

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

NA1539



Ernest W. Sturges, Jr., Esq.
Goldman, Tiseo & Sturges, P.A.
701 JC Center Court, Suite 3
Port Charlotte, Florida 33954

**CERTIFICATE OF AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
ARTICLES OF INCORPORATION
AND BYLAWS OF
ABBEY HOUSE OF PORT CHARLOTTE-A CONDOMINIUM, INC.**

THIS CERTIFICATE is made to reflect and document an Amendment and Restatement of the Declaration of Condominium, Articles of Incorporation and Bylaws of Abbey House of Port Charlotte-A Condominium, Inc. The Declaration of Condominium, Articles of Incorporation and Bylaws of Abbey House of Port Charlotte-A Condominium, Inc. have been recorded in the Public Records of Charlotte County as follows:

<u>Instrument and Date</u>	<u>O.R. Book/Page(s)</u>
a. Declaration of Condominium of Abbey House of Port Charlotte-A Condominium, Inc. Recorded: August 24, 1973	0432/0155 <i>et seq.</i>
b. Articles of Incorporation of Abbey House of Port Charlotte-A Condominium, Inc. Recorded: August 24, 1973	0432/0155 <i>et seq.</i>
c. Bylaws of Abbey House of Port Charlotte-A Condominium, Inc. Recorded: August 24, 1973	0432/0155 <i>et seq.</i>
d. Certificate of Amendment to Articles of Incorporation of Abbey House of Port Charlotte-A Condominium, Inc. Recorded: December 11, 1989	1074/0381 <i>et seq.</i>
e. Certificate of Amendment to Articles of Incorporation of Condominium of Abbey House of Port Charlotte-A Condominium, Inc. Recorded: January 26, 1990	1082/1320 <i>et seq.</i>
f. Certificate of Amendment to Declaration of Condominium of Abbey House of Port Charlotte-A Condominium, Inc. Recorded: November 30, 1999	1751/0163 <i>et seq.</i>
g. Certificate of Amendment to Declaration of Condominium of Abbey House of Port Charlotte-A Condominium, Inc. Recorded: March 21, 2001	1874/1657 <i>et seq.</i>

h. Certificate of Amendment to Declaration of
Condominium of Abbey House of Port Charlotte-A
Condominium, Inc.
Recorded: May 26, 2004

2475/1812 *et seq.*

The undersigned officers of the Board of Directors of Abbey House of Port Charlotte-A Condominium, Inc., a Florida not-for-profit corporation, hereby certify as follows:

1. The Declaration of Condominium, Articles of Incorporation and Bylaws of Abbey House of Port Charlotte-A Condominium, Inc. are hereby amended in accordance with Exhibit "I" attached hereto.
2. The Amendment and Restatement of the Declaration of Condominium of Abbey House of Port Charlotte-A Condominium, Inc. was proposed by a duly adopted resolution, and approved by a vote of not less than two-thirds (2/3) of the total membership in the Association.
3. The Amendment and Restatement to the Articles of Incorporation of Abbey House of Port Charlotte-A Condominium, Inc. was proposed by a duly adopted resolution, and approved by a vote of not less than two-thirds (2/3) of the total membership in the Association.
4. The Amendment and Restatement of the Bylaws of Abbey House of Port Charlotte-A Condominium, Inc. was proposed by a duly adopted resolution, and approved by a vote of not less than two-thirds (2/3) of the total membership in the Association.

Executed this 8 day of March, 2019, at Port Charlotte Florida.

ABBEY HOUSE OF PORT CHARLOTTE-A
CONDOMINIUM, INC., a Florida not-for-profit
corporation

By:
Name:
Its:

John R. Hill
JOHN R. HILL
President

STATE OF FLORIDA
COUNTY OF Charlotte

The foregoing instrument was acknowledged before me this 8 day of March, 2019, by John R. Hill, who is personally known to me ~~or produced~~ _____ as identification.

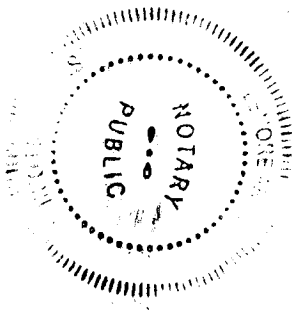
SEAL



LENORE ARENA
Commission # GG 191431
Expires March 1, 2022
Bonded Thru Budget Notary Services

Lenore Arena
NOTARY PUBLIC

Lenore Arena
Printed name of notary



ATTEST:

By: Dave Nichols
Name: DACE NICHOLS
Its: Secretary

STATE OF FLORIDA
COUNTY OF Charlotte

The foregoing instrument was acknowledged before me this 8 day of March, 2019, by Dave Nichols, who is personally known to me or produced as identification.

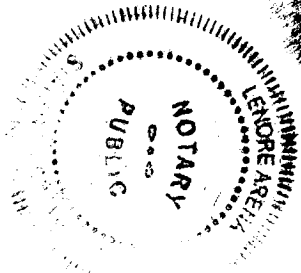
Lenore Arena
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SEAL



LENORE ARENA
Commission # GG 191431
Expires March 1, 2022
Sustained Thru Budget Notary Services





**AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM**

OF

ABBEY HOUSE OF PORT CHARLOTTE – A CONDOMINIUM INC.

***SUBSTANTIAL REWORDING OF DECLARATION OF CONDOMINIUM-
SEE CURRENT DECLARATION OF CONDOMINIUM FOR CURRENT TEXT***

RECITALS:

In a Declaration of Condominium recorded at O.R. Book 620, Pages 1205 et seq. of the Charlotte County Public Records on December 21, 1979, the Condominium Developer did submit to condominium ownership pursuant to Chapter 718, Florida Statutes, known as the Condominium Act, that property situated in Charlotte County, Florida, more particularly described as follows:

That portion of Section 15, Township 40 South, Range 22 East, Charlotte County, Florida, being more particularly described as follows:

Commence at the intersection of the Base Line of Harbor Boulevard (O.R.B. 193, Pages 144-147, Charlotte County, Florida) and the centerline of Gertrude Avenue (O.R.B. 242, Page 439, Charlotte County, Florida) thence N 89°50'39" W along the centerline of Gertrude Avenue a distance of 837.33 feet; thence S 00°09'21" W, leaving said centerline a distance of 35.00 feet to a point on the South right of way of said Gertrude Avenue and the POINT OF BEGINNING of the following described tract of land; thence S 89°50'39" E along the South right of way of Gertrude Avenue a distance of 355.66 feet; thence S 00°09'21" W leaving said South right of way a distance of 130.00 feet; thence N 89°50'39" W, a distance of 33.85 feet; thence S 00°41'21" W, a distance of 55.00 feet; thence N 00°09'21" E, a Distance of 185.00 feet to the POINT OF BEGINNING, containing 1.46 acres more or less.

The Condominium Property is further described at Condominium Plat Book 1, Pages 23A and 23B, Charlotte County Public Records.

Said Declaration was subsequently amended as follows:

Amendment recorded at O.R. Book 1751, Pages 163 et seq., Charlotte County Public Records.

Amendment recorded at O.R. Book 1874, Pages 1657 et seq., Charlotte County Public Records.

Amendment recorded at O.R. Book 2475, Pages 1812 et seq., Charlotte County Public Records.

The submission of the land to the condominium form of ownership by that document is and will remain effective. By adoption of this Amended and Restated Declaration of

Condominium, the Association members hereby adopt certain amendments to the Declaration of Condominium and hereby restate the Declaration of Condominium and its Exhibits in its entirety. By adoption of this Amended and Restated Declaration of Condominium, the members of the Association ratify governance of the property described above and in Exhibit "A" hereto under the condominium form of ownership and the provisions of the Condominium Act.

1. Definitions. As used herein or elsewhere in the Condominium Documents, unless otherwise provided, the terms used shall be as defined in the Act and as herein provided:

1.1. "Act" or "Condominium Act" means the Condominium Act (Chapter 718, Florida Statutes, 2012), as it now exists or as it may be amended from time to time, including the definitions therein contained.

1.2. "Articles" means Articles of Incorporation as attached hereto as Exhibit "B" as same may be amended from time to time.

1.3. "Assessment" means a share of the funds required for the payment of Common Expenses, which from time to time is assessed against the Unit.

1.4. "Association" means ABBEY HOUSE OF PORT CHARLOTTE – A CONDOMINIUM, INC., a Florida not-for-profit corporation, the entity responsible for the operation of the Condominium.

1.5. "Association Property" means all real property owned by the Association for the use and benefit of the Unit Owners.

1.6. "Board of Directors" or "Board" or "Directors" means the representative body which is responsible for the administration of the Association's affairs, and which is the same body that is sometimes referred to in the Condominium Act as the "Board of Administration." Each Director must be a Unit Owner, or Primary Occupant (in case of Units that designate a Primary Occupant), the spouse of a Unit Owner or Primary Occupant, the settler or grantor of a trust described in Section 736.0103(18), Florida Statutes (2017), which owns a Unit, or the spouse of such party, a beneficiary as defined in law of a trust which owns a Unit, provided said beneficiary occupies the unit, or the spouse of such party.

1.7. "Building" means the structure or structures in which the Units are located, regardless of the number thereof.

1.8. "Bylaws" mean the Bylaws of the Association as attached hereto as Exhibit "C" as same may be amended from time to time.

1.9. "Charge" means any legal or equitable indebtedness to the Association incurred by, or on behalf of, a Unit Owner, other than Assessments for Common Expenses. Said obligations may arise by oral or written contract, by law or in equity, or may be created by these Condominium Documents.

1.10. "Common Elements" mean and include:

1.10.1. The portions of the Condominium Property not included within the Units.

1.10.2. Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and the Common Elements.

1.10.3. An easement of support in every portion of a Unit which contributes to the support of the Building, including but not limited to all load bearing interior walls within the Units.

1.10.4. The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements.

1.10.5. Any other parts of the Condominium Property designated as Common Elements in this Declaration.

1.11. "Common Expenses" means those expenses for which Unit Owners are liable to the Association, including but not limited to expenses of administration, maintenance and operation, repair and replacement of Common Elements and such other expenses as may be declared expenses either by this Declaration, the Articles of Incorporation, the Bylaws or by the Association. Common Expenses include, but are not limited to, such items as cost of premiums for hazard and public liability insurance, repairs, replacements and expenses of upkeep, lawn service, utility bills, pool service, janitor service, accounting and legal fees, wages and fees for managerial and other services, and reasonable and adequate reserves, all as may be required in the maintenance and management of this Condominium. The expenses of bulk cable or master antenna television, and bulk interior pest control, are specifically considered a common expense, if so designated by the Board. Common Expenses also include reasonable insurance for Directors and officers, road maintenance and operation expenses, and security services, 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.

1.12. "Common Surplus" means the excess of all receipts of the Association, including, but not limited to, Assessments, rents, profits and revenues on account of the Common Elements, above the amount of the Common Expenses.

1.13. "Condominium Documents" means this Declaration; the Surveyor's Plat, copies of which are attached hereto as Exhibit "A;" Articles of Incorporation of Abbey House of Port Charlotte – A Condominium, Inc. attached hereto as Exhibit "B;" and Bylaws of the Association attached hereto as Exhibit "C". The Rules and Regulations need not (but may) be recorded in the County Public Records in order to be valid.

1.14. "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to said Unit and when the context permits, the term includes all of the appurtenances to the Unit.

1.15. "Condominium Property" means the land and property interests subjected to condominium ownership under this Declaration, all improvements on the land, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

1.16. "County" means the County of Charlotte, State of Florida.

1.17. "Declaration" or "Declaration of Condominium" means this instrument, and as it may be amended from time to time.

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

1.18.1. One natural person, his spouse, if any, and their custodial children, if any.

1.18.2. Not more than two natural persons not meeting the requirement of 1.18.1 above, but who customarily reside together as a single housekeeping Unit, and the custodial children of said parties, if any.

The reference to "natural" herein is intended to distinguish between an individual and a corporation or other artificial entity. "Family Member" is a person who resides in a Unit as part of the Owner's Family, but is not a title holder.

1.19. "Fixtures" means those items of tangible personal property which by being physically annexed or constructively affixed to the Unit have become accessory to it and part and parcel of it, including but not limited to, interior partitions, walls, appliances which have been built in or permanently affixed, and plumbing fixtures in kitchens and bathrooms. Fixtures do not include floor, wall or ceiling coverings.

1.20. "Guest" means any person who is not the Unit Owner or a lessee or a member of the Owner's or lessee's Family, who is physically present in, or occupies the Unit on a temporary basis at the invitation of the Owner or other legally permitted occupant, without the payment of consideration.

1.21. "Insurable Improvements" shall mean the "Building" as defined in Article 1.7 of this Declaration, less upgrades or additions by Unit Owners (or their predecessors in title) and those portions of the Condominium Property required by the Act to be insured by the Association.

1.22. "Invitee" a person or persons allowed entry for the purpose of conducting business with a Unit's occupant, or otherwise entering the Condominium Property on a temporary basis at the express or implied consent of the Unit Owner.

1.23. "Lease" means the grant by a Unit Owner of a right of use of the Owner's Unit for consideration.

1.24. "Limited Common Elements" shall include property which is reserved for the use of a certain Unit to the exclusion of other Units as reflected on the condominium plat or in this Declaration. Whenever a portion of the Condominium Property naturally and exclusively services a particular Unit, and where the area in question lies outside of the boundaries of the Unit, the delegation of maintenance responsibility for the area (e.g., air conditioning compressors) shall serve to define the area as a Limited Common Element.

1.25. "Limited Common Expense" means those expenses affiliated with the maintenance, repair, replacement, or reconstruction after casualty of a Limited Common Element, the costs of which are assessed only against the benefiting Unit Owner(s), as authorized by Section 718.113(1) of the Act, and if so provided in this Declaration.

1.26. "Primary Occupant" means a natural person designated for occupancy of a Unit when title to the Unit is held in the name of two or more persons who are not husband and wife, or by a trustee or a corporation or other entity which is not a natural person.

1.27. "Rules and Regulations" means those rules and regulations promulgated by the Board of Directors, governing the use, occupancy, alteration, maintenance, transfer and appearance of Units, Common Elements and Limited Common Elements, and the operation and administration of the Association, subject to any limits set forth in the Declaration of Condominium.

1.28. "Unit" means a part of the Condominium Property subject to exclusive ownership.

1.29. "Unit Owner" or "Unit Owners" means the record Owner of a Condominium Parcel.

1.30. "Utility Services" as used in the Condominium Act and as construed with reference to this Condominium, and as used in the Declaration and Bylaws, shall include but not be limited to electric power, gas, hot and cold water, heating, refrigeration, air conditioning and garbage and sewage disposal.

1.31. "Voting Interest" means and refers to the arrangement established in the Condominium Documents by which the Owners of each Unit collectively are entitled to one vote in the Association matters. There are thirty-two (32) Units, so the total number of voting interests is thirty-two (32).

2. Statement of Condominium Declaration. General Development Corporation, a Delaware corporation, submitted the property described above and in Exhibit "A" hereto and as described above to condominium ownership in accordance with Florida Statutes.

3. Condominium Name. The name by which this condominium is identified is "Abbey House of Port Charlotte, a Condominium."

4. Unit Identification. The identification of each Unit shall be by number and shall be as indicated on the Surveyor's Plat, attached hereto as Exhibit "A".

5. Survey and Graphic Description. A survey of the land submitted herewith to condominium ownership and a plat thereof describing each Unit, Common Elements and their relative location and the approximate dimensions of each Unit are as shown on the Surveyor's Plat and attached hereto as Exhibit "A".

6. Voting Rights; Ownership of Common Elements. The voting rights of the Owner of each Unit shall be 1/32nd (one voting interest per Unit). The sharing of Common Expenses and Common Surplus shall be equal as expressed as a percentage as 3.125% percent. The sharing and ownership of Common Elements shall be as follows:

<u>Unit Number</u>	<u>% of Interest In Common Elements</u>
101	3.43420%
102	2.62969%
103	3.43420%
104	3.43420%
105	3.43420%
106	3.43420%
107	2.83381%
108	2.83381%
109	3.43420%
110	2.68972%
111	3.43420%
112	3.43420%
113	3.43420%
114	3.43420%
115	2.62969%
116	2.68972%
201	3.36216%
202	2.48559%
203	3.20605%
204	3.54226%
205	3.20605%

206	3.54226%
207	2.77377%
208	2.77377%
209	3.36216%
210	2.48559%
211	3.20605%
212	3.54226%
213	3.20605%
214	3.54226%
215	2.48559%
216	2.62969%

TOTAL: 100.00000%

7. Common Elements; Easements.

7.1. Definition. The term "Common Elements" means all of the property submitted to condominium ownership that is not within the Unit boundaries set forth in Section 8 below. The Common Elements include without limitation the following.

7.1.1. The Land.

7.1.2. All portions of the Building and other improvements outside the Units, including all Limited Common Elements.

7.1.3. Easements over, through, above and beneath each Unit for conduits, ducts, plumbing, wiring and other facilities for furnishing utility services to other Units or Common Elements.

7.1.4. An easement of support in every portion of the Condominium which contributes to the support of the Buildings.

7.1.5. The Fixtures and installation required for access and utility services to more than one Unit or to the Common Elements.

7.2. Easements. Each of the following easements and easement rights is reserved through the Condominium Property and is a covenant running with the land of the Condominium, and notwithstanding any of the other provision of this Declaration, may not be revoked and shall survive the exclusion of any land from the Condominium, unless released by all record title holders, lienors, and beneficiaries of such easement. None of these easements may be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any lien encumbering these easements shall automatically be subordinate to the rights of the Unit Owners with respect to such easements.

7.2.1. Utility and other Easements. The Association, through the Board of Directors, has the power, without joinder of any Unit Owner, to grant, modify or

move easements such as electric, gas, cable television, or other access, utility or service easements, or relocate any existing easements, in any portion of the Common Elements or Association Property, as the Board shall deem necessary or desirable for the proper operation and maintenance of the Condominium. Such easements, or the relocation of existing easements, may not prevent or unreasonably interfere with the use of the Units. The Association, through the Board of Directors, may also transfer title to utility-related equipment, facilities or material, and may take any other action to satisfy the requirements of any utility company or governmental agency.

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

7.2.3. Ingress and Egress. A non-exclusive easement shall exist in favor of each Unit Owner and occupant, their respective guests, tenants, licensees and invitees for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portion of the Common Elements as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portion of the Common Elements as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways.

7.3. Restraint Upon Separation and Partition. The undivided share of ownership on the Common Elements and Common Surplus appurtenant to a Unit cannot be conveyed or separately described. As long as the Condominium exists, the Common Elements cannot be partitioned. The shares in the funds and assets of the Association cannot be assigned by a Unit Owner, pledged or transferred except as an appurtenance to the Units.

8. Condominium Units and Appurtenances. Condominium Units are those cubicles of space, and all improvements constructed therein identified and described in the Surveyor's Plat, attached hereto as Exhibit "A." The upper and lower boundaries of the Condominium Units shall be as follows:

8.1. Upper and Lower Boundaries. The upper and lower boundaries of a unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

8.1.1. Upper Boundary. The horizontal planes of the unpainted finished ceiling, including the porch.

8.1.2. Lower Boundary. The horizontal planes of the unpainted finished floor, including any porch.

8.2. Perimetrical Boundaries. The perimetrical boundaries of the unit shall be the vertical planes of the unpainted finished interior of the walls bounding the unit extended to an intersection with each other and with the upper and lower boundaries including any porch as indicated on the condominium plat.

8.3. Exclusive Use. Each Unit Owner shall have the exclusive use of his Unit.

8.4. Appurtenances. The ownership of each Unit shall include, and there shall pass with each Unit as appurtenances thereto whether or not separately described, all of the rights, title and interest including but not limited to:

8.4.1. Common Elements. An undivided share of the Common Elements, such undivided share to be that portion set forth in Article 6 hereof.

8.4.2. Easements. For the benefit of the Unit.

8.4.3. Association Membership. Association Membership and interest in funds and assets held by the Association.

8.4.4. Automobile Parking Space.

(a) The Developer established a parking and storage plan and in connection therewith allocated and assigned one (1) parking space to each Unit and allocated and assigned one (1) storage space. Those parking spaces designated by the Developer as guest parking spaces shall be used in common by Unit Owners' guests and invitees, pursuant to reasonable rules and regulations to be adopted from time to time by the Association.

(b) As to further storage and parking spaces not allocated as above, the Association shall have the right to assign such additional spaces to such of the members of the Condominium as it may from time to time determine.

(c) All parking and storage assignments made by the Developer shall be noted on the books of the Association and shall be an appurtenance to the Unit so designated and a Limited Common Element. The interest of the Unit Owner in these spaces may be assigned only to a subsequent transferee, who also purchase the Unit Owner's Unit in a simultaneous transaction, and a form for this purpose shall be made available by the Directors of the Association.

(d) Unit Owners agree that they will park in their respective allocated spaces and utilize their respective allocated storage spaces that the parking and storage allocation plan shall not be changed or amended except on the vote of two-thirds (2/3) of the Unit Owners. The parking plan need not be recorded in the Public Records but the Association shall keep said

plan in its records and make same available to Unit Owners at all reasonable times.

8.5. Easement to Air Space. The appurtenances shall include an exclusive easement for the use of the air occupied by the Unit as it exists at any particular time and as the Unit may be altered or reconstructed from time to time.

8.6. Cross Easements. The appurtenances shall include the following easements from each Unit Owner to each other Unit Owner and the Association:

8.6.1. Ingress and Egress. Easements through the Common Elements for ingress and egress.

8.6.2. Maintenance, Repair and Replacement. Easements through, over and beneath the Units and Common Elements for maintenance, repair and replacement of the Units and Common Elements. Such access to the Units shall be only during reasonable hours except that access may be had at any time in case of emergency.

8.6.3. Support. Every portion of a Unit contributing to the support of the Unit Building shall be burdened with an easement of support for the benefit of all other Units and Common Elements in the Building.

8.6.4. Utilities. Easements over, through, above and beneath the Units and other portions of the Condominium Property for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to the Units and the Common Elements; provided, however, that such easements through a Unit shall be only according to the plans and specifications for the Unit Building or as the Building is constructed unless approved in writing by the Unit Owner.

9. Maintenance, Alteration and Improvements. Subject to the provisions of Florida Statute §718.111(11), as same may be amended from time to time, responsibility for the maintenance of the Condominium Property, and restrictions upon the alteration and improvement thereof, shall be as follows:

9.1. Association Maintenance. The maintenance, repair and replacement of all Common Elements (except those Limited Common Elements for which this Declaration delegates responsibility to the Unit Owner) and Association Property shall be performed by the Association, and the cost is a common expense, except as may otherwise be specifically noted with respect to Limited Common Elements.

Same shall include, but not be limited to, exterior painting, roofing, maintenance of parking facilities, and maintaining portions of the Condominium Property exposed to the elements, but shall not include maintenance of screen frames or screening or lanai enclosures, nor any alteration or addition to the Condominium Property made by a Unit Owner or his

predecessors in title, nor any portions of the Condominium Property exposed to the elements for which this Declaration delegates responsibility to the Unit Owner.

Glass enclosures or partitions that were not installed as part of the original construction, such as lanai enclosures (if permitted as provided elsewhere in the Condominium Documents) are not the maintenance or insurance responsibility of the Association, and shall be the insurance, maintenance, repair and replacement responsibility of the affected Owner.

The Association's maintenance responsibility includes, without limitation; all electrical conduits located outside the Unit; plumbing fixtures and installations located outside the Unit; installations located within a Unit but serving another Unit; or installations located outside the Unit for the furnishing of utilities to more than one Unit or the Common Elements.

The Association shall be responsible for the maintenance and repair of the drywall constituting the Common Elements of the Condominium, including the interior surface of the exterior boundary walls, as well as the drywall ceiling of the Unit. Decorations of such surfaces (including but not limited to paint, wallpapering, "popcorn," paneling, etc.) are the responsibility of the Unit Owner. The Association's maintenance responsibility does not include interior non-load bearing partitions, electrical fixtures, switches or receptacles, plumbing fixtures, or other electrical, plumbing or mechanical installations located within the Unit and serving only that Unit.

If, in connection with the discharge of its maintenance responsibilities, the Association must remove, disassemble, or destroy portions of the Condominium Property which the Unit Owner is required to maintain, repair, and replace, the Association shall be responsible for reinstallation or replacement of that item, to its unfinished state (i.e., excluding floor coverings, wall coverings, ceiling coverings, paint, wallpaper, paneling, etc.), provided that such items are part of the Condominium Property as originally installed by the Developer, or replacements thereof of like kind and quality. Replacement of all upgrades or additions, even if made by a predecessor in title, shall be the responsibility of the Unit Owner, as shall any screens or frames which the Association must remove in connection with the maintenance of the Building, although the Association may have such screen replacement work performed by its contractor, and the Unit Owner will be responsible for reimbursements as a charge.

Each condominium unit owner and their successors and assigns, acknowledge that this Condominium is one of nine condominiums located in the development known as Charlotte Square. In order to provide for the unified maintenance and upkeep of the entire development and for the economical discharge of the management and maintenance functions of the Common Elements and Limited Common Elements of each condominium and of the Recreational Facilities for the benefit of the Condominium Unit Owners, the Condominium Association is authorized to and shall together with the other condominium associations of other condominiums in the development known as Charlotte Square appoint and/or enter into a contract with any person, firm, corporation or other real estate

management agent, including but not limited to Charlotte Square Condominium Association, Inc., to provide for the unified and uniform maintenance and repair of the condominium property to the effect that there shall be one general supervising directorate for the maintenance and repair of the condominium properties of all condominiums and/or the Recreational Facilities in the Charlotte Square development. The powers that may be delegated by the Condominium Association include, but are not limited to, the right to contract for landscape maintenance, management, security services, janitorial maintenance, pool maintenance and asphalt maintenance, repair and replacement. Any and all expenses incurred by the Condominium Association pursuant to the appointment of an agent hereunder, and the delegation of duties and responsibilities, shall be a common expense of the condominium. Any such unified managing agent may be granted any and all powers of the Association which are exercisable by the Board of Directors as provided for in the Articles of Incorporation or the Bylaws of the Condominium Association, and in accordance therewith. The terms of said contract with any unified managing agent shall confirm to the requirements of the Bylaws of the Association in all regards.

9.2. Unit Owner Maintenance. Each Unit Owner is responsible, at his own expense, for all maintenance, repairs, and replacements of his own Unit and those Limited Common Elements serving his Unit, if so provided herein, whether ordinary or extraordinary including, without limitation: interior partitions, the finishes thereof, the structural framing related thereto (assuming non-load bearing); all electrical or plumbing facilities located in the Unit, which service only the individual Unit plus all electrical facilities from the electrical meter inward, which service only that Unit; window installations, including the window frame and encasement, the plate glass, exterior and interior caulking, window locking and opening mechanisms, and the window sills; maintenance, repair and replacement of window screens, screen doors or lanai screens (including hardware and framing); sliding glass doors and the structural components thereof, including trim and caulking; Unit and storage locker, front entry door, except that the Association may paint entry doors when it is painting the entire Building; all other doors and the framing and structural components thereof (including trim, caulking, locks and hardware) within or servicing the Unit; the electrical, mechanical and plumbing fixtures and outlets (including connections) within a Unit and serving only that Unit including sinks, toilets, tubs, showers, shower pans, and all related Fixtures and installations; appliances; all portions of the heating and air conditioning equipment (including compressors, air handlers and freon lines) and utility installations and connections serving an individual Unit, no matter where located (except that Association shall maintain chases housing freon lines), air conditioner discharge lines to the point of termination or connection to another discharge (even if exterior to the Unit); carpeting and other floor covering (including lanai areas); door and window hardware and locks; all other facilities or Fixtures located or contained entirely within a Unit which serve only that Unit. The owner shall be responsible for the interior maintenance of his respective storage room. All incoming plumbing including the shut-off valve (at hot water) inward is a specific Unit Owner responsibility. Outbound plumbing is the responsibility of the Owner until the point of connection to a vertical disposal, even if outside the Unit boundary. All said areas, if located outside of the boundaries of the Unit, are declared Limited Common Elements. Unit owners are required to replace their hot water heater on or before seven (7) years from the date of manufacture of said hot water

heater. Notwithstanding any other provision of this Declaration, if the failure of a hot water heater results in damage to the common elements, limited common elements or unit of another owner and the date of the damage is subsequent to the expiration date of the hot water heater, a rebuttable presumption shall be created that the unit owner whose hot water heater was not replaced in accordance with this paragraph is negligent and therefore responsible for the damages caused as a result of same. The Board of Directors, or its designee, shall have the right to inspect the hot water heater in each Unit to establish an initial record of the manufacture date of each Unit's hot water heater. The Board of Directors, or its designee, shall further have the right to inspect each Unit on a not more than annual basis to update the aforementioned record. Further, any Unit Owner who replaces their hot water heater shall have the obligation to notify the Association, or its designee, of the manufacture date of the newly installed hot water heater within ten (10) days of the installation of said hot water heater.

9.3. Additional Unit Owner Obligations. In connection with his maintenance, repair and replacement obligations, the Unit Owner shall have the responsibility to obtain the prior written approval of the Association, through the Board of Directors, before performing any maintenance, repair or replacement which requires: changes or alterations to the physical appearance of the Condominium Property visible from any exterior vantage; excavation; access to Building roof; removal, modification or relocation of any interior partitions, walls, whether load-bearing or not or the relocation of cabinets or appliances; relocation of utility plumbing or electrical lines or fixtures; the use of heavy or noisy equipment; such other actions as may cause concern for the peace and safety of the condominium and its residents or the aesthetics of the Condominium Property as determined by the Board. The Association may condition such approval on criteria as the Board deems reasonable, including but not limited to:

- Preservation of uniformity of appearance;
- Use of licensed and insured contractors;
- Right (but not duty) of oversight by the Association or its agent;
- The Unit Owner submitting plans as to the scope of the contemplated repair;
- Restrictions as to hours of work;
- Imposition of time limits in which jobs must be completed and prohibitions against major renovations during certain times of year.
- Restrictions regarding equipment that may be parked or stored on or near the Condominium Property during construction.
- Restrictions regarding the transport and storage of materials and supplies necessary for the construction to be performed.

Unit owners may not engage in "extensive" remodeling work or "heavy" construction activity, except with prior approval of the Board of Directors. "Extensive" remodeling and "heavy" construction shall be as defined by the Board of Directors from time to time, and shall include but not be limited to activities involving the following:

- Activities involving the use of power equipment such as jackhammers, drills, saws, and the like which create substantial noise as determined by the Board.
- Activities resulting in the creation of substantial noise that can be heard outside of the unit, regardless of whether power equipment is used or not, as determined by the Board.
- Activities rendering the unit uninhabitable during the performance of the work.
- Activities requiring the storage of materials or equipment on the premises outside of the unit.
- Activities involving the presence of work crews or significant numbers of workers, as determined by the Board.
- Activities requiring the use of scaffolding, booms, or other forms of exterior access.

Nothing shall preclude the Association from acting as the Owner's agent and obtaining the services of Contractors to perform Unit Owner maintenance responsibilities, provided that the Association and the Owner so agree, or when necessary (as determined by the Board) to facilitate projects involving the Association's maintenance of the Condominium Property, and provided that the Owner is deemed to consent to reimbursement of expenses incurred, secured by such rights as exist for collecting Common Expenses under these Condominium Documents i.e., a lien for Charges. Unit Owners shall at all times be responsible to ensure, whether or not Association approval is required for work being done within the Unit, that all Contractors and other persons performing services for the Unit or Owner are properly licensed and insured, including required Worker's Compensation insurance. The Unit Owner shall hold the Association harmless from any claim of any nature arising out of failure to comply with this requirement.

9.4. Lanais are designated as part of the Unit. The Unit Owner who has the right to the exclusive use of said lanai shall be responsible for the maintenance, care and preservation of: lanai floor coverings (the Board may prohibit certain types of floor coverings or require the removal of existing coverings when necessary for the structural preservation of the Building); the screens and frames; storm shutters and other enclosures; fixed and/or sliding glass doors and affiliated framing and hardware thereof; the wiring, electrical outlet(s) and Fixture(s) on or servicing the lanai; ceiling fans; and the replacement

of light bulbs. The Association shall be responsible for structural maintenance, repair and replacement of lanai floors, ceilings and exterior portions, and also the Building walls enclosed by the balconies, provided that painting and regular maintenance (nonstructural) of Building walls enclosed by lanais shall be done by the Unit Owners, subject to the uniformity of appearance (e.g., color) and other criteria set forth in these Condominium Documents, or as determined by the Board.

9.5. Unit Floor Coverings. It is recommended all Units above the first floor shall always have the floors covered with carpeting, except in kitchens, bathrooms, lanais, and foyers, except as provided below. Hard floor surfaces (tile, marble, wood, etc.) may only be installed in areas other than kitchens, bathrooms, lanais, and foyers, upon prior written approval of the Board of Directors, which shall condition its approval on the Unit Owner's proof of the installation of appropriate sound-deadening material. Specifications for sound proofing of hard flooring (wherever located) must be approved in writing by the Board or its representative prior to installation, and then the installed sound proofing must be inspected and approved prior to installation of the hard flooring. The minimum sound proofing material that will be approved shall be of such kind and quality to achieve STC and IIC ratings of at least 47 in bathrooms and 52 in all other areas and as the Board may further specify.

9.6. Alterations by Unit Owners. No Owner may make or permit the making of any modifications or alterations to any portion of his Unit visible from the exterior, or in any manner change the appearance of any portion of the condominium visible from the exterior, or make any structural change within the Unit interior without first obtaining the written consent of the Board of Directors, which consent shall be denied if the Board determines that the proposed modifications or alterations would adversely affect, or in any manner be detrimental to, the condominium in part or whole. "Structural" alterations include, but are not limited to: relocation of existing electrical, plumbing, air conditioning or heating installations; relocation of existing Fixtures or appliances such as toilets, sinks, tubs, showers, dishwashers, refrigerators, or ranges; the removal or modification of any partition (if load bearing), door, window or screen; raising ceilings; or relocating kitchen or bathroom cabinetry. For purposes of this provision, the term "structural" shall also include the addition, removal, or relocation of any plumbing line or fixture, any electrical line or fixture, or the removal or creation of any interior partition if load bearing or visible from the exterior. Replacement of cabinetry, appliances, Fixtures, etc., with substantially equivalent installations, in the same location, shall not be deemed "structural" and shall not require approval of the Association, unless a building or other permit is required. Further, "structural" work shall include any and all work that requires a Building permit, an electrical permit, a plumbing permit, a mechanical permit, or similar permits from the appropriate governmental agency, whether or not mentioned above.

The Board shall, in appropriate circumstances, require sealed plans from an Architect or Professional Engineer licensed to practice in Florida as a condition of reviewing any requested structural modification, alteration or addition to the Condominium Property. The Board, in reaching its decision, may take into account uniformity of appearance, compatibility with architecture in Charlotte Square, the quality of the proposed alteration,

objections of neighboring residents, and such other criteria as the Board may reasonably adopt in reaching its decision. If the Board determines to permit any alteration or addition which is visible from the exterior of the premises, from any vantage, said addition or improvement must also be approved by the Unit Owners in the manner provided in Article 9.8 of the Declaration of Condominium, regardless of the cost or expense of such addition or alteration. If any Unit Owner requests approval of any structural alteration or modification, the Association may permit such removal or modifications if same would not materially affect or interfere with the utility services constituting Common Elements, if any, located therein, the structural integrity of the Building or create a nuisance or disturbance to neighboring Units.

9.7. Additional Unit Owner Responsibility for Alterations and Additions. If a Unit Owner (or his predecessors in title) makes, or has made any modifications, installations, or additions to the interior or exterior of the Unit, Common Elements, or Limited Common Elements, the Unit Owner (and his heirs, successors in title and assigns) shall be financially responsible for the insurance, maintenance, care, and preservation of the modifications, installations or additions and shall execute such documents as the Association may promulgate accepting said financial responsibility. Any modification, alteration, or addition to the Condominium Property made by a Unit Owner may be required to be removed in connection with the Association's maintenance of the Condominium Property. In such cases, the Unit Owner who installed the alteration, addition, or improvement (and/or their successors in title) shall be obligated to reimburse the Association for any costs affiliated with removal and/or re-installation of the item, with said obligation being secured by a right of lien for Charges of equal dignity to the common expense lien created by this Declaration, or alternatively, said Owner may be required to remove and reinstall said additions, if so determined by the Board of Directors. Further, the Association, its contractors and agents, shall not be liable for any damage to the item arising out of its removal and/or reinstallation, unless occasioned by the gross negligence or willful misconduct of the Association or its contractor or agent.

9.8. Alterations by Association. There shall be no material alterations or substantial additions to the Common Elements or association real property by the Association, except as authorized by the Board of Directors. Provided, however, that if any such alterations or additions require or obligate the expenditure of Association funds of more than five percent of the Association's budget for the fiscal year in which the work is authorized, including reserves, the Board shall obtain approval of a two-thirds (2/3) of voting interests present (in person or by proxy) and voting at an Association meeting, or by written agreement of two-thirds (2/3) of the entire voting interests. Necessary maintenance of the Common Elements, or Association Property regardless of the level of expenditure, is the responsibility of the Board of Directors.

9.9. Enforcement of Maintenance. If, after reasonable notice, the Owner of a Unit fails to maintain the Unit or other portions of the Condominium Property as required above, the Association shall have, without waiver of other remedies, the right to enter the Owner's Unit or Limited Common Element and perform or cause performance of the necessary work, and/or institute legal proceedings at law or in equity to enforce compliance,

and/or to take any and all other lawful actions to remedy such violation, in which event the Unit Owner shall be charged for the costs of such activities (including attorney's fees incurred by the Association) by the Association which shall be secured by a lien for Charges.

9.10. Damage to Condominium Property. Each Unit Owner shall be liable to the Association and/or other Unit Owners for the expenses of any maintenance, repair or replacement of the Condominium Property, made necessary by his intentional act or negligence, or by that of any member of his Family or his or their guests, employees, agents, or lessees. If any condition, defect or malfunction existing within a Unit or Limited Common Elements which the Unit Owner is obligated to maintain, if caused by the Owner's negligence or failure to comply with the Condominium Documents or applicable law, shall cause damage to the Common Elements, Association Property, or to other Units, the Owner of the offending Unit shall be liable to the person or entity responsible for repairing the damaged areas for all costs of repair or replacement not paid by insurance (including the deductible) and without waiver of any insurer's subrogation rights, provided that such responsibility shall be conditioned on the neighboring Unit(s) being adequately insured based on local standards and conditions. Further, any claim of a Unit Owner against the Association or another Unit Owner relative to damage to the Condominium Property, to the extent the Association or other Unit Owner might otherwise be liable pursuant to the Condominium Documents or applicable law, shall be predicated upon said Unit Owner being adequately insured based on local standards and conditions. Should any Unit Owner fail to maintain such insurance, any claim will be reduced to the extent such Unit Owner's insurance, if obtained pursuant to the above-described standards, would have provided coverage or compensation for the loss. The requirement that the individual Unit Owner obtain insurance shall not be construed to confer any additional liability on the Association or Unit Owners, but is intended to require Unit Owners and the Association to respectively insure risks that are customarily experienced in condominiums located in Florida's coastal communities, condominiums in general, including but not limited to damages occasioned by windstorms, hurricanes, tornadoes, floods, rainstorms, bursting pipes, water seepage and leakage, and mold and mildew. If one or more of the Units involved is not occupied at the time a damage incident is discovered (regardless of the cause), the Association may enter the Unit(s) without prior notice to the Owner(s) and take reasonable action to mitigate damage or prevent its spread, at the Unit Owner's expense. The Association may, but is not obligated to, repair the damage without the prior consent of the Owner, in the event of an emergency, and the Owner shall be responsible for reimbursement of the Association, with the cost being secured by a lien for Charges. Unit Owners are required to shut off all accessible water valves when the Unit will be unoccupied for a period of forty-eight (48) hours, and failure to do so will create a presumption of negligence.

9.11. Damage Caused by Conditions of the Condominium Property.

9.11.1. Each Unit Owner shall be liable to the Association and/or other Unit Owners for the expenses of any maintenance, repair or replacement of the Condominium Property, made necessary by his intentional act or negligence, or by that

of any member of his family or his, her or their occupants, guests, tenants or invitees. If any condition, defect or malfunction existing within a Unit or Common Elements which the Unit Owner is obligated to insure, maintain, repair, or replace if caused by the Owner's (or his or her family member's, occupant's, guest's, tenant's or invitee's) acts, negligence or failure to comply with the Condominium Documents or applicable law, shall cause damage to the Common Elements, Association Property, or to other Units, the Owner of the offending Unit shall be liable to the person or entity responsible for repairing the damaged areas for all costs of repair or replacement not paid by insurance (including the deductible) and without waiver of any insurer's subrogation rights, provided that such responsibility shall be conditioned on the neighboring Unit(s) being adequately insured based on local standards and conditions. Further, any claim of a Unit Owner against the Association or another Unit Owner relative to damage to the Condominium Property, to the extent the Association or other Unit Owner might otherwise be liable pursuant to the Condominium Documents or applicable law, shall be predicated upon the Unit Owner making the claim being adequately insured based on local standards and conditions, whether or not individual Unit Owner insurance is mandated by the Act. Should any Unit Owner fail to maintain such insurance, any claim will be reduced to the extent such Unit Owner's insurance, if obtained pursuant to the above-described standards, would have provided coverage or compensation for the loss and without waiving any other remedy of the Association regarding Unit Owner insurance requirements. The requirement that the individual Unit Owner obtain insurance shall not be construed to confer any additional liability or responsibility on the Association or other Unit Owners (without limitation, the Association shall not be obligated to obtain proof of Unit Owner insurance), but is intended to require Unit Owners and the Association to respectively insure risks that are customarily experienced in condominiums located in Florida's coastal communities, condominiums in general, including but not limited to damages occasioned by windstorms, hurricanes, tornadoes, floods, rainstorms, bursting pipes, water seepage and leakage, and mold and mildew, regardless of whether such insurance is legally required. If one or more of the Units involved is not occupied at the time a damage incident is discovered (regardless of the cause), the Association may enter the Unit(s) without prior notice to the Owner(s) and take reasonable action to mitigate damage or prevent its spread, at the Unit Owner's expense. The Association may, but is not obligated to, repair the damage without the prior consent of the Owner, in the event of an emergency, and the Owner shall be responsible for reimbursement of the Association, with the cost being secured by a Lien for Charges.

9.11.2. Responsibilities Regarding Unit Components that May Reasonably be Anticipated to Cause Damage to the Condominium Property if Not Properly Maintained. Certain objects or appliances within the Units or outside the Unit, but serving the Unit and for which the Unit Owner is responsible (Limited Common Elements), pose a particular risk of damage to the Units they service, other Units, and to Common Elements if they are not properly inspected, maintained, repaired, replaced, and certain precautionary actions taken regularly. Listed below are the components within or serving a Unit which the Unit Owner is responsible to maintain, repair and

replace, and which have a high incidence of failure, resulting in possible damage to Units they service, other Units and the Common Elements:

- Water heaters
- Water lines serving toilets, sinks, dishwashers, and washing machines
- Air conditioning equipment
- Water supply hoses

The Unit Owner shall have the following responsibilities in regards to the aforementioned components which have a high incidence of failure:

(a) If both upstairs and downstairs Units are unoccupied for greater than forty-eight (48) hours, the main water shutoff valve to the Units shall be turned off.

(b) If a Unit is to be unoccupied for any extended period of time, the Unit Owner shall have the Unit inspected by a responsible person.

(c) The hot water heater should be inspected once (1) a year and should be replaced as necessary. When replaced, the Unit Owner(s) is responsible for notifying the Board and the Association's manager of the date it is replaced. If a Unit is unoccupied for greater than one (1) week, the circuit breaker for the hot water heater at the electrical panel shall be switched to "off" to minimize damage if there is a leak.

(d) All hoses that deliver water to the toilets must be replaced with wire braided mesh hoses as specified by the Board of Directors.

(e) The air conditioning equipment service in the Unit shall be serviced once per every two years, and the condensation and line(s) be flushed/cleaned regularly (or at least annually) to prevent back ups.

(f) If Unit damage occurs from failure of a component listed above, or for any other reason whatsoever, it is the obligation of the Unit Owner to notify the Association immediately. Notice shall be by telephone in the event of any emergency, and shall be confirmed in writing in all instances.

(g) Failure by the Unit Owners to perform the duties set forth in Subsection 9.11.2.1 through 9.11.2.7, inclusive, or to notify the Association of damage, shall create a rebuttable presumption the Unit Owner was negligent should the listed components fail and cause damage within a Unit, to other Units or to the Common Elements, or should such damage occur due to unreported incidents arising from any source.

9.11.3. Unit Owners are also required to ensure that electricity is always available to service the Unit. If Unit Owner fails to maintain utility services to the Unit, the Association shall have, without waiver of other remedies, the right to enter into the Owner's Unit and Limited Common Element and take any and all lawful actions to make the utilities available to service the Unit, in which event the Unit Owner shall be charged for such activities (including attorneys' fees incurred by the Association) by the Association which shall be secured by a Lien for Charges.

10. Assessments and Charges. Assessments against Owners shall be made by the Board of Directors of the Association, in the manner provided in the Bylaws and as follows, and shall be borne by the Unit Owners on the same basis as their percentage of ownership of the entire condominium as set forth in Article 6.

10.1. Liability for Assessments. A Unit Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all Assessments coming due while he/she is the Unit Owner. The grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor for his/her share of the Common Expenses including attorney's fees and other costs of collection incurred by the Association up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or by the abandonment of the Unit for which the Assessments are made.

10.2. Default in Payment of Assessments for Common Expenses. Assessments and installments thereof not paid within fifteen (15) days from the date when they are due shall incur a late fee and after thirty (30) days bear interest in an amount as determined by the Board of Directors which, unless otherwise specified, shall be the maximum allowed by law. The Board may accelerate unpaid Assessments in the manner prescribed by law. The Association has a lien on each Condominium Parcel for any unpaid Assessments on such parcel, with interest, late Charges and for reasonable attorney's fees and costs incurred by the Association incident to the collection of the Assessment or enforcement of the lien. The Association may also accelerate all Assessments or Charges which are accrued, but not yet due, in the manner provided by law. The lien is in effect until all sums secured by it have been fully paid or until barred by law. A claim of lien shall be signed and acknowledged by an officer or agent of the Association. Upon recording, the Association's claim of lien shall relate back to the date of the filing of the original Declaration of Condominium. Upon payment the Condominium Parcel is entitled to a satisfaction of the lien. The Association may bring an action in its name to foreclose a lien for Assessments in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid Assessments without waiving any claim of lien.

10.3. Notice of Intention to Foreclose Lien. No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the Unit Owner of its intention to foreclose its lien to collect the unpaid Assessments. If this notice

is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid Assessments, including those which have been accelerated (if applicable) and those coming due after the claim of lien is recorded, are paid before the entry of a final judgment or foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the Unit Owner or by certified mail, return receipt requested, addressed to the Unit Owner. If after diligent search and inquiry the Association cannot find the Unit Owner or a mailing address at which the Unit Owner will receive the notice, the court may proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this sub-section are satisfied if the Unit Owner records a Notice of Contest of Lien as provided in the Act.

10.4. Appointment of Receiver to Collect Rental. Notwithstanding any other remedy available to the Association under this Declaration, the Bylaws, or applicable law, the Association shall have the following options when payment of Assessments are in default (more than thirty days in arrears). The Association may, without order of the court, direct rental income (by written notice to the tenant with copy to Owner) from Units in default to be paid directly to the Association until all outstanding Assessments, interest, costs and attorney's fees and receiver's fees if applicable are satisfied. As an alternative, the Association may apply to a court of competent jurisdiction, either in connection with the institution of a foreclosure suit, a personal suit or otherwise to have rental proceeds paid on account of a Unit in default paid directly to the Association, the court registry, or a receiver, as the court may direct. The Association may choose any of these courses of action as the Board deems appropriate without same constituting a waiver or election of remedies.

10.5. First Mortgage. The priority of the Association's lien and the obligation for payment of past due Assessments in relation to first mortgagees who obtain title as a result of foreclosure or deed in lieu of foreclosure, shall be determined by the Florida Condominium Act, Chapter 718, Florida Statutes (2017), as amended from time to time.

10.6. Possession of Unit. Any person who acquires an interest in a Unit, except First Mortgagees through foreclosure of a first mortgage of record (or deed in lieu thereof), including without limitation persons acquiring title by operation of law, shall not be entitled to occupancy of the Unit or enjoyment of the Common Elements until such time as all unpaid Assessments and other Charges due and owing by the former Owner, if any, have been paid. Possession shall be subject to all other Association requirements pertaining thereto.

10.7. Certificate of Unpaid Assessments. Any Unit Owner has the right to require from the Association a certificate showing the amount of unpaid Assessments against him/her with respect to his/her Unit.

10.8. Lien For Charges. There is hereby created a common law and contractual lien to secure any service which the Association provides for an individual member and which is not otherwise secured by the statutory lien for Common Expenses created herein. By way of example, but not limitation, a lien for Charges exists to secure repayment to the

Association when it must remove or reinstall Unit Owner alterations or items of Unit Owner maintenance responsibility in connection with the Association's discharge of its Common Element maintenance responsibilities, or address emergency situations, such as water extraction from a Unit. The lien for Charges shall be of equal priority to, shall be secured as to interest, late fees and attorney's fees and the like, and shall be foreclosed in the same manner as the common expense lien.

11. Administration and Management of Condominium. The administration and management of the condominium shall be by the Condominium Association, which shall have by and through its officers and Directors, such powers, authority and responsibilities as are vested in the officers and Directors of a corporation not-for-profit under the laws of the State of Florida, including but not limited to those set forth more specifically elsewhere in the Condominium Documents. The Association shall have authority to enter into management and other agreements concerning the matters of common interest through its officers. The management of the Association and election of the members to the Board of Directors shall be as set forth in the Bylaws. Without limiting the foregoing, the Association shall have the following powers and duties:

11.1. Access. The irrevocable right of access to each Unit during reasonable hours as may be necessary for the maintenance, repair or replacement of any Common Elements therein, or at any time for making emergency repairs therein necessary to prevent damage to the Common Elements or to any other Unit or Units, or to determine compliance with the terms and provisions of this Declaration, the Articles of Incorporation, Bylaws of the Association, and the Rules and Regulations adopted pursuant to such documents, as the same may be amended from time to time. The Association may require that a pass key be posted for each Unit and may, if determined advisable by the Board, implement a master key system.

11.2. Assessments. The power to make and collect regular and special assessments and other Charges against Unit Owners and to Lease, maintain, repair and replace the Common Elements and Association Property.

11.3. Recordkeeping. The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times.

11.4. Delegation. The power to enter into contracts with others, for valuable consideration, for maintenance and management of the Condominium Property and in connection therewith, or to its officers and agents, to delegate the powers and rights herein contained, including, without limitation, the making and collecting of Assessments and other Charges against Unit Owners, and perfecting liens for non-payment thereof.

11.5. Regulations. The power to adopt and amend Rules and Regulations covering the details of the operation of the Association and use of the Condominium Property.

11.6. Acquisition or Transfer of Real Property; Leasing Common Elements and Association Property. The power to acquire or transfer real property or otherwise convey and mortgage real property for the use and benefit of its members with the same approval of Unit Owners as needed to amend the Declaration. No Unit Owner approval shall be required to purchase (or mortgage) a Unit through foreclosure, deed in lieu of foreclosure, or in connection with the Association's right of first refusal set forth in Article 17 hereof. Leasing of Units, Common Elements or Association Property may be approved by the Board of Directors, as well as the lease fees, use fees, and other fees permitted by the Act or the Condominium Documents.

11.7. Membership Agreements. The power to enter into agreements to acquire leaseholds, memberships, and other possessory or use interests in lands or facilities such as country clubs, golf courses, marinas, and other recreational facilities with the same approval of Unit Owners as needed to amend the Declaration.

11.8. Fees for Use of Common Elements. Pursuant to Section 718.111(4), Florida Statutes (2017), as amended from time to time, the Board of Directors shall have the authority to set use fees for private use of Common Elements or Association Property, as well as the regulations and policies pertaining to such use.

11.9. Lease of Association Property or Common Elements. The power to Lease Association Property or Common Elements, as determined by the Board of Directors, including, but not limited to, the lease of the condominium roof for antennas or other telecommunications equipment. No use fee may be charged against a Unit Owner for use of the Common Elements or Association Property except fees set by the Board pertaining to an Owner having exclusive use of the Common Elements or Association Property, or as agreed by the Association and the party leasing Association Property or Common Elements, pursuant to an oral or written Lease agreement.

11.10. Limitation Upon Liability of Association. Notwithstanding the duty to maintain and repair parts of the Condominium Property, the Association is not liable to Unit Owners or any other person for injury or damage, other than for the cost of maintenance and repair of items for which the Association is otherwise responsible, caused by any latent or unknown 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 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 to the provisions hereof.

Notwithstanding anything contained herein or in the Condominium Documents or any other document governing or binding the Association, the Association shall not be liable or responsible for, or in any manner be a guarantor or insurer of, the health, safety or welfare of any Owner, occupant or user of any portion of the Condominium Property, including, without limitation, residents and their families, guests, invitees, agents, servants, contractors or subcontractors or for any property of any such persons. Without limiting the generality of the foregoing:

11.10.1. It is the express intent of the Condominium Documents that the various provisions thereof which are enforceable by the Association, and which govern or regulate the use of the Condominium Property, have been written, and are to be interpreted and enforced, for the sole purpose of enhancing and maintaining the enjoyment of the Condominium Property and the value thereof; and

11.10.2. The Association is not empowered, and has not been created, to act as an entity which enforces or ensures the compliance with the laws of the United States, State of Florida, Charlotte County, and/or any other jurisdiction or the prevention of tortious or criminal activities; and

11.10.3. Any provisions of the Condominium Documents setting forth the uses of Assessments which relate to health, safety and or welfare shall be interpreted and applied only as limitations on the uses of Assessment funds and not as creating a duty of the association to protect or further the health, safety or welfare of any person(s), even if Assessment funds are chosen to be used for any such reason.

Each Unit Owner (by virtue of his acceptance of title to his Unit) and each other person having an interest in or lien upon, or making any use of, any portion of the Condominium Property (by virtue of accepting such interest or lien or making such uses) shall be bound by this provision and shall be deemed to have automatically waived any and all rights, claims, demands and causes of action against the Association arising from or connected with any matter for which the liability of the Association has been disclaimed in this provision.

As used in this section, "Association" shall include within its meaning all of the Association's Directors, officers, committee members, and employees.

11.11. Disclaimer, Waiver and Release of Claims Regarding Mold and Mildew. Mold occurs naturally in almost all indoor environments. Mold spores may also enter a condominium through open doorways, windows or a variety of other sources. The Unit Owner acknowledges that the Condominium is located in a hot, humid climate ("Florida Environment"), which is conducive to the growth of mold and/or mildew. Mold and/or mildew may be present during or after construction in the indoor air and/or on the interior surfaces of the Unit, including, but not limited to, wall cavities, windows, and/or on the exterior surfaces of the Unit or any part thereof.

11.11.1. Unit Owner Responsibilities. The Unit Owner shall take positive steps to reduce and/or eliminate the occurrence of mold growth in and around the Unit and thereby minimize the possibility of adverse effects that may be caused by mold. The following suggestions have been compiled from the recommendations of the U.S. Environmental Protection Agency, the Consumer Product Safety Commission, the American Lung Association, and the National

Association of Home Builders, among others but they are not meant to be all-inclusive.

(a) Before bringing items into the Unit, check for signs of mold. Potted plants (roots and soil), furnishings, stored clothing and bedding material as well as many other household goods could already contain mold which can then be spread to other areas of the Unit.

(b) Regular vacuuming and cleaning will help reduce mold levels. Mild bleach solutions and most tile cleaners are effective in eliminating or preventing mold growth.

(c) Keep the humidity in the Unit low. Ventilate kitchens and bathrooms by opening the windows, by using exhaust fans, and/or by running air conditioning equipment to remove excess moisture in the air and to facilitate evaporation of water from wet surfaces.

(d) Raise the temperature in areas where moisture condenses on surfaces, and open doors between rooms to increase air circulation in the Unit including doors to closets.

(e) Have major appliances (e.g. furnaces, heat pumps, central air conditioners, ventilation systems, and humidifiers) inspected, cleaned and serviced regularly by a qualified professional.

(f) Clean and dry refrigerator, air-conditioner and dehumidifier drip pans and filters regularly and be certain that refrigerator and freezer doors seal properly.

(g) Inspect for condensation and leaks in and around the Unit on a regular basis. Look for discolorations or wet spots. Take notice of musty odors and any visible signs of mold.

(h) Fix leaky plumbing and leaks in the exterior and interior surfaces of the Unit and all other sources of moisture problems immediately.

(i) Promptly clean up spills, condensation and other sources of moisture. Thoroughly dry wet surfaces and materials. Do not let water pool or stand in the Unit. Promptly replace materials that cannot be thoroughly dried such as drywall or insulation.

(j) Do not let water pool or stand. If standing or excessive water is found, remove or seek professional help to remove it.

(k) Perform routine visual inspections. Respond promptly upon seeing signs of moisture or mold. Thoroughly clean the affected area with a mild solution of bleach after first testing to determine if the affected material or surface is color safe. After cleaning, dry the affected surfaces completely. Porous materials such as fabric, upholstery or carpet should be discarded. Should the mold growth be severe, qualified trained professionals may be needed to assist in the remediation effort.

(l) Regularly maintain the Unit. For example regularly caulk the windows, faucets, drains, tub and showers.

The Association shall not be responsible for the prevention of mold and/or mildew or any damages, including, but not limited to any special or consequential damages, property damages, personal injury, loss of income, emotional distress, death, loss of use, loss of income diminution or loss of value of the Unit, economic damages, and adverse health effects relating to, arising from or caused by mold and/or mildew accumulation regardless of the cause of said mold/or mildew. EACH UNIT OWNER (BY VIRTUE OF HIS ACCEPTANCE OF TITLE TO HIS UNIT) AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON, OR MAKING ANY USE OF, ANY PORTION OF THE CONDOMINIUM PROPERTY (BY VIRTUE OF ACCEPTING SUCH INTEREST OR MAKING SUCH USES) SHALL BE BOUND BY THIS PROVISION AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL CLAIMS, OBLIGATIONS, DEMANDS, DAMAGES, CAUSES OF ACTION, LIABILITIES LOSSES AND EXPENSES, WHETHER NOW KNOWN OR HEREAFTER KNOWN, FORESEEN OR UNFORESEEN, THAT PURCHASER HAS, OR MAY HAVE IN THE FUTURE, IN LAW OR IN EQUITY ARISING OUT OF, RELATING TO, OR IN ANY WAY CONNECTED WITH INDOOR AIR QUALITY, MOISTURE, OR THE GROWTH, RELEASE, DISCHARGE, DISPERSAL OR PRESENCE OF MOLD AND/OR MILDEW OR ANY CHEMICAL OR TOXIN SECRETED THEREFROM.

11.12. 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 his/her Unit.

12. Insurance. The insurance which shall be carried upon the Condominium Property, including the Units, Common Elements, and Association Property shall be as follows:

12.1. Authority to Purchase Insurance. All insurance policies shall be purchased by the Association for the benefit of the Association and the Unit Owners and their mortgagees as their respective interests may appear.

12.2. Coverage.

12.2.1. Casualty. Except as otherwise provided herein, the Association shall obtain and maintain fire, wind, general casualty, flood (if the property is located in a flood zone) and extended coverage insurance with a responsible insurance company

upon all of the Insurable Improvements of the entire Condominium, including Association Property, the Common Elements, the Units, and the personal property of the Association, for the full replacement or insurable value thereof, including coverage for changes in building codes, and less a commercially reasonable deductible as determined by the Board, provided the Board may exclude foundation and excavation costs in its discretion. Notwithstanding the foregoing requirement, the Association, through its Board of Directors, will have fulfilled its duty to obtain insurance coverage if it obtains and maintains such insurance coverage as may be reasonably available from time to time given market and economic conditions, provided such coverage shall always meet the minimum level of adequate coverage required by Section 718.111(11), Florida Statutes (2017), as amended from time to time. The original policy of insurance shall be held by the Association, and mortgagees shall be furnished, upon request, mortgage endorsements covering their respective interests. The word "Building" or "Insurable Improvement" in every hazard policy issued to protect a condominium building does not include Unit floor, wall, or ceiling coverings; electrical fixtures; appliances; air conditioner or heating equipment; water heaters; water filters; built-in cabinets or countertops; window treatments, including curtains, drapes, blinds, hardware and similar window treatment components; replacements of any of the foregoing, which are located within the boundaries of a Unit and serve only one Unit; all air conditioning compressors that service only an individual Unit, whether or not located within the Unit boundaries. The Unit Owners shall also be responsible to insure any portion of the Condominium Property which may be removed from Association insurance responsibilities by virtue of future amendments to Section 718.111(11), Florida Statutes (2017), as well as alterations, modifications or additions made to the Unit, Limited Common Elements, or Common Elements by said Unit Owner, or his predecessor in interest or title. Likewise, if the Association's master insurance policy obligations are increased by amendments to the Act, the Association shall insure such items.

12.2.2. Liability Insurance. The Association shall obtain and maintain public liability insurance covering all of the Common Elements and Association Property and insuring the Association and the Unit Owners as their interest may appear in such amount as the Board of Directors may deem appropriate. The Board of Directors shall have authority to compromise and settle all claims against the Association or upon insurance policies held by the Association. The Unit Owners shall have no personal liability upon such claims, except as may be otherwise provided by law, and nothing herein contained shall in any way be construed as imposing upon the Association a duty to assess Unit Owners for the purpose of raising sufficient funds to discharge any liability in excess of insurance coverage.

12.2.3. Worker's Compensation. Such worker's compensation coverage as may be required by law, or deemed advisable by the Board.

12.2.4. Other Insurance. Such other insurance as the Board of Directors may from time to time deem to be necessary, including but not limited to Errors and

Omissions Officers and Directors Liability insurance coverage and insurance for the benefit of its employees.

12.3. Deductible and Other Insurance Features. The Board of Directors shall establish the amount of the deductible under the insurance policies, and other features, as they deem desirable and financially expedient, in the exercise of their business judgment.

12.4. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, or if applicable, a Limited Common Expense.

12.5. Insurance Shares or Proceeds. Insurance proceeds of policies purchased by the Association covering property losses shall be paid to the Association, and all policies and endorsements thereon shall be deposited with the Association. The duty of the Association shall be to receive such proceeds as are paid and to hold and disburse the same for the purposes stated herein and for the benefit of the Unit Owners and their mortgagees in the following shares:

12.5.1. 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 Expenses appurtenant to the Unit.

12.5.2. Unit. Proceeds on account of damage to Units shall be held in the following undivided shares:

(a) When the Condominium Building is to be Restored. For the Owners of damaged Units in proportion to the costs of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Association.

(b) When the Condominium 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 Expenses appurtenant to the Unit.

(c) Common Elements and Units. When both Common Elements and those portions of the Unit insured by the Association are damaged by a common occurrence, the proceeds of insurance shall be allocated between damage to Common Elements, Limited Common Elements, and Units as the Board of Directors shall determine. It shall be presumed that when there are insurance proceeds received on account of a common casualty, but insufficient proceeds for casualty repair (including but not limited to shortfalls occasioned by the existence of a deductible), that such shortfalls shall first be applied to Common Elements damage, and then to damage to Units and Limited Common Elements, it being the intent of this provision that when there is a common casualty loss causing significant damage to the premises, the shortfalls occasioned by

deductibles shall be first apportioned to all unit owners in proportion to their share of the Common Elements and not applied first to Unit damage.

12.5.3. Mortgages. In the event a mortgage endorsement has been issued as to a Unit, the share of that 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 those proceeds paid to the Unit Owner and mortgagee, pursuant to the provisions of this Declaration.

12.6. Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed in the following manner:

12.6.1. Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be paid to defray the cost thereof 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, or, at the option of the Board, may be deposited in the Condominium's reserve fund.

12.6.2. Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial Owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

12.7. Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each Owner of a mortgage or other lien upon any Unit and for each Owner of any other interest in the Condominium Property or any property in which the Association owns an interest, to adjust all claims arising under insurance policies by the Association, and to execute and deliver releases upon the payment of such claim.

12.8. Insurance by Unit Owners. Unit Owners are required to purchase and maintain adequate insurance coverage as follows. Title insurance is optional, and is the sole responsibility of the Unit Owner. Flood insurance, excess to the Association's coverage is optional. Unit Owners are required to carry basic casualty and liability insurance. Such insurance must include liability coverage of at least \$300,000.00 for injury to persons or property occurring within the Unit, the Limited Common Elements, or claims involving the Unit Owner's tenants, guests, and invitees. Owners shall also be required to carry casualty insurance (commonly known as "HO-6" insurance, or similar product), in amounts deemed sufficient by the Board (which may establish additional and supplemental individual Unit Owner's insurance obligations from time to time by rule) to provide for the Unit Owner's having adequate insurance to rebuild the interior of the Condominium premises, and any

other items the Owner is obligated to reconstruct after casualty in the event of a casualty loss. Owners are also required to carry Loss Assessment coverage in an amount not less than \$2,000.00, and such other coverages as their individual insurance agent may recommend to provide full protection. The Board may require that Unit Owners provide Certificates of Insurance, or other appropriate evidence of the Unit Owner's carrying such insurance. Additionally, Unit Owners shall be required to have on all policies the Association named as an additional interest.

13. Reconstruction After Casualty. 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:

13.1. Common Elements. If the damaged improvement is any of the Common Elements, the damaged Common Element shall be reconstructed or repaired.

13.2. The Building.

13.2.1. Lesser Damage. If the damage renders less than 50% of the Units in the Condominium uninhabitable, as determined by the Board of Directors or governmental agencies of jurisdiction, the damaged property shall be reconstructed or repaired.

13.2.2. Major Damage. If the damage renders more than 50% of the Units in the Condominium uninhabitable, as determined by the Board of Directors or governmental agencies of jurisdiction, the damaged property will be reconstructed or repaired, unless 75% of the entire voting interests in the Condominium agree in writing that such reconstruction or repair shall not take place. The decision whether or not to reconstruct or repair shall be made within one hundred eighty (180) days after the casualty, provided however that the Board of Directors shall have the authority to extend this period for decision-making, not to exceed two (2) years, to deal with exigencies in communication with Unit Owners caused by natural disasters or other significant casualties, or to deal with delays in obtaining information regarding reconstruction costs or insurance proceeds available for reconstruction.

13.2.3. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original Building, as set forth in the plans and specifications for the Building, or if not, then according to plans and specifications approved by the Board of Directors, regardless of whether it is a material alteration or substantial addition as described in Article 9.8 and no vote of the Unit Owners shall be required.

13.2.4. Definition of "Uninhabitable". For purposes of this Declaration, "uninhabitable" shall mean that the Board of Directors has concluded that the Buildings cannot be restored to the condition (or a better condition) in which they existed prior to the casualty through available insurance proceeds, plus a special assessment against each unit owner not to exceed 10% of the average fair market

value of the units, as determined by the Board. This calculation shall not include costs affiliated with those items the unit owner is obligated to repair or replace, at the unit owner's expense. A governmental agency's declaration or order that the Condominium Property may not be occupied due to safety concerns shall not conclusively establish that Units are uninhabitable, provided that the Units can be made safe for occupancy pursuant to the standards set forth above. In the event of a dispute as to whether or not Units are "habitable", a resolution enacted by the Board shall be binding on all parties, unless wholly arbitrary or contrary to law.

13.3. Responsibility. If the damage includes those parts of a Unit or Limited Common Element or additions or upgrades for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for the reconstruction and repair after casualty of said portion of the work, although the Association may perform the work on behalf of the Owner if the damage is to an item that the Association insures when the Board deems it to be in the best interests of the Association to do so, including but not limited to, casualties where having multiple contractors may impede reconstruction efforts. When the Association is the recipient of insurance proceeds, such as in cases where a portion of the Building is insured by the Association, but is the repair responsibility of the Unit Owner, the Association may condition the disbursement of insurance proceeds on obtaining reasonable verification of appropriate steps to ensure that the work is done and that the Contractor is paid for the performance of said work. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association. Assessments for the cost of the work shall be set forth in Article 13.5 below. If an Owner fails to repair and reconstruct those items that the Unit Owner is responsible for under this Declaration, the Association shall have, without waiver of other remedies, the right to proceed in accordance with Article 9.9, in which event the Unit Owner shall be charged for the costs of such activities (including attorney's fees incurred by the Association) by the Association which shall be secured by such rights as exist for collecting Common Expenses under these Condominium Documents i.e., a lien for Charges.

13.4. Estimates of Costs. After a determination is made to rebuild or repair damage to property for which the Association or Unit Owner has the responsibility of reconstruction and repair, the Association or Unit Owner shall obtain promptly reliable and detailed estimates of the cost to rebuild or repair. However, if the Association determines to perform the work on behalf of the unit owners, the Association shall obtain the estimates for that portion of the work to be performed by the Association.

13.5. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association (including shortfalls or no insurance proceeds occasioned by a deductible), 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 as follows. If the damage includes those parts of a Unit or Limited Common Element, or additions or upgrades, for which the responsibility of maintenance and repair is that of the Unit Owner the Unit Owner shall be responsible for the expenses relating to the

reconstruction and repair after casualty of said portion of the work, even if the damage was caused by the Association's removal, disassembly, or demolition of the condominium property if such was connected to the Association's responsibility for reconstruction or to mitigate damage, notwithstanding any requirement to repair incidental damage found elsewhere in the Declaration. Assessments shall be against all unit owners as a Common Expense for damage to the Common Elements (including Limited Common Elements, which the Association maintains, repairs, and replaces as a Common Expense), in sufficient amounts to provide funds for the payment of such costs. Such Assessments on account of damage to Common Elements shall be in proportion to the Owner's share in the Common Expenses. Assessments shall be a Limited Common Expense if damage is to a Limited Common Element that the Association maintains as a Limited Common Expense.

13.6. Termination of Condominium if NOT Reconstructed. If the Owners vote not to reconstruct the condominium by vote described in Article 13.2.2 hereof, the condominium shall be terminated in accordance with the procedures set forth in Article 19 and 20 hereof.

13.7. Additional Board Authority. In addition to Board authority granted by law and the Condominium Documents, the Board shall have the following power and authority after a casualty:

13.7.1. To determine after a casualty whether the units can be safely occupied, which decision shall not be conclusive as to the determination of habitability in Article 13.2.

13.7.2. To declare any portion of the Condominium Property or Association Property unavailable for occupation by owners, tenants, or guests after a casualty, including during the rebuilding process. Such decision by the Board shall be made only if necessary to protect the health, safety, or welfare of the Association, owners, tenants, or guests.

13.7.3. To mitigate damage and take action to prevent the spread of fungus (mold, mildew, etc.) by tearing out wet drywall and carpet (even if the unit owner is obligated to insure and/or replace those items) and to remove personal property from the unit and store at an offsite location, with owners responsible for reimbursing the Association for items for which the owner is responsible but which may be necessary to prevent further damage. The Association shall bear no liability for such actions, if taken in good faith.

13.7.4. To contract on behalf of Unit Owners, with said Owners responsible to reimburse the Association, for items for which the Owner is responsible but which may be necessary to prevent further damage. Without limitation, this includes, dry-out of units and replacement of damaged air conditioners when necessary to provide climate control in the units.

13.7.5. To implement a disaster plan prior to, during or after an impending casualty including, but not limited to, shutting down elevators, electricity, security systems, and air conditioners.

13.7.6. To adopt, by Board action, emergency assessments with such notice deemed practicable by the Board.

13.7.7. To adopt emergency Rules and Regulations governing the use and occupancy of the units, common elements, limited common elements, and Association property, with notice given only to those Directors with whom it is practicable to communicate.

14. Use Restrictions. Use of the property submitted for condominium ownership shall be in accordance with the following use restrictions and reservations:

14.1. Occupancy of Units; Single Family Residence. A condominium Unit shall be used only as a Single Family residence. As used in the Condominium Documents, "Single Family" means one natural person, a group of two or more natural persons who customarily reside together as a Single Family housekeeping Unit, each of whom is related to each of the others by blood, marriage or adoption, or not more than two persons not so related, who customarily reside together as a single housekeeping Unit. No more than two (2) persons may permanently occupy a one (1) bedroom Unit. No more than four (4) persons may permanently occupy a two (2) bedroom Unit. For purposes of these Condominium Documents, "permanently occupy" means to sleep in the Unit for more than thirty (30) nights during a calendar year. No Unit may be divided or subdivided into a smaller Unit nor any portion sold or otherwise transferred. No person may occupy a Unit as a Unit Owner, tenant, or Family member thereof (i.e., occupy the Unit on an overnight basis for more than thirty (30) days in a calendar year) unless said person's occupancy has been specifically approved by the Association, through the Board of Directors. In considering such requests, the Board may consider factors set forth in Article 17 hereof, and may charge a reasonable fee for review of occupancy requests. Visitation by guests are governed by Article 15 of this Declaration of Condominium. Units may not be used for commercial or business purposes. Owners (and their Family members and tenants) may use Units for "home office" or "telecommuting" purposes, provided that such uses do not involve customers or clients coming onto the Condominium Property, the posting of any signage in the Condominium, the storage of equipment, products, or materials in the Condominium, nor more than two regular deliveries per day of correspondence or similar items from customary express delivery services.

14.2. All Unit Owners shall keep and maintain their respective Units in good condition and repair, and shall promptly pay for all utilities which are separately metered to the Unit.

14.3. Except for name plates approved by the Board of Directors, no Unit Owner shall cause signs to be posted or affixed to any of the common elements or in any Unit which such sign may be seen from the common elements.

14.4. All common hallways, lanais, terraces and passages shall be kept free for their intended use by the Unit Owners in common, and shall in no event be used as storage areas by the individual Unit Owners, either on a temporary or permanent basis.

14.5. No clothing, bedding, or other similar items, shall be hung over or on lanais, patios or in the common elements.

14.6. All garbage or trash shall be placed in the disposal installations provided for such purposes by the Association.

14.7. All occupants of Units shall exercise extreme care about making noises, or the use of musical instruments, radios, televisions and amplifiers that may tend to disturb other occupants.

14.8. No occupant shall play upon, or suffer to be played upon, any musical instrument, or permit to be operated a sound producing device (including but not limited to radios, speakers or sound systems) in such occupant's Unit between the hours of 11:00 o'clock p.m. and the following 8:00 o'clock a.m., if the same disturb or annoy other occupants of the building; and in no event shall either vocal or instrumental music be practiced or played for more than two (2) hours in any day or between the hours of 6:00 o'clock p.m. and the following 8:00 o'clock a.m.

14.9. Nuisance. The Condominium Property shall not be used for any immoral, improper or unlawful purpose and no use or behavior shall be allowed which will create a public or private nuisance, nor which shall unreasonably interfere with the quiet possession or enjoyment of the Condominium Property, nor which becomes a source of annoyance to the condominium residents, or which will increase insurance rates. All property shall be kept in a neat and orderly manner. The Common Elements shall be used for the purpose of furnishing services and facilities as herein provided for the welfare and enjoyment of such residents. The Condominium Property shall be used in accordance with all federal, state, and local laws and ordinances.

14.10. Pets. No pets are allowed at any time on the condominium property.

14.11. Housing for Older Persons Provision. In accordance with the Federal Fair Housing Amendments Act of 1988, and the Housing for Older Persons Act of 1995, and comparable legislation adopted by the State of Florida, at least one person fifty-five (55) years of age or older must be a permanent occupant of each unit while any other person occupies said unit. Persons under the age of fifty-five (55) and over the age of eighteen (18) may occupy and reside in a unit as long as one of the occupants is age fifty-five (55) or older. Persons under the age of eighteen (18) shall not occupy a unit on a permanent basis but may occupy a unit on a temporary basis, not to exceed sixty (60) days in any calendar year. Notwithstanding these provisions, the Board in its sole discretion shall have the right to establish hardship exceptions to permit persons of age eighteen (18) or older and less than fifty-five (55) years of age or older, provide that said exceptions shall not be permitted in

situations where the granting of a hardship exception will result in having less than eighty percent (80%) (or the minimum as may be established by law from time to time) of the units in the condominium having less than one resident fifty-five (55) years of age or older. It is the intent of this provision that the community comply with the Fair Housing Amendment Act of 1988 as the same may be amended from time to time, and comparable law adopted by the State of Florida, which currently requires that at least eighty (80%) percent of the units shall at all times have at least one resident fifty-five (55) years of age or older. The Board of Directors shall establish policies and procedures for the purpose of insuring that the foregoing required percentages of occupancy by older persons are maintained at all times and to otherwise allow the Association to qualify for a legal exemption from the laws. The Board or its designee shall have the sole and absolute authority to deny occupancy of a unit by any person(s) who would thereby create a violation of the aforesated percentages of adult occupancy. This restriction on occupancy by persons less than fifty-five (55) years of age shall not apply to persons permanently occupying a unit as of the date of adoption of this Amendment. Persons who are not seventeen years of age or older shall not be permitted to use the recreation facilities of this condominium unless under the supervision of an adult, except to the extent and under such conditions as the Condominium Association may provide by regulation.

14.12. Parking. The Association may tow any vehicle at the vehicle owner's expense which is not authorized to be on the Condominium Property, which is parked in a parking space specifically designated to another Unit Owner or which parks on a portion of the Condominium Property not designated for parking.

14.13. Additional Restrictions. Additional Rules and Regulations not inconsistent with this Declaration, may be amended from time to time by the Board of Directors. Amendments to the Rules and Regulations may, but need not be recorded in the Public Records. Additional use restrictions are also contained elsewhere in the Condominium Documents.

15. Guest Occupancy. A "guest" is defined as a person who enters upon the Condominium Property at the invitation of a Unit Owner or tenant, (or their respective families) for the purpose of visiting the Unit Owner or tenant (or their respective families), occupying the Condominium Unit for less than sixty (60) days during any calendar year, or utilizing the Condominium Property. Use or visitation without consideration (payment) distinguishes a guest usage from a tenancy. There are various types of guest uses, which are regulated as follows:

15.1. Non-Overnight Visitation by Guests When Unit Owner or Tenant is in Residence. There is no restriction against this type of guest usage, provided that same does not create a nuisance or annoyance to other condominium residents, nor prevent their peaceful enjoyment of the premises. The Association may restrict or prohibit guest visitation by convicted felons, including but not limited to registered sex offenders and persons who have been convicted of narcotic offenses. Non-overnight guests need not be registered with the Association. Non-overnight guests shall be entitled to use the Condominium facilities only when accompanied by the Unit Owner or tenant (or an adult resident member of the Unit Owner's or tenant's Family), unless otherwise approved by the

Board of Directors. The Board may establish additional restrictions on non-overnight guest usage of Condominium facilities, such as maximum numbers of guests who may use common facilities, maximum numbers of common facility usages per guest, and the like.

15.2. Overnight Guests When Unit Owner or Tenant is in Residence. Provided the Unit Owner or tenant is in simultaneous residence, Unit Owners and tenants (and their respective families) may have related or unrelated overnight guests, for a maximum of thirty (30) consecutive days or a total of sixty (60) days per calendar year. If a guests' stay exceeds thirty (30) consecutive days or a total of sixty (60) days per calendar year, the guest must complete a resident application, submit it with a fee of \$100 and participate in an introductory interview by the Board or its designated representative. If approved by the Board, the status of the guest would then change from that of a guest to that of a permanent occupant of the Unit. The Association may restrict or prohibit guest visitation by convicted felons, including but not limited to registered sex offenders and persons who have been convicted of narcotic offenses. Under no circumstances may more than four (4) adult persons (including the Unit Owner or tenant, and their families) and their minor children sleep overnight in any Unit.

15.3. Guests in the Absence of the Unit Owner or Tenant. Unit Owners and tenants are not permitted to have non-overnight guests when the Unit Owner or tenant is absent from the Condominium. Unit Owners and tenants may have their Units inspected by caretakers, family members, etc. However, such individuals shall not be permitted to use Condominium facilities, such as recreational facilities (pool, parking areas, etc.). At the discretion of the Board, temporary waivers or exceptions may be made, on a case by case basis. Requests for waivers and exceptions should be made at least one week in advance except in the case of medical emergencies. When a waiver or exception is granted, the Board, may if it so chooses, require the guest to meet with the Board on their arrival to review the House rules and regulations.

15.4. Overnight Guests. Tenants are not permitted to have overnight guests in the Units in the absence of the Tenant.

15.4.1. Non-Related Overnight Guests. In the absence of the Owner non-related overnight guests will be limited to two (2) occupancies per calendar year without written approval of the Board of Directors. The limitation on Unit density in Article 15.2 applies. Ten (10) days prior notice to the Association is required.

15.4.2. Related Overnight Guests. Related overnight guests may occupy a Unit in the absence of the Owner. For the purpose of this clause, "related" means all persons who are staying in the Unit on an overnight basis, in the absence of the Owner, are related to the Unit Owner or Primary Occupant (by blood, marriage, or adoption) to the following degree: parent, grandparent, child, grandchild, or sibling. The limitation on Unit density in Article 15.2 applies. Ten (10) days prior notice to the Association is required.

15.5. Additional Board Authority. The Board may promulgate such rules, policies, and procedures as are necessary to implement this Article. In the event that Unit Owners are suspected of circumventing rental restrictions by receiving consideration for occupancies which are held out as guest occupancies, the Association may require proposed guest occupants to submit proof of familial/relationship, an affidavit as to absence of payment for the right to occupy the premises, and the like.

16. Leasing. The Lease of a Unit is defined as occupancy of the Unit by any person other than the Unit Owner, whether pursuant to verbal or written agreement, where said occupancy by the non-owner involves consideration (the payment of money, the exchange of goods or services, etc.). The term "leasing" and "renting" shall be used interchangeably for the purpose of this Declaration of Condominium. The term "tenant" and "lessee" shall likewise be used interchangeably. All leases must be in writing. Should a Unit Owner wish to Lease his Unit, he shall furnish the Association with a copy of the proposed Lease and the name of the proposed lessee, as well as all proposed occupants. Any person occupying the Unit after initial approval shall be subject to a separate application and approval process. The Association shall have thirty (30) days from the receipt of notice within which to approve or disapprove of the proposed Lease or proposed lessees or occupants. The Association shall give the Unit Owner written notice of its decision within said period. Failure to notify the Unit Owner shall be deemed an approval. No individual rooms may be rented and no transient tenants may be accommodated. "Rent-sharing" and subleasing is prohibited. All Leases shall be for a minimum period of three (3) calendar months and for a maximum period of one (1) year. Leases may be renewed, subject to Board approval. This section shall apply to all unit owners, regardless of when the unit was purchased. The Association may also require such notice to be on application forms produced by the Association. Upon the effective date of this amendment, no Unit Owner may lease his or her Unit for a period of three (3) years after taking title to a Unit. After the expiration of this three-year period, Unit Owners may lease their Units in accordance with the provisions contained elsewhere herein. The three-year waiting period shall not apply in situations where title to a Unit passes through inheritance or where the Association acquires title to a Unit through a judicial sale, tax sale, or deed in lieu of foreclosure. In connection with the sale or other transfer of a Unit, the Association may impose a transfer or application fee upon the Unit Owner desiring to sell or lease. Such fee shall be determined by the Board of Directors but may not exceed \$100.00. For purposes of calculation hereunder, a Lease shall be considered as made on the first day of the Lease term. Any change in occupancy under a lease shall constitute a new lease for purposes of calculating hereunder.

16.1. Board Right of Approval. The Board of Directors shall have the authority to approve all Leases and renewals or extensions thereof, which authority may be delegated to a committee or agent. No person may occupy a Unit as a tenant, Family member of a tenant, or otherwise without prior approval of the Board of Directors. The Board shall have the authority to promulgate or use a uniform Lease application and require such other information from the proposed tenant and all proposed occupants as the Board deems appropriate under the circumstances. The Board may require an interview of any proposed tenant and their spouse, if any, and all proposed occupants of a Unit, as a condition for approval.

16.2. Tenant Conduct; Remedies. All Leases shall be on a uniform form of Lease or Lease addendum if so promulgated by the Association. Uniform Leases, addenda and all other Leases will provide or be deemed to provide that the tenants have read and agreed to be bound by the Declaration of Condominium, Articles of Incorporation, Bylaws and Rules and Regulations as the same may be amended from time to time (the "Condominium Documents"). The uniform Lease or addendum and other Leases shall further provide or be deemed to provide that any violation of the Condominium Documents shall constitute a material breach of the Lease and subject the tenant to eviction as well as any other remedy afforded by the Condominium Documents or Florida law. If a tenant fails to abide by the Condominium Documents, the Unit Owner(s) shall be responsible for the conduct of the tenant and shall be subject to all remedies set forth in the Condominium Documents and Florida law, without waiver of any remedy available to the Association as to the tenant. The Unit Owner shall have the duty to bring his tenant's conduct into compliance with the Condominium Documents by whatever action is necessary, including without limitation the institution of eviction proceedings without notice to cure, where legally permissible. If the Unit Owner fails to bring the conduct of the tenant into compliance with the Condominium Documents, the Association shall have the authority to act as agent of the Unit Owner to undertake whatever action is necessary to abate the tenants' noncompliance with the Condominium Documents, including without limitation the right to institute an action for eviction against the tenant in the name of the Association, or as agent of the Unit Owner. The Association shall have the right to recover any costs or fees, including attorney's fees, incurred in connection with such actions from the Unit Owner which shall be secured by a continuing lien in the same manner as assessments for Common Expenses.

16.3. Security Deposit. The Board of Directors shall have the authority, as a condition of granting approval to a Lease or renewal or extension thereof, to require that a prospective lessee or Unit Owner place a security deposit in an amount not to exceed the equivalent of one month's rent into an escrow account maintained by the Association to protect against damage to the Common Elements or Association Property. Payment of interest, claims against the deposit, refunds and disputes under this paragraph shall be handled in the same fashion as provided in Part II of Chapter 83 of the Florida Statutes (2017) as amended from time to time.

16.4. Approval Process; Disapproval. Any Unit Owner intending to Lease his Unit shall submit an application and any other requested information and fees at least thirty (30) days in advance of the commencement of the Lease or renewal or extension term. Upon receipt of all information and fees required by Association and an interview (if requested by the Board), the Association shall have the duty to approve or disapprove all proposed Leases within thirty (30) days of receipt of such information for approval and the completion of the tenant/occupant interview (if required), by sending written notification to the Unit Owner within such time frame. All requests for approval not acted upon within thirty (30) days shall be deemed approved. Applications for renewals or extensions of Lease agreements shall be submitted at least thirty (30) days in advance of the expiration of the Lease agreement. If the Association disapproves a proposed Lease or renewal or extension, the Unit Owner shall receive a short statement indicating the reason for the disapproval, and the Lease shall not be made, renewed or extended. The Association shall neither have a

duty to provide an alternate lessee nor shall it assume any responsibility for the denial of a Lease application if any denial is based upon any of the following factors:

16.4.1. The person seeking approval (which shall hereinafter include all proposed occupants) has been convicted of a crime involving violence to persons, a crime demonstrating dishonesty or moral turpitude or any felony;

16.4.2. The application for approval on its face, facts discovered in connection with the Association's investigation, or the conduct of the applicant, indicate that the person seeking approval intends to conduct himself in a manner inconsistent with the Condominium Documents. By way of example, but not limitation, a tenant taking possession of the premises prior to approval by the Association as provided for herein shall constitute a presumption that the applicant's conduct is inconsistent with the Condominium Documents;

16.4.3. 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 other housing facilities or associations, or by his conduct in this Condominium as a tenant, Unit Owner or occupant of a Unit;

16.4.4. The person seeking approval has failed to provide the information, fees or appearances required to process the application in a timely manner;

16.4.5. All Assessments, fines and other Charges against the Unit and/or Unit Owner have not been paid in full.

16.5. Liability. The liability of the Unit Owner under the Condominium Documents shall continue notwithstanding the fact that he may have Leased or rented his interest in the Unit as provided herein.

16.6. Association Fee. The Unit Owner or lessee seeking approval of a Lease of a Unit shall pay a transfer fee for each applicant in an amount determined by the Board but not exceeding the maximum permitted by law per transaction. No charge shall be made in connection with an extension or renewal of a Lease.

16.7. Waiting Period and Lease Term.

16.8. Airbnb-Type Arrangements Not Permitted. No short term Unit, home or room sharing arrangements provided or facilitated by Airbnb or its competitors is permitted.

17. Maintenance of Community Interests. In order to maintain a community of congenial Unit Owners who are financially responsible, and thus protect the value of the Units, the use and transfer of Units by any Owner shall be subject to the following provisions as long as the Condominium exists upon the land, which provisions each Unit Owner covenants to observe:

17.1. Forms of Ownership:

17.1.1. Ownership by Individuals. A Unit may be owned by one natural person who has qualified and been approved as elsewhere provided herein.

17.1.2. Co-Ownership. Co-ownership of Units may be permitted. If the co-owners are other than husband and wife, the Board shall condition its approval upon the designation of one approved natural person as "Primary Occupant." The use of the Unit by other persons shall be as if the Primary Occupant was the only actual Owner. Any changes in the Primary Occupant shall be treated as a transfer of ownership by sale or gift subject to the provisions of the Condominium Documents. No more than one such change will be approved in any calendar year. No time share estates may be created. "House Sharing" by multiple families and "Fractional Ownership" are prohibited.

17.1.3. Ownership by Corporations, Partnerships or Trusts. A Unit may be owned in trust, or by a corporation, partnership or other entity which is not a natural person, if approved in the manner provided elsewhere herein. The intent of this provision is to allow flexibility in estate, financial, or tax planning, and not to create circumstances in which the Unit may be used as a short-term or transient accommodations for several individuals or families or used as a "perk" for guests of Units owned by business entities, religious, or charitable organizations, and the like. The approval of a partnership, trustee, or corporation or other entity as a Unit Owner shall be conditioned upon designation by the Owner of one natural person to be the "Primary Occupant." The use of the Unit by other persons shall be as if the Primary Occupant were the only actual Owner. Any change in this Primary Occupant shall be treated as a transfer of ownership by sale or gift subject to the provisions of the Condominium Documents. No more than one such change will be approved in any twelve (12) month period. Unit Owners of record as of the adoption of this provision shall be required to designate a Primary Occupant within thirty (30) days of the effective date hereof, which is the date of recordation in the Public Records of Charlotte County, Florida.

17.1.4. Life Estate. A Unit may be subject to a life estate, either by operation of law or by a voluntary conveyance approved as provided below. In that event, the life tenant shall be the only member from such Unit, and occupancy of the Unit shall be as if the life tenant were the only Owner. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy right unless separately approved by the Association. The life tenant shall be liable for all Assessments and Charges against the Unit. Any vote, consent, or approval required by the Condominium Documents or law may be given by the life tenant alone, and the vote, consent or approval of the holders of the remainder interest shall not be required. If there is more than one life tenant, they shall be treated as co-owners for purposes of determining voting and occupancy rights.

17.2. Transfer Subject to Approval.

17.2.1. Sale or Other Transfer. No Unit Owner may dispose of a Unit or any interest in same by sale or other title transfer, without prior written approval of the Board of Directors. No Unit Owner may dispose of a Unit or any interest therein by other means (including agreement for deed, installment sales contract, lease-option or other similar transactions) without prior written approval by the Board of Directors.

17.2.2. Gift. If any Unit Owner shall acquire his title by gift, the continuance of his ownership of his Unit shall be subject to the approval of the Board of Directors. Notice must be given at least thirty (30) days prior to the intended closing or title transfer date. Approval to own or occupy may not be denied to any gift recipient who was the prior Owner's lawful spouse at the time of the gift, or was related by the gifting Owner by blood or adoption.

17.2.3. Devise or Inheritance. If any Unit Owner shall acquire his title by devise or inheritance, the continuance of his ownership of his Unit shall be subject to the approval of the Board of Directors. If any Unit Owner acquires his title by devise or inheritance, his right to occupy or use the Unit shall be subject to the approval of the Board of Directors. Approval to own or occupy may not be denied to any devisee or heir who was the prior Owner's lawful spouse at the time of death, or was related to the deceased Owner by blood or by adoption.

17.2.4. Other Transfers. If any Unit Owner shall acquire his title by any manner not considered in the foregoing subsections, the continuance of his ownership of such Unit shall be subject to the approval of the Board of Directors. If any person acquires title in any manner not considered in the foregoing subsections, that person shall have no right to occupy or use the Unit before being approved by the Board of Directors under the procedures outlined below.

17.2.5. Transfers to Trusts. Approval to own or occupy a unit may not be denied to any person who is the recipient of use or occupancy rights arising from transfer to a trust, where the Grantor or Settlor of the trust is a Unit Owner, and the Beneficiary or other person entitled to use or occupancy under the Trust Agreement was the Owner's lawful spouse or was related to the Owner by blood or adoption.

17.3. Approval by Association. The approval of the Association that is required for the transfer of ownership of Units shall be obtained in the following manner:

17.3.1. Notice to Board of Directors.

(a) Sale. A Unit Owner intending to make a bona fide sale of his Unit or any interest in it shall give to the Board of Directors notice of such intention, together with the name and address of the intended purchaser, an executed copy of the purchase contract and its exhibits and such other information concerning the intended purchaser and the transaction as the Board of Directors may reasonably require. The Board may require, without

limitation, credit history, a criminal background investigation, past residency or employment verification, personal references, and a personal interview with the purchaser(s) and all proposed Unit occupants. Such notice at the Unit Owner's option may include a demand by the Unit Owner that the Association furnish a purchaser of the Unit if the proposed purchaser is not approved.

(b) Gift, Devise or Inheritance; Other Transfers. A Unit Owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously considered, shall give to the Board of Directors notice of the acquiring of his title, together with such information concerning the Unit Owner as the Board of Directors may reasonably require (including that set forth in Article 17.3.1.1 hereof), and a certified copy of the instrument evidencing the Owner's title.

(c) Failure to Give Notice. If the above required notice to the Board of Directors is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Unit, the Board of Directors at its election and without notice may approve or disapprove the transaction or ownership. If the Board of Directors disapproves the transaction or ownership, the Board of Directors shall proceed as if it had received the required notice on the date of such disapproval.

17.3.2. Certificate of Approval.

(a) Sale. If the proposed transaction is a sale, then within thirty (30) days after receipt of such notice and information, including a personal interview if requested by Board of Directors, the Board of Directors must either approve or disapprove the proposed transaction.

(b) Gift, Devise or Inheritance; Other Transfers. If the Unit Owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after receipt of such notice and information the Board of Directors, including a personal interview if requested by the Board of Directors must either approve or disapprove the continuance of the Unit Owner's ownership of his Unit.

(c) Approval of Occupant. If the Unit Owner or purchaser is a corporation, partnership, trust, some other entity, or more than one individual who are not husband and wife, the approval of ownership by the corporation, partnership, trust, other entity or multiple persons shall be conditioned upon approval of a Primary Occupant.

17.4. Disapproval by Board of Directors. If the Board of Directors shall disapprove a transfer of ownership of a Unit, the matter shall be disposed of in the following manner:

17.4.1. Sale. If the proposed transaction is a sale, then within thirty (30) days after receipt of such notice and information the Association shall deliver or mail by certified mail to the Unit Owner an agreement to purchase the Unit concerned by a purchaser approved by the Board of Directors (including the Association itself) who will purchase and to whom the Unit Owner must sell the Unit upon the following terms:

(a) At the option of the Association to be stated in the agreement, the price to be paid shall be that stated in the disapproved contract to sell or shall be the fair market value determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers, one of whom shall be appointed by the Unit Owner and the other of whom shall be appointed by the Association, who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be shared by the parties.

(b) The purchase price shall be paid in cash. The sale shall be closed within thirty (30) days after the delivery or mailing of the agreement to purchase, or within ten (10) days after the determination of the sale price if such is by arbitration, whichever is the later. If the Association shall fail to provide a purchaser upon the demand of the Unit Owner in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval.

17.4.2. Gifts, Devise, or Inheritance; Other Transfers. If the Unit Owner giving notice has acquired his title by gift, devise, or inheritance, or in any other manner, then within thirty (30) days after receipt from the Unit Owner of the notice and information required to be furnished, the Board of Directors shall deliver or mail by certified mail to the Unit Owner an agreement to purchase the Unit concerned by a purchaser approved by the Board of Directors (including the Association itself) who will purchase and to whom the Unit Owner must sell the Unit upon the following terms:

(a) The sale price shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement. In the absence of agreement as to price, the price shall be determined by arbitration in accordance with the then

existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers, one of whom shall be appointed by the Association and the other of whom shall be appointed by the Unit Owner, who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be shared by the parties.

(b) The purchase price shall be paid in cash. The sale shall be closed within ten (10) days following the determination of the sale price. If the Board of Directors shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the public records of Charlotte County, Florida, at the expense of the Unit Owner.

17.4.3. Disapproval for Good Cause. Approval of the Association for title transfers shall be withheld only if a majority of the whole Board so votes. The Board shall consider the following factors and may confer freely with counsel in reaching its decision. Only the following may be deemed to constitute good cause for disapproval:

(a) The application for approval on its face, or subsequent investigation thereof, indicates that the person seeking approval (which shall hereinafter include all proposed occupants) intends to conduct himself in a manner inconsistent with the covenants and restrictions applicable to the condominium.

(b) The person seeking approval (which shall include all proposed occupants) has been convicted of a crime involving violence to persons, a crime demonstrating dishonesty or moral turpitude, any felony, or any sexual offense of any nature.

(c) The person seeking approval has a record of financial irresponsibility, including without limitation prior bankruptcies, foreclosures, or bad debts.

(d) 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 other social organizations or associations, or by his conduct in this condominium or other residences as a tenant, or Owner;

(e) The person seeking approval failed to provide the information, fees or appearance required to process the application in a timely manner;

(f) The Unit Owner requesting the transfer has had fines assessed against him or her which have not been paid; or,

(g) All Assessments and other Charges against the Unit have not been paid in full.

If the Board disapproves a prospective transfer on the grounds for disapproval set forth above, the Association shall have no duty to purchase the Unit or furnish an alternate purchaser, and the transaction shall not be made.

17.5. Transfer Fee. The Association may Charge a processing fee for the approval of transfers of title. The fee may not exceed the maximum permitted by law per transaction.

17.6. Unauthorized Transactions. Any sale, Lease, mortgage or other transfer of ownership or possession not authorized pursuant to the terms of this Declaration shall be voidable unless subsequently approved by the Association.

17.7. Transfer of Parking Spaces Among Unit Owners. The provisions of this Paragraph 17 to the contrary notwithstanding, Unit Owners from time to time may convey and transfer their rights in and to the parking spaces constituting limited common elements appurtenant to their Units among themselves; that is to say, from one Unit Owner to another; with the written consent of the Condominium Association, and with the written consent of the holders of any mortgages encumbering the unit from which the parking space is being transferred, with the following limitations and in the following manner:

17.7.1. Such transfer or conveyance shall be authorized and valid providing that subsequent to the transfer or conveyance, the Unit from which the parking space shall have been transferred or conveyed shall have at least one (1) parking space appurtenant thereto as a limited common element and the Unit to which the parking space shall have been transferred or conveyed shall have no more than two (2) parking spaces appurtenant thereto as limited common elements. No portion of the common elements attributable to a Unit shall be transferred or conveyed from one Unit to another for reason of the transfer or conveyance of a parking space, and the undivided shares in the common elements, as set forth in this Declaration, shall in no way be varied or changed with respect to any Unit for reason of the transfer or conveyance of a parking space.

17.7.2. Such a transfer or conveyance shall be evidenced by a written deed of conveyance executed by both the transferor and transferee. It shall identify the transferor by name and as a Unit Owner of a specific condominium Unit, and shall identify that Unit number. It shall also demonstrate the name of the transferee by

name and as a Unit Owner of a specific condominium Unit, and shall identify that Unit by number. It shall set forth in substance that the parties are transferring and conveying the particular parking space which is a limited common element appurtenant to the Unit owned by the transferor to the transferee, for the purpose of having the particular space become a limited common element appurtenant to the condominium Unit owned by the transferee. It shall further set forth the consent of the transferee to the transaction and the transferee's agreement and undertaking that thereafter said parking space shall constitute a limited common element appurtenant to the transferee's Unit subject in full to the provisions of the Declaration of Condominium.

17.7.3. The deed of conveyance shall be executed with the formalities for deeds in the State of Florida, and promptly recorded among the Public Records of Charlotte County, Florida, and shall be effective no sooner than such recording.

17.7.4. The consent of the Condominium Association may be evidenced on the deed of conveyance mentioned in Paragraph 17.7.2 above, or by separate instrument, but under no circumstances shall the transfer of the parking space be deemed effective until the Condominium Association's consent shall have been recorded among the Public Records of Charlotte County, Florida. Such consent may be in any form the Condominium Association may choose and shall be executed with such formalities as are required of affidavits and for the recording of affidavits among the Public Records of Florida.

17.7.5. Nothing herein shall be deemed to authorize the transfer of any limited common element or other appurtenance to a condominium Unit or any part or share thereof to any person or persons whomsoever, except the limited common elements which constitute parking spaces may, as herein provided, be conveyed between Unit Owners providing that at no time may such parking spaces, or any of them, be owned or held, in whole or in part, by any person or persons who are not Unit Owners. Any transfer or conveyance of a parking space by any person, with or without the consent of the Condominium Association, to any other person or persons who is/are not a Unit Owner shall be totally void.

18. Method of Amendment of Declaration. Except as elsewhere provided otherwise, this Declaration of Condominium may be amended in the following manner:

18.1. Proposal of Amendments. An amendment may be proposed by a majority of the Directors, or by twenty-five percent (25%) of the entire voting interests.

18.2. Proposed Amendment Format. Proposals to amend the existing Declaration of Condominium shall contain the full text of the article to be amended. New words shall be underlined and words to be deleted shall be ~~lined through~~ with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying,

"SUBSTANTIAL REWORDING OF DECLARATION OF CONDOMINIUM. SEE ARTICLE NUMBER FOR PRESENT TEXT."

18.3. Notice. Copies of proposed amendments shall be included in the notice of any meeting at which a proposed amendment is to be considered or in connection with documentation for action without a meeting.

18.4. Adoption of Amendments. A resolution for the adoption of a proposed amendment may be adopted by a vote of two-thirds (2/3rds) of the voting interests of the Association present (in person or by proxy) and voting at a duly noticed meeting at which a quorum is present, or by the written agreement of two-thirds (2/3rds) of the entire voting interests. Amendments correcting errors, omissions or scrivener's errors may be executed by the officers of the Association, upon Board approval, without need for Association membership vote.

18.5. Effective Date. An amendment when adopted shall become effective after being recorded in the Charlotte County Public Records according to law.

18.6. Automatic Amendment. Whenever Chapter 718, Florida Statutes (2017) Chapter 617, Florida Statutes (2017) or other applicable statutes or administrative regulations, as amended from time to time, are amended to impose procedural requirements less stringent than set forth in this Declaration of Condominium, the Board may operate the Association pursuant to the less stringent requirements. The Board of Directors without a vote of the Owners, may adopt by majority vote, amendments to this Declaration of Condominium as the Board deems necessary to comply with such operational changes as may be enacted by future amendments to Chapters 607, 617, and 718 of the Florida Statutes (2017), or such other statutes or administrative regulations as required for the operation of the Association, all as amended from time to time.

18.7. Proviso. Provided, however, that no amendment shall change the configuration of any Unit or the share in the Common Elements appurtenant to it, or increase the Owner's share of the Common Expenses, unless the record Owner of the Unit concerned and all record Owners of the mortgages on such apartment shall join in the execution of the amendment, and all other Unit Owners approve the amendment.

19. Termination. The unit owners may remove the condominium property from the provisions of the Condominium Act in the manner provided by said Condominium Act, and pursuant to the provisions thereof. The condominium further may be terminated by the affirmative vote of seventy-five percent (75%) of the unit owners, as authorized and provided in paragraph 13 herein.

20. Additional Termination Provisions.

20.1. Certificate of Termination; Termination Trustee. The termination of the Condominium 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 Charlotte 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.

20.2. 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.

20.3. 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:

20.3.1. 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.

20.3.2. 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.

20.3.3. 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.

20.4. Partition; Sale. Following termination, the Property may be partitioned and sold on the application of any unit owner. If at least two-thirds (2/3rds) 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 (2/3rds) of the voting interests, with the formalities of a deed, which agreement must be recorded in the Public Records of Charlotte 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.

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

20.6. Provisions Survive Termination. The provisions of this Article 20 are covenants running with the land, and they shall survive the termination of the Condominium until all matters covered by these provisions have been completed. The Board of Directors shall continue to function in accordance with the Bylaws and Articles of Incorporation, and applicable law, and shall have the power to levy assessments and to pay the costs and expenses of maintaining the property until it is sold. The costs of termination, the fees, and expenses of the Termination Trustee, as well as post-termination costs of maintaining the Property, are common expenses, the payment of which is secured by a lien on the beneficial interest owned by each former Unit Owner, which to the maximum extent permitted by law shall be superior to, and take priority over, all other liens.

20.7. Amendment. This Article 20 may be amended in the same manner in which this Declaration of Condominium may be amended generally, as set forth in Article 18.

21. Condemnation.

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

21.2. Determination Whether to Continue Condominium. Whether the condominium will be continued after condemnation will be decided in the same manner as repair after casualty as set forth in Paragraph 13 hereof.

21.3. Distribution of Funds. If the Association is terminated after condemnation, the proceeds of all awards and special assessments will be deemed to be Association Property and shall be owned and distributed in the manner provided for insurance proceeds when the condominium is terminated after a casualty. If the Association is not terminated after condemnation, the size of the Association may be reduced. The Owners of condemned Units, if any, will share in awards and special assessments as provided below.

21.4. Association as Agent. The Association is hereby irrevocably appointed as each Unit Owner's attorney-in-fact for purposes of negotiating or litigating with the condemning authority for the purpose of realizing just compensation for the taking.

21.5. Units Reduced but Habitable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made habitable, the awards for the taking of a portion of that Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the condominium.

21.5.1. 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 assessed against the Owner of the Unit.

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

21.5.3. Adjustment of Shares in Common Elements. If the floor area of a Unit is reduced by the taking, the number representing the share in the Common Elements appurtenant to the Unit shall be reduced in the proportion by which the floor area of the Unit is reduced by the taking, and then the shares of all Unit Owners in the Common Elements shall be restated as percentages of the total of the numbers representing their original shares as reduced by the taking.

21.6. Units Not Habitable. If the taking of any entire Unit so reduces the size of the Unit that it cannot be made habitable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the condominium:

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

21.6.2. Addition to Common Elements. If possible and practical, the remaining portion of the Unit shall become a part of the Common Elements and shall be placed in condition for use by all Unit Owners in the manner approved by the Board of Directors.

21.6.3. Assessments. If the amount of the award for the taking is not sufficient to pay the fair market value of the condemned Unit to the Unit Owner and to recondition the remaining portion of the Unit, the amount required for those purposes shall be raised by special assessment against all of the Unit Owners who will continue as Owners of any Unit after the changes in the condominium effected by the taking. The Assessments shall be made in proportion to the shares of those Owners in the Common Expenses after the changes effected by the taking.

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

21.8. Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements that are necessitated by condemnation shall be evidenced by an amendment of the Declaration of Condominium that need be approved only by a majority of all Directors of the Board.

22. Compliance and Default.

22.1. Duty to Comply; Right to Sue. Each Unit Owner, his tenants and guests, and the Association shall be governed by and shall comply with the provisions of the Condominium Act, this Declaration, the documents creating the Association, the Bylaws and the Rules and Regulations. Action for damages or for injunctive relief, or both, for failure to comply may be brought by the Association or by a Unit Owner against:

22.1.1. The Association;

22.1.2. A Unit Owner; or

22.1.3. Anyone who occupies a Unit as a Family Member, Tenant or a Guest in a Unit, of a Unit Owner. Unit Owners shall be jointly and severally liable for violations of the Condominium Documents by their Family Members, Tenants, or Guests.

22.2. Waiver of Rights. The failure of the Association to enforce any right, provision, covenant, or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association to enforce such right, provision, covenant or condition in the future. A provision of the Condominium Act may not be waived if the waiver would adversely affect the rights of the Owner or defeat the purpose of the provision, except that Unit Owners or Directors may waive notice of specific meetings as provided in the Bylaws.

22.3. Attorneys' Fees. In any legal proceeding arising out of an alleged failure of a Unit Owner, tenant, guest, or invitee or the Association to comply with the requirements of the Condominium Act or the Condominium Documents, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs and expenses of the proceeding and a reasonable attorney's fee before trial, at trial and on appeal. The Association may also recover attorney's fees it incurs because of noncompliance with the Condominium Documents in cases where no court action is filed including, but not limited to, arbitration and pre-litigation fees incurred in the collection of delinquent Assessments, and fees reasonably incurred by the Association in obtaining compliance with the Condominium Documents. Said costs and fees shall be secured by a lien for Charges, as provided in Article 10.8 hereof.

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

22.5. Waiver. The Association shall have the right to waive the application of one or more of the covenants or restrictions of the Condominium Documents, or to permit a deviation from said covenants or restrictions, as to any Unit where, in the discretion of the Board, hardship circumstances exist which justify such waiver or deviation. In the event of any such waiver or permitted deviation, or in the event the Association fails to enforce violation of said covenants or restrictions, such actions or inactions shall not be deemed to prohibit nor restrict the right of the Association, or any other person having the right to enforce said covenants or restrictions, from insisting upon strict compliance with respect to all other Units, nor shall any such actions be deemed a waiver of any of the covenants or restrictions contained in the Condominium Documents as same may be applied in the future.

22.6. Notice of Lien or Suit.

22.6.1. Notice of Lien. A Unit Owner shall give to the Association written notice of every lien upon his Unit other than for permitted first mortgages, taxes and special assessments, within five (5) days after the Unit Owner receives actual notice of the attachment thereof.

22.6.2. Notice of Suit. A Unit Owner shall give notice, in writing, to the Association of every suit or other proceeding which may affect the title to his Unit, such notice to be given five (5) days after the Unit Owner receives actual knowledge thereof.

22.6.3. Failure to Comply. Failure of an Owner to comply with this Section 21.6 will not affect the validity of any judicial suit; however, the failure may render the Owner liable to any party injured by such failure.

23. Miscellaneous Provisions.

23.1. The covenants and restrictions as herein contained, or forming a part of the Condominium Documents, shall be deemed to run with the land.

23.2. If any provision of the Condominium Documents hereto, as the same now exist or as may be later amended or any portion thereof, shall be held invalid by any Court, the validity of the remainder of said Condominium Documents shall remain in full force and effect.

23.3. These Condominium Documents shall be binding upon the heirs, nominees, successors, administrators, executors and assigns of all Unit Owners.

23.4. All notices shall be given as provided in the Bylaws or Florida Statutes.

23.5. There shall be no limitation upon sale, Lease or occupancy of any Unit based upon race, creed, color, sex, religion, national origin, handicap, or familial status. The Association may make reasonable accommodations, including reasonable waiver of the covenants and restrictions of the Condominium Documents, when necessary to afford handicapped individuals the opportunity to enjoy the condominium premises.

23.6. The Developer granted to each Unit Owner a non-exclusive easement for streets, walks and other rights of way serving the Unit as a part of the Common Elements. All liens and leaseholds shall be subordinate and subsequent to the rights of easement herein granted to each Unit Owner.

23.7. All persons joining this Declaration subjects his interest to the provisions of this Declaration and the provisions of Chapter 718, Florida Statutes, as now or hereafter amended.

23.8. In the event of a conflict between any provision of this Declaration and the Condominium Act, the Condominium Act, Section 718, Florida Statutes, shall control. In the event of a conflict between this Declaration and the other Condominium Documents, same shall be governed as provided in the Bylaws.

23.9. The Board of Directors of the Association shall be responsible for interpreting the provisions of this Declaration and of any exhibits attached hereto.

23.10. The headings and captions used in the Condominium Documents are solely for convenience sake and shall not be considered a limitation of any nature in interpreting the Condominium Documents.

24. Recreational Facilities.

24.1. The Condominium Association may acquire and enter into agreements from time to time whereby it acquires leaseholds, memberships, and other possessory or use interests in lands or facilities including but not limited to country clubs, golf courses, marinas and other recreational facilities whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment, recreation and other use or benefit of the unit owners. The expenses of rental, membership fees, operations, replacements and other undertakings in connection therewith shall be common expenses together with all other expenses and costs herein or by law defined as common expenses.

24.2. The Condominium Association is authorized to and has entered into simultaneously with the execution of this Declaration a 99-year lease with GENERAL DEVELOPMENT CORPORATION, a Delaware corporation, as owners and lessors therein for the use of a recreational area, and the improvements constructed or to be constructed thereon. A signed original copy of said lease is attached hereto as Exhibit D of this Declaration and is incorporated herein and made a part hereof by reference. However, an amendment to or revision of said lease shall not require the procedures required for an amendment or change to this Declaration or to the Bylaws of the Association, and may be accomplished by written expression thereof executed by the Association and by the Lessor with the formality required for Deed and duly filed among the Public Records of Charlotte County, Florida. The provisions of Paragraph 18 of this Declaration shall not be applicable to any amendment, revision or modification of said lease. The lease does not confer the exclusive leasehold interest upon the Condominium corporation. The owner reserves the right to lease the demised premises in said lease defined to others.

24.2.1. The lease has been entered into for the benefit of the Unit Owners, and the leasehold interest of the Condominium Association, as limited by said lease, is declared to be and shall be a common element of the Condominium, and the rent reserved to the Lessor, and other monies required therein to be paid by the Association as Lessee are declared to be common expenses, which common expenses shall be shared and undertaken by each Unit Owner in accordance with his share of the common expense stated in Paragraph 6 hereof.

24.2.2. Each Unit Owner, his heirs, successors and assigns shall be bound by said lease to the same extent and effect as if he had executed said lease for the purposes therein expressed, including but not limited to:

- (a) Subjecting all his right, title and interest in the Condominium and the parcel of which he is owner, to the lien rights granted to the Lessor in Section 9 of the lease;
- (b) Adopting, ratifying, and consenting to the execution of, the lease by the Association as Lessee; and
- (c) Covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by unit owners, in the cases provided therefor in said lease.

This provision of this subsection 24.2.2 shall be deemed and is declared to be a covenant running with the land (Condominium property) and shall until the Lessor shall declare otherwise, remain as such and be in full force and effect during the term of said lease, unless said lease be sooner terminated, whether or not the Condominium in this Declaration created, be terminated.

24.2.3. The Association is empowered and authorized to execute said lease, and said lease and each and every provision therein is ratified, approved and adopted, including but not limited to the provisions of Section 9. entitled "SECURITY" which provides for general liens in the nature of mortgage liens on the leasehold interest of the Lessee on the Condominium assets, and on the Condominium property, running in favor of the Lessor to secure to the Lessor the payment of all sums and monies due it, and to secure the performance by the Lessee of each and every of the Lessee's obligations thereunder.

24.2.4. The Association is authorized and empowered to do all things necessary to fully effectuate, ratify, adopt and execute said lease and any renewals, revisions or amendments thereof, which the Board of Directors shall approve and the Lessor shall approve.

24.2.5. The Association is appointed and shall always be the agent in fact of each and every Unit Owner for all purposes provided for in said lease to do and perform each and every act and thing required of Unit Owners in said lease, and to consent to and execute any and all documents if necessary to effectuate any and all of the provisions of said lease.

24.3. So long as the Association shall be subject to the provisions, covenants, conditions or promises contained in any lease or other undertaking entered into under the authority of this Paragraph 24, then this Paragraph 24 may not be modified, amended or changed in any regard without the consent in writing of the lessor therein, or the

equivalent party, if he be not properly denominated "lessor", which consent shall be evidenced by said lessor or equivalent party joining in the execution of the certificate of amendment, with the formalities required for Deeds.

274276

CONDOMINIUM PLAN
BOOK 1 PAGE 23-A

CLERK'S NOTE:
For declaration of condominium, see
official RECORD BOOK 122, PAGE 255

FILED
JAN 26 AM 9 09
J. T. JEFFERSON
CLERK OF DISTRICT COURT

EXHIBIT "1" of the declaration of condominium
of ABBEY HOUSE OF PORT CHARLOTTE
A CONDOMINIUM

ABBEY HOUSE OF PORT CHARLOTTE

A CONDOMINIUM

GENERAL DEVELOPMENT
ENGINEERING COMPANY
MIAMI, FLORIDA

SHEET 1 OF 2 SHEETS

NOTES

(A) Each numbered unit (101 through 116 inclusive on first floor and 201 through 216 inclusive on second floor) is composed of the apartment and the attached first floor patio or second floor balcony.

(B) Each numbered unit shall have as its boundary lines the interior unpainted finished surfaces of the ceiling, floor and perimeter walls. All bearing walls located within an apartment constitute part of the common element up to the unfinished surface of said walls.

(C) The boundary lines of each apartment porch or balcony are the interior vertical surfaces thereof and the exterior unpainted finished surfaces of the perimeter walls abutting the porch or balcony and the interior finished surfaces of the floor and ceiling of said porch or balcony.

(D) All land and all portions of the building or other improvements not located within the boundaries of a unit are parts of the common elements or are limited common elements when so designated. As to limited common elements, their use is reserved to the unit or units to which they have been assigned, or will be assigned, to the exclusion of other units, provided however, that easements for maintenance, repairs and improvements are reserved to the condominium association.

(E) Storage spaces within the storage rooms, and parking spaces designated on the attached plan are subject to being designated limited common elements in accordance with the provisions of paragraph B, article V of the declaration of condominium.

(F) All dimensions shown in the individual units are to the interior finished surfaces. Exterior ties are to the exterior finished surfaces.

(G) Condominium property lines are so designated on the attached plan.

(H) The 10 foot easement as shown by dashed lines along the North side of the condominium property is reserved for the installation and maintenance of public utilities.

(J) The 50 foot easement as shown by dashed lines along the South side of the condominium property is reserved for the installation and maintenance of underground drainage facilities.

(K) The 10 foot easement as shown by dashed lines along the West side of the condominium property is reserved for the installation and maintenance of underground drainage facilities.

DESCRIPTION

That portion of Section 15, Township 40 South, Range 22 East, Charlotte County, Florida, being more particularly described as follows:

COMMENCE at the intersection of the Base Line of Harbor Boulevard (O.R.B. 193, Pages 144-147, Charlotte County, Florida) and the centerline of Gertrude Avenue (O.R.B. 242, Page 439, Charlotte County, Florida); thence N 89° 50' 39" W along the centerline of Gertrude Avenue a distance of 537.53 feet; thence S 00° 09' 21" W, leaving said centerline a distance of 35.00 feet to a point on the South right of way of said Gertrude Avenue and the POINT OF BEGINNING of the following described tract of land; thence S 89° 50' 39" E along the South right of way of Gertrude Avenue a distance of 555.66 feet; thence S 00° 09' 21" W, leaving said South right of way a distance of 150.00 feet; thence N 89° 50' 39" W, a distance of 53.85 feet; thence S 00° 41' 21" W, a distance of 55.00 feet; thence N 89° 50' 39" W, a distance of 321.30 feet; thence N 00° 09' 21" E, a distance of 185.00 feet to the POINT OF BEGINNING.

Containing 1.46 acres more or less.

I HEREBY CERTIFY that the attached plan of ABBEY HOUSE OF PORT CHARLOTTE, A CONDOMINIUM, is true and correct to the best of my knowledge as recently surveyed under my direction and constitutes a survey of the land.

AND

that the attached plans together with the wording of the declaration of condominium is a correct representation of the improvements described and that there can be determined therefrom the identification, location, dimensions and size of each unit and the common elements.

LOCATION SKETCH
SECTION 15, TOWNSHIP 40 SOUTH, RANGE 22 EAST
CHARLOTTE COUNTY, FLORIDA

CALCULATED BY _____

DRAWN BY DP

CHECKED BY DP

APPROVED BY DP

General Development Engineering Company
1111 South Bayshore Drive, Miami, Florida

Paul F. Rosskamp
PAUL F. ROSSKAMP
PROFESSIONAL LAND SURVEYOR
NO. 1940 STATE OF FLORIDA

SHEET 1 OF 2 SHEETS

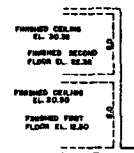


ABBEY HOUSE OF PORT CHARLOTTE A CONDOMINIUM

EXHIBIT "1" of the declaration of condominium of ABBEY HOUSE OF PORT CHARLOTTE A CONDOMINIUM.

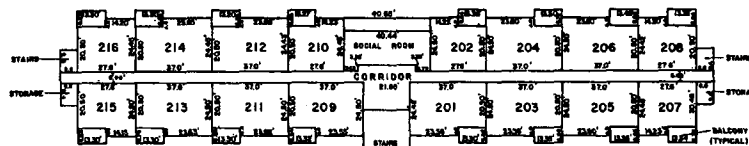
GENERAL DEVELOPMENT
ENGINEERING COMPANY
MIAMI, FLORIDA
SHEET 2 OF 2 SHEETS

CONDOMINIUM PLAN
BOOK 1 PAGE 23-B

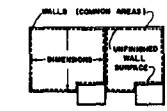
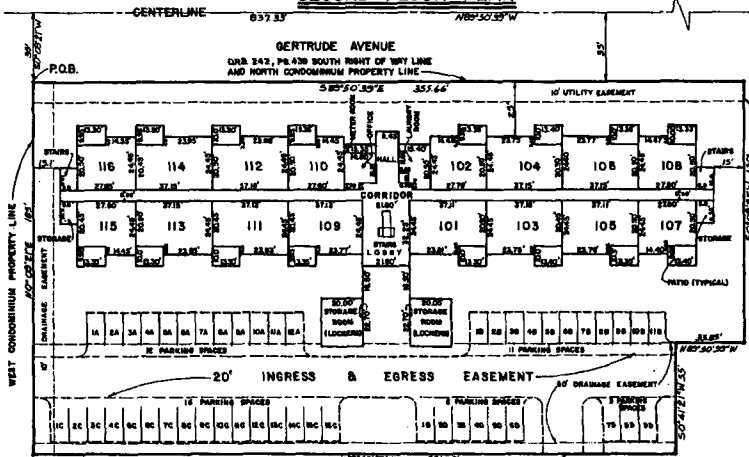


APARTMENT ELEVATIONS

NOTE: ALL ELEVATIONS ARE IN FEET AND REFER TO USC & GS DATUM



SECOND FLOOR PLAN



NOTE:
ALL DIMENSIONS ARE FROM INTERIOR UNFINISHED WALL SURFACE TO INTERIOR UNFINISHED WALL SURFACE SEE NOTE "B" SHEET 1

General Development Engineering Company
1111 South Bayshore Drive - Miami, Florida
PAUL F. ROSSKAMP
PROFESSIONAL LAND SURVEYOR
NO. 1940 STATE OF FLORIDA

SHEET 2 OF 2 SHEETS

CALCULATED BY: OP
DRAWN BY: OP
CHECKED BY: PJA
APPROVED BY: APR

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION**

OF

ABBEY HOUSE OF PORT CHARLOTTE – A CONDOMINIUM, INC.

**SUBSTANTIAL REWORDING OF ARTICLES OF INCORPORATION -
SEE CURRENT ARTICLES OF INCORPORATION FOR CURRENT TEXT**

These are the Amended and Restated Articles of Incorporation for Abbey House of Port Charlotte – A Condominium, Inc. originally filed with the Florida Department of State on January 10, 1990, under Chapter Number 718. Matters of only historical interest have been omitted. Amendments included have been added pursuant to Chapter 617, Florida Statutes (2017).

1. Name. The name of the corporation shall be ABBEY HOUSE OF PORT CHARLOTTE – A CONDOMINIUM, INC. For convenience, the corporation shall be referred to in this instrument as the "Association," the Declaration of Condominium as "Declaration," these Amended and Restated Articles of Incorporation as the "Articles," and the Bylaws of the Association as the "Bylaws."

2. Purpose. The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act") for the operation of that certain condominium located in Charlotte County, Florida, and known as Abbey House of Port Charlotte, a Condominium (the "Condominium").

3. Definitions. The terms used in these Articles shall have the same definitions and meaning as those set forth in the Declaration of the Condominium recorded in the Public Records of Charlotte County, Florida, unless herein provided to the contrary, or unless the context otherwise requires.

4. Powers. The powers of the Association shall include and be governed by the following powers:

4.1. General. The Association shall have all of 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 these Articles or of the Act.

4.2. Enumeration. The Association shall have all the powers and duties set forth in the Act except as limited by these Articles (as they may be amended from time to



time), the Bylaws (as they may be amended from time to time), and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as it may be amended from time to time including but not limited to the following:

4.2.1. To make and collect Assessments and other Charges against members as Unit Owners, and to use the proceeds thereof in the exercise of its powers and duties.

4.2.2. To buy, own, operate, lease, sell, and trade both real and personal property as may be necessary or convenient in the administration of the Condominium.

4.2.3. To maintain, repair, replace, reconstruct, add to, and operate the Condominium Property and other property acquired or leased by the Association for use by Unit Owners.

4.2.4. To purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, Directors, and members as Unit Owners.

4.2.5. To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium Property and for the health, comfort, safety, and welfare of the Unit Owners.

4.2.6. To approve or disapprove the leasing, transfer, ownership, and possession of Units as may be provided by the Declaration.

4.2.7. To enforce by legal means the provisions of the Act, the Declaration, these Articles, the Bylaws, and the Rules and Regulations for the use of the Condominium Property.

4.2.8. To contract for the management of the Condominium and any facilities used by the Unit Owners, and to delegate to the party with whom such contract has been entered into all of the powers and duties of the Association except those which require specific approval of the Board of Directors or the membership of the Association.

4.2.9. To employ personnel to perform the services required for proper operation of the Condominium.

4.2.10. Make contracts and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds, and other

obligations, and secure any of its obligations by mortgage and pledge of all or any of its property, franchises, or income.

4.3. Condominium Property. All funds and titles of all properties acquired by the Association and their proceeds shall be held in trust for the members of the condominium in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation, and the Bylaws.

4.4. Distribution of Income. The Association shall make no distribution of income to its members, Directors or officers.

5. Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and the Bylaws.

6. Members. The members of the Association shall consist of all of the record Owners of Units in the Condominium, and after termination of the Condominium shall consist of those who were members at the time of the termination and their successors and assigns.

7. Assignment. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Unit for which that share is held.

8. Voting. On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each Unit, which vote shall be exercised or cast in the manner provided by the Declaration and Bylaws. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.

9. Meetings. The Bylaws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

10. Term of Existence. The Association shall have perpetual existence.

11. Officers. The affairs of the Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The Bylaws may provide for the removal from office of officers, for filling vacancies, and for the duties of the officers.

12. Directors.

12.1. Number and Qualification. The property, business and affairs of the Association shall be managed by a Board consisting of the number of Directors

determined by the Bylaws, but which shall consist of not less than three (3) Directors. Directors must be members or the spouse of a member of the Association.

12.2. Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles, and the Bylaws shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, subject only to approval by Unit Owners when such approval is specifically required.

12.3. Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.

13. Bylaws. The Bylaws of this Corporation may be altered, amended, or repealed in the manner provided in the Bylaws.

14. Amendments. These Articles may be amended in the following manner:

14.1. Proposal of Amendments. An amendment may be proposed by a majority of Directors, or by twenty-five percent (25%) of the entire voting interests.

14.2. Proposed Amendment Format. Proposals to amend existing Articles of Incorporation shall contain the full text of the Article to be amended. New words shall be underlined and words to be deleted shall be ~~lined through~~ with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying, "SUBSTANTIAL REWORDING OF ARTICLE. SEE ARTICLE NUMBER ____ FOR PRESENT TEXT."

14.3. Notice. Copies of proposed amendments shall be included in the notice of any meeting at which a proposed amendment is to be considered or in connection with documentation for action without a meeting.

14.4. Adoption of Amendments. A resolution for the adoption of a proposed amendment may be adopted by a vote of two-thirds (2/3rds) of the voting interests of the Association present (in person or by proxy) and voting at a duly noticed meeting at which a quorum is present, or by the written agreement of two-thirds (2/3rds) of the entire voting interests. Amendments correcting errors, omissions or scrivener's errors may be executed by the officers of the Association, upon Board approval, without need for Association membership vote.

14.5. Effective Date. An amendment when adopted shall become effective after being recorded in the Charlotte County Public Records according to law and filed with the Secretary of State according to law.

14.6. Automatic Amendment. These Articles shall be deemed amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium. Whenever Chapter 718, Florida Statutes (2017) Chapter 617, Florida Statutes (2017) or other applicable statutes or administrative regulations, as amended from time to time, are amended to impose procedural requirements less stringent than set forth in these Articles, the Board may operate the Association pursuant to the less stringent requirements. The Board of Directors without a vote of the Owners, may adopt by majority vote, amendments to these Articles of Incorporation as the Board deems necessary to comply with such operational changes as may be enacted by future amendments to Chapters 607, 617, and 718 of the Florida Statutes (2017), or such other statutes or administrative regulations as required for the operation of the Association, all as amended from time to time.

14.7. Proviso. Provided, however, that no amendment shall change the configuration of any Unit or the share in the Common Elements appurtenant to it, or increase the Owner's share of the Common expenses, or change in any manner the qualifications for Membership nor the voting rights of Members unless the Record Owner of the Unit concerned and all record Owners of the mortgages of such apartment shall join in the execution of the Amendment, and all of the Unit Owners approve the amendment.

15. Registered Office Address and Name of Registered Agent. The registered office address and the name of the registered agent of the corporation shall be as determined by the Board of Directors from time to time.

**AMENDED AND RESTATED
BYLAWS
OF
ABBEY HOUSE OF PORT CHARLOTTE – A CONDOMINIUM, INC.**

**SUBSTANTIAL REWORDING OF BYLAWS -
SEE CURRENT BYLAWS FOR CURRENT TEXT**

1. Identity. These are the Amended and Restated Bylaws (hereinafter "Bylaws") of Abbey House of Port Charlotte – A Condominium, Inc., a Florida not-for-profit Corporation formed for the purpose of administering Abbey House of Port Charlotte, a Condominium (hereinafter "the Condominium") which is located at 21260 Brinson Avenue, Port Charlotte, Florida, upon the lands described in the Declaration of Condominium (the corporation may hereafter be referred to as the "Association").

1.1. Office. The office of the Association shall be 2296 Aaron Street, Port Charlotte, Florida 33952, or such other location within Charlotte County, as may from time to time be determined by the Board of Directors.

1.2. Fiscal Year. The fiscal year of the Association shall be the calendar year, unless otherwise determined by the Board of Directors.

1.3. Seal. The corporate seal of the Association shall be adopted and may be changed by the Board of Directors and shall bear the name or abbreviated name of the Association, the word "Florida," the year of establishment, and shall identify the Association as a not-for-profit corporation. A common seal may be used in lieu of a raised corporate seal and in no event shall a seal be required to validate corporate actions unless specifically required by law.

1.4. Definitions. All terms used in these Bylaws shall have the same meaning, to the extent applicable, as set forth in the Articles of Incorporation for the Association, the Declaration of Condominium and the Florida Condominium Act (Chapter 718, Florida Statutes, 2017), all as amended from time to time.

2. Member's Meetings.

2.1. Annual Meetings. Annual members' meetings shall be held at such convenient location in Charlotte County as may be determined by the Board of Directors. The annual meeting shall be held on the date and time determined by the Board for the purpose of transacting any business authorized to be transacted by the members.



2.2. Special Meetings. Special members' meetings shall be held whenever called by the President or by a majority of the Board of Directors, and shall be called by the President or Secretary within a reasonable time of receipt of written notice from 25% of the voting interests of the Association. Members' meetings to recall a member or members of the Board of Directors may be called by 10% of the voting interests of the Association who shall give notice of the meeting, stating the purpose of the meeting, pursuant to Section 718.112(2)(k), Florida Statutes (2017), as amended from time to time.

2.3. Notice of Members' Meetings. Notice of all members' meetings, stating the time, place, and purpose(s) of the meeting, shall be sent to each Unit Owner by United States regular mail, unless waived in writing, at least 14 days prior to the meeting as to annual meetings and 10 days as to special meetings. Hand delivery and electronic notice is acceptable where permissible by law. Officers required to give notice may delegate the actual giving of notice to another person, such as an Assistant Officer or managing agent. Any members' meeting or election at which one or more Directors are to be elected must be noticed as provided for in Section 2.4 next following. An officer of the Association or other person providing notice shall execute an affidavit of mailing per Section 718.112(2)(d)(2), Florida Statutes (2017), as amended from time to time, which shall be retained in the official records of the Association as proof of such mailing. The notice of the annual meeting shall include an agenda for all known substantive matters to be discussed, or have such an agenda attached to it. A copy of the notice and agenda shall be posted at a conspicuous location, designated by Board resolution, on the Condominium Property.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting, except when his (or his authorized representative's) attendance is for the sole and express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

2.4. Board of Directors Election Meetings – Notice and Procedure. The regular election of Directors shall occur as the first item of business at the annual meeting.

2.4.1. Not less than 60 days before a scheduled election, the Association shall mail, or deliver, whether by separate Association mailing or included in another Association mailing or delivery including regularly published newsletters, to each Unit Owner entitled to vote, a first notice of the date of the election. Any person desiring to be a candidate for the Board of Directors shall give written notice to the Association not less than 40 days before scheduled election. Not less than 14 days before the election, the Association shall mail or deliver a second notice of the election to all Unit Owners entitled to vote therein, together with a written ballot which shall include an information sheet (if provided by the candidate), no larger than 8½ inches by 11 inches furnished by the candidate, to be included with the mailing of the ballot, with the costs of mailing and copying to be borne by the Association.

2.4.2. There is no quorum requirement necessary for an election. However, at least fifty-one (51%) of the Units must cast a ballot in order to have a valid election and elections shall be decided by a plurality of those votes cast.

2.4.3. In the event that there are only as many (or fewer) candidates pre-qualified for election as there are open seats on the Board, no election shall be held and the pre-qualified candidates shall automatically become members of the Board after the annual meeting.

2.4.4. It is the intention of this Article 2.4 to "opt out" of the statutory election procedures found at Section 718.112(2)(d), Florida Statutes (2017). To this end, the Board may establish additional election rules as it deems appropriate to ensure a fair election process. Substantial compliance with these Bylaws relative to election procedures is sufficient.

2.5. Quorum/Voting. A quorum at members' meetings shall consist of persons entitled to cast a majority of the voting interests of the entire membership. Decisions made by a majority of the voting interests present and voting, in person or by proxy, at a meeting at which a quorum is present shall be binding and sufficient for all purposes except such decisions as may be required by Chapter 718, Florida Statutes (2017) or the Condominium Documents require a larger percentage in which case the percentage required in Chapter 718, Florida Statutes (2017), or the Condominium Documents shall govern. To the extent lawful, Unit Owners may join in any action taken at a meeting of the members through written approval of such action executed after the meeting, and such approval shall be as though the Unit Owner duly approved the action of the meeting in question.

2.6. Indivisible Vote. Each Unit shall have one indivisible vote. If a Unit is owned by multiple individuals, such as a husband and wife, any record owner may vote on behalf of the Unit. If a Unit is owned by a corporation, any officer may vote on behalf of said corporation. If a Unit is owned by a partnership, any partner may vote on behalf of the partnership. If a Unit is owned in trust, any grantor, trustee or beneficiary of a trust shall be entitled to vote. A unit owner of a combined unit shall only be entitled to a single vote. Any person asserting the right to vote on behalf of a Unit owned by an artificial entity shall be conclusively presumed to be entitled to vote on behalf of said Unit, unless the Unit has filed voting instructions with the Association designating some other person entitled to vote. If multiple Owners or non-individual Owners of a Unit cannot agree on a vote, the vote shall not be counted as to the issue upon which disagreement exists. Voting certificates are required.

2.7. Proxies. Votes may be cast in person or by proxy. Only Unit Owners or the spouse of a Unit Owner may be delegated to hold proxies, provided that the Board may designate agents of the Association (including but not limited to association legal counsel or the association's manager) as an eligible proxy holder. An eligible proxy holder may hold no more than five (5) proxies. Proxies shall be in writing, signed and dated, and shall be valid only for the particular meeting designated therein or an

adjournment thereof, but in no event for more than 90 days, and must be filed with the Association before or at the voter registration immediately preceding the meeting, or adjournment thereof. Except as specifically otherwise provided by law, Unit Owners may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes. Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes regarding reserves; for votes taken to waive financial statement requirements; for votes taken to amend the Declaration; for votes taken to amend the Articles of Incorporation or Bylaws; and for any other matter which Chapter 718, Florida Statutes (2017) requires or permits a vote of the Unit Owners. Provided, however, that it is the intention of this provision to "opt-out" of the requirements of the Statute to the extent that Unit Owners who are given the opportunity to vote by limited proxy, but declined to do so, may grant general powers (including the right to vote with respect to designated agenda items) to the holder of their proxy. No proxy, limited or general, shall be used in the election of Board members. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given. An executed telegram or cablegram appearing to have been transmitted by the proxy giver, or a photographic, photostatic, facsimile, electronic or equivalent reproduction of a proxy is a sufficient proxy. Owners may retroactively cure any alleged defect in a proxy by signing a statement ratifying the Owner's intent to cast a proxy vote. The use of proxies is to be liberally construed.

2.8. No Quorum. If any meeting of members cannot be organized because a quorum is not present, or if insufficient voting interests are represented to approve a proposed item of Association business, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.9. Order of Business. The order of business at annual members' meetings and, as far as applicable at all other members' meetings, shall be:

2.9.1. Call to order by the President;

2.9.2. At the discretion of the President, appointment by the President of a chairman of the meeting (who need not be a member or a Director);

2.9.3. Appointment by the Chair of inspectors of election;

2.9.4. Election of Directors;

2.9.5. Calling of the roll, certifying of proxies and determination of a quorum; or, in lieu thereof, certification and acceptance of registration procedures establishing the number of persons present in person or by proxy;

2.9.6. Proof of notice of the meeting or waiver of notice;

2.9.7. Disposal of unapproved minutes;

2.9.8. Reports of officers;

2.9.9. Reports of committees;

2.9.10. Unfinished business;

2.9.11. New business;

2.9.12. Adjournment.

2.10. Action Without a Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of members, or any action which may be taken at any annual or special meeting of such members, may be taken without a meeting, without prior notice, and without a vote if a consent in writing setting forth the action so taken, shall be signed by the requisite number of voting interests to approve the action. Members may also consent in writing to action taken at a meeting, before or after the meeting, by providing a written statement to that effect and their vote shall be fully counted as though they had attended the meeting.

2.11. At the annual meeting of the corporation, a Director shall also be elected to serve on the Charlotte Square Condominium Association, Inc. Board of Directors. This Director shall be elected in the same manner as the Directors elected to serve on the Abbey House of Port Charlotte, a Condominium, Inc. Board of Directors. A member may, but is not required to, serve as a Director for the Charlotte Square Condominium Association, Inc. and the Abbey House of Port Charlotte, a Condominium, Inc.

3. Board of Directors.

3.1. Number, Term, and Qualifications. The affairs of the Association shall be governed by a Board composed of not less than three (3) nor more than seven (7) Directors. The Board of Directors shall determine the number of Directorships for the upcoming year no earlier than ninety (90) prior to the date of the Annual Meeting for said year. All Directors shall be Unit Owners or the spouse of a Unit Owner. When a Unit is owned by a corporation, a partnership, or similar entity, the Primary Occupant, as designated pursuant to the Declaration of Condominium, and the spouse of the Primary Occupant shall be eligible for Board membership. Settlers or grantors of a trust described in Section 733.707, Florida Statutes (2017), which owns a unit, and beneficiaries as defined in Section 737.303(4)(b), Florida Statutes (2017), of a trust which owns a unit, and the spouses of such persons, shall be considered eligible for Board membership. Beneficiaries and their spouses must occupy the unit in order to be eligible for Board membership. Persons who are convicted felons, who have not had their civil rights restored, are not eligible to serve on the Board. All Directors will be elected for a one (1) year term. The term of each Director's service shall extend until

their elected term is completed and thereafter until their successor is duly elected and qualified or until the Director is recalled in the manner provided in the Condominium Act, or resigns. Resignations of Directors are effective when received by the Association in writing, unless a later date is stated.

3.2. Board Vacancies. Vacancies in the Board of Directors shall be filled by appointment by a majority vote of the remaining Directors for the remainder of the unexpired term as provided in Article 3.1; provided that when a Director has been recalled by the membership, the vacancy created by his removal cannot be filled with the same person as has been removed from the Board, and when a majority of the Board has been recalled, vacancies shall be filled by the membership, as provided by law.

3.3. Organizational Meeting. The organizational meeting of each newly-elected Board of Directors to elect officers shall be held at such place and time as shall be fixed by the Directors, provided a quorum shall be present. Unless otherwise noticed, the organizational meeting shall be held immediately following the annual meeting of the members.

3.4. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings, unless fixed by Board resolution, shall be given to each Director personally or by mail, electronic mail, telephone, or facsimile at least two days prior to the day named for such meeting.

3.5. Special Meetings. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of any two (2) Directors. Not less than two days' notice of the meeting (except in an emergency) shall be given to each Director personally or by mail, electronic mail, telephone, or facsimile, which notice shall state the time, place, and purpose of the meeting.

3.6. Waiver of Notice. Any Director may waive notice of a meeting before, at, or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at a meeting shall constitute waiver of notice of the meeting.

3.7. Notice to Owners of Board Meetings. Notice of meetings, which notice shall specifically include an agenda, shall be posted conspicuously as provided in Section 2.3 of these Bylaws at least 48 continuous hours in advance of the meeting for the attention of Unit Owners, except in an emergency. If closed circuit television is available, the Board may use same for posting notices, as permitted by law. Meetings at which a regular monthly or quarterly Assessment is to be considered shall contain a statement that Assessments will be considered and the nature of such Assessments. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding Unit use will be considered, shall be mailed or delivered (including electronic delivery as provided by law) to the Unit Owners and posted conspicuously as provided in Section 2.3 of these Bylaws not less than 14 continuous days prior to the meeting. Evidence of compliance with this 14-day notice

shall be by an affidavit executed by the person giving notice and shall be filed among the official records of the Association.

3.8. Owner Participation in Board Meetings. Meetings of the Board of Directors at which a majority of the members of the Board are present, shall be open to all Unit Owners. Unit Owners may not designate third persons, through power of attorney or otherwise, to attend Board meetings, unless agreed to otherwise by the Board. The right to attend such meetings includes the right to speak with reference to all designated agenda items; provided, however, the Board may adopt reasonable rules governing the frequency, duration, and manner of Unit Owner statements. Unless otherwise provided by the Board, each Unit Owner is entitled to speak for three minutes with reference to designated agenda items. Board meetings subject to the attorney-client privilege shall not be subject to Unit Owner observation.

3.9. Board Meetings, Quorum and Voting. The designation of the agenda for Board meetings shall be at the discretion of the President. However, the President shall be obligated to include any item on the agenda for a Board meeting, if requested, in writing, by any Board Member or by any Member of the Association at least five (5) days prior to said Board meeting. A quorum at Directors' Meetings shall consist of a majority of the Directors. The acts approved by a majority of the Board of Directors present at a meeting shall constitute the acts of the Board. Directors may not vote by proxy or by secret ballot at Board meetings (except that Directors may vote by secret ballot when electing Officers) and a vote or abstention for each member present shall be recorded in the minutes. Directors may not abstain from voting except in the case of an asserted conflict of interest. If at any meeting of the Board there be less than a quorum present, the Director(s) present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted. Absent Directors may later sign written joinders in Board actions, but such joinders may not be used for purposes of creating a quorum or counted as official vote for the Board's meeting. Directors may participate telephonically in Board meetings, as provided by law.

3.10. Presiding Officer. The presiding officer at Directors' meetings shall be the President, and in his absence, the Vice President. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

3.11. Director Compensation. Directors shall serve without pay but shall be entitled to reimbursement for expenses reasonably incurred and approved in writing by the Board of Directors.

4. Powers and Duties of the Board of Directors. All of the powers and duties of the Association existing under the laws of Florida generally, Florida Not For Profit Corporation Statute, the Condominium Act, and the Condominium Documents, all as amended from time to time, shall be exercised exclusively by the Board of Directors, or its duly authorized agents, contractors, or employees, subject only to the approval by Unit Owners when such is specifically required. The powers of the Directors shall include, but shall not be limited to, the following:

4.1. To Assess. The Directors shall adopt budgets and make and collect special and periodic Assessments against owners to defray the costs of the Association.

4.2. To Expend Association Funds. The Directors shall use the proceeds of Assessments in the exercise of its powers and duties.

4.3. To Maintain the Condominium Property. The Directors shall maintain, repair, replace, and operate the property within the Condominium.

4.4. To Adopt Regulations. The Directors shall enact and may amend Rules and Regulations concerning the transfer, use, appearance, maintenance, and occupancy of the Units, Common Elements, Limited Common Elements, and Association Property, and to enact rules, policies, and resolutions pertaining to the operation of the Association, subject to any limitations contained in the Declaration of Condominium.

4.5. To Reconstruct After Casualty. The Directors may reconstruct the Units, Common Elements, Limited Common Elements, and Association Property improvements after casualty and to further improve the property, as specified in the Declaration of Condominium.

4.6. To Approve Transfers. The Directors may approve or disapprove proposed transactions or transfers in the manner provided by the Declaration of Condominium, and to charge a preset fee, not to exceed the maximum permissible by law, in connection with such right of approval. In connection with the Lease of Units, the Board may require the posting of a security deposit to protect against damages to the Common Elements or Association Property, in the manner provided by law.

4.7. To Enforce. The Directors may enforce by legal means the provisions of applicable laws and the Condominium Documents, and to interpret said Condominium Documents, as the final arbiter of their meaning.

4.8. To Contract. The Directors may contract for management, maintenance, and operation of the Condominium.

4.9. To Insure. The Directors shall carry insurance for the protection of the Unit Owners and the Association, pursuant to requirements contained in the Declaration of Condominium and Chapter 718, Florida Statutes (2017), both as amended from time to time.

4.10. To Pay Utility Bills. The Directors shall pay the cost of all utility services rendered to the Condominium and not billed to Owners of individual Units.

4.11. To Hire and Discharge. The Directors may employ personnel and designate other officers to be paid a reasonable compensation and grant them such duties as seem appropriate for proper administration of the purposes of the Association.

4.12. To Sue and Be Sued. The Directors may bring and defend suits and other proceedings and may exercise its business judgment as to whether the interests of the Association are best served with respect to settlement of a matter or whether a suit or other proceeding should be commenced.

4.13. To Deal in Real and Personal Property and Borrow Money. Directors may make and execute contracts, deeds, mortgages, notes, and other evidence of indebtedness, Leases, and other instruments by its officers and to purchase, own, Lease, convey, and encumber real and personal property. The Directors may grant easements and licenses over the Condominium Property necessary or desirable for proper operation of the Condominium.

4.14. To Enter Into Contracts for Products and Services. All contracts for the purchase, Lease, or renting of materials or equipment, or which are not to be fully performed within one year, and all contracts for services shall be in writing. As to any such contract which requires payment exceeding 5% of the gross budget (not including reserves) except for contracts with employees of the Association, attorneys, accountants, architects, engineers, landscape architects, and community association managers, the Association shall obtain competitive bids unless the products and services are needed as the result of an emergency, or unless the desired supplier is the only source of supply within the County serving the Association. The Association need not accept the lowest bid. If a contract was awarded under the competitive bid procedures of this Section, any renewal of that contract is not subject to such competitive bid requirements if the contract contained a provision that allowed the Board to cancel a contract on thirty days' notice. Materials, equipment, or services provided to a condominium under a local government franchise agreement by a franchise holder are not subject to the competitive bid requirements of this Section. The Association may opt out of competitive bidding requirements, by a Unit Owner vote, in the manner provided by law.

4.15. To Levy Fines. The Directors may, pursuant to Section 718.303, Florida Statutes (2017), impose fines against a Unit not to exceed the maximum permissible by law, for failure to comply with the provisions of the Board policies and resolutions, the Condominium Documents, including the Rules and Regulations, and applicable laws by Owners, occupants, licensees, tenants, and invitees.

4.15.1. A fine may be imposed for each day of continuing violation at the highest rate allowed by law per violation with a single notice and opportunity for hearing, provided that no fine shall in the aggregate exceed the maximum amount permissible by law.

4.15.2. The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing by being given notice of not less than fourteen (14) days. Notice shall be deemed effective when deposited in the United States Mail, certified, return receipt requested, to the address of the Unit Owner listed in

the official records of the Association, and as to tenants, to the mailing address for the Unit. Said notice shall include:

- (a) A statement of the date, time, and place of the hearing;
- (b) A statement of the provisions of the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations, Board policies and resolutions, or laws which have allegedly been violated; and
- (c) A short and plain statement of the matters asserted by the Association.

4.15.3. The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing shall be held before a Committee which is comprised of three (3) Unit Owners, who are not Members of the Board of Directors, their spouses or other occupant of the Unit owned by a Director or their spouse. If the Committee does not agree with the fine, the fine may not be levied. Should the Association be required to initiate legal proceedings to collect a duly levied fine, the prevailing party in an action to collect said fine shall be entitled to an award of costs, and a reasonable attorney's fee incurred before trial (including in connection with the preparation for and conduct of fining hearings), at trial, and on appeal. Unit Owners shall be jointly and severally liable for the payment of fines levied against tenants, guests, invitees, or other occupants of a Unit.

4.16. To Appoint Committees. The Directors may appoint committees and delegate to such committees those powers and duties of the Association as the Board deems advisable. All committees and committee members shall serve at the pleasure of the Board. Committees of the Association as defined in the Section 718.103(7), Florida Statutes (2017), as amended from time to time, shall conduct their affairs in the same manner as provided in these Bylaws for Board of Director meetings. All other committees may meet and conduct their affairs in private without prior notice or Owner participation, unless otherwise directed by the Board of Directors.

4.17. To Ensure Fire Safety Compliance. The Directors may accept a Certificate of Compliance from a licensed electrical contractor or electrician as evidence of compliance of the condominium Units with the applicable Fire and Life Safety Code.

4.18. To Approve the Installation of Hurricane Shutters. The Directors shall adopt hurricane shutter specifications for the Condominium which shall include color, style, and other factors deemed relevant by the Board. All specifications adopted by the Board shall comply with the applicable building code, or shall be structured to ensure that installed shutters are in compliance with the applicable building code. The Board shall not refuse to approve the installation or replacement of hurricane shutters conforming to

the specifications adopted by the Board, provided that the Board may condition approval upon the Unit Owner's agreement to execute appropriate documentation regarding same.

4.19. To Exercise Emergency Powers. In the event of any "emergency" as defined in Paragraph 4.19.10 below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by Section 617.0207, Florida Statutes (2017), and Section 617.0303, Florida Statutes (2017), all as amended from time to time.

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

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

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

4.19.4. The Board may change or postpone the annual meeting date to a date and time determined by the Board, even if such change will result in not holding an annual meeting in a particular calendar year, as long as the annual meeting is held no more than eighteen (18) months after the prior annual meeting date.

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

4.19.6. The Board may use reserve funds to meet Association needs, and may use reserve funds as collateral for Association loans. By adoption of this provision, the owners specifically authorize the Board to use reserve funds for nonscheduled purposes in the event of an emergency pursuant to Section 718.112(2)(f)3., Florida Statutes, as may be amended from time to time. The Board may adopt emergency assessments with such notice deemed practicable by the Board.

4.19.7. The Board may adopt emergency Rules and Regulations governing the use and occupancy of the units, common elements, limited common elements, and Association property, with notice given only to those Directors with whom it is practicable to communicate.

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

4.19.9. These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

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

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

(b) a hurricane warning;

(c) a partial or complete evacuation order;

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

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

(f) an unanticipated set of circumstances, which, if not acted upon with immediacy, is likely to cause imminent and significant financial harm to the Association, the Unit Owners, the Condominium Property, or Association Property.

4.20. To Enter Into Contracts and Borrow Money. The Directors may make contracts and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage and pledge of all or any of its property, franchises, or income.

5. Officers.

5.1. Executive Officers. The executive officers of the Association shall be the President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistant officers as may be desired, all of whom shall be elected annually by and from the Board of Directors, and who may be peremptorily removed by a majority vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary. Assistant officers need not be Directors.

5.2. President – Power and Duties. The President shall be the chief executive officer of the Association, shall preside at all meetings of the Board of Directors and Association meetings. The President shall have general supervision over the affairs of the Association and shall have all of the powers and duties which are usually vested in the office of President of a corporation.

5.3. Vice President – Powers and Duties. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

5.4. Secretary – Powers and Duties. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep and have custody of the records of the Association, except those of the Treasurer. He shall perform all other duties incident to the office of Secretary of the Association and as may be required by the Directors or the President.

5.5. Treasurer – Powers and Duties. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the Assessment rolls and accounts of the members. He shall keep the books of the Association in accordance with good accounting practices and shall perform all other duties incident to the office of the Treasurer of a corporation.

5.6. Officers' Compensation. Officers shall not be entitled to compensation for service as such, but shall be entitled to reimbursement of expenses reasonably incurred. This provision shall not preclude the Board of Directors from employing an Officer or Director as an agent or employee of the Association.

6. Indemnification.

6.1. Indemnity. The Association shall indemnify any officer, Director, or committee member who was or is a party or is threatened to be made a party to any threatened, pending, or contemplated action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he is or was a Director, officer, or committee member of the Association, against expenses (including attorney's fees and appellate attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, unless (i) a court of competent jurisdiction finally determines, after all appeals have been exhausted or not pursued by the proposed indemnitee, that he did not act in good faith or in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (ii) such court also determines specifically that indemnification should be denied. The termination of any action, suit, or

proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. It is the intent of the membership of the Association, by the adoption of this provision, to provide the most comprehensive indemnification possible to their officers, Directors, and committee members as permitted by Florida law.

6.2. Defense. To the extent that a Director, officer, or committee member of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 6.1 above, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorney's fees and appellate attorney's fees) actually and reasonably incurred by him in connection therewith.

6.3. Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the Association in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of the affected Director, officer, or committee member to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized by this Article 6.

6.4. Miscellaneous. The indemnification provided by this Article 6 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of members, or otherwise, and shall continue as to a person who has ceased to be a Director, officer, or committee member and shall inure to the benefit of the heirs and personal representatives of such person.

6.5. Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, committee member, employee, or agent of the Association, or a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

6.6. Amendment. Anything to the contrary herein notwithstanding, the provisions of this Article 6 may not be amended without the approval in writing of all persons whose interest would be adversely affected by such amendment.

6.7. Delegation. To the extent permitted by law, the powers and duties of the Directors and officers may be delegated for the purpose of management.

7. Minutes and Inspection of Records. Minutes of all meetings of Unit Owners and of the Board of Directors shall be kept in a business-like manner. These, plus records of all

receipts and expenditures and all other official records, as defined in Section 718.111(12), Florida Statutes (2017), as amended from time to time, shall be available for inspection by Unit Owners and Board members at all reasonable times. Provided, however, that the Directors may adopt reasonable rules regarding the frequency, time, location, notice, and manner of record inspections and any copying.

8. Fiscal Management. Shall be in accordance with the following provisions:

8.1. Budget. The budget shall be adopted by the Board. A proposed annual budget of Common Expenses shall be prepared by the Board of Directors which shall include all anticipated expenses for operation, maintenance, and administration of the Condominium. The proposed budget may also include expenses of security, in-house communications, Directors and officers insurance, transportation services, bulk cable or master antenna television, and interior pest control, all of which are declared to be Common Expenses under these Bylaws. The proposed budget shall include reserves per Section 718.112(2)(f)2, Florida Statutes (2017), as amended from time to time, the funding of which may be waived or reduced by the Owners. Reserve funds and any accrued interest on the funds shall remain in the reserve account for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the voting interests present (in person or by proxy) and voting at a duly called meeting of the Association, or by the written approval of a majority of the entire voting interests. The budget will contain a reasonable allowance for contingencies and provide funds for all operating expenses previously incurred. If at any time a budget shall prove insufficient, it may be amended by the Board of Directors for the remaining portion of the fiscal year, provided that notice of the Board meeting at which the revised budget will be considered along with a copy of the proposed revisions to the budget shall be mailed to each member as provided in Article 8.2 hereof. If an adopted budget requires Assessments against the Unit Owners in any fiscal or calendar year which exceed 115 percent of the Assessments for the preceding year, the Board upon written application of 10 percent of the voting interests to the Board, shall call a special meeting of the Unit Owners within 30 days upon not less than 10 days' written notice to each Unit Owner. At the special meeting, Unit Owners shall consider and enact a budget. The adoption of the budget requires a vote of not less than a majority vote of all the voting interests. The Board of Directors may propose a budget to the Unit Owners at a meeting of members or in writing, and if the budget or proposed budget is approved by the Unit Owners at the meeting or by a majority of all the voting interests in writing, the budget is adopted. If a meeting of the Unit Owners has been called and a quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget adopted by the Board of Directors goes into effect as scheduled. In determining whether Assessments exceed 115 percent of similar Assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses by the condominium association which are not anticipated to be incurred on a regular or annual basis, or Assessments for betterments to the Condominium Property must be excluded from the computation.

8.2. Mailing. A copy of the proposed annual budget shall be mailed or hand-delivered to the Unit Owners not less than 14 days prior to the meeting of the Directors at which the budget will be adopted together with a notice of the meeting.

8.3. Assessments. The annual shares of the Unit Owners of the Common Expenses shall be made payable in installments due monthly or quarterly (as determined by the Board) in advance and shall become due on the first day of each such period and shall become delinquent 15 days thereafter. The Association shall have the right to accelerate Assessments of an Owner delinquent in the payment of Common Expenses. Accelerated Assessments shall be due and payable on the date a claim of lien is filed and may include the amounts due for the remainder of the fiscal year for which the claim of lien was filed.

8.4. Special Assessments. Assessments for Common Expenses which are not provided for and funded in the budget or an amendment to the budget may be made by the Board of Directors, and the time of payment shall likewise be determined by them. Notice of the Board meeting at which such Assessments shall be considered shall be posted and mailed to each Unit Owner as provided in Article 3.7 hereof, except in the event of an emergency. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice. However, upon completion of such specific purpose or purposes, any excess funds will be considered Common Surplus, and may, at the discretion of the Board, either be returned to the Unit Owners or applied as a credit towards future Assessments.

8.5. Assessment Roll. The Assessments for Common Expenses and Charges shall be set forth upon a roll of the Units which shall be available for inspection at all reasonable times by Unit Owners. Such roll shall indicate for each Unit the name and address of the Owner, and the Assessments and Charges paid and unpaid. A certificate made by a duly authorized representative of the Association or by the Board of Directors as to the status of a Unit's account may be relied upon for all purposes by any person for whom made.

8.6. Liability for Assessments and Charges. A Unit Owner shall be liable for all Assessments and Charges coming due while the Owner of a Unit, and such Owner and Owner's grantees or successors after a voluntary conveyance or other acquisition of title shall be jointly and severally liable for all unpaid Assessments and Charges due and payable up to the time of such voluntary conveyance. Liability may not be avoided by waiver of the use or enjoyment of any Common Elements or Association Property or by abandonment of the Unit for which the Assessments are due. Where a mortgagee holding a first mortgage of record obtains title to a Unit by foreclosure, such mortgagee and its successors and assigns shall only be liable for such Unit's Assessments, Charges, or share of the Common Expenses which became due prior to acquisition of title as provided in the Florida Condominium Act (2017), as amended from time to time.

8.7. Liens for Assessments. The unpaid portion of an Assessment, including an accelerated Assessment which is due, together with all costs, interest, late fees, and

reasonable attorney's fees for collection, including appeals, shall be secured by a continuing lien upon the Unit.

8.8. Lien for Charges. Unpaid Charges due to the Association together with costs, interest, late fees, and reasonable attorney's fees shall be secured by a common law and contractual lien upon the Unit and all appurtenances thereto when a notice claiming the lien has been recorded by the Association.

8.9. Collection – Interest; Administrative Late Fee; Application of Payments. Assessments and installments thereof not paid within fifteen (15) days from the date when they are due shall incur a late fee and after thirty (30) days bear interest in an amount as determined by the Board of Directors which, unless otherwise specified, shall be the maximum allowed by law. In addition to such interest the Association may charge an administrative late fee in an amount not to exceed the greater of \$25 or 5% of each installment of the Assessment for which payment is late, or the maximum late fee permissible by law. The Association may also accelerate all Assessments or Charges which are accrued, but not yet due, in the manner provided by law. All payments upon account shall be first applied to interest, then the late fee, then to any costs and reasonable attorney's fees incurred, and then to the Assessment payment first due.

8.10. Collection – Suit. The Association, at its option, may enforce collection of delinquent Assessments or Charges by suit at law, by foreclosure of the lien securing the Assessments or Charges, or by any other remedy available under the laws of the State of Florida, and in any event the Association shall be entitled to recover the payments which are delinquent at the time of collection, judgment, or decree, together with those which have become due by acceleration or which have thereafter become due, plus interest thereon, and all costs incident to the collection and the proceedings, including reasonable attorney's fees, incurred before trial, at trial, and on appeal. The Association may attach rental income for delinquent Units and may withhold approval for the sale, Lease, or other transfer of a Unit, or any interest therein, until all past due Assessments, interest, late fees, costs, and attorney's fees have been paid in full. The Association must deliver or mail by certified mail to the Unit Owner a written notice of its intention to foreclose the lien as provided by law.

8.11. Accounts. All sums collected from Assessments or Charges shall be credited to accounts from which shall be paid the expenses for which the respective Assessments or Charges are made.

8.12. Association Depository. The Depository of the Association in which the funds of the Association shall be deposited, shall be financial institutions authorized to do business in Florida which carry FDIC insurance or equivalent private insurance such as insurance placed through the Securities Investor Protection Corporation (SIPC), as shall be designated by the Board of Directors. Alternatively, the Association may deposit funds with brokerage houses or institutions which are members of the National Association of Securities Dealers, Inc. and insured by SIPC or equivalent industry insurance. Principal of Association funds, whether reserves or operating funds, may not be placed at risk for

investment purposes. Withdrawal of money from those accounts shall be only by checks or other withdrawal instruments signed by those persons as are authorized by the Directors.

8.13. Commingling of Funds. All funds shall be maintained separately in the Association's name. No community association manager or business entity required to be licensed or registered under Section 468.432, Florida Statutes (2017), as amended from time to time, no agent, employee, officer, or Director of the Association shall commingle any Association funds with his funds or with the funds of any other condominium association or community association as defined in Section 468.431, Florida Statutes (2017), as amended from time to time, or with those of any other entity. Reserve funds and operating funds of the Association may be commingled for investment purposes, as provided by law.

8.14. Financial Reports. A complete financial report of actual receipts and expenditures of the Association shall be made annually which shall comply with Rule 61B-22, Florida Administrative Code (2017), as amended from time to time, and with Section 718.111(13), Florida Statutes (2017), as amended from time to time.

8.15. Fidelity Bonding. The Association shall obtain and maintain adequate fidelity bonding in the minimum principal sum set forth in Section 718.111(11)(d), Florida Statutes (2017), as amended from time to time, for each person (whether or not a Director) who controls or disburses Association funds, and the President, Secretary and Treasurer. The Association shall bear the cost of bonding. In the case of a licensed manager, the cost of bonding may be reimbursed by the Association as the parties may agree. All persons providing management services to the Association, or otherwise having the authority to control or disburse Association funds, shall provide the Association with a certificate of insurance evidencing compliance with this paragraph, naming the Association as an insured under said policy.

9. Parliamentary Rules. Robert's Rules of Order (latest edition) shall be used as a guide in the conduct of members' meetings, Board meetings, and committee meetings to ensure fairness, impartiality, and respect for minority views without unduly burdening majority rights. Meetings shall also be conducted in accordance with these Bylaws and the procedures established by the Board from time to time, including the form of voting documents to be used. The ruling of the Chair of the meetings unless he or the Board of Directors designates a third person, as Parliamentarian, shall be binding unless contrary to law.

10. Bylaw Amendments. Amendments to the Bylaws shall be adopted in the following manner:

10.1. Proposal of Amendments. An amendment may be proposed by a majority of the Directors, or by twenty-five percent (25%) of the entire voting interests.

10.2. Proposed Amendment Format. Proposals to amend existing Bylaws shall contain the full text of the article to be amended. New words shall be underlined and

words to be deleted shall be ~~lined through~~ with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying, "SUBSTANTIAL REWORDING OF BYLAWS. SEE BYLAW NUMBER ____ FOR PRESENT TEXT."

10.3. Notice. Copies of proposed amendments shall be included in the notice of any meeting at which a proposed amendment is to be considered or in connection with documentation for action without a meeting.

10.4. Adoption of Amendments. A resolution for the adoption of a proposed amendment may be adopted by a vote of two-thirds (2/3rds) of the voting interests of the Association present (in person or by proxy) and voting at a duly noticed meeting at which a quorum is present, or by the written agreement of two-thirds (2/3rds) of the entire voting interests. Amendments correcting errors, omissions or scrivener's errors may be executed by the officers of the Association, upon Board approval, without need for Association membership vote.

10.5. Effective Date. An amendment when adopted shall become effective after being recorded in the Charlotte County Public Records according to law.

10.6. Automatic Amendment. These Bylaws shall be deemed amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium or the Articles of Incorporation. Whenever Chapter 718, Florida Statutes (2017) Chapter 617, Florida Statutes (2017), or other applicable statutes or administrative regulations, as amended from time to time, are amended to impose procedural requirements less stringent than set forth in these Bylaws, the Board may operate the Association pursuant to the less stringent requirements. The Board of Directors without a vote of the Owners, may adopt by majority vote, amendments to these Bylaws as the Board deems necessary to comply with such operational changes as may be enacted by future amendments to Chapters 607, 617, and 718 of the Florida Statutes (2017), or such other statutes or administrative regulations as required for the operation of the Association, all as amended from time to time.

10.7. Proviso. Provided, however, that no amendment shall change the configuration of any Unit or the share in the Common Elements appurtenant to it, or increase the Owner's share of the Common Expenses, unless the record Owner of the Unit concerned and all record Owners of the mortgages on such apartment shall join in the execution of the amendment, and all other Unit Owners approve the amendment.

11. Dispute Resolution.

11.1. Mandatory Arbitration. If unresolved, disputes between the Board and Unit Owners as defined in Section 718.1255(1), Florida Statutes (2017), as amended from time to time, must be arbitrated in mandatory non-binding arbitration proceedings

as provided in the Condominium Act prior to commencing litigation, so long as the Condominium Act requires such arbitration.

11.2. Unit Owner Inquiries. When a Unit Owner files a written inquiry by certified mail with the Board, the Board shall respond in writing to the Unit Owner within 30 days of receipt of said inquiry. The Board's response shall either give a substantive response to the inquirer, or notify the inquirer that legal advice has been requested, or notify the inquirer that advice has been requested from the Association's counsel or the Division. If the Board requests advice from the Division, the Board shall, within ten days of its receipt of the advice, provide in writing a substantive response to the inquirer. If a legal opinion is requested, the Board shall, within 60 days after the receipt of the inquiry, provide in writing a substantive response to the inquirer. The failure to provide a substantive response to the inquirer as provided herein precludes the Association from recovering attorney's fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the inquiry. Absent a different rule adopted by the Board of Directors, the Board shall only be obligated to respond to one inquiry per month pertinent to any particular Unit. In the event of a grievance of a Unit Owner against the Association, the Board of Directors, or a member thereof, written notice in detail of the grievance shall be given the Directors prior to the institution of litigation, (including but not limited to arbitration) and they shall be allowed a period of 30 days in which to resolve the grievance. A Unit Owner is limited to one (1) written inquiry within a thirty (30) days period.

11.3. Official Records Inspection. A Unit Owner shall have the right to inspect the official records of the Association in accordance with Section 718.111(12), Florida Statutes (2017). Official Records inspections shall be limited to one (1) inspection every thirty (30) days.

11.4. Other Remedies. Nothing herein shall preclude the Association from pursuing any remedy for the violation of the Condominium Documents or disputes with a Unit Owner or other party as may be available to the Association under the laws of the State of Florida or the Condominium Documents.

12. Miscellaneous. The following miscellaneous provisions shall apply to these Bylaws and the Condominium Documents.

12.1. Conflicts. The term "Condominium Documents," as used in these Bylaws and elsewhere shall include the Declaration of Condominium, Articles of Incorporation, these Bylaws, the Rules and Regulations of the Association, the Plats, Surveys, Plot Plans, and graphic descriptions of improvements of record, and all other exhibits to the original Declaration of Condominium. In the event of a conflict between the language in the Declaration of Condominium and the graphic descriptions of record, the graphic description of record shall control. In the event of a conflict between language in any of the other Condominium Documents, the following priorities shall control:

1. Declaration of Condominium;

2. Articles of Incorporation;
3. Bylaws; and,
4. Rules and Regulations.

12.2. Gender. The use of the term "he," "she," "his," "hers," "their," "theirs" and all other similar pronouns should be construed to include all genders and encompass the plural as well as the singular.

12.3. Severability. In the event that any provisions of these Bylaws is deemed invalid, the remaining provisions shall be deemed in full force and effect.

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This Lease made and entered into at Miami, Dade County, Florida, this 23rd day of August, 1973, by and between GENERAL DEVELOPMENT CORPORATION, a Delaware corporation, authorized to do business in the State of Florida, hereinafter called "Lessor" and ABBEY HOUSE OF PORT CHARLOTTE - A CONDOMINIUM, INC., a Florida corporation not for profit, hereinafter called "Lessee", which said terms shall be deemed to extend to and include the heirs, legal representatives, successors and assigns of said parties:

WITNESSETH

1. DEMISE. Upon the terms and conditions hereinafter set forth and in consideration of the prompt and continuous payment from time to time by Lessee to the Lessor of the rents hereinafter set forth, and in consideration of the prompt and continuous performance by the Lessee of each and every of the covenants, promises and agreements hereinafter contained by the Lessee to be kept and performed, the performance of each and every one of which is declared to be an integral part of the consideration to be furnished by the Lessee, the Lessor does hereby lease, let and demise (but not exclusively so) unto the Lessee, and the Lessee does hereby lease (but not exclusively so) of and from the Lessor, the following described premises, lying situate and being in Charlotte County, Florida, and more particularly described as follows:

EXHIBIT

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That portion of Section 15, Township 40 South, Range 22 East, Charlotte County, Florida, being more particularly described as follows:

COMMENCING at the intersection of the base line of Harbor Boulevard (O.R.B. 193, Pages 144-147, Charlotte County, Florida) and the centerline of Brinson Avenue (PORT CHARLOTTE PLAZA, SECTION TWO Flat Book 7, Pages 67A and 67B, Charlotte County, Florida); thence N 00° 41' 21" E along said base line of Harbor Boulevard, 182.33 feet; thence N 89° 18' 39" W, leaving said base line, 60 feet to the point of curvature of a circular curve to the right having a radius of 37 feet; thence northerly along the arc of said curve thru a central angle of 86° 07' 33" for 55.62 feet; thence N 89° 18' 39" W along a line radial to said curve, 147.89 feet to the POINT OF BEGINNING of the land herein described; thence N 89° 18' 39" W 83.79 feet; thence N 00° 41' 21" E, 418.25 feet; thence S 89° 50' 39" E, 83.79 feet; thence S 00° 41' 21" W, 419.03 feet to the POINT OF BEGINNING.

Containing 0.81 acres more or less.

which property, together with its appurtenances, tenements and hereditaments, and together with all improvements, buildings and structures now or hereafter placed thereon, except as expressly excluded in the foregoing description, and all furniture, furnishings, fixtures and equipment now thereon or hereafter brought or placed thereon and intended for use thereon, and all additions thereto and replacements thereof, is hereafter called the "demised premises".

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2. TERM. To have and to hold the same for a term commencing as of the date hereof to and including December 31, 2068

3. OTHER LEASES.

.1 Notice. The Lessee is put on notice of other leases, if any, now in existence and recorded among the Public Records of Charlotte County, Florida, affecting the demised premises. The Lessee agrees that nothing in this lease contained shall require the Lessor to abate, cancel or terminate any of such other leases and Lessee specifically agrees that such leases as to the demised premises shall co-exist with this lease.

.2 Lessor's Right to Make Additional Leases. At any and all times during the term of this lease and from time to time the Lessor may, or shall have the right to, further and additionally lease, let and demise the demised premises to "other lessees" without the consent of the Lessee, and all such other leases to "other lessees" shall be valid for all intents and purposes therein expressed and neither the granting of such leases nor the creation of the leasehold estate therein from time to time shall invalidate this lease or reduce or abate the rental due under the terms of this lease from the Lessee to the Lessor called for in Section 6. of this Lease, nor give the Lessee the right to avoid any of its covenants, agreements or obligations to be performed hereunder, except to the extent specifically provided for in this lease. The term "other lessee" or "other lessees" for the purpose of this lease shall mean any person or persons, individually or collectively, real or corporate, or any combination thereof, who is at the time of the execution and delivery of such other lease the owner in fee simple or the lessee of any piece or parcel of real property contained within the real estate development commonly known as CHARLOTTE SQUARE or the condominium association having responsibility for the government and control of a condominium containing dwelling units constructed or existing in whole or in part upon real property contained within the aforementioned real property contained within the aforementioned real estate development. The legal description of the lands which encompass this development is more specifically set forth in the addendum marked Exhibit A attached to this lease and made a part hereof by reference. Such other leases to the other lessees shall further be made only upon the following conditions:

(a) The lessee in any such other lease shall be another lessee as defined above;

(b) The piece or parcel of land within the development mentioned above owned in fee simple or leased or governed by such other lessee is, at the time of the execution of such other lease, or will be, developed with improvements containing dwelling units.

(c) The lease as to the demised premises given to another lessee be substantially the same as this lease (except with regard to the amount of rent set forth in Section 6.1 hereof to be paid to the lessor and the percentage of obligations defined in Sections 7.1 and 7.2 and allocated to the Lessee in Section 7.7) as the context and nature of such other lessee shall permit, to the end and extent that the use, occupancy and possession of the demised premises by any and all of such other lessees shall be in recognition and co-extensive with the rights of this Lessee under this lease and other lessees under other leases so that the burden of this Lessee in keeping and performing its covenants and promises herein made shall not be increased except as a greater use of the demised premises by reason of a greater number of lessees in possession may inevitably and unavoidably require.

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.3 Acts of Other Lessees. No default by ~~any other lessee~~ in the performance of any of its covenants and promises contained in this Lease or any other act of omission or commission by any other lessee shall be construed or considered (a) as a breach by the Lessor of any of its promises and covenants in this Lease; or (b) as an actual, implied or constructive eviction of the Lessee from the demised premises by the Lessor or anyone acting by, through, under or for it; or (c) as an excuse, justification, waiver or indulgence by the Lessor to the Lessee with regard to the Lessee's prompt, full, complete and continuous performance of its covenants and promises herein.

4. USE OF PREMISES.

.1 Intention. The Lessee is or shall be the condominium association of a condominium more particularly described in Exhibit B attached hereto and made a part hereof, which particular condominium is hereafter referred to as "The Condominium". The demised premises are designed for recreational and leisure time activities. In entering into this Lease the Lessor has done so to make available on a non-exclusive basis the demised premises for the recreation, leisure time activity, use, benefit and enjoyment of the unit owners and/or occupants of said condominium as they may from time to time exist during the term of this Lease.

.2 Right to Use. The Lessee shall have the right to use, occupy and possess the demised premises on a non-exclusive basis in common with such other persons, real and corporate, who may be other lessees of the demised premises.

.3 Laws and Regulations. Use of the premises shall be subject to all laws, statutes, ordinances, rules and regulations of all appropriate governmental authority and/or agencies and the rules and regulations of the National Board of Fire Underwriters or in the event it shall terminate its present functions, then of any other body exercising similar functions. All uses shall likewise comply with the requirements of all policies of insurance in force with respect to the demised premises.

.4 Prohibited Uses. The following uses are prohibited:

(a) Secret Societies. Activities of every nature and description of any group, club, society, fraternity, association or corporation whose membership, activities or functions are secret or so intended.

(b) Political Activity. Partisan political activity relative to public office or public affairs of every nature and description, including by way of illustration activities for or against any incumbent or candidate for public office. Nothing herein shall be construed as a limitation upon non-partisan political activities such as "town hall" meetings and panel discussions.

(c) Preferential Use. All uses designed, calculated, intended or likely to result in the deprivation of any lessee of the demised premises, including this Lessee, of an opportunity equal to that of any other lessee to use, occupy and enjoy the same except to the extent that the use, occupancy and enjoyment of one lessee may be greater than another's by reason of the greater number of unit owners or other permitted users of one lessee as compared to another.

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4.5 Persons Who May Use. The persons contemplated by 4.1 who may use and enjoy the demised premises by, through or under the Lessee shall be limited as follows:

(a) **Unit Owners.** Any natural person who is the owner of a condominium parcel (unit) in The Condominium, which owner is sometimes hereinafter called "unit owner", his spouse if in residence with him at the condominium parcel (unit) and other members of his immediate family if in residence with him at the condominium parcel (unit) who are at least sixteen (16) years of age, may use and enjoy the demised premises.

(b) **Occupants.** An "occupant" is defined as any person not included in 4.5(a), who is lawfully in possession of the living unit of the condominium parcel (unit), which is owned by a person described in 4.5(a), or in addition, by any natural person or a corporation. An occupant, his spouse if she be resident with him at the condominium parcel (unit), and other members of his immediately family who are at least sixteen (16) years of age and who are resident with him at the condominium parcel (unit) may use and enjoy the demised premises. During the term of any occupant's right of possession in a condominium parcel (unit), either the unit owner described in 4.5(a) or the occupant described in 4.5(b) and in each case the persons claiming under them, may use and enjoy the demised premises, but not both. In the case of a unit owner which is a corporation, use of the demised premises shall be limited to its officers, directors or employees who have been approved by the Lessee in connection with such corporations acquiring title to a condominium parcel (unit) who are in actual residence in the condominium parcel (unit), unless the corporation shall have granted occupancy of the condominium parcel (unit) to an occupant who actually resides in the condominium parcel (unit), in which case and during the term of such residency the occupant shall have such rights.

(c) **Other Persons, Generally.** Such other persons not described in 4.5(a) or 4.5(b) upon whom all of the lessees of the demised premises may unanimously agree, subject to the approval of the Developer until the Developer's right shall have expired under 5.2, may use and enjoy the demised premises. In addition the Lessor may designate as persons authorized to use and enjoy the demised premises, the occupants from time to time of any apartments located upon the demised premises, or in the development mentioned in 3.2.

(d) **Right of Lessee.** The Lessee shall have the Right to further limit the rights of unit owners as set forth in 4.5(a) and persons claiming under them, and occupants as set forth in 4.5(b) and persons claiming under them, to use and enjoy the demised premises, in such manner as the Lessee shall determine. The Lessee shall be the final arbiter between a unit owner and an occupant as to who is entitled to use the demised premises, and to further limit, restrict or prohibit use of the premises by either of them or by any of the persons claiming under them. The Lessor and other lessees of the demised premises shall have the right to require the Lessee to furnish them with a certificate of the Lessee's president or secretary demonstrating the name, address, residence and age of persons who are entitled from time to time to use the demised premises, and the nature of any restrictions or limitations upon the use by such persons as have been imposed by the Lessee. The Lessor and other lessees may rely fully upon any information contained in such certificates.

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(c) Other Persons Under Other Lessees. If any other lessee is a condominium association, the provisions in this 4.5 must be contained in its lease as to the demised premises. If any other lessee be other than a condominium association and the possession with regard to a "unit owner" thereby be not properly applicable, the limitations of 4.5 shall be contained in its lease to the extent that the nature of the lessee shall permit to the end that the nature and type of persons who may use the demised premises shall be as near as possible, context permitting to those provided herein.

5. DEVELOPER

.1 The Developer. General Development Corporation, a Delaware corporation, is the promoter and developer of the development commonly known as CHARLOTTE SQUARE, in Port Charlotte, Florida, being all of the lands described in Exhibit A attached hereto and made a part hereof and referred to in 3.2, and when herein the reference is to the "Developer" it shall mean General Development Corp., in its capacity as promoter and developer.

.2 Rights of Developer. Until the Developer shall have completed the development, promotion and original sales of dwelling units in the development known as Charlotte Square, it shall have at its option the following rights with regard to the demised premises, notwithstanding any provisions of this Lease to the contrary:

(a) Exclusive Use of Portions of the Demised Premises. If at any time during which the Developer under the terms of this Lease or the Declaration of Condominium of the condominium described in Exhibit B attached hereto, or under the terms of any other agreement entered into by and between the Developer and the condominium association of the aforementioned condominium, shall be the managing agent, firm, corporation or other manager for the property of the aforementioned condominium and other condominiums within the development known as CHARLOTTE SQUARE, in Port Charlotte, Florida, the demised premises shall contain or include an office for such managing agent, firm, corporation, or etc., then the Developer in its capacity as managing agent shall have the exclusive use of such office for the purpose of such management. The cost of repair, maintenance and taxes attributable to these offices shall not be attributable to the Lessee under 7.1 through 7.5, inclusive, during the period that the Developer maintains the use of these offices as in this paragraph provided.

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(b) Remainder of Demised Premises. The right to use, occupy, display and show, on a non-exclusive basis, any and all of the demised premises for the purpose of permitting and aiding in the sale or rental of living units on or to be constructed on lands described in 3.2. Such rights may not be exercised in an unreasonable manner inconsistent with the rights of the Lessee to use, occupy and enjoy the demised premises. The exercise of such rights by the Developer shall not reduce abate or suspend the Lessee's obligation to pay rent, to repair and maintain the demised premises, to pay taxes and insurance premiums thereon and the utility costs therefor, or to perform in full all of its covenants and promises herein made.

(c) Advertisement. Display and erect signs, billboards and keep and distribute other promotional material in and about the demised premises.

(d) Rules and Regulations. Establish and promulgate rules and regulations, not inconsistent with any of the provisions of this Lease, concerning the use of the demised premises, which shall be reasonable and uniform as to all lessees or the demised premises and shall be binding upon the Lessee.

(e) Repair and Maintenance. Establish a program of repair and maintenance of the demised premises as defined in 7.4, including reserves therefor, perform or contract for the performance of repairs and maintenance all at the cost and expense of the Lessee. Perform or contract to be performed all labor, materials and services in and about the reconstruction of the demised premises, as may be required under 16., at the cost and expense of the Lessee.

(f) Supervision. Generally supervise the demised premises, including all programs and activities thereon, including the right to purchase all materials in connection therewith, and the right to hire and fire all personnel employed in and about the repair, maintenance and programmatic activities at the demised premises.

(g) Other. Such other rights, not inconsistent with the other provisions of this Lease, generally, or appropriately, or necessarily vested in a manager of property of like nature to that of the demised premises.

3. Acts of Developer. Notwithstanding the fact that the Lessor in this lease is or may be at any time the owner of all or a part of the stock of the corporation which is the Developer, the Lessee acknowledges and agrees that the Lessor and Developer shall never for any purposes with regard to this Lease be construed or considered as being one and the same or the agent for the other. No act of commission or omission by the Developer as Developer shall ever be construed or considered (a) as a breach by the Lessor of any of its promises and covenants in this Lease made; or (b) as an actual, implied or constructive failure by the Lessor to deliver possession of the demised premises to the Lessee; or (c) as an actual, implied or constructive eviction of the Lessee from the demised premises by the Lessor or anyone acting by, through, under or for it; or (d) as an excuse, justification, waiver or indulgence by the Lessor to the Lessee with regard to the Lessee's prompt, full, complete and continuous performance of its covenants and promises herein, except as in 5.2(a) provided.

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6. RENT

.1 Amount. The amount of rent for each calendar year, that is from and including January 1 through and including December 31, of each year during the term of this lease, the Lessee agrees to pay to the Lessor and the Lessor agrees to accept from Lessee, shall be the total sum calculated in the following manner: There shall be ascertained the number of living units, apartment units or condominium units contained in The Condominium identified in Exhibit B attached hereto. The total number of such units within The Condominium shall be multiplied by One Hundred Twenty Dollars (\$120.00). The product of the aforementioned multiplication shall constitute the amount of annual rent, which amount is sometimes herein referred to as the basic rental. The foregoing provisions of 6.1 and the provisions of 6.3 below notwithstanding, the rent due from Lessee to Lessor in a full calendar year shall never be less than the sum of THREE THOUSAND EIGHT HUNDRED FORTY (\$3,840.00) DOLLARS. If the date rent shall first become due hereunder shall not be January 1, the rent for the remainder of that calendar year shall be that portion of the annual rent that bears the same relationship to the total annual rent that the remainder of the calendar year bears to the whole calendar year.

.2 When Due and Payable. Rent shall first come due under this lease on the first day of the month next following the execution of this lease. Rent for a calendar year shall become due on January 1 of such year and shall be payable in twelve (12) equal monthly installments on the first day of each month during such year. Rent for a partial year shall be due on the first day of such partial year and shall be divided into as many equal installments as there are remaining months in such partial year and such installments shall be payable on the first day of each of such months. If the Lessee shall fail to pay any installments of rent within ten (10) days of the day the same shall become payable, the Lessor may elect to declare all past due installments of rent and all installments of rent to become due during the next thirty (30) month period then due and payable in full as if such aggregate sum had originally been stipulated to so become due and payable in full.

.3 Adjustment to Cost of Living. Rent for a calendar year provided to be paid under 6.1 is based upon the cost of living for the month of September, 1968, as reflected in the "Consumers Price Index, United States Average -All Items and Food", published in the Monthly Labor Review of the Bureau of Labor Statistics of the United States Department of Labor and herein called "basic rental". Subject to the foregoing, the basic rental shall be adjusted in the following manner to reflect increases and decreases in the cost of living as set forth in said Index, or, if there be no such Index, then by the most nearly comparable successor to the Index, adjusted to the September, 1968 base. The first increase or decrease in basic rental shall be computed and be due on January 1, 1980 and increases or decreases shall be computed on the first day of January of each and every five (5) years thereafter, each of which dates is herein called a "computation date". Each increase or decrease shall be in effect commencing from the computation date until the end of the term unless further increased or decreased, at a subsequent computation date. The amount of the increased or decreased annual rental shall be arrived at by multiplication of the basic rental by a fraction of which the numerator shall be the Index number for the September first preceding such computation date and the denominator shall be the Index figure for September, 1968. Any increase in the basic rental so obtained shall be payable, together with the basic rental. If there be no Consumers Index or comparable successor thereto, then the increases or decreases contemplated herein shall be established by arbitration as elsewhere herein provided.

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4 General Provisions. All rent shall be payable in current legal tender of the United States of America as the same is constituted by law at the time when rent becomes due. Rent shall be payable at such place or places as the Lessor shall from time to time direct, in writing, and until notice of change being given, all rent shall be payable at the place notice is required to be given to the Lessor as set forth in 24.19. Extensions, indulgences or changes by the Lessor in the manner or time of payment of rent upon any occasion shall not be construed as a waiver, indulgence or change upon any subsequent occasion.

7. OBLIGATION OF LESSEE TO PAY TAXES, INSURANCE PREMIUMS, UTILITIES, REPAIR, MAINTAIN AND PAY COSTS OF OPERATION OF PREMISES.

.1 Taxes.

(a) Generally. The Lessee covenants and agrees to pay to the Lessor no less than ten (10) days after the same shall become payable, subject to the provisions of Section 7.7 hereof, all real estate taxes, assessments, water rates, water charges, and other government levies and charges, general and special, ordinary and extraordinary, foreseen or unforeseen, of any kind and nature whatever, all of which are herein called "impositions", which are assessed, levied, confirmed, imposed or become a lien upon the demised premises, during the term of this Lease, which become payable during the term of this Lease; provided, however, that if any such imposition is payable or may at the option of the taxpayer be paid in installments (whether or not interest shall accrue on the unpaid balance of such imposition), Lessee, if so agreed by all other lessees of the demised premises, may pay the same (and any accrued interest on the unpaid balance of such imposition) to the Lessor in installments no less than forty-five (45) days before the same respectively become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest; and, provided further, that any imposition relating to a fiscal period of the taxing authority, a part of which period is included in a period of time within the term of this lease and a part of which is included in a period of time after the termination of the term of this lease, shall (whether or not such imposition shall be assessed, levied, confirmed, imposed or become a lien upon the demised premises, or shall become payable during the term of this lease) be adjusted between the Lessor and Lessee as of the termination of the term of this lease, so that the Lessor shall pay that proportion of such imposition which that part of such fiscal period included in the period of time after the termination of the term of this lease bears to such fiscal period and the Lessee shall pay the remainder thereof.

(b) Proviso. Nothing in this lease shall require the Lessee to pay any franchise, corporate, estate, inheritance, succession, capital levy or transfer tax of the Lessor, or any income, profits or revenue tax, or any other imposition upon the rent payable by the Lessee under this lease (except use taxes due the State of Florida) nor shall any tax, assessment, charge or levy of the character hereinabove described to be deemed to be included within the term "imposition" as defined above. Provided, however, that if at any time during the term of this lease under the laws of the State of Florida or any political subdivision thereof, a tax or excise on rents is levied or assessed against the Lessor as a substitution in whole or in part for taxes assessed or imposed by such state or any political subdivision thereof on land and buildings and personalty, the same shall be deemed to be included within the term "imposition" and the Lessee covenants to pay and discharge such tax or excise on rent.

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(c) Lessee's Right to Contest. The Lessee, with the agreement of all other lessees of the demised premises, shall have the right to contest the amount or validity of any imposition or the assessment upon which it is based by appropriate proceedings. The Lessee shall nevertheless pay such imposition and nothing herein shall imply any right on the part of the Lessee to defer or postpone such payment for any such purpose unless such proceedings shall operate to prevent or stay the collection of the imposition so contested and the sale of the demised premises or any part thereof to satisfy the same and the Lessee and other lessees shall have deposited with the Lessor the amount so contested and unpaid, together with all interest and penalties in connection therewith and all charges that may or might be assessed against or become a charge or lien on the demised premises, or any part thereof, in such proceeding or post a suitable bond for the payment thereof with a corporate surety acceptable to the Lessor. Upon termination of such proceedings, the Lessee shall pay the amount of any such imposition or part thereof as finally determined in such proceedings, the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees, interest, penalties or liabilities in connection therewith and upon such payment the Lessor shall return the amount above referred to to the Lessee without interest. If at any time during the continuance of such proceedings the Lessor shall deem the amount deposited with it as insufficient, the Lessee and other lessees shall, upon demand, deposit with the Lessor such additional sums as the Lessor may reasonably request and upon failure of the Lessee to do so within thirty (30) days of demand, the amount theretofore deposited may be applied to the payment, removal and discharge of such imposition and the costs, fees, interest, penalties or other liabilities in connection therewith and the balance, if any, shall be returned to the Lessee, provided the Lessee is not in default hereunder. If the amount so deposited shall be insufficient for that purpose, the Lessee shall forthwith pay to the Lessor such sums as may be necessary to pay the same. The Lessor shall not be required to join in any proceedings except that if any law shall require that such proceedings be brought by the Lessor or in the name of the Lessor, the Lessor agrees not to unreasonably withhold its consent to join in such proceedings or permit the same to be brought in its name. The Lessor shall not be subject to any liability for the payment of any costs or expenses in connection with any such proceeding and the Lessee covenants to indemnify and save harmless the Lessor from any such costs or expenses. The Lessee shall be entitled to its portion of any refund on any such imposition and penalties or interest thereon which shall have been reimbursed as a result of said proceedings.

(d) Proof of Liability. The certificate, advice or bill of an appropriate official designated by law to make or issue the same or to receive payment of such imposition or issue notice of nonpayment that such imposition is due and unpaid at the time of making or issuance of such certificate, advice or bill.

.2 Insurance Premiums. The Lessee covenants and agrees with the Lessor that the Lessee will pay to the Lessor, subject to the provisions of Section 7.7 hereof, the premiums for insurance policies which the Lessee is obligated to carry under the terms of this lease.

.3 Utilities. The Lessee shall make deposits for and pay all bills and charges for all utilities and services used in and about the demised premises including water, sewage, gas, electricity and telephone.

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.4 Repairs, Maintenance and Operation. The Lessee covenants that at its sole cost and expense it will operate the demised premises as a recreational facility, take good care of the demised premises, particularly as the same is defined in Section 1. of this lease, and repair and maintain the same in the same excellent condition as when new. The term "repair" shall include replacements or renewals when necessary, of all items of furniture, fixtures, furnishings and equipment and all such repairs or replacements shall be at least equal in quality and class to the original. The Lessee shall keep and maintain all portions of the demised premises and the access walks and drives in clean and orderly condition, free of accumulation of dirt and rubbish and pest infestation. In accordance with the definition of the demised premises as set forth in 1. above, all improvements, furniture, furnishings, fixtures and equipment now or hereafter brought or placed upon the demised premises, now or hereafter placed, brought, installed or maintained upon the demised premises shall be a part thereof and thereby the property of the Lessor, without payment therefor by the Lessor and shall be surrendered to the Lessor upon the expiration or earlier termination of this lease. The Lessee shall not change the design, color, materials or appearance of the improvements now or hereafter placed upon the demised premises, or any of the furniture, furnishings, fixtures or equipment contained therein without the Lessor's approval.

.5 Lessor's Option. Notwithstanding anything contained in 7.1 and 7.2, the Lessor shall have the right (which it may exercise as frequently as it may wish) to require the Lessee to pay to the Lessor on the first day of each month during the term hereof or such portion thereof as the Lessor shall determine the premiums for insurance which will next become due and payable plus taxes (impositions), next due on the demised premises (or reasonably estimated by the Lessor), less all sums already paid therefor, divided by the number of months to elapse to the 1st of the month prior to the due date of payment for said premiums and taxes (impositions).

.6 Lessor's Receipt in Trust. Sums so paid to and received by the Lessor pursuant to 7.1, 7.2 and 7.5 shall be held by it in trust to pay said premiums and taxes (impositions). All monies so paid to and received by the Lessor from the Lessee and other lessees shall be deposited and commingled in an account in a bank or savings and loan association in Dade County, Florida, and interest, if any, is payable thereon, and shall enure to the benefit of the Lessee and such other lessees.

.7 Proportion of Obligation Lessee Will Bear. Notwithstanding anything contained in Sections 7.1 and 7.2, the liability of the Lessee for the payment to the Lessor of the costs, expenses, charges, impositions, and etc. provided for therein shall be limited to that proportion of the total of such costs, expenses, charges, impositions and etc. as the number of living units actually contained in The Condominium bears to the total number of living units actually contained from time to time upon the lands of all lessees of the demised premises, (which lands, if the lessee is a condominium association, shall herein be deemed to include the condominium property whether or not actually owned by the lessee,) including the Lessee, and increased from time to time so that such proportion shall never be less than that proportion which the number of living units actually contained in The Condominium bears to the total number of living units contained from time to time upon the land of all lessees as to the demised premises, including the Lessee, less

(a) Living units taken by condemnation or eminent domain, as more particularly defined in 12., and

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(b) Living units contained upon the lands of another lessee as to the demised premises whose lease thereto is cancelled or terminated prior to the term hereof (whether or not such cancellation be sought or caused by the Lessor), until a new lease, if ever, is executed for the benefit and use of such living units.

.8 Proviso as Between Lessees. The Lessee's obligation to pay the costs, expenses and etc. contemplated by Sections 7.3 and 7.4 hereunder is limited to the proportion computed in 7.7 above of such costs and expenses. Nevertheless, the Lessee agrees with all other lessees of the demised premises now or hereafter executing leases as to the demised premises, that as between themselves they will share such costs, expenses and etc. in the proportions established in 7.7 above as to the Lessee, and in similar provisions of other lessors' leases to the demised premises as to such other lessees. Notwithstanding the provisions of this 7.8, the Lessor may at its option look exclusively to the Lessee hereunder to keep and perform in full each and every obligation, covenant and undertaking of the Lessee under the terms of this lease to be kept or performed by Lessee, it being understood that the only obligation of the Lessee which is limited by this Section 7.8 is the Lessee's obligation to pay the costs and expenses required of the Lessee under 7.3 and 7.4.

8. COMMENCEMENT OF OBLIGATION OF LESSEE TO PERFORM UNDER SECTIONS 6. AND 7.

.1 Waiver. Until the apartment building containing living units shall have been completed upon the lands of the condominium of which the Lessee is its Association, the Lessee shall not be liable for the payment of rent under 6. or the payment of taxes, insurance premiums, repairs, maintenance and operation, and utilities under 7. Completion shall mean the substantial completion of the apartment building, not the furnishings and equipment of the same so as to render the same suitable for habitation, all of which shall be conclusively established by the issuance of a temporary or permanent certificate of occupancy by appropriate governmental authority or by certificate of a licensed architect.

.2 Commencement of Obligation. Upon completion of an apartment building, then upon the first day of a month nearest, before or after to the date of issuance of a temporary or permanent certificate of occupancy or architect's certificate, as aforesaid, the obligation of the Lessee to pay and perform its covenants under 6. and 7. shall commence.

.3 Proviso. If at the time of executing this lease the lands of the Lessee shall have been fully completed in accordance with the provisions of the Declaration of Condominium pertinent thereto, the provisions of 8.1 above shall be inoperative and the obligation of the Lessee to pay and perform in accordance with its covenants contained in 6. and 7. shall commence as of the date of this lease.

.4 Termination. If the Lessee shall fail to commence and continue the payment of the rent due under Section 6. and the obligation due under Section 7. hereof, within eighteen (18) months from the first day of the month next succeeding the date of this lease, notwithstanding the fact that such rent or obligations are not due and have not commenced under the terms of Sections 8.1 and 8.2 above, then the Lessor may at its option terminate this lease and upon the exercise of such option by the Lessor, the lease shall be null and void and of no force and effect and each of the parties shall thereupon be deemed fully released from any and all of its obligations hereunder.

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9. SECURITY. For the purpose of securing unto the Lessor the payment of rent, taxes and insurance premiums, and for the purpose of securing the performance of any and all of the covenants of the Lessee herein made for the use and benefit of the Lessor (and not another lessee of the demised premises), the Lessee does hereby grant unto the Lessor the liens described in this Section 9. The liens so described shall be cumulative and the Lessor may exercise one or some without waiving the others or may exercise all simultaneously.

.1 Lessee's Interest. The Lessee does hereby give and grant unto the Lessor a continuing first lien paramount and superior to all others upon any right, title and interest of the Lessee in and to this lease and the demised premises.

.2 Lessee's Assets. The Lessee does hereby give and grant unto the Lessor a continuing first lien paramount and superior to all others, including unit owners, upon its assets and common surplus.

.3 Condominium Property. The Lessee does hereby give and grant unto the Lessor a continuing lien in the nature of a mortgage lien upon all of the condominium property of The Condominium described in the Declaration of Condominium described in the attached Exhibit B, -its appurtenances, hereditaments and tenements, and all improvements now or hereafter placed thereon, all furniture, fixtures, furnishings and equipment now or hereafter placed, kept or used in and about the common elements thereof, and all fixtures and equipment now or hereafter contained or placed upon any condominium parcel, including air conditioners, stoves, ranges, refrigerators, hot water heaters, dish washers and garbage disposal units, which lien shall be prior and superior to all other liens and encumbrances except institutional first mortgages against a single condominium parcel. This lien shall secure the payment of all monies due the Lessor hereunder and may be foreclosed in a court of equity in the manner provided for the foreclosure of mortgages. In any such action or other action to enforce the provisions of this lien, the Lessor shall be entitled to recover reasonable attorneys' fees incurred by it, abstract bills and court costs.

.4 Foreclosure Not Termination. The foreclosure or other actions to enforce the liens herein provided shall not be considered or construed as a termination or cancellation of this lease or operate as an extinguishment of such liens, except such liens shall not stand as security for any amounts realized and actually collected by the Lessor in foreclosure or such other action.

.5 Rights of Institutional First Mortgages. An institutional first mortgage referred to in 9.3 shall be a mortgage upon a single condominium parcel granted to a bank, savings and loan association or insurance company authorized to do business in Florida, intended to finance the purchase of a condominium parcel, or its refinance, or a loan where the primary security for the same is the single condominium parcel involved.

(a) Subordination by Lessor. The Lessor does hereby agree to subordinate its lien under 9.2 and 9.3 above, to the lien of any institutional first mortgage against a single condominium parcel and will execute an instrument of subordination or join in the execution and delivery of a mortgage (provided it does not assume or become obligated to perform any of the covenants of the mortgagor therein) as the institutional first mortgagee may require.

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5) Foreclosure by Institutional First Mortgagee.

If an institutional first mortgagee shall foreclose its mortgage against a condominium parcel and obtain title to the same by public sale held as a result of such foreclosure suit, or should such institutional first mortgagee acquire title by conveyance in lieu of foreclosure, then so long thereafter as such institutional mortgagee shall continue to hold the title to said condominium parcel, the rent provided under 5.1 above shall be reduced to the extent as if such condominium parcel did not exist, provided said institutional first mortgagee must receive in full the benefit of such reduction in rent by credit against its portion of the common expenses of the condominium of which the Lessee is the Association and, further provided the same shall not reduce or abate any other of the promises, covenants or obligations of the Lessee herein. The foreclosure of an institutional first mortgagee's lien shall not operate as an extinguishment of this lease in whole or in part, or as a termination of the Lessor's lien, as aforesaid, as against the entire condominium property or the condominium parcel so foreclosed. Upon such institutional first mortgagee conveying its title to the condominium parcel so acquired by it, or causing or allowing said parcel to be occupied, the foregoing abatement of rent shall immediately cease and terminate.

6 Automatic Subordination to Certain Institutional First Mortgages. The Lessor has and does hereby subordinate its liens under 9.2 and 9.3 above to the lien of each and every mortgage lien against a condominium parcel as to The Condominium of which the Lessee is the Association, recorded in the Public Records of Charlotte County, Florida, within one (1) year from the date hereof wherein the mortgagee is any institutional mortgagee authorized to do business in Florida.

The provisions of this subparagraph are self-operative.

7 Automatic Consent and Ratification of this Lease by Unit Owners and Others. Each and every person, whether real or corporate, who shall take any interest whatsoever in or to The Condominium described in Exhibit B attached hereto, any of The Condominium's properties, or in or to any condominium parcels in The Condominium after the recording of this lease, by acceptance, delivery or the recording of the deed, contract, grant, assignment or other instrument granting, conveying, or providing for such interest, or by the mere first exercise of the rights or uses granted herein, shall be deemed to consent to and ratify without further act being required, the provisions of this lease and especially the provisions of the entire Sections 9. and 10. to the same effect and extent as if such person or persons had executed this lease with the formalities required in deeds, for the purpose of subordinating and/or subjecting such person or persons' interests, in full, to the terms of this lease and granting the lien rights to Lessor provided for in Section 9.

10. LESSOR'S RIGHT TO ASSIGN AND ENCUMBER. The Lessor shall have the right to assign and encumber its interest under this lease as herein provided.

1 Existing Mortgage. At the time of the execution and recording of this lease there is no existing mortgage upon the demised premises.

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.2 Further Mortgages. The Lessor shall have the right at all times to further and additionally mortgage and encumber its interests under this lease and in and to the demised premises, and the Lessee's interest in and to the same shall at all times be subordinate and inferior to such additional and further mortgages, provided, the Lessee shall at all times have the right to use, occupy and enjoy the demised premises in accordance with the provisions of this lease so long as it shall perform all of its promises and covenants as herein provided. The Lessee does hereby agree that it will for itself and (if required by the mortgagees) and/or as agent for all of its unit owners, forthwith subordinate its interests in and to the demised premises and this lease to any such mortgage by execution of an instrument of subordination or by joinder as a mortgagor in such mortgage lien or hypothecation, provided that by such joinder the Lessee shall not assume the obligations of the mortgagor, as the mortgagee may require. By provision of the Declaration of Condominium or the By-Laws thereof, the Lessee has been irrevocably appointed as agent for each unit owner and his spouse and for each owner of any other interest in the condominium property, to execute and deliver such instrument of subordination or join in the execution of the instrument of mortgage lien or hypothecation, encumbrance or pledge.

.3 Assignment. The Lessor may freely assign in whole or in part any of its right, title and interest in and to this lease and the demised premises.

11. LESSEE'S RIGHT TO ASSIGN AND ENCUMBER. The Lessee shall have no right to mortgage or otherwise encumber any of its right, title and interest in and to this lease or the demised premises nor shall it have any right to assign the same or any part thereof except, upon termination of the condominium form of ownership in The Condominium in accordance with the law, the Lessee's interests in the leasehold created herein shall be distributed to the unit owners as other common elements in The Condominium, and the unit owners shall thereafter jointly and severally comprise the Lessee.

12. EMINENT DOMAIN.

.1 As to Demised Premises.

(a) Total Taking. If during the term of this lease the entire demised premises shall be taken as a result of the exercise of the power of eminent domain, herein called "proceeding", this lease and all right, title and interest of the Lessee hereunder shall cease and come to an end on the date of the vesting of title pursuant to such proceeding and the Lessor shall be entitled to and shall receive a total award made in such proceeding and the Lessee hereby absolutely assigns such award to the Lessor.

(b) Partial Taking. If during the term of this lease less than the entire demised premises shall be taken in any such proceeding, this lease shall terminate as to the part so taken and the Lessor shall be entitled to and shall receive the total award made in any such proceeding and the Lessee hereby assigns such award to Lessor but the Lessee in such case covenants and agrees that at Lessee's sole cost and expense (subject to reimbursement hereinafter provided) promptly to restore, repair and replace that portion of the buildings on the demised premises not so taken to a complete architectural unit or units for the use and occupancy of the Lessee as in this lease expressed. The Lessor agrees

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in connection with such restoration to apply or cause to be applied the net amount of any award or damage to the building or buildings on the demised premises that may be received by it in any such proceeding toward the cost of such restoration (but the amount so applied shall not however include the cost in any alteration, construction change or improvement the Lessee may desire to make that is not necessary to restore that portion of the buildings not so taken to a complete architectural unit of substantially the same usefulness, design and construction as immediately before such taking, it being understood that no alteration or change in the basic configuration of the improvement shall be made without the approval of the Lessor), and the said net award shall be paid out from time to time to the Lessee as such restoration progresses upon the written request of the Lessee which shall be accompanied by the following:

(1) A certificate of the architect or engineer in charge of the restoration, dated not more than thirty (30) days prior to such request, setting forth the following:

(i) That the sum then requested to be withdrawn either has been paid by Lessee and/or is justly due to contractors, subcontractors, materialmen, engineers, architects or other persons (whose names and addresses shall be stated), who have rendered services or furnished materials for certain repairs, restorations or replacements, and giving a brief description of such services and materials and the principal subdivisions or categories thereof and the several amounts so paid and/or due to each of said persons in respect thereof, and also stating the fair value of such repairs, restorations or replacements at the time of acquisition thereof, and also stating that no part of such cost, in any previous or then pending application, has been or is being made the basis for the withdrawal of any proceeds of any such award; and

(ii) That, except for the amounts, if any, stated in said certificate pursuant to 12.1(b)(1)(i) to be due for services or materials, there is no outstanding indebtedness known, after due inquiry, to said architect or engineer, for the purchase price or construction of such repairs, restorations or replacements, or for labor, wages, materials or supplies in connection with the making thereof, which, if unpaid, might become the basis of a vendors', mechanics', laborers', materialmen's, statutory or other similar lien upon said repairs, restorations or replacements, or any part thereof.

(2) An affidavit sworn to by Lessee stating that all materials and all property constituting the work described in the aforesaid certificate of the architect or engineer, and every part thereof, are free and clear of all mortgages, liens, charges or encumbrances, except encumbrances, if any, securing indebtedness due to persons (whose names, addresses and the several amounts due them shall be stated) specified in said certificate pursuant to 12.1(b)(1)(i) above, which encumbrances will be discharged upon payment of such indebtedness, and also stating that there is no default in the payment of the rent, any item of additional rent or other charge payable by Lessee hereunder.

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(3) An official search or other evidence ~~shall~~ factory to Lessor showing that there has not been filed with respect to the demised premises any mechanics' or other lien which has not been discharged of record, except such as will be discharged upon payment of the amount then requested.

Upon compliance with the foregoing provisions, Lessor shall, out of the proceeds of such net award, on request of Lessee, pay or cause to be paid to the persons named in the certificate, pursuant to 12.1(b)(1)(i) above, the respective amounts stated in said certificate to be due to them, and/or shall pay or cause to be paid to Lessee the amount stated in said certificate to have been paid by Lessee, provided, however, that such payments will not exceed in amount the fair value as stated in said certificate of the relevant work.

If payment of the net award as aforesaid shall not be received by Lessor in time to permit payments as the work of restoration progresses, the Lessee shall, nevertheless, perform and fully pay for such work without delay (except for unavoidable delays), and payment of the amount to which Lessee may be entitled shall thereafter be made by Lessor out of said net award as and when payment of such net award is received by Lessor. If the funds to be applied by Lessor shall be insufficient to pay the entire cost of such restoration, Lessee agrees to pay any deficiency and to deposit the amount of such deficiency, as estimated by the architect or engineer who shall first make the certificate called for in 12.1(b)(1)(i) above, with Lessor, prior to any work being contracted for or performed.

From and after the date of vesting of title in such proceeding, a just proportion of the rent, according to the nature and extent of such taking, shall abate for the remainder of the term of this lease.

If, after making the payments provided for in 12.1(b)(3), there remains any balance in Lessor's hands, it shall be retained by Lessor as its property.

(c) A Taking of Less Than Fee Simple Title. If all or any of the demised premises shall be taken by exercise of the right of eminent domain for governmental occupancy for a limited period of time, this lease shall not terminate and the Lessee shall continue to perform and observe all of its covenants as though such taking had not occurred except only to the extent that it may be prevented from so doing by reason of such taking. In the event of such a taking, the Lessee shall be entitled to receive that proportion of the entire amount of any award made for such taking (whether paid by way of damages, rent or otherwise) which is the same proportion of the entire amount of such award as the proportion established in Section 7.7 as Lessee's proportion(ate) share of the obligations mentioned in 7.1 and 7.2, unless the period of governmental occupancy extends beyond the term of this lease, in which case the award to the extent that it represents rent shall be apportioned between the Lessor and Lessee, the Lessee receiving that portion thereof which is the Lessee's proportionate share established in 7.7 of the amount of the award attributable to lessees. The amount of the award attributable to lessees in such case shall be the proportion of such award which is in the same relationship to the total award as the remaining terms of this lease bears to the term of the governmental occupancy, if such award be a lump sum. If such award be paid periodically as rent for the entire period of governmental occupancy, then the amount thereof attributable to lessees will be the amount actually so paid to the end of the term of this lease. The Lessee covenants that at the termination of

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of any such governmental occupancy, it will, at its cost and expense, restore the improvements on the demised premises as nearly as may be reasonably possible to new condition but the Lessee shall not be required to do such restoration work if on or prior to the date of such termination of governmental occupancy, the term of this lease shall have ended.

(d) Proration. In the event of the termination of this lease in full or as to any portion of the demised premises as a result of a total or partial taking by proceeding, the Lessee shall pay to the Lessor all rent and all other charges payable by the Lessee with respect to the demised premises or part thereof so taken justly apportioned to the date of taking.

.2 As To the Lessee's Premises. If during the term of this lease there shall be a taking of all or a portion of the lands of The Condominium described in Exhibit D attached hereto, the following shall apply:

(a) Certain Takings Not Included. If such taking by eminent domain shall involve an actual taking of the fee simple title to ten percent (10%) or less of the living units contained upon said lands immediately prior to the time of taking, such taking shall not be construed or considered as a taking within the provisions of 12.2. For the purpose of this Section 12.2, a "total taking of a living unit" is defined as a taking where more than sixty percent (60%) of the floor space is taken, or where the taking makes the unit uninhabitable as a dwelling.

(b) Total Taking. If such taking shall involve the taking of all of the living units contained upon said lands immediately prior to the time of taking, this lease shall terminate, effective as of the date of taking.

(c) Partial Taking. If the taking be greater than described in 12.2(a) and less than the taking described in 12.2(b) above, the following shall apply:

(1) Rent. The rent provided in 6.1 shall be reduced, effective as of the date of taking, as if the living units totally taken had never existed as a part of The Condominium.

(2) Obligations Under 7. The Lessee shall be entitled to a reduction of its obligations under Section 7, by elimination of all totally taken living units, from the number of living units contained upon the lands of The Condominium of which the Lessee is its Association and from the number of living units of all lessees as to the demised premises.

13. DESTRUCTION OF LESSEE'S IMPROVEMENTS OR TERMINATION OF CONDOMINIUM OF WHICH THE LESSEE IS ITS ASSOCIATION. The destruction, alteration, demolition or non-use or condition of the improvements now existing upon the lands described in the Declaration of Condominium described in Exhibit B, or to be constructed thereon in accordance with such Declaration once completed, and any other structures which may hereafter be placed or put thereon, regardless of the nature of event which causes such destruction, alteration or demolition, or non-use, shall not in any way reduce, abate or suspend the Lessee's promises hereunder nor shall the same effect a

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termination in whole or in part of this lease, nor shall it reduce the obligations called for in 6.1 nor the obligations imposed on Lessee in 7. Likewise, a voluntary or involuntary termination of the condominium of which the Lessee is its Association, whether such termination take place under the provisions of its Articles of Incorporation, by-Laws, or Amendments thereto, by operation of law or otherwise, shall not terminate this lease, but upon such termination of condominium all of the unit owners of the condominium property, as unit owners or as tenants in common, or otherwise, shall automatically and by operation of this lease, jointly and severally, constitute the Lessee hereunder and shall be jointly and severally obligated to perform each and every of the Lessee's covenants and undertakings, excepting any first mortgagee who has become or becomes a unit owner or tenant in common by foreclosure or deed in lieu shall not be made liable or obligated in any way by the provisions of this sentence. Any grantee of the unit or interest in common of such mortgagee shall however become fully liable and obligated hereunder. The Lessee agrees that the Lessor shall at all times be a lien holder, within the meaning of the Declaration of Condominium, without whose consent a voluntary termination of condominium may not take place, except that should a first mortgagee become the owner of all the units contained within the condominium described in Exhibit B, by foreclosure or deeds in lieu of foreclosure or combinations thereof, then in such case only such mortgagee shall have the right to terminate the condominium described in Exhibit B without the consent of Lessor and the further right to terminate this lease upon the termination of the condominium.

14. DUTY OF LESSEE TO ASSESS AND PAY. It shall be the duty of the Lessee to assess its unit owners in accordance with the Florida Condominium Act, such amounts as shall be necessary to pay in money all Lessee's obligations, to the Lessor hereunder, and to otherwise perform its covenants and promises herein contained.

15. INSURANCE. The Lessee shall at its sole expense throughout the term of this lease keep in force insurance policies as follows:

.1 Public Liability. Comprehensive, general public liability insurance in which the Lessor, Lessee, and all other lessees as to the demised premises shall be named insureds, against claims for bodily injury, sickness or disease including death at any time resulting therefrom and for injury to or destruction of property, including the loss of use thereof arising out of ownership, maintenance, use or operation of the demised premises or any building or improvement or personalty located thereon, with a minimum limitation of Two Hundred Fifty Thousand (\$250,000.00) Dollars for bodily injury as to any one person, One Million (\$1,000,000.00) Dollars as to bodily injury for any one occurrence, and Fifty Thousand (\$50,000.00) Dollars for property damage with regard to each occurrence.

.2 Property Insurance. Policies of insurance insuring against loss or damage to the buildings and improvements now or hereafter located upon the demised premises and all furniture, fixtures, equipment and furnishings now or hereafter brought or placed thereon insuring against loss by:

(a) Fire. Fire, windstorm and such other hazards as may be included in the broadest form of extended coverage from time to time available; and

(b) Boiler. By boiler explosion, if boilers are now or hereafter located in the aforesaid buildings; and

(c) Other. To the extent required by the Lessor, war damage or damages by civil insurrection or commotion as the same may not be covered by other policies above referred to.

The insurance required hereunder shall be in an amount equal to the maximum insurable value, excluding foundation and excavation costs. In compliance with the foregoing, the Lessee shall furnish policies insuring actual replacement costs without deduction for depreciation

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and in case the term "maximum insurable value" as used in the preceding sentence shall mean the actual replacement cost of the property required to be insured without deduction for depreciation. If policies insuring replacement costs are not available, then the said term "maximum insurable value" shall mean the actual cash value with due allowance for depreciation of the property required to be insured, to the extent insurance may be afforded under policies covered in that manner.

.3 Generally. All insurance required to be carried under 15.1 and 15.2 shall be effected under policies written in such form and issued by such companies as shall be approved by the Lessor who shall not unreasonably withhold such approval. All policies required under 15.1 shall name the Lessor, the Lessee, and other lessees as to the demised premises as assureds. All policies required by Section 15.2 shall be for the benefit of the Lessor, the Lessee, and other lessees as to the demised premises and mortgagees as to the demised premises, as their interest may appear and shall provide that all proceeds covering property loss shall be paid to the Lessor or his designee, as Trustee, or to any Bank in Florida with trust powers as may be directed by the Lessor, as Trustee, which trustee is herein referred to as the "Insurance Trustee". The Insurance Trustee shall not be liable for the payment of premiums nor for the renewal or 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 same in trust for the purposes elsewhere stated herein and for the benefit of the persons named as the insured.

.4 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the named assureds in the following manner:

(a) Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or provision made therefor.

(b) Balance. The remaining proceeds shall be disbursed in accordance with 16.

16. RECONSTRUCTION AND REPAIR. Upon the occurrence of any damage or destruction to any portion of the demised premises including improvements, buildings and structures, and personal property now or hereafter placed thereon, whether or not the casualty causing such damage be insured against, and whether or not, if insured, any proceeds are paid therefor, the following provisions shall apply:

.1 Reconstruction and Repair by Lessee. The Lessee, at its expense, shall repair and reconstruct, if necessary, any and all improvements, buildings and structures so damaged and replace or repair all personal property so damaged so as to restore the same to first class condition. Such work shall be commenced no later than sixty (60) days after the occurrence of damage and shall be completed no later than ten (10) months after date of commencement. The foregoing time limitations shall be extended due to any time lost by reason of an act of nature, war, civil commotion or disorder, material shortages, strikes or other events over which the Lessee has no control.

.2 Plans, Specifications and Estimates. Within thirty (30) days after the occurrence of damage, the Lessee shall supply to the

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Lessor plans and specifications for reconstruction and repair which must be substantially of the nature to restore the damaged improvements, buildings, structures and personal property to first class condition. Said plans and specifications shall be prepared and be under the certificate of an architect, licensed to practice as such in the State of Florida. Within thirty (30) days after furnishing said plans and specifications, the Lessee shall furnish to the Lessor a contract executed by an independent general contractor wherein the work, labor and materials indicated by such plans and specifications will be furnished at an agreed price and a performance, completion and payment bond is a part thereof. To the extent that the damages shall occur to personal property, other than fixtures, a bid need only be supplied from a supplier of the same with a firm price indicated thereon.

.3 Fund. If the damage occasioned by such casualty is covered by insurance and proceeds therefor have been paid to the Insurance Trustee as provided in 15.3, and the same are not sufficient to defray the cost of reconstruction and repair as determined by the bid of the general contractor and bids of suppliers of personal property, as set forth in 16.2 above, or if at any time during reconstruction and repair or upon completion thereof the funds held by such Insurance Trustee shall not be sufficient to defray the cost of reconstruction and repair, then the Lessee shall pay to the Insurance Trustee such funds as may be estimated which, together with the insurance proceeds, if any, will fully defray the cost of reconstruction and repair. The total of such insurance proceeds and other monies paid to the Insurance Trustee shall constitute the construction fund and shall be disbursed in payment of such costs in the following manner:

(a) Mortgagee. While such fund exists the Insurance Trustee shall first pay to a first mortgagee, if any, as to the demised premises any monies being due it and unpaid and required to be paid by said mortgagee. The Lessor shall within a reasonable time repay such monies to the Insurance Trustee as are paid to such first mortgagee hereunder.

(b) Costs of Reconstruction and Repair. The Insurance Trustee shall next pay the actual costs and expenses incurred in reconstruction and repair by direct disbursement to the general contractor, suppliers of personal property, and if required under contract, or by the Mechanics' Lien Law of the State of Florida, to subcontractors, materialmen and laborers and all other persons covered under such Act. All such disbursements shall be subject to the approval of an architect qualified to practice in the State of Florida and having supervision of the work (except no architect shall be required if the replacement and repair relates solely to personal property).

(c) Lessor. The Insurance Trustee shall next pay to the Lessor all funds which shall become due from any Lessee of the demised premises, then unpaid.

(d) Surplus. If, upon the completion of reconstruction and repair and after the payment of all costs thereof, and after the payments made pursuant to 16.3(c), there shall remain undistributed a balance in such construction fund, the same shall be distributed to the Lessee and other lessees as to the demised premises in proportion to their respective obligations to pay to the Lessor premiums for insurance (whether or not the hazard was covered by insurance and whether or not, if covered, a recovery of proceeds was made), but in no event shall the Lessee or any of the lessees receive an amount exceeding the amount contributed to the fund. If there be a remaining surplus thereafter it shall be paid to Lessor.

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(c) Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether any funds are properly due and payable for reconstruction and repair nor to determine the proportionate distribution of any surplus amongst the respective lessees as to the demised premises. Instead the Insurance Trustee may rely upon the certificate of the architect supervising the work that sums for reconstruction and repair are due and payable and the certificate of the Lessor as to the proportionate distribution of surplus amongst the respective lessees.

(d) Repairs and Reconstruction by Lessor. In the event the Lessee shall fail to reconstruct and repair as herein provided, the provisions of 21. shall be applicable and the Insurance Trustee may rely on the Lessor's Certificate as to the same.

(e) Minor Repairs. If the estimate of cost of repair and reconstruction and replacement, in accordance with 16.2 be less than Four Thousand (\$4,000.00) Dollars, the Insurance Trustee shall disburse all insurance proceeds, if any, received by it in connection with such damage, directly to the Lessee and other lessees of the premises, jointly, or at the Insurance Trustee's option to the manager(s) of the condominium properties of the Lessee and lessees if there be one, and all other provisions of 16.3 shall be inoperative.

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17. COMMON ELEMENT. It is intended, as set forth in the Declaration of Condominium of The Condominium described in Exhibit B attached hereto, that the Lessee's leasehold interests under this lease and in and to the demised premises be a common element of The Condominium described in Exhibit B. Notwithstanding the foregoing and 9.3, 9.5 and 9.6, no mortgage, lien, encumbrance or other encumbrance against a condominium parcel or the Condominium property shall be considered or construed as a mortgage lien or other encumbrance against fee simple title to the demised premises. To the extent that it shall be necessary to perform any of its promises and covenants herein or to exercise any of its right, privileges and remedies, and as provided in the Declaration of Condominium described in Exhibit B attached hereto, which provision may not be revoked or amended without the consent of the Lessor, the Lessee shall at all times be the irrevocable agent in fact for each unit owner and for each owner of a mortgage or other lien upon a condominium parcel and for each owner of any other interest in a condominium parcel or the condominium property, except the Lessee shall not at any time be the agent in fact for the Lessor, and except that nothing in this Section 17. contained shall make the Lessee the agent for any of the purposes contained in this Section 17. for any owners or holders of first mortgages upon any of the condominium parcels.

If the intended construction of the Lessee's leasehold interest hereunder as a common element of The Condominium, as aforesaid, be determined by a court to be erroneous and not in conformity with law or otherwise, and the same in fact shall for any reason not be a common element of The Condominium, the same shall in no way affect the validity or existence of this lease and the Lessee's covenants.

18. NATURE OF LESSEE'S COVENANTS.

.1 To the Lessor. None of the Lessee's covenants and promises including by way of illustration and not limitation its covenants to repair and maintain under 7. and 16., its covenants to reconstruct and repair under 16. shall in any way be reduced or abated, suspended or limited by reason of the fact that there are or may be other lessees as to the demised premises. No failure on the part of any other lessee to perform similar covenants or promises contained in its lease with the Lessor or failure on the part of the Lessor to enforce the same shall operate as a waiver, extension or indulgence to this Lessee.

.2 As Between Lessees. This Lessee and each and every other present and future lessee as to the demised premises covenants and agrees with each other that each of such lessees shall bear the burden and liability of the performance of the Lessee's covenants, except those set forth in 6., 7.1 and 7.2, in proportion to their respective liabilities under 7.7. If their respective proportionate liabilities under 7.7 shall total less than one hundred percent (100%), then the remaining portion of such one hundred percent (100%) shall be ratably borne by each such lessee (including the Lessee) in the proportion which his proportion under 7.7 bears to the proportions of all lessees, including itself under 7.7. This covenant shall be construed as a covenant running to the benefit of each and every other present and future lessee of the demised premises and likewise, similar covenants contained in other present and future leases.

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as to the demised premises shall be considered as covenants running to and for the benefit of this Lessee. Such covenants may be enforced by any party in interest in its own name, without joinder of the Lessor, and a person successfully enforcing such covenants shall be entitled to the recovery of reasonable attorneys' fees and court costs incurred by it. This provision shall be construed cumulative with and supplemental to Section 7.8.

19. **DEMOLITION.** The Lessee shall not demolish any of the buildings, structures or improvements now or hereafter placed upon the demised premises without the consent, in writing, of the Lessor, which the Lessor may withhold in its absolute discretion or grant upon such terms as it shall deem appropriate.

20. **ARBITRATION.** Arbitration referred to in 6.3 shall be settled by arbitration in accordance with rules of the American Arbitration Association and judgment or decree upon the award rendered by the arbitrator or arbitrators may be rendered in any court having jurisdiction thereof.

21. **LESSOR'S RIGHT TO PERFORM LESSEE'S COVENANTS.** If the Lessee shall fail to pay the costs of maintenance and repairs, or if it shall fail to take out, maintain and deliver insurance policies, or it shall fail to perform any other act on its part covenanted herein to be performed by it, then the Lessor may, but shall not be obligated so to do, and without notice or demand upon the Lessee, perform the act so omitted or failed to be performed by the Lessee. If such performance by the Lessor shall constitute in whole or in part the payment of monies, such monies so paid by the Lessor, together with interest thereon at the rate of ten percent (10%) per annum and reasonable attorneys' fees incurred by the Lessor in and about the collection of the same, shall be deemed additional rent hereunder and shall be payable to the Lessor on demand or, at the option of the Lessor may be added to any rent then due or thereafter becoming due under this lease and the Lessee covenants to pay any such sums with interest and reasonable attorneys' fees, as aforesaid, and the Lessor shall have, in addition to any and all other rights and remedies herein provided, the same rights and remedies in the event of nonpayment as in the case of default by the Lessee in the payment of rent.

22. **QUIET ENJOYMENT.** The Lessor covenants and agrees with Lessee that so long as the Lessee keeps and performs all of its covenants herein made, the Lessee shall have quiet and undisturbed and continued possession of the premises subject only to the rights of other lessees and the Developer as to the demised premises to use, occupy and enjoy the same.

23. **LESSOR'S RIGHT OF ENTRY.** The Lessor and its agents shall have the right of entry upon the demised premises at all reasonable times to examine the condition and use thereof, provided only such right shall be exercised in such manner as to not interfere with the Lessee in the conduct of the Lessor's operation of said premises and if said premises are damaged by any casualty which causes the premises to be exposed to the elements, then the Lessor may enter upon the premises to make emergency repairs.

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24. ADDITIONAL COVENANTS.

.1 No Termination Upon Casualty. No damage or destruction to buildings, structures, improvements or personal property now or hereafter located upon the demised premises by fire, windstorm or any other casualty shall entitle the Lessee to surrender possession or to terminate this lease or to violate any of its provisions or to cause any rebate, abatement or adjustment in the rent then due or thereafter becoming due under the terms hereof; and if this lease be cancelled and terminated by reason of the Lessee's default at any time while there remains outstanding any obligation from any insurance company to pay for the damage or any part thereof then the claim against the insurance company shall upon the cancellation and termination of this lease be deemed immediately to become the absolute and unconditional property of the Lessor.

.2 Redelivery of Premises. At the termination of this lease by lapse of time or otherwise the Lessee will peaceably and quietly deliver possession of the premises and all improvements situated thereon including all personal property therein and thereon to the Lessor in as good state and condition, subject to the provisions of 7, and that all buildings, improvements and personal property then situated upon the demised premises shall become and remain the property of the Lessor and that no compensation shall be allowed or paid to the Lessee by the Lessor therefor.

.3 Attorneys' Fees and Costs. If the Lessor is required at any time to enforce this lease or to defend any action arising out of the facts in connection with or caused by reason of the ownership by the Lessee of this lease or its use, occupancy and possession of the demised premises pursuant thereto, the Lessee will pay to the Lessor all costs of court, arbitration under 6., reasonable attorneys' fees incurred or expended by the Lessor in conducting such defense or enforcing the terms of this lease or otherwise. The amount of such costs and fees may, at the option of the Lessor, be collected just as though the said amount were rent then maturing and becoming due thereunder.

.4 Waste. The Lessee shall not do or suffer any waste or damage, disfigurement or injury to the demised premises, to any improvements, structures, buildings and personal property now or hereafter placed or brought thereon.

.5 Relationship. Though this be a long term lease the parties understand and agree that the relationship between them is that of landlord and tenant and the Lessee specifically acknowledges and agrees that all statutory proceedings in the State of Florida relating to the relationship of landlord and tenant and respecting collection of rent or repossession of the premises shall be applicable at the exclusive option of the Lessor hereunder. But nothing herein is to be construed as limiting such rights and remedies as the Lessor may otherwise have, as set forth herein.

.6 Default. If default shall be made by the Lessee in the performance of any of its covenants, obligations or undertakings set forth in this Lease, then in addition to any other rights or remedies which the Lessor may have including but not limited to those set forth in 9., the Lessor shall have the right at its option to declare this lease cancelled and

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terminated and re-enter upon the demised premises either with or without process of law, but only after notice of said declaration be given to the Lessee in writing, and thereafter upon Lessor's demand for possession the Lessee will peaceably surrender and deliver up the premises to the Lessor. No act of the Lessor, upon Lessee's default, shall be an implied cancellation or termination of this lease or the term hereof, and all remedies upon Lessee's default may be taken, elected or sought by Lessor without cancellation or termination of this lease or of the terms hereof. Only an express declaration of cancellation or termination by Lessor or the prosecution of a suit in which Lessor's prayer for relief is for and the relief granted is cancellation and termination shall be effective to cancel and/or terminate this lease and/or the term hereof.

.7 Proviso as to Default. Nothing in this lease shall be construed to require the Lessor to cancel or seek the cancellation of this lease for default of Lessee. Furthermore, nothing in this lease shall be construed as authorizing the Lessor to declare this lease in default where the lease consists of non-payment of rent, taxes and premiums for insurance until such non-payment in violation of the terms of this lease shall have continued for ten (10) days; and where the alleged default consists in some violation other than the non-payment of rent, taxes and insurance premiums the Lessor may not declare this lease in default until such violation shall have continued uncured for twenty (20) days after the Lessor shall have given the Lessee written notice of such violation; provided, however, that nothing contained herein shall be construed as precluding the Lessor from having such remedy as may become necessary in order to preserve the Lessor's rights and interests in and to the demised premises and this lease before the expiration of the grace or notice periods above provided if under the particular circumstances then existing the allowance of such grace or the giving of such notice would prejudice or endanger the rights and estate of the Lessor in the demised premises and this lease. If the Lessee defaults in any of the payments of the sums required to be paid by it, including but not limited to rent, taxes and insurance premiums, the Lessee may cure said default at any time prior to a decree cancelling this lease or, a decree and/or judgment of eviction, or prior to a final decree of foreclosure of lien provided in 9., by payment unto the Lessor the sums then due and owing said Lessor and/or paid by the Lessor in behalf of the Lessee together with interest thereon at the rate of ten per cent (10%) per annum as well as payment to the Lessor of any and all costs expended by the Lessor including therein payment of reasonable attorneys' fees and costs incurred by the Lessor, and by the performance of all of the Lessee's defaulted covenants not performable by the payment of monies to the Lessor. This provision shall be in addition and supplemental to any provisions elsewhere herein set forth with respect to the payment of interest or deferred or late payments except that the total interest due and payable on any rent payment made by the Lessor on behalf of the Lessee shall not exceed ten per cent (10%) per annum. When not otherwise provided for herein, all sums becoming due hereunder and unpaid shall bear interest at ten per cent (10%) per annum from the then due date until paid.

.8 Running of Grace Periods. All default and grace periods shall run concurrently and not consecutively.

.9 Cumulative Remedies. The various rights, remedies, powers, options, elections and preferences of the Lessor set forth in this lease shall be construed as cumulative and no one of them shall be construed as being exclusive of the other or exclusive of any rights or priorities allowed by law and the exercise of one or more shall not be construed as a waiver of the others.

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. 10 Construction of a Remedy as Election to Terminate.

The exercise by the Lessor of any of its rights or remedies provided in this lease to enforce the provisions of this lease by decree, judgment or otherwise, shall not be construed as an election by the Lessor to terminate and cancel this lease except if the exercise of such right or remedy be: (a) the declaration by the Lessor that the lease is terminated and cancelled due to default on the part of the Lessee as hereinabove provided; or (b) the entry of a judgment, decree or writ of eviction as to the Lessee upon Lessor's application therefor; or (c) the entry of a judgment or decree of a court cancelling this lease, upon Lessor's application therefor.

. 11 Early Termination. If this lease shall terminate

at any time prior to the expiration of the term provided prior to December 31, 2068 by reason of the breach of any of the Lessee's covenants, then and in such case, all right, estate and interest of the Lessee in and under this lease and in and to the demised premises and all insurance policies and all insurance monies paid or payable thereunder and all utility deposits and all pre-paid expenses as to the demised premises shall, without any compensation made therefore unto the Lessee at once pass to and become the property of the Lessor.

. 12 Solvency of Lessee. If, during the term of this lease,

(a) the Lessee shall make an assignment for the benefit of creditors; or (b) a voluntary or involuntary petition be filed by or against the Lessee under any law having for its purpose the adjudication of the Lessee as a bankrupt or the extension of the time of payment, composition, adjustment, modification, settlement or satisfaction of the liabilities of the Lessee or the reorganization of the Lessee; or (c) a permanent receiver be appointed for the property of the Lessee; or (d) any governmental authority take possession of the lands described in the Declaration of Condominium attached hereto as Schedule B, this lease, at the exclusive option of the Lessor shall be terminated and shall expire as fully and completely as of the day of happening of such contingency coincides with the date specifically fixed as the expiration of the term hereof, the provisions of 24.7 relative to notice and grace notwithstanding and the Lessee shall then quit and surrender the demised premises to the Lessor but the Lessee shall remain liable as hereinafter provided. If the Lessee shall contest any proceeding of an involuntary nature which would be grounds or cause for the termination under this Section 24. 12, by suitable process according to law and shall prosecute said defense with due diligence, provided all other covenants of the Lessee herein made are otherwise kept and performed, the right of termination in the Lessor under this Section 24. 12 shall be suspended until the ultimate determination of said matters by a court of competent jurisdiction or until the Lessee shall abandon or fail to take suitable action to preserve its rights to contest the proceedings. The Lessee shall, every twenty (20) days notify the Lessor of its continued intention to prosecute its defense and, further, advise the Lessor of the state of all defense or litigation then pending, and the failure of the Lessee so to do shall be deemed a termination of the suspension of the Lessor's right to terminate as above provided. If a defense shall be brought by the Lessee and timely prosecuted and the Lessee shall comply with the above provision with regard to notice and information to the Lessor, then the right of the Lessor to terminate by reason of the provisions of this paragraph shall be controlled by the outcome of such litigation, that is:

(a) If such litigation be resolved in favor of the Lessee, the Lessor shall have no right to terminate by reason of the occurrence of the acts first listed in this 24. 12.

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(b) If such litigation be resolved against the Lessor, the Lessor shall have the right to terminate above provided, but nothing herein shall be construed as relieving the Lessee of the performance of any covenants herein which became performable subsequent to the occurrence of the events set forth as (a), (b), (c), and (d) first appearing in ¶ 14.12.

.13 Easements Upon the Demised Premises. The demised premises are subject to such easement for public utilities as now appear of public record and Lessor shall have at all times the exclusive right to create upon or over such of the demised premises for any and all public utilities, easements from time to time as the Lessor in its discretion shall deem appropriate, free and clear of the provisions of this lease, provided only that such future easements shall be for the purpose, in whole or in part of supplying utilities to the demised premises or to any part of the property described in Exhibit A; and provided, further, that the location of such easement shall not unduly interfere with the use, possession and enjoyment of the demised premises by the Lessee.

.14 Time of the Essence. Time is of the essence in every particular and especially where the obligation to pay money is involved.

.15 Waiver, Extension, and Indulgences. No waiver, extension or indulgence granted by the Lessor on any one occasion as to any breach shall be construed as a waiver, extension or indulgence of any succeeding breach of the same covenant.

.16 Changes in Writing. No modification, release or discharge or waiver of any provision hereof shall be of any force, effect or value unless in writing, signed by the Lessor or the Lessor's duly authorized agent.

.17 Covenants Running With the Land. All covenants, promises, conditions and obligations herein contained or implied by law are covenants running with the demised premises and covenants running with the lands described in the Declaration of Condominium attached hereto as Exhibit B; and the same shall attach to and be binding upon the Lessor, its heirs, personal representatives and assigns, and the Lessee, its successors and assigns, its present and future members and present and future unit owners and their heirs, personal representatives, successors and assigns during the term of this lease, unless this lease be sooner terminated, then until such termination.

.18 Entire Agreement. This instrument together with the exhibits attached hereto and made a part hereof constitute the entire agreement between the parties hereto as of the date of execution and neither has been induced by the other by representations, promises or understandings not expressed herein and there are no collateral agreements, stipulations, promises or understandings whatsoever in any way touching the subject matter of this instrument which are not expressly contained herein.

.19 Notice. When either party desires or is required to give notice unto the other in connection with and according to the terms of this lease (such notice shall be given either by registered or certified mail, return receipt requested) and shall be deemed given for all purposes when it shall have been deposited in the United States mail, addressed to the Lessee or Lessor as the case shall require, with sufficient postage prepaid thereon.

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to carry it to its addressed destination at the address set forth hereinafter in the execution of this lease. Either party may change the address for the giving of notices hereunder by giving notice of such change to the other party in the manner above provided for the giving of notice.

.20 Construction. This lease is to be construed in accordance with the laws of the State of Florida.

.21 Captions and Titles. The captions and titles contained in this lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this lease or any part thereof nor in any way affect this lease.

.22 Agent. The Lessor and Lessee shall each have the right to appoint and designate an agent for the purpose of performing their respective covenants hereunder provided the party so appointing an agent shall give notice to the other. Such notice shall set forth the name and address of such agent (who must be a resident or have a place of business in Charlotte County, Fla.,) and shall set forth the limitations, if any, upon the agent's authority. The party so receiving such notice shall be entitled to rely upon the fact that such agent has all authority to act for and in behalf of his principal except as specifically limited by such notice of appointment. A party dealing with such agent shall not be required to inquire as to the authority of the agent to act in any matter not specifically prohibited in the notice of appointment, as to the continuation of such agency, nor as to whether such agent has or is acting in accordance with his agreement of agency with such party. In the event notices are required to be furnished to a party by reason of the provisions of this lease the same may be mailed and addressed to the agent and/or the party who is its principal. The authority of such agent to act for and in behalf of the party appointing it shall terminate with regard to the other party only upon receipt of notice furnished to such party specifically terminating such agency.

.23 Additions to the Demised Premises. The Lessor may and shall have the right to at any time and from time to time to declare additional lands and/or the improvements thereon, and/or any interest therein, to be a part of the demised premises as set forth in Section 1. hereof. Any such additions to the demised premises shall be effective for all purposes as if such additions were originally contained within the description of the demised premises as set forth in Section 1. hereof from and after the recording of a declaration by the Lessor among the Public Records of Charlotte County, Florida, setting forth in detail the description of the additional premises, setting forth that it is Lessor's intention that such additional premises shall be and become part of the demised premises under the terms of this Lease, and of all other leases to other lessees then existing, if any, as such other lessees are described in 3.2 hereof, which declaration shall be executed with the formalities of a deed. From and after the recording of such declaration, said addition or additions shall be considered a part of the demised premises and all of the provisions of this lease shall appertain thereto to the same effect and extent as if such additions had been included in the description of the demised premises at the time of the execution of this lease. However, the rent set forth in 6. shall not vary or be changed by reason of any such additions being made or declared.

.24 Severability. The invalidity in whole or in part of any covenant, promise or undertaking or any section, sub-section, sentence, clause, phrase or word, or of any provision of this agreement or the exhibits attached hereto or made a part hereof shall not affect the validity of the remaining portions thereof.

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25 Parties. The terms "Lessor and "Lessee as used in this lease shall include the singular thereof, and the use of any gender shall include all genders, wherever the same shall be appropriate.

25. EXECUTION.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the day and year first above written by their duly authorized officers.

Witnesses:

LESSOR

GENERAL DEVELOPMENT CORPORATION

By: Nicholas H. Serris (Seal)
Nicholas H. Serris, Vice President

Attest: David A. Doheny (Seal)
David A. Doheny, Secretary

(Corporate Seal)

Witnesses:

LESSEE

ABBNEY HOUSE OF PORT CHARLOTTE -
A CONDOMINIUM, INC.

By: Charles J. Clark, Jr. (Seal)
Charles J. Clark, Jr., Vice President

Attest: David A. Doheny (Seal)
David A. Doheny, Secretary

(Corporate Seal)



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STATE OF FLORIDA)
) SS:
COUNTY OF DADE)

I HEREBY CERTIFY, that on this 23rd day of August, 1973, before me personally appeared Nicholas H. Serris and David A. Doheny, Vice President and Secretary respectively of GENERAL DEVELOPMENT CORPORATION, a Delaware corporation, to me known to be the persons who signed the foregoing instrument as such officers and severally acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned and that they affixed thereto the official seal of said corporation and that the said instrument is the act and deed of said corporation.

WITNESSES my signature and official seal at Miami, Dade County, Florida, the day and year last aforesaid.

B. H. Belcher
NOTARY PUBLIC, State of Florida at Large

My commission expires:
Notary Public, State of Florida at Large
My commission expires Apr. 21, 1975

STATE OF FLORIDA)
) SS:
COUNTY OF DADE)

I HEREBY CERTIFY that on this 23rd day of August, 1973, before me personally appeared Charles J. Clark, Jr. AND David A. Doheny Vice President and Secretary respectively of ABBEY HOUSE OF PORT CHARLOTTE - A CONDOMINIUM, INC., a Florida corporation, to me known to be the persons who signed the foregoing instrument as such officers and severally acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned and that they affixed thereto the official seal of said corporation and that the said instrument is the act and deed of said corporation.

WITNESSES my signature and official seal at Miami, Dade County, Florida, the day and year last aforesaid.

B. H. Belcher
NOTARY PUBLIC, State of Florida at Large

My commission expires:
Notary Public, State of Florida at Large
My commission expires Apr. 21, 1975

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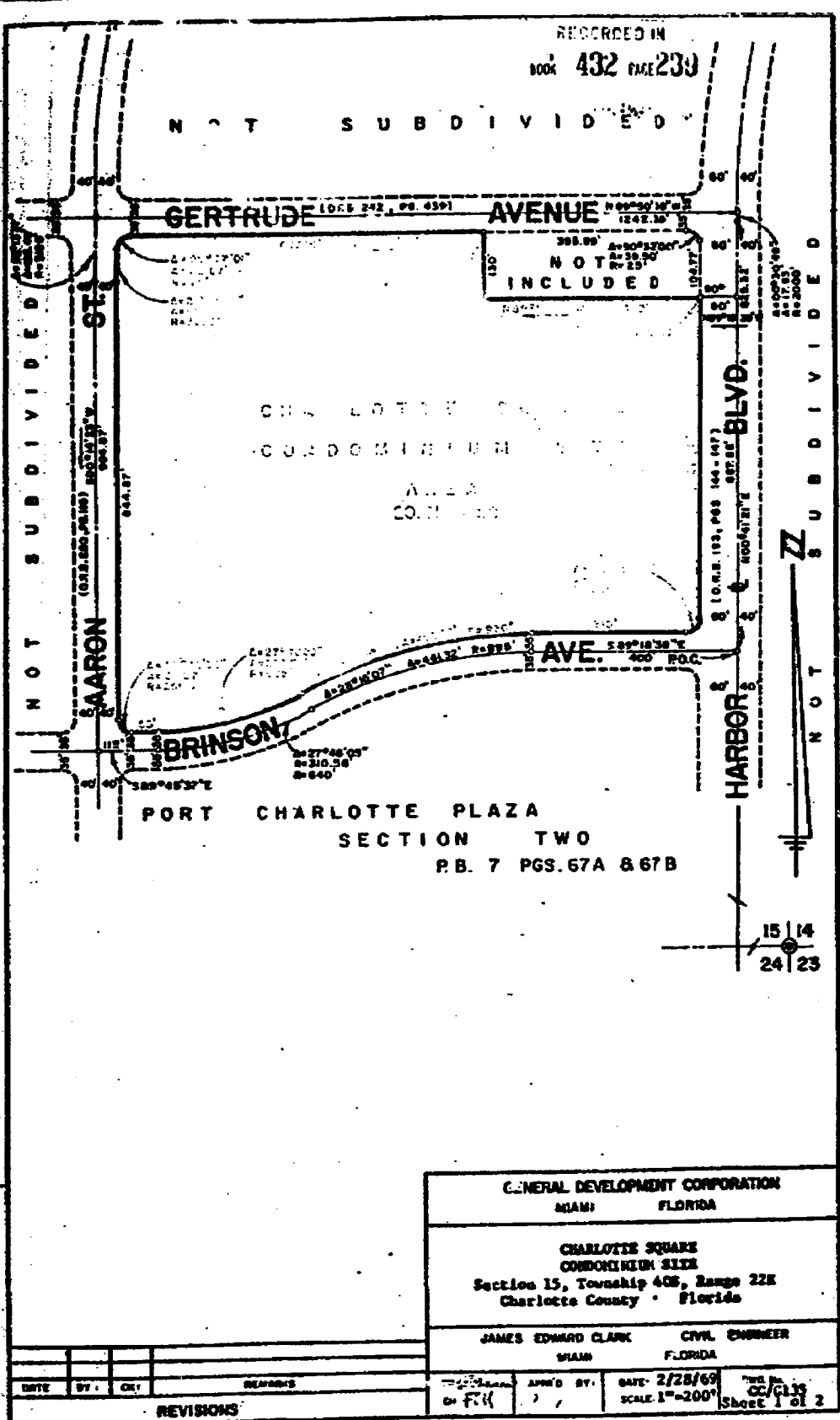
EXHIBIT A

To LEASE by and between General Development Corporation, a
Delaware corporation, as Lessor, and Abbey House of Port Charlotte -
A Condominium, Inc., a Florida corporation, as Lessee.

The legal description of the property contained within the real estate
development commonly known as:

CHARLOTTE SQUARE

is comprised of the tract of land lying and being in Section 15, Township
40 South, Range 22 East, Charlotte County, Florida, more particularly
described on the "Description" attached hereto and made a part hereof,
consisting of a 2 page document entitled: "General Development
Corporation, Charlotte Square Condominium Site" prepared by James
Edward Clark, Civil Engineer, and being DWG. No CC/GJ35 dated
2/28/65.



DESCRIPTION

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That portion of Section 13, Township 40 South, Range 22 East, Charlotte County, Florida, being more particularly described as follows:

COMMENCING at the intersection of the base line of Harbor Boulevard (O.R.B. 193, Pages 144-147, Charlotte County, Florida) and the center line of Brinson Avenue (Port Charlotte Plaza, Section Two, Plat Book 7, Pages 67A and 67B, Charlotte County, Florida); thence $N00^{\circ}41'21''E$ along the base line of said Harbor Boulevard, 627.58 feet; thence $S89^{\circ}18'39''E$ for 60 feet to a point of intersection with the West right of way line of said Harbor Boulevard and the POINT OF BEGINNING; thence $S89^{\circ}30'39''W$ for 420 feet; thence $S00^{\circ}09'21''E$ for 130 feet to a point of intersection with the South right of way line of Gortz Avenue (O.R.B. 242, Page 439, Charlotte County, Florida); thence $S89^{\circ}30'39''W$ along said South right of way line for 697.60 feet to the point of curvature of a circular curve to the left having a radius of 25 feet; thence Southerly along the arc of said curve thru a central angle of $88^{\circ}37'01''$ for 38.67 feet to the point of a compound curve to the left coincident with the East right of way line of Aaron Street (O.R.B. 260, Page 116, Charlotte County, Florida) having a radius of 3,060 feet; thence South along the arc of said curve thru a central angle of $01^{\circ}08'36''$ for 61.06 feet to the Point of Tangency; thence $S00^{\circ}14'23''W$ along said East right of way line for 644.87 feet to the point of curvature of a circular curve to the left having a radius of 25 feet; thence East along the arc of said curve thru a central angle of 90° for 39.27 feet to the Point of Tangency on the North right of way line of said Brinson Avenue; thence $S89^{\circ}45'37''E$ along said North right of way line for 50 feet to the point of curvature of a circular curve to the left having a radius of 605 feet; thence Northeasterly along the arc of said curve thru a central angle of $27^{\circ}48'09''$ for 293.57 feet to the point of reverse curvature of a circular curve to the right having a radius of 930 feet; thence Northeasterly along the arc of said curve thru a central angle of $28^{\circ}15'07''$ for 458.57 feet to the point of tangency; thence $S89^{\circ}18'39''E$ for 315 feet to the point of curvature of a circular curve to the left having a radius of 25 feet; thence Northerly along the arc of said curve thru a central angle of 90° for 39.27 feet to the point of tangency on said West right of way line of Harbor Boulevard; thence $N00^{\circ}41'21''E$ along said West right of way line for 627.58 feet to the POINT OF BEGINNING.

Lying in Charlotte County, Florida, and containing 20.81 acres more or less.

GENERAL DEVELOPMENT CORPORATION			
MIAMI		FLORIDA	
CHARLOTTE SQUARE CONDOS/RENTAL SITE			
Section 13, Township 40S, Range 22E Charlotte County - Florida			
JAMES EDWARD CLARK		CIVIL ENGINEER	
MIAMI		FLORIDA	
DATE	BY	CHK	REMARKS
REVISIONS			
ON FILE	APPROD BY	DATE 2/28/69	DWG. NO. CC/G135
ON 77		SCALE 1"=200'	Sheet 2 of 2

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EXHIBIT B

TO LEASE by and between **GENERAL DEVELOPMENT CORPORATION**, a Delaware corporation, as Lessor, and **ABBEY HOUSE OF PORT CHARLOTTE - A CONDOMINIUM, INC.**, a Florida corporation, as Lessee.

The "Condominium" referred to in the Lease to which this Exhibit B is attached, in Section 4.1 and elsewhere in said Lease, is:

ABBEY HOUSE OF PORT CHARLOTTE - A CONDOMINIUM

Said Condominium has been or will be created by a Declaration of Condominium filed among the Public Records of Charlotte County, Florida, in accordance with Chapter 711, Florida Statutes, the Condominium Act. The legal description of the real property which has been or will be initially submitted to condominium ownership in the Declaration of Condominium of **ABBEY HOUSE OF PORT CHARLOTTE - A CONDOMINIUM**, is as follows:

That portion of Section 15, Township 40 South, Range 22 East, Charlotte County, Florida, being more particularly described as follows:

Commence at the intersection of the Base Line of Harbor Boulevard (O. R. B. 193, Pages 144-147, Charlotte County, Florida.) and the centerline of Gertrude Avenue (O. R. B. 242, Page 439, Charlotte County, Florida.) thence N 89° 50' 39" W along the centerline of Gertrude Avenue a distance of 837.33 feet; thence S 00° 09' 21" W, leaving said centerline a distance of 35.00 feet to a point on the South right of way of said Gertrude Avenue and the POINT OF BEGINNING of the following described tract of land; thence S 89° 50' 39" E along the South right of way of Gertrude Avenue a distance of 355.66 feet; thence S 00° 09' 21" W leaving said South right of way a distance of 130.00 feet; thence N 89° 50' 39" W, a distance of 33.85 feet; thence S 00° 41' 21" W, a distance of 55.00 feet; thence N 89° 50' 39" W, a distance of 321.30 feet; thence N 00° 09' 21" E, a distance of 185.00 feet to the POINT OF BEGINNING, containing 1.46 acres more or less.