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AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
OF
WELLINGTON E CONDOMINIUM

NOTE: This document is a substantial rewording of the Declaration of Condominium of Wellington E Condominium executed by Developer on December 10, 1971, recorded on December 23, 1971, at Official Records Book 1963, Page 1669, 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.

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 1 of the original Declaration 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, as amended from time to time.
- 1.3 Name. The name by which this condominium is to be identified is WELLINGTON E CONDOMINIUM (hereinafter called the "Condominium").

2. DEFINITIONS. The terms used in this Declaration and its Exhibits shall have the meanings stated in the Condominium Act as follows, unless the context otherwise requires:

- 2.1 "Act" means the Condominium Act (Chapter 718, Florida Statutes) as the same may be amended from time to time.
- 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 WELLINGTON E CONDOMINIUM ASSOCIATION, INC., a not-for-profit Florida corporation, the entity responsible for the operation and maintenance of the Condominium, and its successors.
- 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.
- 2.7 "Building" means the structure 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 "Charge" means any legal or equitable indebtedness of a Unit Owner to the Association, or other sums owed to or due to the Association from a Unit Owner, or any cost or expense incurred by the Association on behalf of or because of a Unit Owner, other than Assessments for Common Expenses, which the Unit Owner is obligated to pay to the Association. Said obligations may arise by oral or written contract, by law or in equity, or may be created by these Condominium Documents.
- 2.10 "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.
- 2.11 "Common Elements" means and includes: The portions of the Condominium Property which are not included in the Units or Association Property, as defined herein.

- 2.12 "Common Expenses" means: (1) expenses of administration and management of the Condominium 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; (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 the Act. Common expenses also include all reserves required by the Act or otherwise established by the Board, reasonable transportation services, the purchase and maintenance of laundry equipment, insurance for directors and officers, road maintenance and operation expenses, in-house communications, security services, and pest control services to the Units (if the Board determines to provide this service) and Common Elements, 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, as same may be amended from time to time, 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 for such services.

Notwithstanding any other term herein to the contrary, Common Expenses as defined in this Declaration shall include the cost and expense of maintaining and operating the canals, lakes and drainage system, including dams and water control devices, serving the entire Century Village, West Palm Beach development ("System"), even if certain elements of System are located off-site and not located within Century Village, West Palm Beach. United Civic Organization, Inc. ("UCO") is expressly authorized as agent of Association, in conjunction with similar authorization from other condominium associations in Century Village, West Palm Beach, to undertake the responsibility for maintenance of the System, and the expense therefore shall be paid proportionately by the Association with other condominium associations of Century Village, West Palm Beach to UCO.

- 2.13 "Common Surplus" means the amount of all receipts or revenues, including Assessments, rents or profits collected by the Association which exceeds Common Expenses.
- 2.14 "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.

- 2.15 "Condominium Property" means the lands, leaseholds, improvements and other personal property submitted to Condominium ownership by the Original Declaration, subject to the limitations thereof and exclusions therefrom, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.
- 2.16 "County" means the County of Palm Beach, State of Florida.
- 2.17 "Declaration" or "Declaration of Condominium" means this instrument, as it may be amended from time to time.
- 2.18 "Developer" means the entity identified in the Original Declaration as Declarer.
- 2.19 "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.
- 2.20 "Legal Fees" mean (a) reasonable fees for attorney and paralegal services incurred in negotiation and preparation for litigation, whether or not an action is actually begun, through and including all trial and appellate levels and postjudgment proceedings; and (b) court costs through and including all trial and appellate levels and postjudgment proceedings.
- 2.21 "Lien for Charges" means a lien which is recorded to secure a Charge.
- 2.22 "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. Limited Common Elements shall also include any portion of the Condominium Property which a Unit Owner is required to provide maintenance, repair or replacement at his or her own expense or reimburse the Association for such expense under Article 7 of this Declaration.
- 2.23 "Member" means an Owner who, or which, is a member of the Association.
- 2.24 "UCO" means the United Civic Organization.
- 2.25 "Unit" means a part of the Condominium Property which is subject to exclusive ownership.

- 2.26 "Unit Owner" or "Owner of a Unit" or "Owner" means the record owner of a Unit.
- 2.27 "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.
- 2.28 "Wellington Condominium Federation of Century Village" or "Federation" is the not-for-profit corporate entity organized for the operation of the several Wellington condominiums at Century Village in West Palm Beach.
- 2.29 "Wellington Pool and Facilities" means and refers to the swimming pool and pool deck and bathhouse, which includes men and women's sauna rooms, as more particularly described and set forth in the Survey Exhibit 1 attached to the original Declaration, and this Condominium shall own an undivided interest in this area as hereinafter provided in this Declaration.

3. DESCRIPTION OF CONDOMINIUM.

- 3.1 Identification of Units. The Condominium Property consists of all Units in the Condominium Building, and other improvements, as set forth in Exhibit No. 1 to the Original Declaration, and for the purpose of identification, all Units in the Building located on said Condominium Property are given identifying numbers and delineated on the Survey Exhibits collectively identified as Exhibit No. 1 attached to the Original Declaration. No Unit bears the same identifying number as does any other Unit. The aforesaid identifying number as to the Unit is also the identifying number as to the parcel. The said Exhibit No. 1 to the Original Declaration also contains a survey of the land, graphic description of the Improvements in which the Units are located, and a plot plan and, together with this Declaration, they are in sufficient detail to identify the location, dimensions and size of the Common Elements and of each Unit, as evidenced by the Certificate of the Registered Land Surveyor attached to the Original Declaration. The legend and notes contained within said Exhibit are incorporated herein and made a part hereof by reference. The aforesaid Building was constructed substantially in accordance with the Plans and Specifications and any modifications thereof on file with the Building and Zoning Department of Palm Beach County, Florida.
- 3.2 Unit Boundaries. Each Unit shall include that portion of the Building containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:

The Owners of the respective Condominium Units shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding their respective Condominium Units, nor shall the Unit Owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective Condominium Units which are utilized for or serve more than one Condominium Unit, which, by these presents, hereby made a part of the Common Elements. Said Unit Owners, however, shall be deemed to own the walls and partitions which are contained in said Unit Owner's Condominium Unit and shall also be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, etc.; however, all load bearing walls located within a Condominium Unit are a part of the Common Elements to the unfinished surface of said walls.

3.3 Limited Common Elements.

- (a) Each Unit shall be entitled to be assigned one (1) parking space and the Unit Owner shall be entitled to the exclusive occupancy of said parking space, as assigned by the Developer. All unassigned parking spaces remain part of the Common Elements.
- (b) All portions of the Condominium Property for which the Unit Owners are responsible for maintenance, repair and replacement under Section 7 of this Declaration which are not located within the Unit boundaries set forth in Section 3.2 above shall be considered Limited Common Elements.
- (c) Assigned storage areas, if any, shall be a limited common element.

3.4 Easements. The following easements are hereby created (in addition to any easements created under the Act):

- (a) Perpetual Nonexclusive Easement. 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) Condominium Act. Notwithstanding the fact that the present and future provisions of the Condominium Act of the State of Florida are incorporated by reference and included herein thereby, the provisions of this Declaration and Exhibits thereto shall be paramount to the Condominium Act as to those provisions where permissive variances are permitted; otherwise, the provisions of said Condominium Act shall prevail and shall be deemed incorporated herein.
- (e) The Condominium property may not be abutting, contiguous or adjacent to any public street, road or right-of-way. UCO covenants to provide access from North Haverhill Road and Okeechobee Boulevard (a public dedicated road) to the Condominium property for road purposes for ingress and egress and for such easements as may be required for drainage and utility service easements. The aforesaid easement shall not create a burden upon the access easement land, nor shall it run with this Condominium, and UCO shall have the continuous right to change and relocate such access easement as often as it desires, without the requirement of the Condominium association, the unit owners in this Condominium, and all other persons entitled to the use of said access easement consenting to or joining in an instrument to accomplish the foregoing. UCO shall have the right to dedicate such access easement as it desires to the public and the appropriate Governmental authority without the consent or execution of an instrument to this effect by person entitled to the use of said access easement. The foregoing right of UCO is limited only to the extent that such changing and relocation or dedication of the access easement shall be reasonable.

The access easement referred to herein is as designated in Exhibit No. 1 to the original Declaration.

- 3.5 Long-Term Lease. The Association, as Lessee, has entered into a Long-Term Lease Agreement with Century Village, Inc., a Florida Corporation, as to a non-exclusive undivided interest in and to the demised premises described therein, a copy of said Lease being attached as Exhibit No. 3 to the Original Declaration. The Association has acquired the foregoing Leasehold interest pursuant to Florida Statute 711.121, and pursuant to said Statute and the Long-Term Lease, all monies due and to become due under the provisions of said Lease, including, without limitation, expenses of rent and such other items as are specified in said Lease, are and shall continue to be for the full term of said Lease, declared to be Common Expenses of the Condominium.
- (a) In order to secure the faithful performance of the Association's obligations to the Lessor under the Long-Term Lease, and to secure the Unit Owner's obligation to pay his share of the Common Expenses as to the Long-Term Lease, each Unit Owner, i.e., the original purchaser from the Developer, shall execute a copy of the Long-Term Lease attached as Exhibit No. 3 to the Original Declaration, together with the Lessor and Lessee Association, which Lease shall be recorded in the Public Records of Palm Beach County, Florida, together with the Deed of conveyance from the Developer Lessor to the Unit Owner and under the terms of said Lease, as set forth therein, each Unit Owner shall impress a lien and pledge his full interest in his Condominium Parcel in the subject Condominium in favor of the Lessor.
 - (b) The Unit Owner shall be entitled to the use and enjoyment of the Recreational Facilities under the Long-Term Lease, subject to the Rules and Regulations promulgated by the Lessor.
 - (c) Whenever any of the provisions of the Long-Term Lease and/or this Declaration shall be in conflict, the provisions of the Long-Term Lease shall be controlling.
 - (d) Neither the demised premises under the Long-Term Lease nor the Condominium Association and its members' rights' thereto shall be deemed a part of the Condominium Property of the Condominium created by this Declaration of Condominium.

- 3.6 Wellington Condominium Federation of Century Village. The individual unit owners of this Condominium shall also be members of the Wellington Condominium Federation of Century Village for however long the Federation shall be in existence and shall pay such fees, dues, or assessments as may be properly levied from time to time. Members of the Federation and their guests shall have the use of the Wellington Pool and Facilities, subject to the reasonable rules and regulations created by the Federation Board from time to time. Members may have their use rights in the Federation's recreational amenities suspended in the manner provided in the Condominium Act, as amended from time to time for non-payment of monetary obligations to the Federation or violation of the Federation's governing documents or rules and regulations. Costs not levied directly against the owners by the Federation, which are related to the Wellington Federation, are a Common Expense of the Association.

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 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 outlined in the Survey attached to the Original Declaration.

Type "A" Units (1 Bedroom 1 ½ bath).....	2.13-1/12 th
Type "B" Units (2 bedroom 2 bath).....	2.481%
Type "C" Units -(2 bedroom 2 bath; corner unit).....	2.481%

However, notwithstanding the foregoing, the total common expenses of the Wellington Pool and Facilities shall be shared by each condominium unit as outlined in Exhibit 1 to the original Declaration.

5.2 Voting. An Owner or Owners of a Unit shall collectively be entitled to one (1) vote (hereinafter referred to as "Voting Interests").

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. membership is limited to natural persons. Entities, including, but not limited to, corporations, limited liability companies and partnerships, may not own Units at the Condominium. The foregoing limitation on corporate ownership shall not apply to the Association acquiring Units or mortgagees acquiring title to Units through foreclosure or deed in lieu of foreclosure.

6. AMENDMENTS. Except as elsewhere provided herein, amendments to this Declaration may be effected as follows:

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-half (1/2) of the total voting interests of Units of the Association. Except as elsewhere provided, approvals must be by not less than a majority of the votes of the participating membership of the Association, present and voting, in person or by proxy, at a meeting at which a quorum is established or by written agreement where at least a quorum of the membership participates.

6.2 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. The Board of Directors may correct scrivener's errors in this Declaration without the necessity of a vote of the Unit Owners.

- 6.3 Proviso. Provided, however, that no amendment shall change any Unit nor the share in the Common Elements appurtenant to it, nor increase the Owner's share of the Common Expenses, unless the record Owner of the Unit concerned and all record owners of mortgages on such Unit shall join in the execution of the amendment.

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

- 7.1 Common Elements and Association Property. Except to the extent (i) expressly provided to the contrary herein, or (ii) proceeds of insurance are made available therefor, 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;
- (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;
- (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 7.3[a] below which serve only one particular Unit);
- (f) All wiring and other facilities for the furnishing of Utility Services which are contained in the aforementioned portions of the Condominium;
- (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, excluding drain lines, for which the Unit Owner shall be responsible, up to the point that the drain line connects to a common line (a line that serves other Units or other parts of the Condominium Property);
- (i) All other utilities contained within a Unit which service part or parts of the Condominium other than the Unit within which contained;
- (j) All property owned by the Association and other property contemplated by and to the extent the same is consistent with the terms hereof;
- (k) All incidental damage caused to a Unit by the Association's discharge of its responsibilities under this Section 7.1 up to a maximum of \$1,000.00 per unit (unless caused by negligent or intentional misconduct for which the Association is responsible, in which case no limitation shall apply).

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, 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.

7.2 Units. All maintenance, repairs and replacements of, in or to any Unit, as defined in Section 3.2 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 Unit Owner shall also maintain, repair and replace, at his, her or its sole cost and expense, all portions of any hurricane shutter(s) 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 shutter(s) is/are attached, which cost and expense shall also include the cost and expense of removal and/or reinstallation by the Association of the hurricane shutter(s) if necessary or required in order for the Association to discharge its obligations hereunder.

7.3 Specific Unit Owner Responsibilities.

- (a) The Unit Owner shall be responsible for the maintenance, repair and replacement of any portions of the air-conditioning and heating systems serving only a particular Unit, including, but not limited to, filters, the compressor, condenser, motor, fan, air handler, and all related parts, without regard to whether such items are located within the boundaries of the Units, except as provided in Section 7.1 hereinabove. Notwithstanding the foregoing, the Association may enter 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, but each individual Owner being responsible for any maintenance and repair not covered by the service contract and with Unit Owners being wholly responsible for any costs associated with the replacement of any portion of the air conditioning or heating system.
- (b) The Unit Owner shall be responsible for all maintenance, repairs and replacements in or to exterior screens, doors and windows serving a Unit, including, without limitation, all frames, locks and operating mechanisms appurtenant thereto. 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 maintain, repair, and replace at his or her expense all fans, stoves, hot water heaters, refrigerators, or other appliances or equipment, including any fixtures and/or their connections required to provide Utility Service to his or her Unit. The Association may, but is not obligated to, enter a contract for maintenance and/or inspection of hot water heaters. The expense of such maintenance and/or inspection covered by any such contract shall be a Common Expense. All maintenance, repairs and replacements not covered by the contracts shall be the responsibility of the Unit Owner. [The hot water heater in each Unit must be replaced at the earlier of the tenth anniversary of installation of the hot water heater or the receipt by the Unit Owner of an inspection report from the Association which states that the hot water heater requires replacement, in which case the hot water heater shall be replaced within thirty (30) days.] Should a Unit Owner fail to replace a hot water heater as required in this Paragraph 6, the Association may seek injunctive relief through arbitration or litigation requiring the Unit Owner to replace the hot water heater. The Association also reserves the right, but not the

obligation, to enter the Unit during reasonable hours, to replace the hot water heater for the protection of the Unit, neighboring Units and the Common Elements, with the cost of the new equipment and installation to be borne by the owner of the Unit receiving the new hot water heater. Such costs and charges shall be enforceable as an Lien for Charges assessed pursuant to Article 12 of this Declaration and Section, 718.116, Florida Statutes, both as may amended from time to time. The term "reasonable hours" as used in this paragraph shall not be construed as precluding the Association or its agents from entering a Unit at any time in the event of an emergency.

- (d) The Unit Owner shall be responsible for the maintenance, repair and replacement, as necessary, 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 for the maintenance, repair and replacement, as necessary, 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.
- (f) Notwithstanding any other provision of this Declaration, a Unit Owner shall be responsible for the maintenance, repair and replacement of all upgrades to the Unit and Limited Common Elements which were not originally installed by the Developer and are not replacements of like kind and quality.
- (g) Unit Owners shall be responsible for the maintenance and upkeep of the surfaces of their patios and balconies, including the maintenance, repair, and replacement of all screens and screen frames, as well as all floor coverings which may be permitted from time to time by the rules and regulations of the Board of Directors. The screens and screen frames are a Limited Common Element as are the floor coverings.
- (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.

8. **ADDITIONS, ALTERATIONS OR IMPROVEMENTS TO COMMON ELEMENTS OR ASSOCIATION PROPERTY BY THE ASSOCIATION.** No portion of the Common Elements and Association Property may be subject to any additions, alterations or improvements (as distinguished from maintenance, repairs and replacements) which involve a Common Expense in excess of one (1%) percent of the annual budget then in effect for Common Expenses, including operating expenses and reserves, for any individual addition, alteration or improvement, or in excess of five (5%) percent of the annual budget then in effect, including operating expenses and reserves, for all additions, alterations or improvements undertaken within a fiscal year, unless such additions, alteration or improvements have been approved by not less than a majority of the Voting Interests of the participating membership of the Association present, in person or by proxy, at a meeting called for that purpose at which a quorum is established or voting by written agreement where at least a quorum of the membership participates. Any additions, alterations or improvements to the Common Elements or Association Property, or any part thereof, costing less than the one (1%) percent or five (5%) percent thresholds described above, may be approved by the Board of Directors without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements or Association Property undertaken by the Association shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners accordingly.

The residents of the Condominium are aging which may, over time, result in physical difficulties for some second floor unit owners to access their units. In addition, over time, the lack of an elevator or lift serving the second floor units may have a negative impact on the marketability of all the units in the Condominium. Therefore, notwithstanding anything in this Declaration to the contrary, the Board of Directors may determine to add or cause to be installed an elevator or lift to this Condominium, and the elevator or lift shall be deemed to be for the benefit of all the unit owners of this Condominium. The elevator or lift shall be part of the common elements of this Condominium. The Board of Directors, in its sole discretion, may determine the type, make, style, model, specifications and location of the elevator or lift, which determination shall be deemed not to prejudice the right(s) of any unit owner. The cost of the installation, maintenance, operation, repair and replacement

of the elevator or lift, and any other expenses associated with such elevator or lift, shall be part of the common expenses. Notwithstanding anything in this Declaration, the Articles of Incorporation or Bylaws to the contrary, the Board of Directors may borrow funds from any lending institution to finance the addition or installation of the elevator or lift, and the Board is authorized to pledge or assign Association income and assessments as security for the loan. The foregoing shall not be construed as a requirement for the Board to take such action in lieu of an individual unit owner installing a lift or elevator at his or her own expense upon approval of a reasonable modification.

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

9.1 Prohibited Alterations. 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 (i) the interior of the Unit which is structural in nature, or which impacts the Common Elements in any way, including, but not limited to, any work which involves piercing the unit boundary or which requires the issuance of a permit from a governmental or regulatory authority or agency or to (ii) the Limited Common Elements, 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 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 7.3(g) 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 Owner's expense.

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, 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 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. The Owner shall be responsible for reimbursing the Association the cost of such access including but not limited to the cost of a locksmith as a Lien for Charges.

- (b) The power to make and collect regular and special Assessments, subject to the provisions of the By-Laws, 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 a majority 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, subject to the limitations thereon in the Articles of Incorporation on the manner in which Units may be 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 the accounts of the Association and a pledge of lien rights and 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, in the manner provided in the By-Laws.
- (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, By-Laws 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 of those portions of the Condominium Property for which the Association is responsible under

Section 7 hereof, 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.
- 10.4 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.
- 10.5 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 By-Laws 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 THEREFOR.** 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. 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. 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, as amended from time to time, 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.

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 all 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 is effective from and shall have such priority as provided for 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 attorneys' 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 attorneys' 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 Condominium Act, as the same may be amended from time to time, 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. A 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 some or all 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, with any change in the schedule for payment of the assessments from quarterly to monthly or monthly to quarterly to require the approval of a majority of the members of the entire Board. 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.
13. **INSURANCE.** The insurance other than title insurance that shall be carried upon the Condominium Property and the property of the Unit Owners shall be governed by the following provisions:
- 13.1 Authority to purchase; named insured. All insurance policies upon the Condominium Property shall be purchased by the Association. The named insured shall be the Association 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 for their personal liability and living expense. Unit Owners shall obtain coverage upon all real and personal property located within the boundaries of the Unit which is excluded from the coverage to be provided by the Association as set forth in Paragraph 13.2(a) below, which policies shall provide that the coverage afforded thereunder is excess over the amount recoverable under any other policy covering the same property and which shall be without rights of subrogation against the Association. The Association may, through rules

adopted by the Board of Directors, require Unit Owners to provide proof of insurance consistent with the requirements of this Declaration.

13.2 Coverage.

- (a) Casualty. All buildings and improvements upon the land shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, and all personal property included in the Common Elements shall be insured for its value, all as determined annually by the Board of Directors of the Association. The Association shall use its best efforts to obtain coverage for those portions of the Condominium Property and Association Property for which coverage is required by the Act. Such coverage shall afford protection against:
 - (i) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and
 - (ii) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including but not limited to vandalism and malicious mischief.

The Association shall be deemed to have complied with the requirements of this paragraph provided the Association obtains such coverage as may be required by the Act.

- (b) Public Liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired automobile and nonowned automobile coverages, and with cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.
- (c) Workmen's Compensation policy to meet the requirements of law.
- (d) Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

13.3 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.

13.4 Insurance trustee; shares of proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear, and shall

provide that all proceeds covering property losses shall be paid to such bank in Florida with trust powers as may be designated as insurance trustee by the Board of Directors of the Association, which trustee is referred to in this instrument as the Insurance Trustee. The Association may also act as its own Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of policies nor for 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 purposes elsewhere stated in this instrument and for the benefit of 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 damage to Common Elements – an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.
- (b) Units. Proceeds on account of damage to Units shall be held in the following undivided shares:
 - (i) When 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 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.
- (c) Mortgages. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the 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 distributions 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 provision 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 elsewhere provided. 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 elsewhere provided that the damage for which proceeds are paid shall not be reconstructed 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..
 - (d) Certificate. In making distribution to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their respective shares of the distribution.
- 13.6 Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each owner of a mortgagee or other lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising out of insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.
- 13.7 Unit Owner Insurance. Unit Owners are required to purchase a policy of insurance on all portions of the Unit for which the Association is not responsible under this Declaration or under the Act. The Association may require that proof of insurance be provided to the Board on an annual basis.

14. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

- 14.1 Determination to Reconstruct or Repair. If any part of the Condominium Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

- (a) Common Element. If the damaged improvement is a Common Element, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.
- (b) Building.
 - (i) Lesser Damage. If the damaged improvement is the Building, and if Units to which fifty percent (50%) of the Common Elements are appurtenant are found by the Board of Directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere provided that the Condominium shall be terminated.
 - (ii) Major Damage. If the damaged improvement is the Building, and if Units to which more than fifty percent (50%) of the Common Elements are appurtenant are found by the Board of Directors to be not tenantable, then the damaged property will not be reconstructed or repaired and the Condominium will be terminated without agreement as elsewhere provided, unless within sixty (60) days after the casualty the owners of seventy-five percent (75%) of the Common Elements agree in writing to such reconstruction or repair.
- (c) Certificate. The Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary to determine whether or not the damaged property is to be reconstructed or repaired.

14.2 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original Building, portions of which are attached as exhibits to the original Declaration; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is the Building, by the Owners of not less than seventy-five percent (75%) of the Units, including the Owners of all damaged Units, which approval shall not be unreasonably withheld.

14.3 Responsibility. If the damage is only to those parts of one Unit for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair after

casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

- 14.4 Estimates of costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.
- 14.5 Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair are insufficient, Assessments shall be made against the Unit Owners who own the damaged Units, and against all Unit Owners in the case of damage to Common Elements, in sufficient amounts to provide funds for the payment of such costs. Such Assessments against Unit Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units. Such Assessments on account of damage to Common Elements shall be in proportion to the Owner's share in the Common Elements.
- 14.6 Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Insurance Trustee and funds collected by the Association for Assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:
- (a) Association. If the total of Assessments made by the Association in order to provide funds for payment of costs of reconstruction and repair that is the responsibility of the Association is more than \$5,000.00, then the sums paid upon such Assessments shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such Assessments and disburse them in payment of the costs of reconstruction and repair.
 - (b) Insurance Trustee. The proceeds of insurance collected on account of a casualty, and the sums deposited with the Insurance Trustee by the Association from collections of Assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

- (i) Association – Lesser Damage. If the amount of the estimated cost of reconstruction and repair that is the responsibility of the Association is less than \$5,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided for the reconstruction and repair of major damage.
- (ii) Association – Major Damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than \$5,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.
- (iii) Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a Unit Owner shall be paid by the Insurance Trustee to the Unit Owner, or if there is a mortgagee endorsement as to the Unit, then to the Unit Owner and the mortgagee jointly, who may use such proceeds as they may be advised.
- (iv) Surplus. It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that the part of a distribution to a beneficial owner that is not in excess of Assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.
- (v) Certificate. Notwithstanding the provisions of this instrument, the Insurance Trustee shall not be required to determine whether or not sums paid by the Unit Owners upon Assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the

order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided, that when a mortgagee is required in this instrument to be named as payee, the Insurance Trustee shall also name the mortgagee as a payee of any distribution of insurance proceeds to a Unit Owner; and further provided that when the Association, or a mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association upon disbursements in payment of costs of reconstruction and repair.

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.

15.4 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.

15.5 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 sole 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 pay off 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 therefor 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 effected 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.

- (d) Assessments. If the balance of the award (after payments to the Unit Owners and such Owner's mortgagees as provided above) for the taking is not sufficient to alter the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all of the Unit Owners who will continue as Owners of Units after the changes in the Condominium effected by the taking. The Assessments shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effected pursuant hereto by reason of the taking.

15.6 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 effected 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.

15.7 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 effected 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 and for the protection of the values of the Units, the use of the Condominium Property shall be restricted to and shall be in accordance with the following provisions:

- 16.1 Housing for Older Persons. Wellington E Condominium is intended as housing for older persons. Accordingly, the Members of the Association wish to operate as housing for older persons as that term is used and defined in the applicable Federal and State Fair Housing laws. Accordingly, all Units shall be held for occupancy by persons fifty-five (55) years of age or older, subject to the exceptions noted below, and no permanent occupancy by persons under the age of eighteen (18) shall be permitted. The term occupancy shall have the meaning ascribed in the applicable Federal and State Fair Housing laws and the rules promulgated pursuant thereto. No occupancy shall be permitted by individuals between the ages of eighteen (18) and fifty-four (54), inclusive, unless the Unit is also occupied by at least one person fifty-five (55) years of age or older. Persons under eighteen (18) years of age may visit and occupy a Unit as a guest, but no Unit may be occupied by persons under eighteen (18) years of age for more than sixty (60) days cumulatively for all such visits in a calendar year. Accordingly, the Board shall not approve any proposed transfer to persons who do not intend to hold the Unit out for occupancy by persons fifty-five (55) years of age and older or to persons who intend to occupy the Unit without at least one occupant who is fifty-five (55) year of age or older. The Board may permit sales where the title holders will not include at least one person fifty-five (55) years of age or older on the condition that all purchasers verify in writing in a form acceptable to the Association that they intend to hold the Unit out for occupancy by persons fifty-five (55) years of age or older or intend to occupy the Unit with at least one person fifty-five (55) years of age or older in occupancy with them at all times. The only exceptions where occupancy by persons between the ages of eighteen (18) and fifty-four (54), inclusive, will be permitted without at least one person fifty-five (55) years of age or older are the surviving spouse of a deceased member if the surviving spouse is between eighteen (18) years of age and fifty-four (54) years of age, inclusive, and the surviving children of a deceased member if surviving children are between eighteen (18) years of age and fifty-four (54) years of age, inclusive, if the surviving children were residing in the Unit with the age 55 or over unit owner prior to his or her death. The foregoing exceptions will only be permitted if the resulting occupancy levels will remain at least eighty (80%) percent as provided below or as required by applicable law, as amended from time to time.

The Board of Directors shall establish policies and procedures for the purpose of assuring that the Board implements the intent of this provision in connection with the screening of sales, leases and all other transfers pursuant to this Declaration and for the purpose of assuring that all of the occupied Units in Wellington E Condominium operated by the Association are occupied by at least one person fifty-five (55) years of age or older as provided above. The Board of Directors shall take all reasonable steps to

insure that the community's status as housing for older persons is preserved and protected. A census will be conducted as often as and in the manner required by applicable law.

- 16.2 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) persons who are not related by blood, marriage or adoption living together as a single housekeeping unit, and their spouses, adult children, siblings, parents or grandchildren.

Under no circumstances may any Unit be used for any business purpose which would cause a level of noise, odor, traffic, debris or other activity inconsistent with residential use.

A guest shall be considered any occupant who is not a Unit Owner or approved tenant. There shall be no time limitation on guest occupancy provided the guest occupies the Unit with the Owner or approved tenant or the guest is a member of the Owner's or approved tenant's family, as defined above. "Occupancy" by the Owner or approved tenant means that the Owner or approved tenant are sleeping in the Unit overnight. However, any guest who occupies a Unit in excess of thirty (30) days cumulatively in any calendar year, whether with or without the Owner or approved tenant in residence, shall be subject to screening as a tenant. Guest occupancy in the absence of the Unit Owner or approved tenant by persons other than members of the Unit Owner's or approved tenant's family, as defined above, shall be limited to a total of thirty (30) days per calendar year, cumulatively, for all such guest visits. Prior to any occupancy of the Unit by any guest in the absence of the Owner or approved tenant, the Owner or approved tenant must provide written notice to the Association of the name or names of the intended guests, the anticipated date of arrival, and the anticipated date of departure.

- 16.3 Pets. No pets or animals of any kind may be kept or brought onto any portion of the Condominium Property at any time.
- 16.4 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, subject to the reasonable rules and regulations adopted by the Board of Directors from time to time.
- 16.5 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 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, including, but not limited to, regulations regarding the types of activities that are permitted, the level of noise that is permitted, and the hours during the day during which certain types of activities are permitted.

- 16.6 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 thereover shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereover, 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.
- 16.7 Leases. 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 (12) month period, measured from the commencement of the most recent prior lease. No lease may be for a term of less than six (6) months or more than twelve (12) months. A Unit shall be considered leased any time it is occupied by a tenant. The Association shall have the right to require that a substantially uniform form of lease be used. 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, the Bylaws, 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, all Unit Owners shall be jointly and severally liable with 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. The Association shall have the right to adopt rules to prohibit dual usage by a Unit Owner and a tenant of Association Property and Common Elements otherwise readily available for use generally by Owners.

- 16.8 Leasing Moratorium. No Unit Owner acquiring title after the effective date of this amendment may lease his or her Unit for a period of two (2) years from the date title is acquired. This two (2) year period shall run from the date of recording of any instrument transferring any ownership interest in title to the Unit, except for transfers to add members of the Unit Owner's immediate family as titleholders with the Unit Owner or to a trust where such transfers were undertaken for the purpose of estate planning. The only other exceptions to the foregoing moratorium are Units obtained by beneficiaries or heirs of the previous unit owner when title was acquired through inheritance or devise. This restriction shall not apply to Units acquired by the Association while the Units are owned by the Association. If at the time of transfer of any interest in title a Unit is already leased pursuant to a lease agreement entered into by the previous Owner, the aforementioned two (2) year period during which the Unit may not be leased shall commence at the expiration of the current term of the existing lease which may not be renewed or extended.

16.9 Parking Spaces.

- (a) Assigned parking spaces may be traded (mutually reassigned between the two parties) by Unit Owners on a temporary basis by mutual agreement of both parties, in writing, submitted to the Board of Directors stating the duration of the mutual reassignment.
- (b) Assigned parking spaces may be traded on a permanent basis by providing a written letter of agreement between the parties to the Association. After receipt of such permanent mutual reassignment of parking spaces, the Association will repaint and renumber the parking spaces. Unit Owners may permanently reassign their parking spaces only one (1) time.

- (c) No assignment of any parking space is permitted if it leaves any Unit with more than one parking space or leaves a Unit without any parking spaces.

16.10 Parking. The following guidelines shall apply with regard to permitted and prohibited vehicles on the Condominium Property (including, without limitation, any assigned or unassigned parking spaces):

- (a) ONLY passenger automobiles, station wagons, sport utility vehicles and passenger vans (vans which are designed and used solely for personal purposes and for the transportation of persons, not cargo) and pick-up trucks (pick-up trucks which are used solely for personal purposes and for the transportation of persons, not cargo) may park on the Condominium Property.
- (b) Without limiting the general provisions set forth above, the following types of vehicles WILL NOT be permitted to park on the Condominium Property, except as provided by sub-paragraph (c) below:
 - (i) Commercial vehicles of any type, including, without limitation, any vehicle, including permitted vehicles, showing or displaying any commercial, charitable or institutional (e.g., church or school) markings, signs, displays or otherwise indicating a commercial or other non-personal use or a vehicle used for commercial purposes;
 - (ii) Vans which are used, in whole or in part, for business or commercial purposes;
 - (iii) Motorcycles, motor scooters, or other two or three wheeled motorized vehicles;
 - (iv) Limousines or "stretch" limousines;
 - (v) Trucks of any type which are used, in whole or in part, for business or commercial purposes;
 - (vi) Agricultural vehicles;
 - (vii) Dune buggies;
 - (viii) Any trailer or other device transportable by vehicular towing;

- (ix) Semis, tractors or tractor trailers;
 - (x) Buses;
 - (xi) Travel trailers;
 - (xii) Boats and boat trailers with or without boats;
 - (xiii) Vehicles which are not fully mechanically operable or not currently licensed or registered for use;
 - (xiv) Motorcycle delivery wagons;
 - (xv) Recreational vehicles;
 - (xvi) Mobile homes or mobile houses;
 - (xvii) Truck mounted campers attached or detached from the truck chassis;
 - (xviii) Motor homes or motor houses;
 - (xix) Motor vehicles not having any bodies whatever, or incomplete buggies;
 - (xx) Swamp buggies; and
 - (xxi) Passenger automobiles that have been converted for racing.
- (c) While engaged in making deliveries or service calls, or if being utilized by Association employees, trucks and other commercial vehicles may be parked in designated areas, but not overnight.
 - (d) All vehicles parked on the property contrary to the provisions contained herein shall be subject to being towed in accordance with Section 715.07, Florida Statutes, as amended from time to time, at the expense of the owner of the vehicle. Towing shall not be the exclusive remedy of the Association.
 - (e) Notwithstanding anything herein to the contrary, but subject to subparagraph (c) above, no vehicle or other device shall be permitted to park on Condominium Property for other than delivery or service call

purposes, if its dimensions exceed the dimensions of the parking space assigned or designated.

- (f) The Board may adopt and amend additional rules and regulations regarding the issuance and display of decals to identify residents' or guests' vehicles and to regulate parking by guests, licensees, invitees, employees, agents or contractors.

16.11 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 formed for the purpose of estate or financial planning. This provision is not applicable to the acquisition of Units by the Association or foreclosing lienholders. 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. No person or permitted entity (other than the Association or a Mortgagee taking title by foreclosure or deed in lieu of foreclosure) may own or have any ownership interest, directly or indirectly, jointly or individually, in more than two (2) Units in the Condominiums operated by the Association including, without limitation, individually, jointly or through his or her spouse or domestic partner, a "straw man" or otherwise or a corporate entity as a partner, officer, director, shareholder, trustee, beneficiary or employee of any partnership, corporation, company, trust or any type of entity owning any ownership interest in or to a unit. Such additional transfers shall be considered void.

17. **CONVEYANCES, SALES AND TRANSFERS.** In order to provide for congenial occupancy of the Condominium and Association Property and for the protection of the values of the Units, the use of the Condominium Property shall be restricted to and shall be in accordance with 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 not to exceed the maximum amount permitted by the Act.
- (h) A Unit may not be purchased by more than two (2) natural persons. Thereafter, no additional names may be added to the deed.

17.2 Notice 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, the Letters of Administration issued to a deceased Owner's Personal Representative 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 and the proposed transferee(s) and all intended occupants as 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 (which may, at the Board's sole discretion, be conducted in person or via real time videoconferencing, internet-enabled video-conferencing, or similar electronic or video communication), and such other and further information about the intended transferees or occupants as the Association may reasonably require. The Association will conduct background investigations and screen all prospective purchasers, tenants, and occupants of a Unit, with such screening being conducted by the Association, UCO, or a third-party screening company hired by either the Association or UCO. Such background investigations will include, but are not limited to

criminal, financial, employment, previous housing, and credit background checks. No additional occupants, other than those submitted for screening at the time the notice to the Association is provided pursuant to this section, will be approved for residency at the condominiums operated by the Association until the sales transaction has closed. All additional occupants subsequent to the initial approval must also be submitted to the screening process.

- 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 any transfer 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, 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 of the restrictions on occupancy or ownership set forth in this Declaration; or
- (2) The person seeking approval (which shall include all proposed occupants) has been convicted of a felony or misdemeanor involving violence to persons at any time or has been convicted of any other felony within the ten (10) years preceding the date of application; or
- (3) For transfers by sale, the person seeking approval intends to purchase the Unit without paying at least ten percent (10%) 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 ninety percent (90%); the foregoing shall not apply to United States military veterans obtaining loans from the Veterans Administration for one hundred percent (100%) of the mortgage value; 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 or any other condominium or homeowners association as a lessee, guest, owner or occupant of a Unit; or

- (6) The Unit is being purchased by more than two (2) natural persons in violation of Section 17.1(h); or
 - (7) The applicant fails to comply with the requirements of Section 17.2 hereof.
- (c) **Mortgage Approval and Subordination.** All liens against a Unit 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 or other liens which become first mortgages which involve an outstanding balance which exceeds ninety percent (90%) 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 ninety percent (90%) of the fair market value of the Unit at the time of recordation of the mortgage. The foregoing shall not apply to United States military veterans obtaining loans for one hundred percent (100%) of the fair market value of the unit through a Veterans Administration loan.

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 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 in respect of such negligence or intentional misconduct. Any such expense advanced by the Association, 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 hereunder, or fails to observe and comply with any other provision of the Act, the Declaration, the By-Laws, the Articles of

Incorporation of the Association, the 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 the event a Unit Owner or anyone for whom 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 any maximum amount permitted by the Condominium Act, as such Act may be amended from time to time.
- 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 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.
- 18.5 Suspension of Voting Rights. In addition to the remedies provided in Section 18 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.
- 18.6 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the requirements 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, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (including appellate and bankruptcy attorneys' fees).
- 18.7 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.

- 18.8 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 The Condominium may be terminated under any one of the following alternatives:

- (a) Agreement. The Condominium may be terminated at any time by written agreement of all the Owners of the Units, and all the holders of mortgage liens.
- (b) Statute. The Condominium may be terminated as provided in the Condominium Act, as amended from time to time.
- (c) Determination Not To Reconstruct. If the Condominium suffers major damage as defined in Section 14.1(b), the Condominium may be terminated in the manner provided therein.
- (d) Loss of one or more Units. The Condominium shall be terminated in the event there is a casualty loss and the application of applicable governmental regulations prevents the reconstruction of the Condominium with the same number of Units. The termination of the Condominium under this section shall be evidenced by a Certificate of Termination executed by the President or Vice President of the Association with the formalities of a deed certifying to the facts requiring the automatic termination, in which event the procedures for termination and sale set forth in 19.2 through 19.7 hereof shall apply without necessity of obtaining unit owner or mortgagee approval.

- 19.2 Certificate of Termination; Termination Trustee. The termination of the Condominium via either of the methods set forth in 19.1(a) through 19(d) herein shall be evidenced by a Certificate of Termination, executed by the President or Vice President of the Association with the formalities of a deed, certifying to the facts effecting the termination. Written joinders or

consents executed with the formalities of a deed from the requisite number of voting interests of the Association, and mortgage holders, if required, shall be included in or be attached to the Certificate of Termination. The certificate shall include the name and address of a Termination Trustee, which must be one of the following: (1) the Association; (2) a Florida financial institution with trust powers; or (3) a licensed Florida attorney. The Certificate of Termination shall be signed by the Trustee indicating willingness to serve in that capacity. Termination of the Condominium occurs when a Certificate of Termination meeting the requirements of this section is recorded in the Public Records of Palm Beach County, Florida. The recording of that Certificate of Termination automatically divests the unit owners of legal title, and vests legal title to all real and personal property formerly the condominium property (hereinafter the "Property") in the Termination Trustee named in the Certificate of Termination without need for further conveyance. Beneficial title to the Property shall be owned by the former unit owners as tenants in common in undivided shares, such shares being the same as the undivided shares in the common elements appurtenant to the units as provided elsewhere in this Declaration. On termination, each lien encumbering a condominium parcel shall be transferred automatically to the beneficial shares in the Property with the same priority.

19.3 Wind-up of Association Affairs. The termination of the Condominium does not, by itself, terminate or dissolve the Association. The former unit owners and their successors and assigns shall continue to be members of the Association, and the members of the Board of Directors and the officers of the Association shall continue to have the powers granted in this Declaration, the Articles of Incorporation, and Bylaws, and by law, for the purpose of winding up the affairs of the Association. The powers of the Association include the authority to sell real or personal property owned by the Association and distribute net proceeds therefrom, and insurance proceeds, to the unit owners in shares that are the same as the undivided shares in the common elements appurtenant to the units as provided elsewhere in this Declaration.

19.4 Trustee's Powers and Duties. The Termination Trustee shall hold title to the Property for the benefit of the former unit owners and their successors, assigns, heirs, devisees, mortgagees, and other lienholders, as their interests shall appear. If the former unit owners approve a sale of the Property as provided in this section, the Termination Trustee shall have the power and authority to convey title to the Property and distribute the net proceeds in accordance with the provisions of this Declaration. In the event the Association is not the Trustee, the following provisions shall apply:

- (a) The Trustee shall be entitled to charge a reasonable fee for acting in such capacity, and that fee, and all costs and expenses incurred by the Trustee in the performance of its duties, may be paid from the proceeds of the sale of the Property.
- (b) The Trustee shall be entitled to be indemnified and held harmless by the Association and its members from any and all liabilities and costs incurred by virtue of acting as Trustee, except those resulting from the Trustee's gross negligence or malfeasance.
- (c) The Trustee may rely on written instructions and information provided by the officers, directors, and agents of the Association, and shall not be required to inquire beyond such information and instructions.

19.5 Partition; Sale. Following termination, the Property may be partitioned and sold on the application of any unit owner. If at least two-thirds of the total voting interests of the membership of the Association agree to accept an offer for the sale of any or all of the Property or to create a new Condominium, the Board of Directors shall notify the Termination Trustee, and the Trustee shall complete the transaction. The Trustee shall have the authority to execute any and all documents to complete the sale and convey legal title to the Property provided an agreement setting forth the terms and conditions of the sale is approved and executed by the requisite two-thirds of the voting interests, with the formalities of a deed, which agreement must be recorded in the Public Records of Palm Beach County, Florida prior to or simultaneous with the sale of the Property to a third party. In the event of a sale approved by the unit owners, any action for partition of the Property shall be held in abeyance pending the sale, and on the consummation of the sale shall be discontinued by all parties thereto. If the former unit owners have not authorized a sale of the Property within one year after the recording of the Certificate of Termination, the Trustee may proceed to sell the Property in a commercially reasonable manner without agreement by the former unit owners, or may file an appropriate lawsuit to request judicial assistance regarding the partition and sale of the Property. The proceeds of the sale of any of the Property or assets of the Association shall be distributed by the Termination Trustee to the beneficial owners thereof, as their interests shall appear.

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

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 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 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 first class mail or hand delivery to the Association at its office at the Condominium, or to such other

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 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 first class mail or hand delivery to the Association at 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 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.

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

- 22.4 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.
- 22.5 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.
- 22.6 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.
- 22.7 Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and By-Laws of the Association, and applicable rules and regulations, are fair and reasonable in all material respects.
- 22.8 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.
- 22.9 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.