

[THIS DECLARATION IS A RESTATEMENT OF THE ORIGINAL DECLARATION OF COVENANTS AND RESTRICTIONS FOR VILLAS OF LAKE ARBOR RECORDED AT O.R. BOOK 5700, PAGE 218, ET SEQ., OF THE OFFICIAL RECORDS OF PINELLAS COUNTY, FLORIDA, AND INCLUDING ALL AMENDMENTS RECORDED THROUGH FEBRUARY 21, 2025]

RESTATED DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
VILLAS OF LAKE ARBOR

THIS DECLARATION OF COVENANTS AND RESTRICTIONS is made by VILLAS OF LAKE ARBOR, INC., a Florida Corporation (hereinafter called "Developer"), this 19th day of January, 1984.

ARTICLE I

Introduction, Definitions and Construction

Developer is the owner of the real property located in Pinellas County, Florida, more particularly described on Exhibits A and B attached hereto and desires to create on such properties a planned community with recreational facilities, open spaces and other community facilities. In order to preserve and enhance the property values and amenities in the community and to provide for maintenance of the properties and improvements contained therein, Developer hereby subjects the real property described in Exhibit A, together with such additions as may hereafter be made thereto, to the covenants, restrictions, easements and liens hereinafter set forth. Developer is imposing these covenants and restrictions for the benefit of all owners of the property, or portions thereof. This Declaration shall run with the title to the property, or any portion thereof, and the Grantee of any deed conveying the property, or any portion thereof, shall be deemed by the acceptance of such deed to have agreed to observe, comply with, and be bound by the provisions of this declaration.

Unless the context expressly requires otherwise, the words defined below, whenever used in this Declaration and all supplementary or amendatory instruments thereto, shall have the following meanings:

Section 1.1. “Association” shall mean VILLAS OF LAKE ARBOR COMMUNITY ASSOCIATION, INC., a Corporation not for profit organized under the laws of the State of Florida, its successors and assigns.

Section 1.2. “Board” or “Board of Directors” means the Association's Board of Directors.

Section 1.3. “Declaration” shall mean the covenants, conditions, restrictions, and easements and all other provisions set forth herein or in any amendment hereto.

Section 1.4. “Developer” shall mean and refer to VILLAS OF LAKE ARBOR, INC., a Florida Corporation, its successors or assigns, or to any successor or assign of any of its interest in the development of said properties.

Section 1.5. "General Plan of Development" shall mean that plan as publicly distributed and as approved by appropriate governmental agencies which shall represent the general plan and uses of land in the Properties, as such may be amended from time to time.

Section 1.6. "The Properties" shall mean and refer to all real property which becomes subject to the Declaration, together with such other real property as may from time to time be annexed thereto under the provisions of Article II hereof.

Section 1.7. "Condominium Unit" shall mean that part of a condominium which is subject to exclusive ownership, and is further defined in Chapter 718 of the Laws of the State of Florida, 1981. As used herein, the term shall be interchangeable with "Lot" and "Living Unit", where the context is appropriate.

Section 1.8. "Common Area or Areas" shall mean and refer, interchangeably, to those areas of land shown as "Common Area" or "Open Areas" on any recorded subdivision plat of the Properties and improvements thereto, and also any land improvements which are owned by the Association; including the recreational facility areas of the VILLAS OF LAKE ARBOR COMMUNITY, which are intended to be devoted to the common use and enjoyment of the Members, and all areas not within the boundary of any Lot or Parcel.

Section 1.9. "Living Unit" and "Unit" are interchangeable, and shall mean and refer to any portion of a structure situated upon the Properties designed and intended for use and occupancy as a residence. The term shall also mean and include a Condominium Unit.

Section 1.10. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of Common Areas as heretofore defined. The term shall include a condominium Living Unit.

Section 1.11. "Multifamily Structure" shall mean and refer to a structure with two or more Units under one roof, and shall include a Condominium.

Section 1.12. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, and Living Unit (including Condominium Unit) but excluding those having such interest merely as security for the performance of an obligation.

Section 1.13. "Occupant" shall mean and refer to the occupant of a Living Unit or commercial space who shall be either the Owner or a lessee who holds a written lease.

Section 1.14. "Parcel" shall mean and refer to all undeveloped tracts of land which may become subject to this Declaration.

Section 1.15. "Rules and Regulations" shall mean and refer to the document containing rules and regulations and policies adopted by the Board of Directors as same may be from time to time amended.

Section 1.16. "Supplementary Declaration" shall mean any declaration of covenants, conditions and restrictions which may be recorded by the Developer, which extends the provisions of this Declaration to a Parcel and contains such complementary provisions for such Parcel as are herein

required by this Declaration, which shall include any Amendment to this Declaration or Joinder in this Declaration, executed for such purpose.

Section 1.17. “Interpretation”. Unless the context expressly requires otherwise, the use of the singular includes the plural and vice versa; the use of one gender includes all genders; the use of the terms “including” or “include” is without limitation; and the use of the terms “will”, “must” and “should” has the same effect as the use of the term “shall”. Wherever any time period is measured in days, “days” means consecutive calendar days; and, if any such time period expires on a Saturday, Sunday, or legal holiday, it shall be extended to the next succeeding calendar day that is not a Saturday, Sunday, or a legal holiday. Unless the context expressly requires otherwise, the terms “common area”, “lot”, and “property” means all or any portion applicable to the context and include any and all improvements, fixtures, trees, vegetation, and other property from time to time situated thereon, and the benefit of all appurtenant easements. This Declaration shall be construed liberally in favor of the party seeking to enforce its provisions to effectuate its purpose of protecting and enhancing the value, marketability, and desirability of the property by providing a common plan for the development and enjoyment thereof. Headings and other textural divisions are for indexing purposes only and are not to be used to interpret, construe, apply, or enforce any substantive provisions.

ARTICLE II

Property Subject To This Declaration

Section 2.1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Pinellas County, Florida, and more particularly described in Exhibit A.**

Section 2.2. Additions By The Developer To Existing Property. The Developer shall have the right to bring within the provisions of this declaration additional properties in future stages of development, which are any portion or all of those lands described in Exhibit B or which are contiguous to lands described in Exhibit B. For this purpose “contiguous” shall mean adjacent to any property described in Exhibit B or separated from any property described in Exhibit B only by an area dedicated to public use. Nothing herein shall mean that the developer must develop the property according to the general plan of development.

Section 2.3. Other Additions. Notwithstanding the foregoing, other additional lands than those described on Exhibit B may be annexed to the existing property upon approval in writing of the Developer and of the Association, pursuant to the affirmative vote of a majority of the owners who are voting in person or by proxy at a regular or special meeting of the Association.

** In accordance with the Plat thereof as recorded in Plat Book 74, Pages 20 & 21 of the Public Records of Pinellas County, Florida.

Section 2.4. Method of Addition. The additions authorized under Sections 2.2 and 2.3 may be made by recording in the Official Records of Pinellas County, Florida, one or more Supplementary Declarations of Covenants and Restrictions or Amendments to this Declaration, or Joinder in this Declaration, with respect to the additional property.

Section 2.5. Mergers. Upon a merger or consolidation of another association with the Association, the Properties, rights, and obligations of the Association may, as provided in its Articles of Incorporation, be transferred to another surviving or consolidated association or, alternatively, the properties, rights, and obligations of another association may be added to the properties, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the existing property, together with the covenants and restrictions established upon any other properties, as one scheme. No such merger or consolidation, however, shall effect any revocation, change, or addition to the covenants established by this Declaration within the existing property, except as hereinafter provided.

ARTICLE III

Membership and Voting Rights

Section 3.1. Membership. Every Owner of a Lot or Living Unit is a member of the Association. An Owner of more than one (1) Lot or Living Unit is entitled to one membership for each Lot or Living Unit owned. Each membership is appurtenant to the Lot or Living Unit upon which it is based and is transferred automatically by conveyance of title to that Lot or Living Unit whereupon the membership of the previous Owner automatically terminates. Except for the Developer, no person other than an Owner may be a member of the Association, and membership in the Association may not be transferred or encumbered except by the transfer of title to a Lot or Living Unit; provided however, the foregoing do not prohibit the assignment of membership and voting rights by an Owner who is a contract seller to his vendee in possession. All members of the Association shall be governed and controlled by the Articles of Incorporation and By-Laws of such Association.

Section 3.2. Voting Rights. When more than one (1) person holds interest or interests in any Lot or Living Unit, the vote for such Lot or Unit shall be exercised as they among themselves determine. The Association shall have two (2) classes of voting membership:

Class A. So long as there is Class B membership, Class A members are all owners, except Developer, and are entitled to one (1) vote for each Lot or Living Unit owned. Upon termination of Class B membership, Class A members are all owners.

Class B. The Class B member is Developer, which shall have four (4) votes for each Lot or Living Unit owned. The Class B membership shall cease when all of the Lots or Living Units within the properties have been conveyed to purchasers, or on June 30, 1990, whichever first occurs.

ARTICLE IV

Development Plan

The VILLAS OF LAKE ARBOR COMMUNITY is being developed on a tract of land described on Exhibit "B" of this Declaration. It is intended to be developed in several phases, and as each phase is commenced, the lands encompassed by that phase will become subject to the provisions contained in this Declaration, in accordance with the terms stated in ARTICLE II hereof. All phases will be bound to one another through the terms of the Declaration and the interest of the Owners as members of the VILLAS OF LAKE ARBOR COMMUNITY ASSOCIATION, INC.

All roadways, utility systems, recreation facilities, and Common Areas will be privately owned and maintained by the Association and other entities being served by the same, according to the development plan of the Developer as it may hereafter be constituted or amended. The establishment of full easement rights and benefits for such roadways, systems, and facilities are provided and described in ARTICLE VI herein, and have also been separately provided for through a Mutual Easement Agreement recorded in the Public Records of Pinellas County, Florida. Upon completion of each phase of the development, the fee simple and unencumbered title to the lands upon which such roadways, systems, and facilities have been constructed within that phase, will be conveyed to the Association. If there should be more than one Association within the overall VILLAS OF LAKE ARBOR COMMUNITY, conveyance will be made to the Association created for these purposes for that phase. Notwithstanding the possibility of ownership of certain of the common areas by different Associations, the easements previously granted through the Mutual Easement Agreement and reserved in this Declaration providing for the right of all owners to utilize the Common Areas shall bind all such Associations. The Developer covenants that no persons or entities other than those having a legitimate interest in the properties described in ARTICLE VI or properties contiguous thereto shall be granted any such easement rights or rights of use. All costs and expenses pertaining to the ownership, use, and enjoyment of such easement rights are the sole obligation and expense of the Association (and, if applicable, all other persons and entities which may hereinafter use and enjoy the same). These expenses are assessable and collectible as a part of the regular assessments for maintenance and management, in accordance with the provisions contained herein.

ARTICLE V

Common Area

Section 5. 1. Obligations of the Association. The Association, subject to the rights of the owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive, and sanitary condition, order, and repair.

Section 5. 2. Members' Easement of Enjoyment. Subject to the provisions herein, every owner shall have a non-exclusive right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot.

Section 5.3. Extent of Members' Easements. The Members' easements of enjoyment created hereby shall be subject to the following:

(A) The right of the Association to establish reasonable rules governing the use of the Common Areas and recreational facilities.

(B) The right of the Association to suspend the right of an Owner to use the facilities for any period during which any assessment against his Unit remains unpaid for more than thirty (30) days after notice; the right of the Association to suspend the right of a Member to use the said facilities for a period not to exceed sixty (60) days for any other infraction of this Declaration or the Rules and Regulation.

(C) The right of the Association to mortgage any or all of the facilities constructed on the Common Area for the purposes of improvements or repair to Association land or

facilities pursuant to approval of the Class B member and of two-thirds (2/3) of the votes of the Class A members who are voting in person or by proxy at a regular meeting duly called for this purpose.

(D) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by the Class B member and by two-thirds (2/3) of the Class A members, agreeing to such dedication or transfer, has been recorded.

(E) The Association may not alienate in any way or form the Common Areas and amenities thereon without the prior approval of all holders of outstanding first mortgages or deeds to secure debts against any and all property or properties that are governed by these Declarations or amendments thereto; provided, however, this provision shall not be applicable for easements for utilities, sewer, storm, and sanitary, road rights-of-way, or other usages.

Section 5.4. Delegation of Use. Any Member may share his right of enjoyment of the Common Area and facilities with the members of his family, his guests, and tenants, subject to such general regulations as may be established from time to time by the Association.

Section 5.5. Carports. In the event carports are constructed in the Common Areas for any phase of development, the developer may assign each Lot or Living Unit within that phase the exclusive use of a carport, which right of use shall not be transferrable except in conjunction with the conveyance of the Lot or Living Unit to a subsequent purchaser. Maintenance of the carport so designated shall be the responsibility of the Lot or Living Unit owner.

Section 5.6. Title to Common Area. The Developer will convey title to the Common Areas located within each phase of development to the Association upon completion of the improvements and sale of all Living Units located within that phase. Title to the recreational facility will be conveyed to the Association, or pro-rata to all such Associations within VILLAS OF LAKE ARBOR based upon the respective number of Living Units by each Association represented upon completion of the development of the entire community. Such conveyances shall be free and clear of all liens and financial encumbrances. From the date of this Declaration, members shall have all the rights and obligations imposed by Declaration with respect to such Common Areas and recreational facilities.

ARTICLE VI

Easements

The Developer hereby reserves unto itself and his successors and assigns, and grants (such grants being automatically made by any Deed of Conveyance incorporating or being subject to these Covenants) and dedicates to the Association and all owners, their licensees, invitees, guests, heirs, successors and assigns, and the mortgagees of such parties, of properties within all present and future phases of the VILLAS OF LAKE ARBOR COMMUNITY which are now or hereafter may be established on the parcel described on Exhibit B hereto, the easements set forth in the following sections of this Article.

Section 6. 1. Utility Easements. Utility easements are granted and reserved through the property as may be required to provide utility services for all residences and improvements within the

VILLAS OF LAKE ARBOR COMMUNITY. However, easements through any Living Unit shall only be in accordance with the plans and specifications for the Living Unit Building unless approved in writing and duly acknowledged according to law by each owner affected.

Section 6.2. Easements for Ingress and Egress. Easements for ingress and egress and right-of-way are granted and reserved for pedestrian traffic over, through, on and across all sidewalks, paths, walkways, lanes, and avenues as the same from time to time may exist upon the Common Areas and for vehicular traffic over, through, on, and across such portions of the Common Areas as may be intended for such purposes.

Section 6.3. Easements for Access to Living Units. Easements for ingress, egress, and access are hereby granted to the Owner of each Lot and Living Unit on, over, and across those portions of Common Area which are useful by the Owner as an area of access to and from his Lot and Living Unit. These easement rights may not be reduced, eliminated, or interfered with in any way, except upon the express consent of the Owner or Owners of the Lot or Living Unit affected.

Section 6.4. Easements for Maintenance and Repair. Easements through the Living Units and the Common Areas are granted and reserved for the maintenance, repair, replacement, and improvement of all portions of said Living Units or Common Area. Use of these easements for access to the Living Units shall be limited to reasonable hours and reasonable prior notice, except that access may be had at any time in the case of an emergency.

Section 6.5. Easements of Unintentional and Non-Negligent Encroachments. If a Living Unit shall encroach upon any Common Area or upon any other Living Unit by reason of original construction, then, if the encroachment cannot be corrected at a cost of less than \$500.00, an easement appurtenant to such encroaching Living Unit shall exist to the extent of such encroachment, so long as shall exist.

Section 6.6. Emergency Easements of Ingress and Egress. Easements are granted and reserved over all courtyards, porches, or other portions of any Lot and Living Unit which may be used as avenues of exit, whenever the same shall be reasonably required for emergency exit.

Section 6.7. Easements for Chimneys, Flues, and Fireplaces. All fireplaces constructed in the Living Units, together with all the flues, chimney, ducts, and other apparatus connected thereto, shall be considered part of the Living Unit to which such are appurtenant, and each Owner is hereby granted an easement to locate, keep, maintain, and replace such chimney, ducts, flues, and apparatus wherever such may have been initially placed, regardless of whether such location would otherwise constitute an encroachment.

Section 6.8. Easements for the Use and Enjoyment of Recreational Facilities and Common Areas. Easements, licenses, and rights of use are hereby granted and reserved for the use and enjoyment of all open areas, waterfront areas, Common Areas, and recreational facilities, including but not limited to the recreation building and swimming pool, which may now exist or hereafter be constructed upon the properties described on Exhibit B, hereto.

Section 6.9. Easements Created by Recorded Agreement. In conjunction with the platting of the first phase of VILLAS OF LAKE ARBOR, the Developer entered into a Mutual Easement Agreement with the Association, such Agreement being recorded in Official Records Book 5587, at Pages 1738 through 1744, of the Public Records of Pinellas County, Florida. This instrument grants

easements to the Association for ingress and egress over all roadways, and for utility easements over all portions of the properties described in Exhibit B, where the Developer may have constructed utility and service facilities. In addition, the Agreement grants rights to governmental and quasi-governmental authorities to use and enjoy the easements therein established to meet the needs of the residents and Owners of VILLAS OF LAKE ARBOR properties, and the Developer retained rights to add further Associations, parties, and properties thereto. The easements established by this Article are in conjunction with those rights which have been established by such Agreement, and only those rights granted herein which are not provided for under said Agreement, shall be considered to be in addition to the rights established under said Agreement.

Section 6.10. Additional Easements Reserved for Expansion. Easements for utilities, communication services, drainage, recreation, ingress, and egress, including pedestrian traffic over and across all sidewalks, paths, walks, lanes, grounds, and other areas intended for pedestrian traffic, and for vehicular traffic over and across all such portions of the Common Area as may be paved and used for such purposes, are hereby granted and reserved for use in connection with other Living Units and the Owners thereof which are presently or may hereafter be established by the Developer according to the Development Plan described herein, and for the benefit of the Owner of the property described by legal description in this Article, to the same extent as if the Common Areas of this Community were Common Areas of such other property. All expenses for maintenance, repair, alteration, improvement, or replacement of facilities within such easement areas shall be borne by the Owners of the Living Units of this Community in the proportion that their number of units bears to the total number of Living Units using the easement facilities, or upon some equitable basis as the Developer or the Community Association deem appropriate. Further, the Developer reserves the right to establish any additional easements over any areas of this Community as may be necessary, desirable, or appropriate, in its opinion, to serve the adjacent properties with utility services, drainage, traffic, ingress and egress, and all other services and facilities, and for its marketing purposes.

ARTICLE VII

The Association And The Administration of Property

Section 7.1. Power to Contract. The Association shall have the power to contract for the management and maintenance of the Common Areas and Easement Areas, and to authorize a management agent to assist it in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, and maintenance, repair, improvement, and replacement of the Common Areas, Easements Areas, and Property with funds made available by the Association.

Section 7.2. Powers and Duties of Association. The powers and duties of the Association shall be those set forth in this Declaration and in the Articles of Incorporation and By-Laws of the Association, together with those powers reasonably implied to effect the purposes thereof. If there are conflicts or inconsistencies between this Declaration and either the By-Laws, the Articles of Incorporation, or the laws of the State of Florida, the terms and provisions of this Declaration shall prevail, and all Owners covenant to vote in favor of such amendments to such instruments as shall be effective to remove such conflict or inconsistencies.

Section 7.3. Articles of Incorporation. The Articles of Incorporation of the Association are attached as Exhibit "C" to this Declaration. These Articles of Incorporation may be amended only in accordance with the provisions contained therein.

Section 7.4. By-Laws. The By-Laws of this Association are attached as Exhibit "D" to this Declaration, and these may be amended only in accordance with the provisions contained therein.

Section 7.5. Rules and Regulations. The initial Rules and Regulations for this Community are attached as Exhibit "E" to this Declaration. These Rules and Regulations may be amended by deletion, modification, or the adoption of new rules and regulations, by a seventy-five percent (75%) vote of the Owners. However, except as the initial Rules may do so, no rule or regulation shall be adopted which would unreasonably interfere with an Owner's right to own, occupy, use, or enjoy his individual Lot and Living Unit similar fashion to the rights which other fee simple property Owners enjoy with respect to their private residential property. All such Rules and Regulations shall be construed and enforced as provisions of this Declaration. The Developer hereby reserves the absolute right and authority to amend, alter, add, or rescind any Rule or Regulation as it shall deem to be in the best interests of the VILLAS OF LAKE ARBOR COMMUNITY, for and during the period which the Developer shall be engaged in marketing of new Living Units. Amended Rules and Regulations of the Developer shall be recorded among the Public Records of Pinellas County, Florida, and a true copy shall be furnished to the Owner or Owners of each Living Unit.

Section 7.6. Limitations from Liability of the Association. Notwithstanding the duty of the Association to maintain and repair the Common Area and Community Property, the Association shall not be responsible for the adequacy of work performed, nor shall it be liable to any Owner for injury, damage or loss, other than the cost of maintenance and repair, caused by any act of omission or commission on its part.

Section 7.7. Acquisition of Additional Interests. The Association is authorized and empowered to acquire interests in real property of all kinds and description, including easements, rights-of-way, licenses, uses, fee simple ownership, leasehold estates, and all other forms of ownership, use, or possession in and to recreational facilities of all kinds and descriptions, utilities and utility services, avenues for ingress and egress, and all other property interests beneficial or appropriate for use and enjoyment by its members.

Section 7.8. Grant of Interests. The Association, by a majority vote of the owners at a meeting duly called and held for this purpose, is empowered and authorized to give, grant, convey, and enter into easements, licenses and rights of use and access with other Associations or any other firm, person, corporation, or governmental entity as it shall deem necessary or appropriate.

Section 7.9. Special Provisions to Satisfy the Requirements of Federal National Mortgage Association.

1. The Association shall allow all unit owners, their lenders, insurers, and guarantors of first mortgages to inspect, during normal business hours, all of the records of the Association.

2. Upon written request, the Association shall furnish its most recent annual statement to any holder of a first mortgage on a unit in the development.

3. The Association may cancel, without penalty or cause, any contract or lease made by it before unit owners, other than the Developer, assume control of the Association, upon 90 days written notice to the other party.

4. Unless waived by the unit owners after they gain control of the Association, the Association shall maintain an adequate reserve fund for the maintenance and repair of the common elements, which shall be funded from regular monthly assessments for common expenses.

5. Upon written request, the Association shall furnish the following notices to the holder, insurer, or guarantor of any mortgage of any unit in the development:

(a) Notice of any condemnation or casualty loss that affects a material portion of the common elements.

(b) Notice of any delinquency in the payment of assessments more than sixty (60) days past due as to the applicable unit.

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

(d) Notice of any proposed action which would require the consent of a percentage of mortgage holders.

6. The Association shall purchase and maintain policies of insurance and fidelity bond coverage in accordance with requirements under Section 803.07P of the FNMA Conventional Mortgage Selling Contract Supplement.

ARTICLE VIII

Maintenance, Repair and Alteration

Section 8.1. Common Area. The Association has the exclusive responsibility and authority for the operation, maintenance, and repair of the Common Area, and of all improvements constructed or installed thereon. In addition, the Association has the right and authority to make such alterations, improvements, deletions, and additions to the Common Area and the Property as it shall deem appropriate and desirable, upon the approval of at least sixty-six and two-thirds percent (66 2/3%) of the Owners.

Section 8.2. Easement Areas. The Association has the responsibility to maintain, repair, and replace all improvements now or hereafter constructed on the properties owned by the Association or to which the Association or its members have been granted easements or rights of use and enjoyment. These include but are not limited to all roadways, walkways, street lighting, utility and service systems, recreational facilities, open areas, and Common Areas. The share of the cost and expenses for such maintenance, repair, and improvement which this Association shall pay is in direct proportion to the number of Lots and Living Units contained within the Association as compared to the total number of Lots and Living Units in the project. Such costs and expenses shall be an ordinary obligation of the Association, and shall be provided for in the regular budget of Association expenses.

Section 8.3. Residential Building Interior Maintenance. Each owner shall be responsible to maintain, repair, and replace all portions of the interior of his Living Unit at his sole expense. This shall include all glass, screens, doors, and heating and air condition units, wheresoever installed. Such required maintenance, repair, and replacement shall be promptly made in all instances where the failure to do so would interfere with the rights, enjoyment, or use of adjoining Units or the Common Areas, or which would adversely effect the appearance of the Community.

Section 8.4. Residential Building Exterior Maintenance. The Owners of all Living Units comprising a residential building are jointly and severally responsible to provide for the exterior maintenance of their respective residential building. Decisions related to the scheduling and the performance of exterior maintenance shall be made by a majority vote of the Owners within each respective building, subject to the provisions and restrictions contained herein and relating to the Association's right to preemptively provide for such maintenance and repair. The Owners shall obtain not less than three bids for any expenditure of more than \$1,000.00. The choice of contractors shall be determined by a majority vote of the Owners of units within the building as set forth hereinabove. The contract shall be signed by at least one owner of each unit in the building. The contract shall indicate the total cost of the project and the proportionate share to be paid by the owners of each unit. Failure or refusal to sign a contract for necessary repairs or maintenance shall not excuse a unit owner from liability. Each contract is subject to approval by the Association pursuant to Article XI of this Declaration. Except for routine repairs and replacement with like items, the Association shall approve all plans and specifications to be followed for such repairs or replacements.

Section 8.5. Cost of Exterior Maintenance. The cost of exterior maintenance of each residential building shall be assessed against each Living Unit therein, equally, and shall be promptly paid by each Owner, as assessments shall be made. However, if the need for maintenance or repair of the building exterior shall be caused through the negligent or willful act of any Owner, his licensees, invitees, guests, tenants, or fellow occupants, the cost of such exterior maintenance shall be assessed against the owner and shall be collectible in the manner of collecting assessments, as is elsewhere provided herein.

Section 8.6. Collection of Exterior Maintenance Cost. If an owner shall fail to promptly pay any amounts due for his respective portion of the maintenance costs of his respective building, the Association shall have the right to assess such owner and such assessments shall bear interest at the highest lawful rate. The amount of any such assessment, including interest and late charges, shall be collectible in the manner of collecting assessments, provided for elsewhere in this Declaration.

Section 8.7. Association's Right to Maintain Residential Building Exteriors. If the Unit Owners fail to maintain the exterior appearance of their respective residential building, the Association may do so, and shall hereby have a right of access, ingress, and egress to all portions of all Living Units, for this purpose. The Association shall take no action in this regard, however, until it shall have furnished written notification to the respective owners of the building stating the necessity for the maintenance or repair and requesting the owners to cause such to be performed, and giving them a thirty (30) day period within which to commence work. All expenses incurred by the Association for such maintenance or repair, including all costs of borrowing funds if the Association shall do so for this purpose, shall be assessed against the Owner or Owners of each Living Unit within such residential building, shall bear interest at the highest lawful rate, and shall be collectible in the manner provided for collection of assessments, contained elsewhere in this Declaration. The Association shall not be liable for the quality or effectiveness of any maintenance or repair so provided.

Section 8.8. Owner's Duty to Reconstruct or Repair Casualty Damage to A Living Unit. Where casualty damage or loss occurs to one or more Living Units, the Owners shall commence repairs or replacement within ninety (90) days of the date of casualty or loss, and such repairs shall be at the Owners' sole cost and expense. In the event the Owners shall fail to repair or replace such damage, the Association or its delegate may do so and assess all costs against the Owners, and these costs shall be a lien against the Lots and Living Units, collectible in the manner set forth in this Declaration for the collection of other liens and assessments. The Architectural Control Committee of the Association shall approve all plans and specifications for such repairs or replacements prior to the commencement of the same by the Owners. As such repairs or replacements are made, the Association will release to the Owners all insurance proceeds made available to it for such purpose. In the alternative, at its option, the Association may assume sole responsibility and authority for such reconstructions and repairs which, in such event, will be made in accordance with the provisions contained in this Declaration concerning general maintenance and repair. Whenever the Association shall assume such responsibility, the Owners shall assign and release to the Association the proceeds of all insurance which shall have become payable to the Owners for such purpose. The Association shall not be responsible or liable for the quality or effectiveness of any repairs so made.

Section 8.9. Maintenance of Grounds. The Association shall maintain all yard areas which are not enclosed, which shall be treated as a Common Area for this purpose. All costs and expenses for this ground maintenance shall be budgeted as a part of the regular common expenses of the Association. The grounds within the enclosed yard areas shall be maintained at the sole cost and expense of the Owner of each respective Living Unit. If such maintenance shall not be performed to the satisfaction of the Association, the Association may cause the appropriate maintenance to be performed, and shall thereupon assess all costs and expenses thereof against the respective Owner of the Living Unit. Such assessment shall bear interest at the highest lawful rate and shall be collectible in the manner provided for collection of assessments, elsewhere contained in this Declaration.

Section 8.10. Maintenance of Party Walls. Each wall built as a part of the original construction of the Living Units as the dividing line between the Living Units shall be a party wall. The cost of repair and maintenance of each party wall shall be shared equally, Living Unit to Living Unit, between the Owners thereof, except in the case where maintenance or repair shall be occasioned by the willful act or negligence of the Owner of one Unit. In such event, the willful or negligent Owner shall pay one hundred percent (100%) of all repair or maintenance cost. Further, the common law of the State of Florida shall apply and govern the respective rights and responsibilities of the Owner or Owners of each Living Unit.

Section 8.11. Maintenance of Carports. Each Owner shall be responsible to maintain his carport in a good state of condition and repair at all times, and if he shall fail to do so, the Association may do so and all expenses incurred thereby shall be assessed against the Owner and shall be collectible in the manner provided for the collection of assessments contained elsewhere in this Declaration. The cost of removing and installing carports, if necessary, incidental to repaving or repairing the pavement done in the regular manner by the Association shall be considered an expense of the Association, and not of the Owner.

ARTICLE IX

Covenants For Assessments

Section 9.1. Personal Obligation For Assessments. Each Owner of any Lot or Living Unit, by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association the following: (1) annual general assessments or charges, (2) special assessments for capital improvements, and (3) annual or special Parcel assessments or charges, such assessments to be established and collected as hereinafter provided. All such assessments, together with interest and costs of collection, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each assessment, together with interest and costs of collection, shall also be the personal obligation of the person who was the owner of the Lot or Living Unit at the time the assessment fell due.

Section 9.2. Regular Assessments for Common Expenses. Regular assessments for common expense shall be budgeted and made as follows:

The Board of Directors shall prepare a proposed budget and shall submit it to all owners at least fourteen (14) days in advance of the annual meeting of the members set in accordance with the By-Laws. Where more than one Owner shall own a given Lot or Living Unit, delivery to any one such Owner shall be sufficient. The budget for the next annual period shall then be adopted at the annual meeting of the members, by majority vote of the members present, provided there shall be a quorum, and members may consider and adopt any changes or additions to the proposed budget as they shall desire.

Section 9.3. Other Assessments. Subject to other provisions in this Declaration, the Board of Directors may, by a vote of two-thirds (2/3) of the entire Board, levy additional special assessments as it may deem necessary or appropriate for the management, operation, maintenance, repair, replacement, alteration, or improvement of the Common Areas and easement areas, and to promote the recreation, health, safety, and welfare of the residents of the VILLAS OF LAKE ARBOR COMMUNITY for the current year, only. These additional special assessments shall be due at the time specified by the Board.

Section 9.4. Assessments for Liens and Taxes. All liens of any nature, including taxes and special assessments, levied by governmental authorities which shall become a lien upon more than one Living Unit, or upon any portion of the Common Area or Common Property, shall be paid by the Association as a common expense assessed against the Owners. All such assessments levied upon the recreational facilities and other common grounds dedicated for the exclusive use of the VILLAS OF LAKE ARBOR COMMUNITY shall be so paid and assessed whether or not legal title to such property shall have been conveyed to the Association at the time of levy. Any such lien which pertains distinctly to individual Lots or Living Units shall be assessed directly to the Lots or Living Units so affected. Each Unit which is certified for occupancy shall be assessed at a uniform rate.

Section 9.5. Parcel Assessments. If a Parcel shall become subject to the provisions of the Declaration, Parcel assessments shall be used for such purposes as are authorized by the supplementary Declaration for the given Parcel. Until completion and conveyance of all units in a Parcel, the Class B member shall set the Parcel assessment and thereafter by a vote of two-thirds (2/3) of the directors, the Board shall fix the annual Parcel assessment for each Parcel, and date(s) such assessments become due. The Board may provide for collection of Parcel assessments annually

or in monthly, quarterly, or semi-annual installments; provided, however, that upon default in the payment of any one or more installments, the entire balance of said assessments may be accelerated at the option of the Board and be declared due and payable in full.

Section 9.6. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association, by majority vote taken at a special meeting of its members called for such purpose, and upon due notice indicating the nature of the special meeting having furnished to the members and at which a quorum shall be present, may levy in any assessment year a special assessment applicable to that year and not more than the next five succeeding years for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of the Class B Member.

Section 9.7. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage, except as stated in subparagraphs (A) and (B) below. An exception to the foregoing shall be that a purchase money mortgage given to the Seller on said property shall be subject to the Association's lien for all past due assessments, fees, and costs. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to foreclosure or conveyance in lieu of foreclosure (with the exception of a purchase money mortgage) shall extinguish the lien of such assessments as to payment which became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

The liability of a first mortgagee, or its successor or assignee, as a subsequent holder of the first mortgage, who acquires title to a parcel by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due before the mortgagee's acquisition of title shall be the lesser of:

(A) The parcel's unpaid common expenses and regular periodic or special assessments that accrued or came due during the twelve (12) months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or

(B) One percent (1%) of the original mortgage debt. The foregoing limitation of liability for the first mortgage holder shall only apply if the first mortgagee files suit against the parcel owner and initially joins the Association as a defendant in the mortgage foreclosure action.

Section 9.8. Records and Accounts. The Association will maintain a record of all of its receipts and expenditures in accordance with accepted accounting practice and procedures.

Section 9.9. Late Charge for Assessments. All assessments shall be due on the first day of each month. If an Owner shall fail to pay an assessment on the date on which the same shall become due and payable, then the Association may levy a late charge as an additional assessment against the defaulting Owner, and may collect the same as is provided for the collection of assessments herein. The Board of Directors, by a two-thirds (2/3) concurrence, of the total number of Board members, may from time to time establish the late charge for assessments.

Section 9.10. Lien for Assessments. Each Owner shall be responsible for all assessments levied upon his Lot and Living Unit. All unpaid assessments will bear interest at the highest lawful rate from the due date until the date of payment, plus costs of collection and attorney's fees equal to

twenty-five percent (25%) of the amount due or such greater amounts as may be awarded by court, and necessary costs of collection, and additional reasonable fees for any appellate litigation. The Association shall have a lien upon each Lot and Living Unit for all unpaid assessments, late charges, and interest. This lien shall be exercised by recording among the Public Records of Pinellas County, Florida, a proper Claim of Lien in the name of the Association (or its delegate if there shall be one). The Claim of Lien shall state the amount due, the date when due, a description of the Lot or Living Unit, and the name of the record Owner. Liens for assessments may be foreclosed by suit brought in the name of the Association or its delegate or any Management Company managing the affairs of the Association, if the powers of the Association are vested in the Management Company by virtue of its agreement with the Association, in like manner to the foreclosure of a mortgage on real property.

Section 9.11. Assessments Not Attributable to Developer. During the period in which the Developer shall own and be engaged in marketing efforts with respect to any of the Lot and Living Units within this Community, the Developer shall not be liable for the payment of any common expenses or assessments related to such Lot or Living Units, and no such expenses or assessments shall be attributed in any way thereto. However, the Developer shall guaranty that the common expenses and assessments for maintenance and repair of the Common Area and Property until January 1, 1985, shall not exceed a stated dollar amount per month for each Lot, and the Developer is hereby obligated to pay any amount of such common expenses or assessments which shall be incurred during the guaranteed period and shall not be produced by assessments up to the stated dollar amount received from other Owners.

ARTICLE X

Insurance

Section 10.1. Duty to Insure. The Association and each Owner shall maintain in full and effect the policies of insurance required under this Article. Policies of the Association may provide for the issuance of mortgagee endorsements to the holders of first mortgages upon Lots and Living Units and, if the insurance company will agree, may provide that the insurer waive his right of subrogation against or between the individual owners, the Association, or its delegate. These policies and endorsements shall be held by the Association or its delegate.

Section 10.2. Community Property Coverage. The Association or its delegate shall insure all Common Areas and Property through non-assessable policies with companies licensed to do business in the State of Florida, against destruction or loss by fire and other casualty, in amounts and upon terms and provisions as it shall deem acceptable. All structural improvements upon real property shall be insured for their replacement value. In the event of loss, the Association shall use the net insurance proceeds to repair and replace damage to the Common Areas and Property covered by the policy, with any excesses to be paid to the Owners and their mortgagees as their interests may appear. Any reconstruction, repair, or replacement shall be in a form or manner which is at least equal to the original quality. If the insurance proceeds are insufficient to cover the loss, the Association shall levy an assessment against the Living Unit Owners in accordance with the provisions of this Declaration to cover the deficiency.

Section 10.3. Election Not to Repair. If the Common Areas and Property are damaged or destroyed in excess of fifty percent (50%) of its value at the time of loss, and if seventy-five percent (75%) of all Owners shall elect not to rebuild, repair, or replace the Common Area or Property, the

insurance proceeds shall be distributed to the Owners and their mortgagees as their interest may appear.

Section 10.4. Liability Insurance. The Association shall obtain and keep in effect a comprehensive public liability insurance policy insuring the Association, its Board of Directors, officers, and the Owners who are its members, against possible liabilities arising out of the use and ownership of the Common Areas and Property. This policy shall be in an amount of not less than \$500,000.00 for claims or damages for personal injuries from any single cause to any one person, and for not less than \$1,000,000.00 to cover, in connection with any one particular accident or occurrence, the total aggregate of any claims for personal injuries alleged against the insured parties. The insurance shall also provide for a minimum of \$50,000.00 property damage coverage.

Section 10.5. Additional Insurance. The Association is authorized to carry such further policies of insurance as may, from time to time, be required by state law, or as its Board of Directors may deem appropriate.

Section 10.6. Insurance Coverage by Owners. Each Owner must keep in full force and effect at all times a full replacement value insurance policy insuring his Lot and Living Unit, and also providing coverage for the Owner's personal tort liability in amounts set and determined by the Association. Premiums for such insurance shall be paid for annually, and proof of payment shall be furnished to the Association, together with a copy of all such policies. In the alternative and at its option, the Association may purchase the replacement value insurance for the Living Units and the liability coverage for the Lots, with the costs of such insurances then being included as a part of the regular budget of the Association expenses, assessable and collectible as set forth elsewhere herein. In such event, the Association shall not be liable or responsible to any Unit Owner for the adequacy of such insurance coverage.

ARTICLE XI

Architectural Control

Section 11.1. The Architectural Control Committee. The Board of Directors shall act as an Architectural Control Committee for the purposes stated in this Article. The President, with the approval of the Board of Directors, annually will appoint an Advisory Architectural Committee of not less than three (3) nor more than five (5) from among the membership of the Association. The Board of Directors will have the final approval of all decisions and expenditures. No committee member shall be entitled to compensation for services performed.

Section 11.2. Purpose. The Board of Directors shall regulate the external design appearance of the Properties and of improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography.

Section 11.3. Conditions. No improvements, alterations, repairs, change of paint colors, excavations, changes in grade, or other work which in any way alters the exterior of any property or the improvements located thereon from its natural or improved state existing on the date such property was first conveyed in fee by the Developer to an Owner shall be made or done without the prior approval of the Board of Directors, except as otherwise expressly provided in this Declaration.

No building, fence, wall, residence, or other structure shall be commenced, erected, improved, or altered without the prior written approval of the Board of Directors.

Section 11.4. Procedures. In the event the Board of Directors fails to approve, modify, or disapprove in writing an application within thirty (30) days after plans and specifications in writing have been submitted to it, in accordance with adopted procedures, approval will be deemed granted.

Section 11.5. Rule-Making Authority. The Board of Directors shall have authority to adopt and amend, from time to time, Rules and Regulations in connection with its approval authority; provided, however, such Rules and Regulations shall always be consistent with the provisions of this Declaration. Violations of the Governing Documents and/or the Rules and Regulations shall be enforced by the Board of Directors with all power and authority of enforcement as provided herein for the enforcement of the provisions of this Declaration.

ARTICLE XII

Use Of Property

Section 12.1. Residential Use. All property designated for residential use shall be used, improved, and devoted exclusively to residential use. Nothing herein shall be deemed to prevent the Owner from leasing a Unit subject to all of the provisions of the Declaration.

Section 12.2. Nuisances. No nuisance or other use or condition detrimental to the Community or any of its residents shall be permitted to exist or operate upon any property.

Section 12.3. Restriction on Further Subdivision. No Lot upon which a Living Unit has been constructed shall be further subdivided or separated into smaller Lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest therein, shall be conveyed or transferred by an Owner, provided that this shall not prohibit deeds of correction, deeds to resolve boundary disputes, and similar corrective instruments.

Section 12.4. Maintenance of Property. To the extent that exterior maintenance is not provided for, each Owner shall keep his Lot, and all improvements thereon, in good order and repair and free of debris including, but not limited to the seeding, watering, and mowing of all lawns, the pruning and cutting of all trees and shrubbery, and the painting (or other appropriate external care) of all buildings and other improvements, all in a manner with such frequency as is consistent with good property management. In the event an Owner of any Lot shall fail to maintain the premises and the improvements situated thereon, as provided herein, the Association shall have the right to enter upon said Lot to correct such deficiencies and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon. All costs related to such correction, repair, or restoration shall bear interest at the highest lawful rate and shall be collectable in the manner set forth herein for the collection of assessments.

Section 12.5. Leasing. Every lease of a Unit shall be subject to the provisions of this Declaration and all other instruments of record pertaining thereto, and all Rules, Regulations, and lawful instructions of the Association and its agent, and all Tenants must comply with them. The failure of a Tenant to so comply shall entitle the Association to evict the Tenant and to maintain directly against the Tenant any cause of action which the Association would have against an Owner for such noncompliance by owner. The Tenant shall be liable to pay all costs and expenses which the

Association shall incur in taking such action, including its attorney's fees, and if the Tenant shall fail to pay such costs and expenses, the Owner shall be liable to pay them and the Association shall have all lien rights and collection rights as are elsewhere provided in this Declaration for the collection of Assessments, including the imposition of late penalties for non-payment. These provisions shall not in any way limit or relieve the Owner from any cause of action which the Association shall have against the Owner as a consequence of his Tenant's noncompliance. All leases must contain and shall be deemed to contain the terms and provisions set forth in this Article and the Rules and Regulations.

A unit owner within the Villas of Lake Arbor may not lease his or her unit for the initial 24 months of ownership. After owning a unit for a period of 24 months, a unit may be leased in accordance with the following restrictions. In the event of a proposed lease of a unit, the owner shall submit a copy of the lease, and such other information as the Board may reasonably require for consideration and approval by the Board. Submission of all such information shall be at least fourteen (14) days prior to the inception of the lease. The Association shall approve or deny the proposed lease within fourteen (14) days of the submission date of the fully completed lease and application form and such other information as may reasonably be requested by the Board of Directors. The Association may consider a lessee's conduct with compliance with the governing documents and rules and regulations of the applicant's prior place of residence, along with the applicant's criminal background. All leases shall be for a term of not less than one year. If a lessee vacates the unit prior to the end of the said one-year period, a new lease application will not be accepted unless written approval, given by the Board of Directors prior to the signing of the lease.

An exception of the foregoing shall be in the case of inheritance from an owner. In such cases, the heir or beneficiary shall not be precluded from renting the unit for the initial two-year holding period.

Section 12.6. Eighty (80%) percent of the occupied units shall be occupied by at least one (1) person age fifty-five (55) years or older who is the owner or approved tenant of the unit. No person may reside in any unit who is less than eighteen (18) years of age except as the guest of the owner or approved tenant and then only for a period not to exceed twenty-one (21) overnight stays in any twelve (12) month period. The remaining twenty (20%) percent of the units are reserved and restricted for occupancy when the qualifying person who was age fifty-five (55) years or older has vacated the unit or in instances where an individual age eighteen (18) or older and less than fifty-five (55) years of age has inherited title to a unit and thereafter seeks to occupy that unit. The remaining twenty (20%) percent shall not be available for occupancy resulting from open market transactions unless the unit will be occupied by at least one person age fifty-five (55) years or older. The Board of Directors may adopt reasonable rules and regulations governing the use and occupancy of the twenty (20%) percent of the units which are not otherwise occupied by one person age fifty-five (55) years or older. Any unit which is occupied by a person who is not age fifty-five (55) years or older as of the recording of this amendment is grandfathered and therefore the residents of that unit may continue their occupancy notwithstanding the fact that they are not in compliance with this section of the Declaration of Covenants and Restrictions.

Section 12.7. Long Term Occupancy. Guests may occupy a villa for a period not to exceed thirty (30) consecutive days. In the event any person occupies a villa for more than thirty (30) days, such persons shall be deemed to be a tenant, whether residing with a villa owner or an approved lessee and such party shall comply with all of the provisions of Section 12.5 regarding approval of all tenants. The villa owner shall be responsible to the Association for attorney's fees and court costs in the event it is necessary to enforce this provision. In the event of a non-approved resident residing

with an approved lessee in violation of this provision, the Association shall have authority to act as the owner's agent and evict the approved lessee for allowing an unauthorized person to occupy the unit in violation of the Association's approval process.

ARTICLE XIII

Retained Rights Of The Developer

Section 13.1. Concerning Construction. During such time as the Developer is in the process of construction on any portion of the properties subject to this Declaration, the Developer, for itself and its successors and assigns, reserves the right to prohibit persons temporarily from access to any portion of the Common Areas, and to utilize the same exclusively for construction purposes, No Owner or his guests or invitees shall in any way interfere with or hamper the Developer, its contractor or its employees, in their construction efforts.

Section 13.2. Change By Developer. Until construction of the entire community has been fully completed, the Developer reserves the right to alter the boundaries of Lots, so long as the Developer owns the Lots so altered or obtains the written consent of the owner of a lot so altered; to increase or decrease the number of Lots; and to alter the boundaries of the Common Area. Such an amendment may be made by deed or by amendment of the recorded Plat and need be executed and acknowledged only by the Developer, the owner of any lot altered and the institutional mortgagee of a first mortgage covering the lots affected. Such an amendment shall not require the approval of the Association, its officers, directors or members, or other unit owners within the Community.

Section 13.3. Sale and Leasing Activities. The Developer, its successors and assigns, shall have the right to transact any business necessary or appropriate to consummate sales or rentals of Lots or Parcels, including but not limited to the right to maintain models; to install signs identifying the Community and advertising the sale of Lots; to maintain employees in offices, models, and recreational portions of the Common Area; and to use the Common Areas and recreational facilities for marketing purposes. All sales office furnishings, and all personal property used by the Developer, its successors and assigns, in such marketing activities shall not be considered property of the Association and shall remain the property of the Developer.

Section 13.4. Right to Grant Easements. Additional easements may be granted by the Developer, or the Association if requested to do so by the Developer, on, over, under and across the Common Areas of the VILLAS OF LAKE ARBOR COMMUNITY for utilities, drainage, ingress, egress, parking, and other uses for the benefit of Owners of other lands in the general area of the Community, as the Developer shall determine to be desirable or appropriate; provided, no such easement shall interfere with the intended use of such areas. The Owners or users of all such easement areas shall be required to bear a proportion of all costs and expenses incident to the ownership, maintenance, use, or enjoyment of the easement facilities, upon such fair and equitable basis as the Developer considers to be appropriate.

Section 13.5. Right to Amend. The Developer, its successors and assigns shall have the right to amend these Covenants and Restrictions during the course of development and marketing, as it shall deem to be in the best interest of the overall VILLAS OF LAKE ARBOR COMMUNITY; provided, however, no such Amendment shall alter the size or configuration of any Lot or shall reduce the size of the Common Areas or recreational facilities without the consent of the effected Lot Owner (where a Lot configuration is changed) or a majority of the members of the Association.

ARTICLE XIV

General Provisions

Section 14.1. Amendment. In addition to the Developer's right to amend as stated in Section 8.5, this Declaration may be amended at any time by the approval of the Class B member, if any, and sixty-six and two-thirds percent (66 2/3%) of the voting membership of the Association at a duly called meeting of the members called for such purpose at which a quorum is present. Amendments to the Declaration shall be evidenced by a Certificate of Amendment executed by the President and attested to by the Secretary of the Association, and shall contain a specific recitation certifying that the requisite vote of the Members was obtained at a meeting duly and properly called in accordance with the By-Laws of the Association. All such Certificates of Amendment shall be recorded among the Public Records of Pinellas County, Florida. No amendment shall prohibit the right of any Owner to rent his Living Unit for annual or longer periods, unless one hundred percent (100%) of the voting members shall so agree.

Section 14.4. Limitations. As long as there is a Class B membership, the Association may not use its resources or take a public position in opposition to the General Plan of Development or to change thereto proposed by the Developer. Nothing in this section shall be construed to limit the rights of the members acting as individuals or in affiliation with other members or groups.

ARTICLE XV

Compliance and Default

Each Owner shall be governed by and comply with the terms and conditions of this Declaration of Covenants and Restrictions and the Rules and Regulations of the Association. A default shall entitle the Association or other owners to the remedies and relief set forth below, in addition to those provided elsewhere herein.

Section 15.1. Rights of Action. Each Owner and the Association shall comply with the provisions contained in this Declaration, and the Articles of Incorporation, By-Laws, and Rules and Regulations affixed hereto. Actions for damages or for injunctive relief, or both, for failure to so comply may be brought by the Association or an Owner against: (a) an Owner, (b) the Association; (c) any Director of the Association who knowingly fails to so comply. The prevailing party shall be entitled to recover against the losing party all costs of such action, including a reasonable attorney's fee.

The Board of Directors may enforce by legal means the provisions of the governing documents, which includes the Declaration of Covenants and Restrictions, Articles of Incorporation and By-Laws, and the Rules and Regulations, by levying fines against a member or a member's tenants, guests, or invitees or both. Fines may not exceed \$100.00 per violation against any member or any tenant, guest, or invitee. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$1,000.00 in the aggregate.

A fine may not be imposed without notice of at least fourteen (14) days to the person sought to be fined and an opportunity for a hearing before a committee of at least three (3) members

appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. If the committee, by majority vote, does not approve a proposed fine, it may not be imposed. In the event Section 720.305, Florida Statutes, is amended from time to time, the foregoing provision shall automatically include all amendments to the Statute.

Section 15.2. Abatement of Utility Services. The Association shall have full power and authority to discontinue all utility services which it shall furnish to a Unit, the Owner of which shall be in default in paying any authorized expense or assessment for a period of more than thirty (30) days after the date on which written notice of such default shall have been furnished to him, either personally or by mail to his last known address.

Section 15.3. Costs and Attorneys' Fees. The Association shall be entitled to recover all costs and expenses, including reasonable attorneys' fees whether through trial or appellate litigation or otherwise, which it shall incur as a consequence of an Owner's default or breach of the provisions of this Declaration or the Rules and Regulations, Articles of Incorporation, or By-Laws of the Association.

Section 15.4. No Waiver of Rights. The failure of the Association or an Owner to enforce any right, provision, term, or condition of this Declaration or the Rules and Regulations, Articles of Incorporation, or By-Laws of the Association shall not constitute a waiver of the right of the Association or the Owners to enforce the same in the future.

Section 15.5. Mandatory Joinder in Further Platting. It is mandatory that the Association shall join in and consent to all plats, dedications, supplemental Declarations, and joinders which the Developer may hereafter require or which may be required for the establishment and creation of further phases of the VILLAS OF LAKE ARBOR COMMUNITY or other communities which are developed by the Developer in accordance with his Development Plan. If, for any reason whatsoever, the Association shall fail or refuse to so execute or join in as required, the Association shall be responsible to pay all costs, expenses, and attorney's fees incurred by the Developer in the enforcement of this obligation.

Section 15.6. Acceptance of Future Conveyances. The Association covenants and agrees that it will accept all conveyances which shall hereafter be made to it by the Developer in accordance with the provisions of this Declaration, and if it shall fail or refuse to do so, the Association shall be obligated to pay all costs, expenses, and attorney's fees incurred by the Developer in the enforcement of this obligation. This provision is made for the benefit of the Developer and of each Owner, and is in furtherance of the Developer's contractual duties to make such conveyances.

ARTICLE XVI

Covenants Running With The Land

All provisions of this Declaration and the Rules and Regulations, Articles of Incorporation, and By-Laws of the Association shall be construed to be covenants running with the land and every part thereof and interest therein, including but not limited to every Lot and the appurtenances thereto; and every Owner and claimant of the property or any part thereof or interest therein, and his heirs, executors, administrators, personal representatives, successors, and assigns shall be bound by all provisions of such instruments. The covenants shall run for an initial term of ninety (90) years; and

shall thereafter be automatically renewed for successive ten (10) year terms unless terminated in writing by a majority of the Owner or Owners of all Lots and also a majority of all mortgages having lien interests in any Lots.

ARTICLE XVII

Termination

This Declaration may be terminated at any time by an instrument signed by the Class B Member, if any, and by not less than eighty percent (80%) of the Owners of all Lots and Living Units which are subject to these provisions, and the consent and concurrence of a majority of all Mortgagees having First Mortgage interests in Lots or Living Units.

END OF RESTATED DECLARATION