Elements" means those Common Elements the use of which is reserved to a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. References herein to Common Elements also shall include all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided. Any portion of the Condominium Property for which the Unit Owners are responsible for maintenance, repair or replacement under Section 7 of this Declaration which is not located within the Unit boundaries, as defined in Section 3.4 of this Declaration, shall be Limited Common Elements.
- 2.21 "Member" means an Owner who, or which, is a member of the Association.
- 2.22 "Unit" means a part of the Condominium Property which is subject to exclusive ownership.
- 2.23 "Unit Owner" or "Owner of a Unit" or "Owner" means the record owner of a Unit.
- 2.24 "Utility Services" as used in the Condominium Act and construed with reference to this Condominium and as used in this Declaration, the Articles of Incorporation and By-Laws shall include, but not be limited to, electric power, gas, water, heating, air-conditioning, cable television, sprinkler, irrigation, drainage, sewage and garbage disposal.

### 3. DESCRIPTION OF CONDOMINIUM.

- 3.1 General Description. NORTHLAKE CONDOMINIUM, A CONDOMINIUM, contains one (1) three story Building and two (2) two story Buildings, containing a total of forty (40) Units, Common Elements, Limited Common Elements, and specifically conveyed boat slips, as more particularly set forth in the plans and surveys attached as Exhibit B to the Original Declaration, which are incorporated herein by reference.
- 3.2 General Description of the Units. The Buildings contain forty (40) Units. There are forty (40) two bedroom, two bath Units. No Unit bears the same identifying number as any other Unit. The location, dimensions, and Unit numbers of each Condominium Unit can be found in the plans and drawings of Exhibit B to the Original Declaration.
- 3.3 Survey and Plot Plans of Condominium Property. The survey of the Condominium Property showing the lands, the apartment Buildings and other improvements thereon, together with the plot plans, is attached as Exhibit B to the Original Declaration. The plot plan, drawings, graphic descriptions, and surveys were prepared by William G. Wallace, Inc., a Florida corporation, Consulting Engineers, Land Planners & Surveyors.
- 3.4 Unit Boundaries. The boundaries of each particular Condominium Unit shall be as follows:
- (a) Unit. Each Unit shall have as its boundary lines the interior unpainted finished surfaces of the ceiling, floor, and perimeter walls. All bearing walls located within a Unit constitute part of the Common Elements up to the unpainted finished surface of said walls. All doors, be they glass or otherwise, which are in the perimeter walls of a Unit shall be deemed a part of the Unit up to the exterior unfinished surface thereof.
  - (b) Conduit and Wires. Each Unit includes the undivided interest in the Common Elements appurtenant to said Unit. All conduits and wires up to their outlets and all other utility lines and pipes up to their outlets, regardless of location, constitute part of the Common Elements.
  - (c) Air Conditioning. The air conditioning unit or units serving an individual Unit to include all of the air conditioning unit's component parts, attachments and lines shall be deemed owned by the Unit Owner, and shall not be considered a part of the Common Elements.
- 3.5 Limited Common Elements. Limited Common Elements shall mean and comprise that portion of the Common Elements assigned or reserved for the exclusive use of a particular Unit or Units as an appurtenance thereto, as set forth in Section 2.20 above. Limited Common Elements for or which are the Unit Owner's responsibilities to maintain, repair or replace under Section 7 hereof, all Units include, without limitation:

- (a) Balconies, Terraces and Patios. The balconies, terraces or patios abutting any Unit are Limited Common Elements appurtenant to those Units to which they attach, and whose use is restricted to the Units to which they are appurtenant. The boundary lines of each balcony, terrace or patio attached to a Unit are the interior vertical and horizontal surfaces thereof, and the exterior unpainted finished surface of the perimeter baluster or railing abutting the balcony, terrace or patio.
- (b) Parking. No more than one (1) automobile parking space may be assigned by the Association for the exclusive use of each Unit as a Limited Common Element. The assigned parking spaces shall be assignable from the Unit to which it was originally assigned to another Unit in the Condominium, provided that all such assignments shall be temporary and shall terminate at the option of the Unit Owner making the assignment regardless of any other agreement to the contrary and shall automatically terminate when the Unit Owner making the assignment conveys any interest in title to his or her Unit.
- (c) Boat Slips. All boat slips are assigned to the exclusive use of a particular Unit and are a Limited Common Element appurtenant to that Unit. The exclusive right to use the boat slip shall automatically pass with title to the Unit to which it is assigned. In addition, a boat slip may be from the Unit to which it is assigned to another Unit in the Condominium on such terms and conditions as the Board may prescribe, including but not limited to, no owner may assign a boat slip to a Unit Owner who already has a boat slip assigned to his or her Unit. No other transfer or assignment of the right to use a boat slip shall be permitted. No Unit Owner may rent a boat slip to another person or entity who is not a tenant or resident of the Association. If a Unit owner rents his Unit, the Unit Owner may not use his or her boat slip during the term of the lease of the Unit. The Association must be notified at least 10 days in advance of the assignment of a boat slip or with the intended sale of the Unit, whichever is sooner. All Unit Owners must execute the boat slip easement agreement attached as schedule 6 to the original Declaration of Condominium as the same is updated by the Association from time to time.

3.6 Easements. Subject to the Association's authority to suspend use rights hereunder and under the Act, the following easements are hereby created (in addition to any easements created under the Act):

- (a) Perpetual Nonexclusive Easement. Subject to the Association authority to suspend use rights under Section 18.4 hereof, the Common Elements shall be, and the same are hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Owners of Units in the Condominium for their use and the use of their immediate families, guests and invitees, for all proper and normal purposes, and for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of said Unit Owners.
- (b) Settlement or Movement of Improvements. In the event that any Unit shall encroach upon any Common Elements for any reason not caused by the purposeful or negligent act of the Unit Owner or Owners or agents of such

Owner or Owners, then an easement appurtenant to such Unit shall exist for the continuance of such encroachment upon the Common Elements for so long as such encroachment shall naturally exist; and, in the event that any portions of the Common Elements shall encroach upon any Unit, then an easement shall exist for the continuance of such encroachment of the Common Elements into any Unit for so long as such encroachment shall naturally exist.

- (c) Air Space. The Owner of each Unit shall have an exclusive easement for the use of the air space occupied by said Unit as it exists at any particular time and said Unit may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.
- (d) Utility and Other Services; Drainage. Easements are reserved under, through and over the Condominium Property as may be required from time to time for utility, cable television and other services and drainage in order to serve the Condominium. A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs, or may interfere with or impair, the provisions of such utility or other services or drainage facilities or the use of these easements. Drainage systems on the Condominium Property, if any, shall be maintained continuously in good condition by the Condominium Association and easements are granted hereby over all Units in favor of all Owners and the Association with respect thereto.
- (e) Ingress and Egress. A non-exclusive easement shall exist in favor of each Unit Owner and occupant, their respective guests, tenants, licensees and invitees for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portion of the Common Elements as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portion of the Common Elements as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways.
- (f) Maintenance Easement. The Association shall have an easement to enter a Unit for the maintenance, repair and replacement of the Common Elements. Such access to a Unit shall be with notice to the Unit Owner or other occupant, if practicable, and only during reasonable hours, except that access may be had at any time in case of emergency.

#### **4. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS.**

The undivided share in the Common Elements and Common Surplus which is appurtenant to a Unit, and, except as elsewhere provided herein to the contrary, the exclusive right to use all appropriate appurtenant Limited Common Elements shall not be separated from the Unit and shall pass with the title to the Unit, whether or not separately described. The appurtenant share in the Common Elements and Common Surplus, and the exclusive right to use all Limited Common Elements appurtenant to a Unit, except as elsewhere herein provided to the contrary, cannot be conveyed or encumbered except together with the Unit.

The respective shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements, the Condominium Property, or any part thereof, shall lie, except as provided herein with respect to termination of the Condominium.

**5. OWNERSHIP OF COMMON ELEMENTS AND COMMON SURPLUS AND SHARE OF COMMON EXPENSES; VOTING RIGHTS.**

- 5.1 Percentage Ownership and Shares. Each Unit shall have, as an appurtenance thereto, an undivided percentage interest in the Common Elements and a percentage share of the Common Expenses and Common Surplus, as set forth in Exhibit C to the Original Declaration.
- 5.2 Voting. An Owner or Owners of a Unit shall collectively be entitled to one (1) vote.
- 5.3 Membership in Association. Each Unit shall have, as an appurtenance thereto, a membership in the Association and in the funds and assets of the Association.

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

- 6.1 By the Association. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered or the written agreement through which a proposed amendment is to be considered. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors of the Association or by not less than one-fourth (1/4) of the total voting interests in the Association. Amendments may be proposed by the Board of Directors by action of a majority of the Board at any regularly constituted meeting thereof. An amendment proposed pursuant hereto must be approved by not less than a majority of the total votes of the membership of the Association, either at a meeting or by written agreement.
- 6.2 Proviso. Except as provided elsewhere in this document:
- (a) No amendment shall discriminate against any Unit Owner or against any Unit or class or group of Units, unless the Unit Owner so affected shall consent.
  - (b) No amendment shall either change any Unit or the share in the Common Elements appurtenant to it, or increase the Unit Owner's share of the Common Expense, unless the record title holder of the Unit concerned and all record owners of mortgages on such Unit shall join in the execution of the amendment.
- 6.3 Execution and Recording. An amendment shall be evidenced by a certificate of the Association which shall include recording data identifying the Declaration and shall be executed with the same formalities required for the execution of a deed. An amendment of the Declaration is effective when the applicable certificate is properly recorded in the Public Records of Palm Beach County. No provision of this Declaration shall be revised or amended by reference to its title or number only.

Proposals to amend existing provisions of this Declaration shall contain the full text of the provision to be amended; new words shall be inserted and the text underlined; and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Declaration. See provision ... for present text." Non-material errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

## **7. MAINTENANCE, REPAIR AND REPLACEMENT OF UNITS, LIMITED COMMON ELEMENTS, COMMON ELEMENTS AND ASSOCIATION PROPERTY.**

7.1 Units. All maintenance, repairs and replacements of, in or to any Unit, as defined in Section 3.4 hereof, shall be performed by the Owner of such Unit at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein. The foregoing responsibility of the Unit Owner includes, but is not limited to, all electrical and plumbing fixtures, shower pans, lines, pipes, outlets, wiring and connections within or serving only that Unit, appliances, carpets and all other floor, wall and ceiling coverings, all interior surfaces, the heating and air-conditioning equipment serving only a particular Unit (wherever situated), and everything else within the boundaries of the Unit except to the extent the Association is specifically responsible therefore under Section 7.3 below. The Unit Owner shall also maintain, repair and replace, at his, her or its sole cost and expense, all portions of any hurricane protection that the Unit Owner may install, upon prior written approval of the Association, including such portion of the Common Elements, if any, to which the hurricane protection is attached, which cost and expense shall also include the cost and expense of removal and/or reinstallation by the Association of the hurricane protection if necessary or required in order for the Association to discharge its obligations hereunder, except painting the exterior surfaces of the shutters, which shall be performed by the Association at Common Expense.

### 7.2 Specific Unit Owner Responsibilities.

(a) The Unit Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of any portions of the air-conditioning and heating systems serving only his or her particular Unit, including, but not limited to, filters, the compressor, condenser, motor, fan, air handler, discharge lines, as well as the air conditioning riser pipes and all related parts, without regard to whether such items are located within the boundaries of the Units, except as provided in Section 7.3 below. Notwithstanding the foregoing, the Association may enter into a service contract for all air conditioning and heating systems serving any portion of the Condominium Property, with the cost of the service contract being paid for at Common Expense, provided, however, that each individual Owner shall be responsible for any maintenance, repair or replacement not covered by the service contract.

(b) The Unit Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of all exterior screens, doors (excluding painting the exterior surface of the door, as necessary), and all windows and sliding glass doors serving a Unit, including, without limitation, all railings,

frames, locks and operating mechanisms appurtenant to the windows and sliding glass doors, as well as trim and caulking. Without limiting the generality of the foregoing, no Unit Owner may decorate, alter or modify exterior screens, doors, or windows or the framework, locks or operating mechanisms thereof in any manner whatsoever, except with the prior written approval of the Board of Directors, as provided in Section 9 hereof.

- (c) The Unit Owner shall be responsible at his or her own expense for the maintenance, repair, and replacement of all fans, stoves, hot water heaters, refrigerators, sinks, toilets, tubs, showers, shower pans, or other appliances or equipment, including any fixtures and/or their connections required to provide Utility Service to his Unit.
- (d) The Unit Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of the circuit breaker box within or serving the unit and all electrical lines, conduits or fixtures running from the circuit breaker box into the Unit up to and including the fixtures or outlets within the Unit.
- (e) The Unit Owner shall be responsible at his or her own expense for the maintenance, repair and replacement of the main shut-off valves within or serving the Unit and all plumbing lines, conduits or fixtures running from the main shut-off valve into the Unit up to and including the fixtures or outlets within the Unit and all drain lines within or serving the Unit up to the point the drain line connects to the common line, except and excluding those drain lines which are located, in whole or in part, within a load bearing wall or load bearing slab.
- (f) Maintenance and upkeep of the interior areas of any balcony, terrace or patio shall be the exclusive responsibility of the Unit Owner to which that balcony, terrace or patio shall be appurtenant. This includes any windows or sliding glass doors installed on the terraces, balconies, and patios as of the date of recording this Declaration.
- (g) Unit Owners shall promptly report to the Association any defects or need for repairs, the responsibility for the remedy of which is that of the Association.
- (h) All maintenance, repair or replacement for which the Units Owners are responsible shall be performed by contractors with appropriate licensure and insurance. The Board of Directors may set standards for appropriate levels of insurance and may require proof of licensure, insurance and the procurement of any required permits before permitting a contractor on the Condominium Property. The Board may deny access to the property to any contractor performing work that requires approval from the Board of Directors hereunder until such approval has been granted in the manner required herein. The Unit Owner also agrees to comply with the requirements of Chapter 713, Florida Statutes, and to indemnify the Association and its members from any construction liens which may attach to Common Elements and which are attributable to work performed by or for the benefit of the Unit Owner. The Board may establish rules regarding contractor access to the condominium property, including rules regarding work hours, and may require a Unit Owner to post a damage/cleaning deposit in advance of commencing any work.

- (i) All floors in all Units, except bathrooms, kitchens and foyer, shall be carpeted or tiled, in accordance with rules promulgated by the Association, so as to abate the noise which may be created and transmitted to the Unit or Common areas of the Condominium lying below. All hard surfaces must have approved noise abatement. In the event the Board of Directors determines that any noise is being transmitted to another Unit or to Common Areas and that such noise is unreasonable, then the Owner of such Unit shall, at his expense, take such steps as shall be necessary to abate such noise to the satisfaction of the Board.
- (j) All boat slips and related improvements shall be maintained, repaired and replaced, as necessary, including, but not limited to, reconstruction after casualty loss, by the Association at the expense of the Units assigned the right to use a boat slip, which expense shall be allocated pro rata to all Units assigned the right to use a boat slip. All upgrades and improvements to the docks and boat slips installed by a Unit Owner (whether past, current or future) shall be maintained, repaired and replaced, as necessary, including, but limited to, reconstruction after casualty loss, by the current Owner of the Unit to which the boat slip is assigned. Any proposed improvements or alterations to a Unit Owner's assigned boat slip must be approved in advance by the Association. The Association may establish rules, regulations and guidelines for the alterations of boat slips as it may determine in its sound business judgment from time to time.

7.3 Common Elements and Association Property. Except to the extent (i) expressly provided to the contrary herein, or (ii) proceeds of insurance are made available therefore, the Association shall be responsible, at common expense, for:

- (a) All maintenance, repairs and replacements in or to the Common Elements, Limited Common Elements and Association Property, except as otherwise provided in Sections 7.1 or 7.2 hereof;
- (b) All portions of the Condominium (except interior wall surfaces of Units) contributing to the support of the building, which portions shall include, but not be limited to, the outside walls of the building, chasing and load bearing railings, walls or columns, or boundary walls of Units;
- (c) All fixtures on the exterior of the Buildings except as otherwise provided in Sections 7.1 or 7.2 hereof;
- (d) All floor and ceiling slabs, including, but not limited to, the slabs of all terraces and balconies;
- (e) All conduits, chases, chase areas, ducts, plumbing, air-conditioning (not including any compressor, air handler or other components identified in Section 7.2(a) above which serve only one particular Unit);
- (f) Wiring and other facilities for the furnishing of Utility Services to the Common Elements or Association Property;
- (g) All electrical lines, conduits or fixtures from the shared or common distribution facility or conduit up to, but not including, the circuit breaker box within or serving the Unit;

- (h) All plumbing lines, conduits or fixtures from the shared or common distribution facility or conduit up to, but not including, the main shut off valve within or serving the Unit, and all drain lines serving the Common Elements or more than one Unit;
- (i) All air conditioning supply pipes, return pipes and ball valves serving the Common Elements;
- (j) All other utilities contained within a Unit which service part or parts of the Condominium other than the Unit within which contained;
- (k) All property owned by the Association; and
- (l) The exterior surface of all Unit entry doors

The Association's aforementioned responsibilities shall not apply to the extent such maintenance, repair or replacement arises from or is necessitated by the negligence, misuse or neglect of one or more Unit Owners, their families, tenants, guests or invitees, in which case such cost and expense shall be paid solely by such Unit Owners, and shall be enforceable in the same manner as any Assessment under Section 12 hereof, including, but not limited to, by recordation and foreclosure of a claim of lien against the Unit.

7.4 Construction During Season. The Board of Directors is empowered to make and amend rules regulating construction on the property by Unit Owners, which may include, without limitation, the delineation of portions of the year during which certain types of construction, renovation, repair or other work in a Unit shall be prohibited.

7.5 Inspection of Unit during Owner's Absence. Where an Unit Owner is absent from his Unit, it is incumbent on the Owner to routinely and periodically examine and inspect the Unit to ensure the absence of leaks and conditions that would otherwise lead to damage to the building and its occupants, in recognition of the fact that where multiple owners occupy a single building, a problem that develops in one unit may well affect other units and the common element components of the building. Each Unit Owner is responsible to arrange for periodic inspections of the Owner's Unit whenever the Unit is vacant for a period of at least seven (7) consecutive days.

7.6 Owner's Responsibilities during Hurricane Season. Each Unit Owner shall be responsible to prepare his or her Unit during hurricane season (June 1 to November 30). The Board of Directors shall have the authority to adopt reasonable rules and regulations regarding the preparation of Units during hurricane season, including steps Unit Owners should take when a named storm is approaching the coast of Florida. If a Unit Owner is absent or intends to be absent from his unit during hurricane season, then the Unit Owner must take the following steps to prepare his or her unit for departure:

- (a) Removing all furniture, potted plants and other movable objects from the Unit Owner's balcony, terrace or patio and shut off all appliances and other components of the Unit or servicing the Unit that could result in damage to another Unit, such as water servicing the Unit, and such other components as the Association may determine in its sound business judgment and prior experience; and
- (b) Designating a person or company satisfactory to the Association, to routinely check on the condition of the Unit during the Unit Owner's absence not to be

less frequent than once every seven (7) days. Such person or company shall also contact the Association for permission to install temporary hurricane shutters, which must be removed when no longer necessary for storm protection. At no time shall hurricane shutters be permanently installed on a Unit.

8. **ADDITIONS, ALTERATIONS OR IMPROVEMENTS TO COMMON ELEMENTS OR ASSOCIATION PROPERTY BY THE ASSOCIATION.**

The Association shall have the right to make or cause to be made structural changes, alterations or improvements to the Common Elements, as well as substantial additions to the Common Elements or the real property owned by the Association, whether the same may be considered a "material alteration" under the Act, including color selections and other changes, as long as the cost is not more than \$25,000.00 in any one fiscal year without prior approval of the Unit Owners. Material alterations or substantial additions costing more than that amount shall be approved by at least a majority of the voting interests present and voting in person or by proxy at a meeting called for that purpose. Work that is reasonably necessary to protect, maintain, repair, replace, or insure the Common Elements or Association property or to comply with any local, state, or federal law or regulation shall not be considered a material alteration or substantial addition to the Common Elements, and no prior Unit Owner approval is required. Alterations made for the purpose of protecting the Common Elements or for the safety of the residents of Condominium shall not be deemed to be a "material alteration".

9. **ADDITIONS, ALTERATIONS OR IMPROVEMENTS TO UNITS, LIMITED COMMON ELEMENTS, COMMON ELEMENTS AND ASSOCIATION PROPERTY BY UNIT OWNER.**

9.1 **Prohibited Alterations.** Subject to section 9.2 below, no Unit Owner shall make any addition, alteration or, improvement in or to the Common Elements or Association Property.

9.2 **Consent of the Board of Directors.** No Unit Owner shall make any addition, alteration or improvement in or to the interior of the Unit or to the Limited Common elements appurtenant to his or her Unit which is structural in nature, or which impacts the Common Elements in any way, including, but not limited to, any work which involves materially piercing the Unit boundary, which changes the appearance of any portion of the exterior of the Building, which relocates, modifies or involved the installation of any decorative surface or material on new electrical, plumbing, telephone or any such utility line which requires the issuance of a permit from a governmental or regulatory authority or agency without the prior written consent of the Board of Directors. Any and all requests for electrical, mechanical or structural additions, alterations or improvements must be in writing and must be submitted to the Association with plans prepared and sealed by the appropriate professional (i.e., architect, engineer, etc.). The Board shall have the obligation to answer any written request by a Unit Owner for approval of such an addition, alteration or improvement within-thirty (30) days after receipt of such request and all sealed plans or thirty (30) days after receipt of any additional information requested by the Board within thirty (30) days of receipt of the initial request. Failure to respond within the stipulated time shall constitute the Board's consent. The Board may condition its approval hereunder on the payment of such fees and charges and the posting of such deposits as the Board deems necessary and appropriate and the Board is hereby authorized to

adopt and amend guidelines establishing such fees, charges and deposits. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, which may not be waived by the Association under any circumstances, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise. Once approved by the Board of Directors, such approval may not be revoked. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and all future owners of the Unit, and their heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, its Board members, officers and employees, and all other Unit Owners harmless from and to indemnify them for any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair, replacement and insurance for such additions, alterations or improvements from and after the date of installation or construction thereof as may be required by the Association, and shall also be responsible for all costs associated with removal and reinstallation of same when necessary, in the discretion of the Board of Directors, in connection with the Association's performance of its maintenance obligations under this Declaration. The Board may impose the requirements set forth in Paragraph 7.2(h) above and may require the execution of a covenant to run with the Unit to memorialize the application, approval, conditions of approval and future obligations of the Unit Owner and may condition its approval of any addition, alteration or improvement hereunder upon the preparation, execution and recording of such a covenant at the Unit Owners expense.

Notwithstanding the foregoing, any Unit Owner who has installed window glass panes on the upper half portion of the their screen enclosure to their balcony or terrace, shall be "grandfathered in" however, in the event that such Unit Owner or his successors or assigns must replace any of those windows in the future for any reason, he or she shall be precluded from doing so. Rather, such Unit Owner shall be obligated to replace the original screen enclosure system so that it runs from the floor to the ceiling of the balcony or terrace. An Owner may install approved sliding glass doors on the inside of the balcony or lanai such that the balcony or the lanai becomes enclosed and air conditioned space so long as the original screen enclosure system has been replaced.

- 9.3 Additional Unit Owner Responsibility for Alterations and Additions. Any modifications, installations, or additions to the interior or exterior of the Unit made by a Unit Owner shall be the financial responsibility of the Unit Owner and his or her grantees, heirs, successors and assigns and any future Owners of the Unit, including, but not limited to, insurance, maintenance, repair, and replacement of the modifications, installations or additions, regardless of whether the modification, installation or addition was installed by the current or a former Unit Owner. If a Unit Owner makes any changes to Limited Common Elements, Common Elements or Association Property, the Association may require any modification, alteration, or addition to the Condominium Property installed by a Unit Owner to be removed by and at the expense of the Owner in connection with the Association's discharge of its obligations under this Section. In such cases, if the Association advances the cost of removal and/or reinstallation of such improvements, the Unit Owner who installed the alteration, addition, or improvement (and/or his or her successors in title) shall be obligated to reimburse the Association for any costs incurred by the Association in connection with the removal and/or re-installation of the alteration, addition or improvement, with said obligation being secured by a lien enforceable in the same

manner as a lien for Common Expenses as provided in Section 12 herein below. Further, the Association, its contractors and agents, shall not be liable for any damage to the item arising out of its removal and/or re-installation, unless occasioned by the gross negligence or willful misconduct of the Association or its contractor or agent.

**10. OPERATION OF THE CONDOMINIUM BY THE ASSOCIATION POWERS AND DUTIES.**

10.1 Powers and Duties. The Association shall be the entity responsible for the operation of the Condominium. The powers and duties of the Association shall include those set forth in the Amended and Restated By-Laws and Amended and Restated Articles of Incorporation of the Association (respectively, Exhibits "A" and "B" annexed hereto), as amended from time to time. In addition, the Association shall have (i) all the common law and statutory powers of a corporation not for profit and for profit under the laws of Florida that are not in conflict with the provisions of the Articles, the Declaration, the By-Laws or the Act; (ii) the powers and duties set forth in the Act; as well as (iii) all powers and duties granted to or imposed upon it by this Declaration, including without limitation:

- (a) The irrevocable right to have access to each Unit from time to time during reasonable hours when necessary for the inspection, maintenance, repair or replacement of any Common Elements, Association Property, or of any portion of a Unit to be maintained by the Association pursuant to this Declaration or at any time as necessary to prevent damage to the Common Elements, Association Property, or to a Unit or Units. Unit Owners shall be required to provide the Association with a key for access to the Unit for the foregoing purposes. If the Owner fails to provide a key that provides access to the Unit, the Association shall not be liable for any damage caused to the Unit or to the Unit Owner's property as a result of the Association gaining access to the Unit or any delay in gaining such access, and the Unit Owner shall be liable for any costs incurred by the Association in obtaining access. The Unit Owner shall be given advanced notice of any non-emergency access.
- (b) The power to make and collect regular and special Assessments and other charges against Unit Owners and to regulate, administer, convey, lease, maintain, repair and replace the Common Elements and Association Property.
- (c) The power to acquire or convey title to real property (excluding Units in the Condominium) and to mortgage real property upon the approval of seventy-five percent (75%) of all the voting interests of the Association either at a meeting or by written agreement.
- (d) The power to purchase Units in the Condominium and to hold, lease, mortgage or sell a Unit so acquired.
- (e) The power to acquire, sell or mortgage personal property and to hold, regulate, administer, lease, maintain, repair, and replace same.
- (f) The right to grant, modify or move easements which are part of or cross the Common Elements or Association Property.

- (g) The duty to maintain official records according to good accounting practices, and the requirements of the Condominium Act, as same may be amended from time to time.
- (h) The power to contract for the management and maintenance of the Condominium Property and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules, maintenance, repair and replacement of those portions of the Condominium Property for which the Association is obligated or authorized to provide same and such other management functions as the Board of Directors may delegate with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted in the Condominium documents and the Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (i) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefore mortgages and security interests in property owned by the Association, subject to the limitation on mortgaging Association real property set forth in Paragraph (c) of this Article 10.1.
- (j) The power to adopt and amend rules and regulations concerning the details of the operation and use of the Units, the Common Elements, Association Property and the Condominium Property.
- (k) The power to lease and/or charge a fee for the exclusive use of Common Elements (other than Limited Common Elements) or Association Property to any Unit Owner or other third party being granted a right to such exclusive use.
- (l) All of the powers which a corporation not for profit in the State of Florida may exercise.

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

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

Association shall not be liable to any Unit Owner or lessee or to any other person or entity for any property damage, personal injury, death or other liability on the grounds that the Association did not obtain or maintain insurance (or carried insurance with any particular deductible amount) for any particular matter where (i) such insurance is not required hereby or (ii) the Association could not obtain such insurance at reasonable costs or upon reasonable terms. 10.3 Restraint Upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit.

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

10.4 Acts of the Association. Unless the approval or action of Unit Owners and/or a certain specific percentage of the Board of Directors of the Association is specifically required in this Declaration, the Articles of Incorporation or ByLaws of the Association, applicable rules and regulations or applicable law, all approvals or actions required or permitted to be given or taken by the Association under the Declaration, Articles of Incorporation or By-Laws shall be given or taken by the Board of Directors, without the consent of Unit Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution.

## **11. DETERMINATION OF COMMON EXPENSES AND FIXING OF ASSESSMENTS THEREFORE.**

The Board of Directors shall from time to time, and at least annually, prepare a budget for the Association, determine the amount of Assessments payable by the Unit Owners to meet the Common Expenses and allocate and assess such Assessments among the Unit Owners in accordance with the provisions of this Declaration and the By-Laws. Additionally, the Board of Directors may levy special assessments when determined by the Board of Directors to be necessary. The Board of Directors shall advise all Unit Owners promptly in writing of the amount of the Assessments payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each budget, on which such Assessments are based, to all Unit Owners. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association. expenses and liabilities, to fund reserve accounts, or otherwise as the Board shall determine from time to time, and need not be restricted or accumulated. Any Budget adopted shall be subject to change to cover actual expenses at any time. Any such change shall be adopted consistent with the provisions of the By-Laws.

## **12. COLLECTION OF ASSESSMENTS.**

12.1 Liability for Assessments. A Unit Owner, regardless of how title is acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, shall be liable for all Assessments and other charges coming due while that person is the Unit Owner, including interest, late charges, attorneys' fees and costs, if any. Except as provided in Section 12.4 below, the Unit Owner shall also be jointly and severally liable with the previous Owner for all unpaid Assessments and other charges that came due up to the time of the transfer of title, including interest, late charges, attorneys' fees and costs, if any. This liability is without prejudice to any right the Owner may have to recover from the previous Owner the amounts paid by the

Owner. The person acquiring title shall pay the amount owed to the Association within thirty (30) days after transfer of title. Failure to pay the full amount when due shall entitle the Association to record a claim of lien against the Condominium Parcel and proceed in the same manner as provided herein and in the Act for the collection of unpaid Assessments. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or Association Property or by the abandonment of the Unit for which the Assessments are made or otherwise. To the extent this paragraph is inconsistent with Section 718.116 of the Act, this paragraph shall govern.

- 12.2 Default in Payment of Assessments for Common Expenses. Assessments and installments thereof not paid within ten (10) days from the date when they are due shall bear interest at the highest lawful rate from the date due until paid. In addition to the above stated interest, the Association shall charge an administrative late fee in an amount not to exceed the highest amount provided for in the Act, on Assessments and installments thereof not paid when due. All partial payments upon account shall be applied in the manner prescribed in the Act. The Association has a lien on each Condominium Parcel to secure the payment of Assessments. The lien shall have such priority as may be provided in the Act. All claims of lien must state the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the amount due and the due dates and must be executed and acknowledged by an officer or authorized agent of the Association. The claim of lien shall secure (whether or not stated therein) all unpaid Assessments, which are due at the time a claim of lien is recorded, as well as all regular and Special Assessments which may be levied or which may accrue subsequent to the recording of the claim of lien and prior to satisfaction of the lien or the issuance of a certificate of title, together with interest, late charges and all reasonable costs and attorney's fees incurred by the Association incident to the collection and foreclosure process. Upon payment in full, the person making the payment is entitled to a satisfaction of the lien. The Association may bring an action in its name to foreclose its lien in the same manner a mortgage of real property is foreclosed and may also bring an action at law to recover a money judgment for the unpaid Assessments without waiving any claim of lien. The Association is entitled to recover its reasonable attorney's fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid assessments. As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid, the Association may declare the Assessment installments for the remainder of the fiscal year in which a claim of lien has been filed to be accelerated, as provided in Section 12.7 below.
- 12.3 Assignment of Rents. The Association is hereby granted a lien against any rents derived from the Unit which shall have the same priority as the Association's lien for unpaid assessments against the Unit. Except to the extent limited by the Act, the lien on any rentals derived from the Unit shall be enforceable by the delivery of written notice to the owner and the tenant demanding the payment of the rents, provided, however, that no such demand may be made unless and until the owner is delinquent in the payment of any Assessment or other charge due and payable to the Association by the Unit Owner under this Declaration.
- 12.4 First Mortgagee. First Mortgagee acquiring title to a Condominium Parcel as a result of foreclosure of its first mortgage, or by deed in lieu of foreclosure, may not, during the period of its ownership of such parcel, whether or not such parcel is unoccupied, be excused from the payment of any of the Common Expenses coming due during the period of such ownership. In addition, the First Mortgagee is liable for the share

of Common Expenses or Assessments or other charges imposed by the Association pertaining to such Condominium Parcel which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such deed; provided, however, the First Mortgagee's liability is limited to the maximum amount set forth in the Act. If any unpaid share of Common Expenses or Assessments or other charges 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, including such acquirer, and such acquirer's successors and assigns.

- 12.5 Certificate of Unpaid Assessments. Within fifteen (15) days after request by a Unit Owner or mortgagee of a Unit, the Association shall provide a certificate stating whether all Assessments and other moneys owed to the Association by the Unit Owner with respect to his Unit have been paid. Any person other than the Unit Owner who relies upon such certificate shall be protected thereby. The Association or its authorized agent may charge a reasonable fee for the preparation of the Certificate.
- 12.6 Installments. Regular Assessments may be collected monthly or quarterly, in advance, at the option of the Board of Directors. Special assessments shall be payable on such terms as may be established by the Board.
- 12.7 Acceleration of Assessment Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment upon an Assessment, the Board may accelerate the remaining installments of the Assessment upon notice to the Unit Owner, and the then unpaid balance of the Assessment shall be due upon the date stated in the notice.
- 12.8 Set Off. Any funds due and payable by the Association to a Unit Owner under this Declaration of Condominium, the Articles of Incorporation or the By-Laws, or under the Act, shall be subject to a right of set-off for any amounts due and owing to the Association by the Unit Owner under this Declaration, the Articles of Incorporation, the By-Laws, or the Act.
- 12.9 Abandoned Property. The Association, at the sole discretion of the Board, may enter an abandoned unit to inspect the unit and adjoining Common Elements; make repairs to the unit or to the Common Elements serving the unit, as needed; repair the Residence if mold or deterioration is present; turn on the utilities for the unit; or otherwise maintain, preserve, or protect the unit and adjoining Common Elements. For purposes of this paragraph, a unit is presumed to be abandoned if: (a) the unit is the subject of a foreclosure action and no tenant appears to have resided in the unit for at least 4 continuous weeks without prior written notice to the Association; or (b) no tenant appears to have resided in the unit for 2 consecutive months without prior written notice to the Association, and the association is unable to contact the Owner or determine the whereabouts of the Owner after reasonable inquiry. Except in the case of an emergency, the Association may not enter an abandoned Unit until 2 days after notice of the Association's intent to enter the Unit has been mailed or hand-delivered to the Owner at the address of the Owner as reflected in the records of the Association, even if the Owner is deceased. The notice may be given by electronic transmission to Unit Owners who previously consented to receive notice by electronic transmission. Any expense incurred by the Association pursuant to this paragraph is chargeable to the Unit Owner and enforceable as an assessment pursuant to Chapter 718 and the Association may use its lien authority provided in this Declaration and Chapter 718 to enforce collection of the expense. The Association may petition a

court of competent jurisdiction to appoint a receiver to lease out an abandoned Unit for the benefit of the Association to offset against the rental income the Association's costs and expenses of maintaining, preserving, and protecting the Unit and the Property, including the costs of the receivership and all unpaid assessments, interest, administrative late fees, costs, and reasonable attorneys' fees.

12.10 Bankruptcy. In the event an Unit Owner files for protection under any chapter of the United States Bankruptcy Code, the Association shall have the right to retain legal counsel to appear in the bankruptcy proceeding on the Association's behalf whether or not the Unit Owner has an outstanding obligation to the Association, including delinquent assessments, file a proof of claim, if applicable, monitor the bankruptcy proceeding, seek stay relief, and/or take such other actions as the Association's legal counsel deems advisable to protect the Association's interests relative to the Unit and Unit Owner. The Unit Owner shall be personally liable to the Association for its attorneys' fees and costs incurred in the Unit Owner's bankruptcy proceedings, which shall also be deemed an Assessment against the Unit Owner's Unit and secured by a lien should the Unit Owner fail to pay said attorney's fees and costs upon demand. The Association shall be entitled to foreclose its lien for any attorneys' fees and costs incurred pursuant to its rights granted in this paragraph in the same manner as assessments pursuant to this Declaration and the Act.

13. INSURANCE. The insurance, other than optional title insurance, that shall be carried on the Condominium Property (both real and personal) of the Association, and the property of the Unit Owners shall be governed by the following provisions:

13.1 All insurance policies upon the Condominium Property and the property of the Association shall be purchased by the Board of Directors of the Association. The named insured shall be the insurance trustee individually and as agent for the Unit Owners, without naming them, and as agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of Unit Owners. Such policies shall provide that payments by the insurer for losses shall be made to the insurance trustee designated below, and all policies and their endorsements shall be deposited with the insurance trustee. Unit Owners may obtain coverage at their own expense upon their personal property and for their personal liability and living expenses. The insurance trustee may be any bank in Florida with trust powers as may be approved by the Board of Directors of the Association.

13.2 Coverage.

(a) Liability. The Board of Directors of the Association shall obtain public liability and property damage insurance covering all of the Common Elements of the Condominium and all property of the Association and insuring the Association, the Unit Owners and their mortgagees, as their interest may appear, in such amounts and providing such coverage as the Board of Directors of the Association may determine from time to time.

(b) Casualty Insurance. The Board of Directors of the Association shall obtain fire and extended coverage insurance and vandalism and malicious mischief insurance, insuring all of the insurable improvements within the Condominium, including property owned by the Association, in and for interests of the Association, all Unit Owners and their mortgagees, as their interests may appear, in a company acceptable to the standards set by the Board of Directors of the Association, in an amount equal to the maximum

insurance replacement value of the property as determined annually by the Board of Directors of the Association. Notwithstanding the foregoing requirement, the Association, through its Board of Directors, will have fulfilled its duty to obtain insurance coverage if it obtains and maintains such insurance coverage as may be reasonably available from time to time given market and economic conditions, provided such coverage shall always meet the minimum level of adequate coverage required by Section 718.111 (11), Florida Statutes, as same may be amended from time to time.

- (c) The Board of Directors of the Association shall obtain Workmen's Compensation Insurance in order to meet the requirements of law.
- (d) The Board of Directors of the Association shall obtain Flood Insurance to meet the requirements of federal, state and local law.
- (e) The Board of Directors of the Association shall obtain such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

13.3 Waive Subrogation. If available, and where applicable; the Board of Directors of the Association shall endeavor to obtain policies which provide that the insurer waives its right to subrogation as to any claim against Unit Owners, the Association, their respective servants, agents and guests.

13.4 Premiums. Premiums upon insurance policies purchased by the Board of Directors of the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interest may appear and shall provide that all proceeds covering losses shall be paid to the insurance trustee. The insurance trustee shall neither be liable for payment of premiums, the renewal or the sufficiency of policies, nor the failure to collect any insurance proceeds. The duty of the insurance trustee shall be to receive such proceeds as are paid and hold the proceeds in trust for the benefit of the Association, the Unit Owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the insurance trustee:

- (a) Common Elements. Proceeds on account of damaged Common Elements - an undivided share for each Unit Owner, such share being the same as an undivided share in the Common Elements appurtenant to his Unit.
- (b) Property (both real and personal) of the Association. Proceeds on account of damaged property of the Association -an undivided share for each Unit Owner, such share being the same as an undivided share in the Common Elements appurtenant to his Unit.
- (c) Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(i) Where the Building is to be restored, for the Owners of damaged Units in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Board of Directors of the Association.

(ii) When the Building is not to be restored -an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.

- (d) **Mortgagees.** In the event a mortgagee endorsement has been issued to a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of such proceeds made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration.

13.5 **Distribution of Proceeds.** Proceeds of insurance policies received by the insurance trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

- (a) **Expense of the Trust.** All expenses of the insurance trustee shall be paid first or provisions made for such payment.
- (b) **Reconstruction or Repair.** If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such as provided herein in Article 13 and 14. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.
- (c) **Failure to Reconstruct or Repair.** If it is determined in the manner provided herein in Article 13 and 14 that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee. In the event of loss or damage to personal or real property belonging to the Association, and should the Board of Directors of the Association determine not to replace such personal or real property as may be lost or damaged, the proceeds shall be disbursed to the beneficial owners as surplus, in the manner stated herein.
- (d) **Certificate.** In making distribution to unit owners and their mortgagees, the insurance trustee may rely upon a certificate of the Board of Directors of the Association, as to the names of the Unit Owners and their respective shares of the distribution, provided, however, that such certificates shall not be binding insofar as mortgagees of Units are concerned. The insurance trustee shall obtain appropriate certificates from all such mortgagees prior to any disbursement to Unit Owners or mortgagees.

13.6 **Unit Owner Insurance.** Each Unit Owner is responsible for insuring his own Unit, and the personal property therein; all floor, wall and ceiling coverings; all built-in cabinets, appliances, water heaters, and electrical fixtures serving the unit and all alterations, additions and improvements made to the unit or the Common Elements

by the owner or his predecessors in title. Each Unit Owner is expected to carry a Florida condominium insurance policy (commonly referred to as an "H06 policy") with endorsements for mold contamination, mildew, fungus leakage, additions and alterations, and special assessment loss protection (to the extent each such endorsement is available for purchase) or recognize that he bears financial responsibility for any damage to his property or liability to others that would otherwise be covered by such insurance.

#### **14. RECONSTRUCTION OR REPAIR AFTER CASUALTY.**

- 14.1 Loss Within a Single Unit. If loss shall occur within a single Unit or Units, without damage to the Common Elements, the insurance proceeds shall be distributed to the beneficial Unit Owner(s), remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by said mortgagee. Such remittance shall be made solely to an Institutional Mortgagee when requested by such Institutional Mortgagee whose mortgage provides that it has the right to require application of the insurance proceeds to the payment or reduction of its mortgage debt. The Unit Owner shall thereupon be fully responsible for the restoration of his Unit.
- 14.2 Minor Damage. Where a loss or damage occurs within a Unit or Units, or to the Common Elements or to any Unit Or Units and the Common Elements or to the property of the Association, but said loss is less than "major damage" as hereinafter defined, it shall be obligatory upon the Association and the Unit Owner(s) to repair, restore and rebuild the damage caused by said loss. Where such loss or damage is less than "major damage":
- (a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of costs of repair and restoration.
  - (b) If the damage or loss involves individual Units, as well as the Common Elements, or if the damage is limited to the Common Elements alone, but is less than \$10,000.00, the insurance proceeds shall be endorsed by the Insurance Trustee over to the Association, and the Association as hereinbefore provided, shall promptly contract for the repair and restoration of the damage.
  - (c) If the damage or loss involves the property of the Association, individual Units, as well as the Common Elements, or if damage is limited to the Common Elements alone, but is in excess of \$10,000.00, the insurance proceeds shall be disbursed by the insurance trustee for the repair and restoration of the property upon the written direction and approval of the Board of Directors of the Association, provided, however, that upon the request of an Institutional Mortgagee, the written approval shall also be required of the Institutional Mortgagee owning and holding the first recorded mortgage encumbering a Unit, so long as it owns and holds any mortgage encumbering a Unit. At such time. as the aforesaid Institutional Mortgagee is not the holder of a mortgage on a Unit, then its right of approval and designation shall pass to the Institutional Mortgagee having the highest dollar indebtedness on Units in the Condominium Property. Said written approval shall not be unreasonably withheld. Should written approval be required, as aforesaid, it shall be said Mortgagee's duty to give written notice thereof to the insurance trustee. The insurance trustee may rely upon the certificate of the Board of Directors of the Association and the aforesaid Institutional

Mortgagee, if said Institutional Mortgagee's written approval is required, as to the payee and the amount to be paid from said proceeds. All payees shall deliver paid bills and waivers of mechanic's liens to the insurance trustee, and execute any affidavit required bylaw or by the Association, the aforesaid Institutional Mortgagee, and the insurance trustee, and deliver same to the insurance trustee, and the foregoing shall be in such form as any of the aforesaid parties may require. In addition to the foregoing, the Institutional Mortgagee whose approval may be required, as afore-described, shall have the right to require the Board of Directors of the Association, to obtain a completion performance and payment bond, in such form and amount, and with a bonding company authorized to do business in the State of Florida, as are acceptable to the said Mortgagee.

- (d) Subject to the foregoing, the Board of Directors of the Association shall have the right and obligation to negotiate and contract for the repair and restoration of the premises.
- (e) If the net proceeds of the insurance are insufficient to pay for the estimated costs of restoration and repair (or for the actual costs thereof if the work has actually been done), the Board of Directors of the Association shall promptly, upon determination of the deficiency, levy a Special Assessment against all Unit Owners in proportion to the Unit Owner's share in the Common Elements, for the portion of the deficiency as is attributable to the cost of restoration of the Common Elements and property of the Association and against the individual Owner for the portion of the deficiency as is attributable to his individual Unit, provided, however, that if the Board of Directors of the Association finds that it cannot determine with reasonable certainty the portion of the deficiency attributable to a specific individual damaged Unit(s), then the Board of Directors of the Association shall levy an Assessment for the total deficiency against all of the Unit Owners in proportion to the Unit Owner's share in the Common Elements, just as though all of said damage had occurred in the Common Elements. Special Assessment funds shall be delivered by the Board of Directors of the Association, to the insurance trustee, and added by said insurance trustee to the proceeds available for the repair and restoration of the property.
- (f) In the event the insurance proceeds are sufficient to pay for the cost of restoration and repair, or in the event the insurance proceeds are insufficient but additional funds are raised by Special Assessment within ninety (90) days after the casualty, so that sufficient funds are on hand to fully pay for such restoration and repair, then no mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan, provided, however, that this provision may be waived by the Board of Directors in favor of any Institutional Mortgagee upon request thereof, at any time. To the extent that any insurance proceeds are required to be paid over to such Mortgagee, the Unit Owner shall be obliged to replenish the funds so paid over, and said Unit Owner and his Unit shall be subject to Special Assessment for such sum.

14.3 Major Damage. As used in this Declaration, or any other context dealing with this Condominium, the term "major damage" shall mean loss or damage whereby three-fourths (3/4) or more of the total Unit space in the Condominium is rendered untenantable, or loss or damage whereby seventy-five percent (75%) or more of the

total amount of casualty insurance coverage becomes payable. Should such "major damage" occur, then:

- (a) The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repair and restoration thereof.
- (b) Thereupon, a meeting of the Unit Owners shall be called by the Board of Directors of the Association, to be held not later than sixty days after the casualty to determine the wishes of the Unit Owners of this Condominium with reference to the abandonment of the Condominium project, subject to the following:
  - (i) If the net insurance proceeds available for restoration and repair are sufficient to cover the costs thereof, so that no Special Assessment is required, then the Condominium Property shall be restored and repaired unless two-thirds (2/3) of all the Unit Owners entitled and qualified to vote shall vote to abandon the Condominium project, in which case the Condominium Property shall be removed from the provisions of the law by the recording in the public records of Palm Beach County, Florida, an instrument terminating this Condominium, which said instrument shall further set forth the facts executed by its President and Secretary. The termination of the Condominium shall become effective upon the recording of said instrument, and the Unit Owners shall thereupon become owners as tenants in common in the property, i.e. the real, personal, tangible and intangible personal property, and any remaining structures of the Condominium and their undivided interests in the Property shall be the same as their undivided interest in the Common Elements of this Condominium prior to its termination, and the mortgages and liens upon Condominium parcels shall become mortgages and liens upon the undivided interest of such tenants in common, with the same priority as existed prior to the termination of the Condominium.
  - (ii) If the net insurance proceeds available for restoration and repair are not sufficient to cover the costs thereof, so that a Special Assessment will be required, and if a majority of all the Unit Owners entitled and qualified to vote, vote against such Special Assessment and to abandon the Condominium project, then it shall be so abandoned and the Condominium Property removed from the provisions of the law, and the Condominium terminated, as set forth in the immediately preceding subparagraph (i), and the Unit Owners shall be tenants in common in the property in such undivided interests and all mortgages and liens upon the Condominium parcels shall encumber the undivided interests of such tenants in common, as provided in the immediately preceding subparagraph (i). In the event a majority of the Unit Owners of this Condominium vote in favor of Special Assessments, the Board of Directors of the Association shall immediately levy such Special Assessments, and thereupon the Association shall proceed to negotiate and contract for such repairs and restoration, subject to the provisions of Paragraph 14.2(c) above. The Special Assessment fund shall be delivered by the Board of Directors of the Association to the insurance trustee and added by said trustee to the proceeds available for the restoration and repair of the property. The proceeds shall be disbursed by the insurance

trustee for the repair and restoration of the property, as provided in Paragraph 14.2(c) above.

- (iii) In the event any dispute shall arise as to whether or not "major damage" has occurred, it is agreed that such finding made by the Board of Directors of the Association shall be binding upon all Unit Owners and mortgagees.

- 14.4 Surplus. It shall be presumed that the first monies distributed in payment of costs of repair and restoration shall be from the insurance proceeds, and if there is a balance in the funds held by the insurance trustee after the payment of all costs of the repair and restoration, such balance shall be distributed to the beneficial owners of the fund in the manner as set forth herein.
- 14.5 Certificate. The insurance trustee may rely upon a certificate of the Board of Directors of the Association certifying as to whether or not the damaged property is to be repaired and restored. Upon request of the insurance trustee, the Board of Directors of the Association shall forthwith deliver such certificate.
- 14.6 Plans and Specifications. Any repair and restoration must be substantially in accordance with the plans and specifications for the original Building, or as the Building was last constructed, or according to the plans approved by the Board of Directors of the Association, which approval shall not be unreasonably withheld. If any material or Substantial change is contemplated, the approval of all Institutional Mortgagees shall also be required.
- 14.7 Association's Power to Compromise Claims. The Board of Directors of the Association is hereby irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property, for the purpose of compromising and settling all claims arising under insurance policies purchased by the Board of Directors of the Association and to execute and deliver releases therefore upon payment of claims.
- 14.8 Institutional Mortgagee's Right to Advance Premiums. Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements, the Institutional Mortgagee holding the greater dollar volume of Unit mortgages shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, said Mortgagee shall be subrogated to the Assessment and lien rights of the Association as against the individual Unit Owners for the payment of such items of Common Expense.

## **15. CONDEMNATION.**

- 15.1 Deposit of Awards with Association. The taking of portions of the Condominium Property by the exercise of the power of eminent domain may, in the discretion of the Board of Directors, be deemed to be a casualty, and the awards for that taking may be deemed to be proceeds from insurance on account of the casualty and may be deposited in the manner provided for insurance proceeds. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Association; and in the event of failure to do so, in the discretion of the Board of Directors of the Association, a special charge shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against the sums hereafter made payable to that Owner.

15.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged property will be reconstructed and repaired after casualty. For this purpose, the taking by eminent domain also shall be deemed to be a casualty. 15.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and special Assessments will be deemed to be insurance proceeds and shall be owned and distributed in the manner provided with respect to the ownership and distribution of insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds after a casualty, or as elsewhere specifically provided herein.

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

- (a) Restoration of Unit. The Unit shall be made habitable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be charged against the Owner of the Unit. The Association shall have the right to collect and enforce any Assessment for such costs and charges in the manner provided in accordance in Section 12 of this Declaration for the enforcement of Assessments.
- (b) Distribution of Surplus. The balance of the award in respect of the Unit, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, if a mortgagee endorsement has been submitted to the Association, the remittance being made payable jointly to the Owner and such mortgagees in the manner provided in such mortgagee endorsement.
- (c) Adjustment of Shares in Common Elements. If the floor area of the Unit is reduced by the taking, the allocated percentage in the Common Elements, the Common Expenses and the Common Surplus appurtenant to the Unit shall be reduced by multiplying such allocated percentage by a fraction, the numerator of which shall be the area in square feet of the Unit after the taking and the denominator of which shall be the area in square feet of the Unit before the taking. The shares of all Unit Owners in the Common Elements, Common Expenses and Common Surplus shall be restated as follows:
  - (i) Add the total of all percentages of all Units after reduction as aforesaid (the "Remaining Percentage Balance"); and
  - (ii) Divide each percentage for each Unit after reduction as aforesaid by the Remaining Percentage Balance. The result of such division for each Unit shall be the adjusted percentage for such Unit.

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

(a) Payment of Award. The awards shall be paid first to any Institutional First Mortgagees who have submitted a mortgagee endorsement to the Association in amounts sufficient to payoff their mortgages in connection with each Unit which is made uninhabitable; second, to the Association for any unpaid Assessments and other charges; and third, jointly to the affected Unit Owners and other mortgagees of their Units who have submitted a mortgagee endorsement to the Association.

(b) Addition to Common Elements. The remaining portion of the Unit, if any, shall become part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for use by all of the Unit Owners in the manner approved by the Board of Directors of the Association; provided that if the cost of the work therefore shall exceed the balance of the fund from the award for the taking, such work shall be approved in the manner elsewhere required in Section 8 hereof.

(c) Adjustment of Shares. The shares in the Common Elements, Common Expenses and Common Surplus appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the shares in the Common Elements, Common Expenses and Common Surplus among the reduced number of Units. This shall be implemented by restating the shares of continuing Unit Owners as follows:

(i) Add the total of all percentages of all Units of continuing Owners prior to this adjustment, but after any adjustments made necessary by Section 15.4(c) hereof (the "Percentage Balance"); and

(ii) Divide the percentage of each Unit of a continuing Owner prior to this adjustment, but after any adjustments made necessary by Section 15.4(c) hereof, by the Percentage Balance. The result of such division for each Unit shall be the adjusted percentage for such Unit.

15.5 Taking of Common Elements. Awards for the taking of Common Elements shall be used to render the remaining portion of the Common Elements usable in the manner approved by the Board of Directors of the Association; provided, that if the cost of such work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner required by Section 8 hereof. The balance of the awards for the taking of Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustments to these shares are made pursuant hereto by reason of the taking or applied by the Association to other Assessments, in the discretion of the Board. If the Board determines to distribute the surplus and there is a mortgage on a Unit, the distribution shall be paid jointly to the Owner and the mortgagees of the Unit who have submitted a mortgagee endorsement to the Association.

15.6 Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements and share in the Common Expenses and Common Surplus that are affected by the taking shall be evidenced by an amendment to this Declaration of Condominium to be approved by, and executed upon the direction of, a majority of the Board.

**16. OCCUPANCY AND USE RESTRICTIONS.** In order to provide for congenial occupancy of the Condominium Property, inhibiting transiency, preventing a motel-like atmosphere, and facilitating the development of a stable, quiet community, and for the protection of the values of the Units and enhancing peace of mind for all residents, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions:

16.1 Occupancy. Each Unit shall be used as a single family residence only, except as otherwise herein expressly provided. As used herein, "single family" or words of similar import shall be deemed to include up to two (2) natural persons who are married or up to two (2) natural persons who are not related by blood, marriage or adoption living together as a single housekeeping unit, their children, grandchildren, parents, grandparents, mothers-in-law or fathers-in-law, and their spouses or domestic partners. A guest of a Unit Owner may not remain in residence for more than 30 days. All guests shall abide by the Governing Documents of the Association, including the Rules and Regulations. It is the responsibility of the Unit Owner to inform all guests of the Rules & Regulations governing the community. Unit Owners of shall be responsible for any violations by their guests. In the event that a Unit Owner desires to allow a guest to occupy a Unit at a time when the Unit Owner will not be residing at the Unit overnight for all, or part, of the time that the guest is visiting, the Unit Owner shall provide at least 7-days advance notice to the Association in writing that the guest will be present in the owner's absence. In these circumstances the owner must notify Association of the length of stay of the guest while the Owner is absent from the Unit, which shall in no case exceed 30 days, whether consecutive or cumulatively in a 12-month period, and the guest must complete and file such forms as required by the Association. The Board of Directors shall have the authority in special cases to authorize a guest to remain for a period in excess of 30 days based on extenuating circumstances. In such cases, the owner and the guest shall file such forms as required by the Board of Directors and explain in writing to the Board of Directors the extenuating circumstances the Owner claims supports the Owner's request to the Board of Directors for an exception to the 30-day restriction of this paragraph. Each application shall be judged on its own merits. The action of the Board of Directors shall be final.

16.2 Leases.

(a) No portion of a Unit may be rented. A Unit shall not be leased or rented without the prior written approval of the Association, which approval shall not be unreasonably withheld. No Unit Owner may lease his or her Unit more than once in a twelve month (12) month period, measured from the commencement of the lease preceding the most recent prior lease. No Unit Owner may lease his or her unit during the first twenty four (24) months of ownership, measured from the date of recordation of the most recent instrument conveying any interest in title to the Unit, except transfers by devise or inheritance to members of the family, as defined herein above, of a deceased Unit Owner, or Units acquired by the Association, or transfers to add a member of the Owner's family, as defined hereinabove, to the title for

estate planning purposes. In the event of conveyance of title with an approved occupant in possession under lease, said moratorium against leasing during the first twenty four (24) months of ownership shall commence upon expiration of lease.

- (b) No lease may be for a term of less than three (3) months or more than twelve (12) months. No rooms may be rented and no transient tenants accommodated. No Unit may be listed or occupied pursuant to any short term occupancy agreement, vacation, swap, or other similar arrangements through AirBnB, VRBO, or similar enterprise. A Unit shall be considered leased any time it is occupied by a tenant. The Association shall have the right to require a substantially uniform form of lease be used or uniform lease addendum be used by all Unit Owners. The lease shall include a provision granting the Association authority and standing to evict any lessee of a Unit Owner who is in breach or violation of this Declaration or the rules and regulations of the Association. In the event the Association approves a rental or lease, such approval of a lease or rental shall not release the Unit Owner from any obligation under this Declaration, and the tenant shall have the right to use the facilities and Common Elements to the exclusion of the Unit Owner unless the tenant waives such rights in writing. Regardless of whether or not expressed in the applicable lease, if any, a Unit Owner shall be jointly and severally liable with his, hers or their tenants to the Association for any amount which is required by the Association to effect such repairs or to pay any claim for injury or damage to property caused by the negligence of the tenant or for the acts and omissions of the tenant(s) or occupant(s) (whether or not subject to a lease) which constitute a violation of, or non-compliance with, the provisions of this Declaration and of any and all rules and regulations of the Association. All tenants shall comply with and be subject to the provisions of this Declaration, the By-Laws, and the Act and the provisions of same shall be deemed expressly incorporated into any lease of a Unit. Subleases are prohibited. When a Unit is leased, a tenant shall have all use rights in Association Property and those Common Elements otherwise readily available for use generally by Unit Owners, and the Owner of the leased Unit shall not have such rights, except as a guest, unless such rights are waived in writing by the tenant. Nothing herein shall interfere with the access rights of the Unit Owner as a landlord, pursuant to Chapter 83, Florida Statutes. Dual usage by a Unit Owner and a tenant of Association Property and Common Elements is prohibited. Notwithstanding the foregoing, no Unit Owner may use an assigned dock slip unless his or her Unit is unoccupied or the Unit Owner is in residence in the Unit.
- (c) Any lease of a Unit that has not been approved by the Association may, at the option of the Association, be treated as a nullity, and the Board shall have the power to evict the tenant and other occupants without securing consent for such eviction from the Unit Owner. The Unit Owner, however, shall be liable for all Legal Fees incurred by the Association related to such eviction, including prosecuting the eviction action. The Unit Owner need not be named as a party to the eviction proceeding to be liable for any such Legal Fees. If an approved tenant and all of the family members who are approved to reside in the leased Unit are all absent then, no other person may occupy a leased Unit. The Association may also impose additional conditions on lease approval and rules for lessees that are stricter than those that apply to owners, including, but not limited to, the number of vehicles that lessees and their visitors and guests may park in the community

- 16.3 Home Business Use. No business or commercial activity shall be conducted in or from any Unit. The use of a unit as a public lodging establishment or as part of a fractional ownership or vacation club program shall be deemed a business or commercial use that is prohibited. This restriction shall not be construed to prohibit "limited home business uses". The term, "limited home business uses" shall mean such uses that are not apparent or detectable by sight, sound, or smell from outside the Unit. Limited home business uses: (a) do not involve regular visits of customers or clients to the Unit or door-to-door solicitation of residents of the Condominium; (b) are consistent with the residential character of the Condominium; and (c) do not constitute a nuisance (as elsewhere defined in this Section 16), or a hazardous or offensive use, or threaten the use and enjoyment of other Units by the Owners thereof, or the security or safety of others within the Condominium, or otherwise violate any use restrictions contained herein. This provision is intended to be and shall be retroactive to and effective from the date of recording of the original Declaration, however, any persons in violation of this amended provision on the date it is recorded in the Public Record shall be given a grace period of up to ninety (90) days to comply before enforcement action shall be commenced. In order to avoid undue hardship the Board of Directors may, in its sole discretion, extend the grace period once for up to an additional ninety (90) days. The Board may adopt such additional rules and regulations regarding the operation of limited home business uses consistent with this paragraph.
- 16.4 Pets. Pets are prohibited. No pets of any kind are allowed in the Association or Units, nor any other animals, livestock, or poultry nor may any of the same be raised, bred or kept upon any portion of the Condominium Property. Guests are not permitted to bring pets on the Condominium Property on a temporary basis while visiting an Owner or tenant at any time. The only exception to this restriction are for those persons who qualify for a waiver of this restriction under applicable federal or state law, and subject to the rules and regulations adopted by the Board of Directors. The restrictions on pets in this Declaration and in the Rules shall apply equally to Owners and tenants.
- 16.5 Use of Common Elements. The Common Elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units. Common walkway, stairways, and other Common Elements shall not be obstructed, littered, defaced, or misused in any manner. Balconies, terraces, and patios, walkways, and stairways shall be used only for the purposes intended. They shall not be used for hanging or drying clothing, (except drying racks that cannot be observed from outside of a limited common element maybe used), or for outdoor cooking, for cleaning of rugs or other household items, or for storage of bicycles or other personal property
- 16.6 Nuisances. No nuisances (as defined by the Association) shall be allowed on the Condominium Property, nor shall any use or practice be allowed which is a source of annoyance to residents or occupants of Units (e.g., smoking) or which interferes with the peaceful possession or proper use of the Condominium Property by its residents or occupants. The Board of Directors is hereby authorized to adopt additional rules and regulations regarding noise, annoyances and other conduct, including, but not limited to, regulations regarding the types of activities that are permitted or prohibited, the level of noise that is permitted, and the hours during the day during which certain types of activities are permitted.

- 16.7 No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of the Condominium Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Condominium Property, shall be corrected by, and at the sole expense of, the party obligated to maintain or repair such portion of the Condominium Property, as elsewhere herein set forth. Notwithstanding the foregoing and any provisions of this Declaration, the Articles of Incorporation or By-Laws, the Association shall not be liable to any person(s) for its failure to enforce the provisions of this subsection.
- 16.8 Local Ordinances. Whenever the Village of North Palm Beach County shall enact a more restrictive ordinance pertaining to the use of land, harboring of animals, parking of vehicles, usage of signs, etc., then are herein set forth in this Section, such more restrictive ordinance shall be deemed to have superseded any restriction set forth in this Section, and such more restrictive ordinance shall be deemed controlling until repealed.
- 16.9 Increase in Insurance Rates. No Owner may take any action which will result in an increase in the rate of insurance paid for by the other Owners or the Association, including insurance covering the Common Areas
- 16.10 Drones. The laws regulating "Unmanned Aircraft Systems" (more commonly referred to as "Drones") is still evolving. The flying of Drones over the condominium property presents certain hazards and safety concerns to the Community. Accordingly, the Board of Directors is hereby granted the authority to adopt such reasonable rules and regulations concerning the operation of Drones on or over the condominium property, whether by residents or non-residents, as the case may be. Such rules and regulations shall be enforceable in accordance with this Declaration and applicable law.
- 16.11 Signs. No "For Sale" or "For Rent" signs or other displays of advertising shall be maintained on any part of the Common Elements, Limited Common Elements, or Units, excepting for spaces specifically provided for such signs as shall be designated by the Association.
- 16.12 Antennas. No television or radio antennas or towers of any nature shall be erected on any part of the Condominium Property or the exterior of any Building, except to the extent such installations must be permitted by federal law or except to the extent such installations are approved as an alteration to the Common Elements as provided in Sections 8 or 9 hereof. The Board is empowered to adopt rules and regulations regarding the installation of television or radio satellites or antennas consistent with any applicable federal law in order to preserve and protect the Condominium Property from damage and to address legitimate safety objectives.
- 16.13 Limitations on Ownership. No ownership or possessory interest in a Unit may be conveyed, leased or otherwise transferred to a corporation, partnership or other entity of any kind except for trustees of trusts or corporations where all of the stock is owned by the members of a single family, as defined above, where such trust or corporation was formed for the purpose of estate or financial planning. This provision is not applicable to the acquisition of Units by the Association. Notwithstanding the provisions above regarding the acquisition of title by an entity, any entity acquiring title to a Unit through the foreclosure of a mortgage or other lien or by deed in lieu of foreclosure may hold title, but any person taking occupancy of the Unit while title is

held by such entity shall be subject to the prohibitions in this section applicable to leases. Title to a Unit may not be held in the name of more than two (2) natural persons who are part of a single family. No person or permitted entity may own an interest, directly or indirectly, jointly or individually, in more than two (2) Units in the Condominium.

- 16.14 Vehicles. Only passenger motor vehicles are permitted on the Condominium Property. Further, all such passenger vehicles must have valid license plates displayed on the rear of the vehicle with a current registration sticker affixed to the license plate to be parked on the Condominium Property. No boats, ATV's, swamp buggies, dune buggies, go carts, golf carts, wave runners, jet skis, motorcycles, mopeds, trailers, motor homes, travel trailers, campers, recreational vehicles, vans (including cargo vans and "econoline" vans), trucks, pickup trucks or commercial vehicles shall be parked or stored anywhere on the Condominium Property. This does not apply to a commercial vehicle on the premises to provide services to an Owner or the Association. As used herein the term "commercial vehicle" means trucks and other vehicles which are used for business purposes including but not limited to, any vehicle which displays a company name or logo on its exterior, is adorned with signs, flags, advertisements or any type of lettering or graphic of a commercial nature or any vehicle with racks, ladders, staging, or other equipment or attachments of a commercial nature, including supplies used for commercial purposes, on or visible in the vehicle. Additionally, and notwithstanding the foregoing, any vehicle, by whatever name designated, which is used for transporting goods, equipment or paying customers shall be considered a commercial vehicle regardless of any definition found elsewhere to the contrary. No maintenance or mechanical repairs of any vehicles is permitted on the Condominium Property except in an emergency. Further, any vehicle, whether commercial or non-commercial, with body parts such as the hood, door, quarter panel, bumper or bed removed shall not be parked on the Condominium Property. The Board is hereby authorized to adopt further guidelines in the Rules and Regulations to further delineate and define permitted and prohibited vehicles and otherwise regulate parking on the Condominium Property.
- 16.15 Boats. All vessels docked in Unit Owner boat slips must have minimum liability insurance coverage with additional pollution liability. The policy must list Northlake Condominium Association, Inc. as "Additional Insured" on the policy and certificate of insurance issued to Northlake Condominium Association, Inc., indicating the existing liability limit. If the Association does not receive the required certificate of insurance, boat owner will be obliged to remove the vessel from the property. Boat owners, whether slip owner, lessee or guest, must on policy renewals, annually or when changing insurance carriers, see that insurance carrier issues Northlake Condominium a certificate of insurance. The Board is hereby empowered to make and amend rules and regulations delineating the required levels of insurance, and imposing such additional restrictions on vessels docked on the Condominium Property as the Board deems to be necessary and proper. The Board may also adopt a uniform assignment/lease document as a pre-requisite to any Unit Owner docking a boat on the Condominium Property or on the docks adjacent thereto and such assignment/lease may prescribe guidelines for maintenance of the docks space and dock slips, the allocation of such maintenance costs to those entitled to use dock slips, and such other terms and conditions as the Board deems necessary and appropriate.

16.16 Towing and Booting. Any vehicle that is parked in violation of the Association's restrictions may be towed or booted whether it is on property owned by the Association, the Common Elements, or Limited Common Elements appurtenant to a Unit. No prior notice is required. All costs and expenses shall be borne by the owner of the vehicle. Such costs and expenses shall not be considered a fine or suspension of the right to use the common facilities and do not preclude the Association from pursuing those remedies instead of or in addition to towing or booting a vehicle. The Association is not liable for any damage to a vehicle that is towed or booted by a licensed and insured contractor. Unit Owners and lessees are responsible to see that all of the occupants of their Units, as well as guests, visitors, and invitees, comply with the Association's parking restrictions. Unit Owners are responsible to indemnify, defend, and hold the Association harmless from all claims against the Association on account of towing or booting a vehicle, including claims against the Association asserted by any occupant of the Unit as well as any guests, visitors, and invitees to a Unit, excepting only if it has been judicially determined that the Association is guilty of gross negligence or a higher degree of culpability.

16.17 Exteriors. No change shall be made in the color of any exterior window, door, storm or hurricane shutter, glass or screen of a unit, except with the prior written consent of the Board of Directors of the Association. All shutters, and reflective window covering, or other such covering of the exterior doors and windows shall be uniform in color as prescribed by the Board of Directors of the Association. The unit owner shall not cause anything to be affixed, attached to, hung, displayed or placed on the exterior walls, including awnings and storm shutters, doors or windows of the building, nor shall the unit owner grow any type of plant, shrubbery, flower, vine, or grass outside his unit, nor shall the unit owner place any furniture or equipment outside his unit, except with the prior written consent of the Board of Directors of the Association, and further, when approved, subject to the rules and regulations adopted by the Board of Directors of the Association. No clothesline or similar device shall be allowed on any portion of the condominium property nor shall clothes be hung anywhere except where designated by the Board of Directors of the Association. No furniture, equipment or decorative items shall be allowed beyond the boundaries of the patios and balconies of the individual units.

16.18 Terrace, Balcony, Patio. The appearance of the terrace, balcony, or patio shall not be altered in any manner whatsoever without the written consent of the Board of Directors of the Association. The Board is authorized to adopt rules and regulations regarding the enclosure and appearance of terraces, balconies and patios.

**17. CONVEYANCES, SALES, RENTALS, LEASES AND TRANSFERS.** In order to insure the community of congenial residents and thus protect the value of the Units, the sale, leasing, rental, and transfer of Units by any Owner shall be subject to the following provisions:

17.1 Transfers Subject To Approval. The following transfers shall be subject to prior written approval of the Board of Directors and any transfer undertaken without prior written approval of the Board of Directors shall be void:

- (a) All sales of units except judicial sales conducted pursuant to a judgment of foreclosure held by an Institutional First Mortgagee encumbering a unit or

public sales conducted by the Palm Beach County Tax Collector resulting from the failure to pay real property taxes.

- (b) All transfers by lease.
- (c) All transfers by gift.
- (d) All transfers by devise or inheritance.
- (e) Any other transfer of title to or possession of a unit.
- (f) All transfers subject to approval shall require, as a condition of approval, the payment to the Association of a transfer fee not to exceed the maximum amount permitted by the Act.
- (g) All transfers by lease may be conditioned upon the posting of a security deposit with the Association not to exceed the maximum amount permitted by the Act.

Further, notwithstanding anything to the contrary contained herein or elsewhere in this Declaration, all occupants not approved as part of an existing lease or the conveyance of the Unit to the present owner must be approved as provided in this Section 17 regardless of whether or not the new occupant shall be added to the lease or obtain an ownership interest in the unit

17.2 Notices to Association. Prior to approving any transfer subject to approval hereunder, the Association shall be entitled to written notice of the transferor's intent to make the transfer with a copy of the documentation evidencing the intended transfer, including, but not limited to, a copy of the contract for sale in the case of a sale, a copy of the Letters of Administration for the Personal Representative of a deceased Owner's estate and such other documentation from the Probate Court file as the Board may reasonably require in the event of a transfer by devise, a copy of the lease in the case of a lease, and a copy of any other documentation pertaining to a proposed transfer subject to approval hereunder which the Association may reasonably require, completed applications on forms prescribed by the Association, a personal interview with the proposed transferee(s) and any other intended occupants of the Unit, and such other and further information about the intended transferees or occupants as the Association may reasonably require.

17.3 Association's Election. Within thirty (30) days of receipt of the last of the information required pursuant to Section 17.2 above, the Association must either approve or disapprove the transfer. Failure on the part of the Association to respond within said thirty (30) day period shall constitute automatic approval for the proposed transfer.

- (a) Approval. In the event the Association approves a lease, the Association shall notify the transferor and transferee of its approval in writing. In the event the Association approves any other transfers subject to approval hereunder, the Association shall deliver to the transferor or the transferor's designee an executed certificate of approval, approving the transfer, executed by an authorized representative of the Association.
- (b) Disapproval of Transfer of Title. In the event the Board of Directors disapproves a proposed sale or other transfer of title, unless good cause exists, as defined below, the Association must, within thirty (30) days of

receipt of the last of the information provided pursuant to Section 17.2 hereof, provide the owner with an executed contract from the Association or another purchaser acceptable to the Association, which contract must provide for the purchase of the Unit on the same terms as were set forth in the original proposed contract for sale, which contract must provide for a closing date within thirty (30) days from the date it is delivered to the owner by the Association. If the conveyance or transfer was a gift, devise or inheritance, unless good cause exists, as defined below, the purchase price shall be determined by an appraiser selected by and at the expense of the substitute purchaser. If the Unit Owner does not agree with the appraisal, the owner may select and pay for another appraisal and the purchase price shall be the average of the two appraisals. If the Association does not respond to the application within thirty (30) days, as set forth above, or the substitute purchaser provided by the Association does not close within thirty (30) days, as set forth above, the original transaction shall be deemed approved and the Unit Owner may proceed to closing and shall be entitled to a Certificate of Approval as described in Paragraph (a) of this Section 17.3. If good cause exists for the Association to disapprove a proposed sale, conveyance or transfer by gift, devise or inheritance, the Association shall not be obligated to purchase or provide a substitute purchaser for the Unit. Good cause shall be defined to include the following:

- (1) The applicant fails to qualify for membership in the Association, including, but not limited to, those applicants who fail to qualify for membership because the use, occupancy and/or ownership of the Unit and/or the Common Elements by the applicant, as disclosed in the screening process, will violate the restrictions on use, occupancy or ownership set forth in this Declaration or the rules and regulations, or;
- (2) The person seeking approval (which shall include all proposed occupants) has been convicted, found guilty, or pled guilty of a felony in this state or would be considered a felony in this state, involving theft or violence to persons or property; demonstrating dishonesty or moral turpitude; or has been convicted of the sale, manufacturing, importation, use or distribution of a controlled substance or illegal drugs; or is a registered sexual offender or sexual predator under Florida Law. In the event the conviction or convictions is/are more than five (5) years prior to the date of application, the Association may elect to waive this basis for denial at its sole discretion depending on the nature and number of convictions, and such other circumstances as the Association is required to take into consideration pursuant to applicable law to be in compliance with state and federal fair housing laws; provided, however, that the maximum period of time the Board will consider a felony conviction under this paragraph as ground for denial of a proposed transfer shall be ten (10) years from the date of the person's application unless the person is a registered sex offender or sexual predator as of the date of the underlying felony conviction requiring such registration, or was convicted of a felony for manufacture, importation, distribution or trafficking in a controlled substance, in which case there shall be no time limit.

- (3) For transfers by sale, the person seeking approval intends to purchase the Unit without paying at least twenty percent (20%) of the purchase price; excluding closing costs, in cash or in some form that would result in a first mortgage secured by the Unit with a loan to value ratio (based upon the bona fide sale price) in excess of eighty percent (80%); or
- (4) The applicant takes possession of the Unit prior to approval by the Association as provided for herein; or
- (5) The person seeking approval has a history of disruptive behavior or disregard for the rights and property of others as evidenced by his conduct in this condominium as a lessee, guest, owner or occupant of a Unit; or
- (6) The applicant fails to comply with the requirements of Section 17.2 hereof.
- (7) The person seeking approval does not provide proof of insurance, whether a prospective buyer or tenant of a Unit.
- (8) No transfer of title will be approved if, at the time of the application or at any time prior to the time approval is to be granted, the Unit is delinquent in the payment of any financial obligation to the Association under this Declaration or under any of the governing documents or the applicable Statute, or if the Unit is in violation of any provision of this Declaration or the rules and regulations which remains uncured at the time the Association is required to make its election hereunder.

17.4 Leasing. The Association must approve or disapprove a lease within thirty (30) days of receipt of the last of the information provided pursuant to Section 17.2 hereof. The Association may disapprove a lease on any reasonable grounds, including, but not limited to, any of the provisions defining good cause for transfers of title which might be applicable. The Board may impose additional conditions on the approval and disapproval of leases from time to time pursuant to its rule-making authority, as it determines is necessary in its sound business judgment, including additional grounds for the good cause denial of a proposed lease, without the need to further amend to this Section 17.3.

17.5 Mortgage Approval and Subordination. All liens against a Unit, other than a first mortgage recorded before the Association's claim of lien, shall be subordinate and inferior to the Association's lien for Assessments, regardless of the date of recordation of the Association's claim of lien, except to the extent otherwise required by law. Any first mortgage liens or other liens which become first mortgage liens which involve an outstanding balance which exceeds eighty percent (80%) of the fair market value of the Unit at the time the mortgage is recorded shall be subordinate and inferior to the Association's claim of lien to the extent the mortgage balance exceeds eighty percent (80%) of the fair market value of the Unit at the time of recordation of the mortgage.

**18. COMPLIANCE AND DEFAULT.** Each Unit Owner and every occupant, lessee, guest, agent, employee or contractor of a Unit Owner and the Association shall be governed by and shall comply with the terms of this Declaration of Condominium and all exhibits annexed

hereto, and the rules and regulations adopted pursuant to those documents, as the same may be amended from time to time. The Association (and Unit Owners, if appropriate) shall be entitled to the following relief in addition to the remedies provided by the Act:

- 18.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement, whether to the Common Elements, Limited Common Elements, Association Property, a Unit, the Unit Owner's personal property, or to the personal property of the Association or other Unit Owners or residents or guests, including, but not limited to, repair after casualty under Section 14 hereinabove, made necessary by his or her violation of any portion of this Declaration or by his or her negligence or intentional misconduct or by that of any member of his family or his or her guests, agents, employees or contractors, but only to the extent such expense is not met by the proceeds of insurance actually collected by the Association. Any expense advanced by the Association to perform such maintenance, repair or replacement, together with interest, costs and attorneys' fees, shall be secured by a lien against the Unit enforceable in the same manner as an Assessment under Article 12 hereof.
- 18.2 Compliance. In the event a Unit Owner or occupant fails to comply with such Unit Owner's obligations under Sections 7, 9, 13 and 16 hereof or fails to observe and comply with any other provision of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to sue in a court of law for damages, and levy a special charge against the Unit Owner and the Unit for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance. Such charge, together with interest, costs and attorneys' fees, shall be secured by a lien against the Condominium Parcel, enforceable in the same manner as Assessments levied under Article 12 hereof.
- 18.3 Fines. In addition to all other remedies provided hereunder, in the event a Unit Owner or anyone for whom a Unit Owner is responsible fails to comply with a provision of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property in the manner required, the Association shall have the right to impose a fine against the Unit Owner and the Unit. The amount of any fine shall be determined by the Board of Directors of the Association, but in any event shall not exceed the maximum amount permitted by the Act.
- 18.4 Suspension of Use Rights. In addition to all other remedies provided hereunder, the Association shall have the right to suspend the rights of the Unit Owner, his or her tenants, guests, licensees or invitees, to use any portion of the Common Elements or Association Property or other facilities during any period of time during which the Unit Owner is delinquent in the payment of assessments or any other financial obligation to the Association or in the event a Unit Owner or anyone for whom a Unit Owner is responsible fails to comply with a provision of the Declaration, the By-Laws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property in the manner required.
- 18.5 Suspension of Voting Rights. In addition to the remedies provided in Section 12 hereof and by applicable law, the Association may suspend the voting rights of any Owner who is delinquent more than ninety (90) days in the payment of any monetary

obligation to the Association. Any Owner whose voting rights are suspended does not count towards a quorum and the quorum is reduced to exclude such Owner.

- 18.6 Set Off. Any funds due and payable by the Association to an Owner under this Declaration, the Articles of Incorporation or the By-Laws, or under the Act shall be subject to a right of set-off for any amounts due and owing to the Act shall be subject to a right of set-off for any amounts due and owing to the Association by the Owner under this Declaration, the Articles of Incorporation, the By-Laws, or the Act.
- 18.7 Costs and Attorneys' Fees. The Association or any Unit Owner who takes action to enforce the Governing Documents of the Association, which does not result in a lawsuit being filed, shall be entitled to recover reasonable attorneys' fees and costs incurred, including such fees and costs for providing any and all pre-suit notice(s) of violation of the Governing Documents, notices of fining committee meetings and the outcome of such meetings, any and all statutory notices, and any other fees and costs incurred pre-suit to resolve any alleged violation(s) of the Governing Documents. Such charges, including interest thereon, shall be secured by a lien against the Owner's Unit with the same force and effect as a lien for unpaid assessments, which the Association or prevailing Owner may foreclose in the same manner and procedure as set forth in this Declaration and Chapter 718. In such an event, the Association or prevailing Unit Owner shall be entitled to recover all additional attorney's fees and costs to foreclose said lien. In the event a lawsuit is filed to enforce the Governing Documents and if the Association or prevailing Unit Owner is awarded attorneys' fees and costs against a Unit Owner for violation of the Governing Documents, and said award remains unpaid for more than (30) days after the award becomes a final order not subject to appeal, then all amounts so awarded, including interest thereon, shall be secured by a lien against the Owner's Unit with the same force and effect as a lien for unpaid assessments, which the Association or prevailing Unit Owner may foreclose in the same manner and procedure as set forth in this Declaration and Chapter 718. In such an event, the Association or prevailing Unit Owner shall be entitled to recover all additional attorney's fees and costs to foreclose said lien against the Unit.
- 18.8 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Act, this Declaration, the By-Laws, the Articles of Incorporation of the Association, or the rules and regulations, as the same may be amended from time to time, shall not constitute a waiver of their right to do so thereafter.
- 18.9 Election of Remedies. All rights, remedies and privileges granted to the Association or a Unit Owner pursuant to any terms, provisions, covenants or conditions of the Condominium documents shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies or privileges as may be granted by the Condominium documents.

## 19. TERMINATION.

- 19.1 This Condominium may be voluntarily terminated in the following manner:
- (a) As provided for in the Act, at any time;
  - (b) When there has been "major damage", as defined and provided in Article 14, captioned "Reconstruction or Repair After Casualty";

(c) Proposed voluntary termination may be submitted to a meeting of the Voting Members of the Association, when due notice is given, and if approved in writing within sixty (60) days of said meeting by three-fourths (3/4) of the total membership of the Association entitled and qualified to vote, and by all Institutional Mortgagees, then the Association, and the approving Owners shall have an option to purchase all of the parcels of the other Owners within a period expiring one hundred twenty (120) days from the date of such meeting. Such approval shall be irrevocable until the expiration of the option, and if the option is exercised, the approval shall be irrevocable. The option shall be exercised upon the following terms:

(i) Exercise of Option. An agreement to purchase, executed by the Association and/or the record Owners of the parcel who will participate in the purchase shall be delivered by personal delivery, or mailed by certified or registered mail, to each of the record title owners of the parcels to be purchased and such delivery shall be deemed the exercise of the option. The agreement shall indicate which parcels will be purchased by each participating record title owner and/or the Association and shall require the purchase of all parcels owned by record title owners not approving the termination. But the agreement shall affect a separate contract between each seller and his purchaser.

(ii) Price. The sale price for each Unit shall be the fair market value determined by agreement between the seller and the purchaser, within thirty (30) days from the delivery or mailing of such agreement; and in the absence of agreement as to price, it shall be determined by appraisers appointed by the senior judge of the Circuit Court in and for Palm Beach County, Florida, on the petition of seller. The expenses of appraisal shall be paid by the purchaser.

(iii) Payment. The purchase price shall be paid in cash.

(iv) Closing. The sale shall be closed within thirty (30) days following the termination of the sale price.

19.2 Certificate. The termination of the Condominium in any of the foregoing manners shall be evidenced by a certificate of the Association executed by the president and secretary certifying as to the fact of the termination, which certificate shall become effective upon being recorded in the public records of Palm Beach County, Florida.

19.3 Amendment. This section concerning termination cannot be amended without consent of all Unit Owners and of all record owners of mortgages upon the Units.

**20. RESTRICTIONS AND EASEMENTS.** The real property submitted to Condominium ownership hereby is subject to conditions, limitations, restrictions, dedications, reservations of record, taxes, applicable zoning ordinances now existing or which may hereafter exist, easements for Utility Service for the United States Post Office authorities, and any right of the United States of America, State of Florida, or any governmental agency as to any submerged lands and as to any lands lying below the natural, ordinary high water line of the surrounding bodies of water, easements for ingress and egress for pedestrian and vehicular purposes, easements for Utility Service and drainage now existing or hereafter granted by the Association for the benefit of such persons as the Association designates. An

easement, whether heretofore or hereafter created under and pursuant to this Declaration shall constitute a covenant running with the Land of the Condominium, and, notwithstanding any other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with the proper and intended use and purpose and shall survive the termination of the Condominium. The Unit Owners of this Condominium do hereby designate the Association as their lawful attorney-in-fact to execute any and all instruments on their behalf for the purposes of creating all such easements as are contemplated by the provisions hereof.

**21. COVENANT RUNNING WITH THE LAND.** All provisions of this Declaration, the Articles, By-Laws and applicable rules and regulations of the Association shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the Association, the Unit Owners, and their respective heirs, personal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration and such Articles, By-Laws and applicable rules and regulations, as they may be amended from time to time. The acceptance of a deed of conveyance, or the entering into of a lease, or the entering into occupancy of any Unit, shall constitute an adoption and ratification of the provisions of this Declaration, and the Articles, By-Laws and applicable rules and regulations of the Association, as they may be amended from time to time, including, but not limited to, a ratification of any appointments of attorneys-in-fact contained herein.

**22. ADDITIONAL PROVISIONS.**

22.1 Notices. All notices to the Association required or desired hereunder or under the By-Laws of the Association shall be sent by certified mail to the Association in care of its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners, unless another manner of delivery is specifically required by the Condominium Act or this Declaration or the By-Laws. Except as provided specifically in the Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by him from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address as may be designated by them from time to time, in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of a change of address, which shall be deemed to have been given when received, or five (5) business days after proper mailing, whichever shall first occur.

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

22.3 Exhibits. There is hereby incorporated in this Declaration all materials contained in the Exhibits annexed hereto, except that as to such Exhibits, any conflicting

provisions set forth therein as to their amendment, modification, enforcement and other matters shall control over those hereof.

- 22.4 Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a Vice-President may be substituted therefore, and wherever the signature of the Secretary of the Association is required hereunder, the signature of a Treasurer may be substituted therefore, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.
- 22.5 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits annexed hereto or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.
- 22.6 Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the Exhibits annexed hereto, or applicable rules and regulations adopted pursuant to such documents, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.
- 22.7 Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.
- 22.8 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and applicable rules and regulations, are fair and reasonable in all material respects.
- 22.9 Gender Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular and the use of any gender shall be deemed to include all or no genders.
- 22.10 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for ease of reference and in no way define or limit the scope of the particular document or any provision thereof.

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

**Lots 11, 12, 13 and 14, Block 37, VILLAGE OF NORTH PALM BEACH, PLAT NO. 3, according to the plat thereof on file in the office of the Clerk of Circuit Court in and for Palm Beach County, Florida, in Plat Book 25, pages 175 and 176.**