

Declaration which would adversely affect the ability of an Owner to rent or lease his Unit may be made without the approval of eighty percent (80%) of all of the Owners.

8.2 By Developer. Except as prohibited by Sections 718.110(2), 718.110(4), 718.110(8), *Florida Statutes*, Developer reserves the right to unilaterally amend this Declaration: (i) as deemed appropriate in Developer's sole, absolute and unfettered discretion, until Developer has sold seventy-five percent (75%) of the Units; (ii) as may be required by any lending institution, title insurance company, or public body; (iii) as may be necessary to conform the Declaration to the requirements of law; (iv) to facilitate the operation and management of the Condominium by the Association; or (v) to facilitate the sale of Units or interests in the Units. Any amendments to this Declaration that may be unilaterally made by Developer will become effective on the recording among the Public Records, of an instrument executed solely by Developer, setting forth the text of such amendment in full, together with the appropriate recording data of this Declaration. No amendment of this Declaration otherwise permitted to be unilaterally made by Developer will be permitted if such amendment would, in Developer's sole, absolute, and unfettered discretion prejudice or impair to any material extent the rights of an Owners or Mortgagees of record. In making such determination, Developer may, but is not obligated to, provide notice of such proposed amendment to Owners and their Mortgagees, and if Developer receives no objection to such proposed amendment within thirty (30) days after delivering such notice, it conclusively will be presumed that the proposed amendment does not prejudice or impair to any material extent the rights of any Owner or any Mortgagee. Developer may also make other amendments as may be reserved elsewhere in this Declaration.

8.3 Consent by South Florida Water Management District. Any amendment to this Declaration which would affect the Surface Water or Stormwater Management Systems as permitted by the local water management district, including any environmental conservation areas and the water management portions of the Common Elements, must be submitted to the local water management district for a determination of whether the amendment necessitates a modification of the Surface Water or Stormwater Management Systems permit prior to becoming effective.

ARTICLE 9. MAINTENANCE AND REPAIRS

9.1 Maintenance and Repairs. Responsibility for the maintenance, repair and replacement of the Condominium Property or Common Elements is as follows:

(a) By the Association. The Association will manage, maintain, repair and replace, and pay for all costs and expenses related to such, as part of the Common Expenses, all of the Common Elements (other than for the Limited Common Elements as specifically set forth in this Declaration, for which Owners will be responsible) as defined herein, including the following:

(i) all Surface Water or Stormwater Management Systems, private streets and adjacent drainage. Maintenance of the Surface Water or Stormwater Management System(s) will mean the exercise of practices which allow the Surface Water or Stormwater Management Systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the South Florida Water Management District. Any repair or reconstruction of the Surface Water or Stormwater Management System will be as permitted, or modified, as approved in writing by the South Florida Water Management District;

(ii) all portions of a Unit (except interior surfaces) contributing or constituting a support structure for other Units or the Building including exterior walls, party walls, the

roof of the Building, floor and ceiling joists and all water and wastewater lines and piping serving the Units;

(iii) all landscaping, lawn and grass areas and sprinkler systems within the Condominium Property;

(iv) all parking areas of the Condominium Property; and

(v) all exterior awnings.

(b) By the Owner. The responsibility for maintenance, repair and replacement within the Units and certain Limited Common Elements appurtenant to such Unit will be at the expense of the Owners. Each Owner will maintain, repair and replace everything within the confines of the Owner's Unit and certain Limited Common Elements appurtenant to such Unit, which are not to be maintained by the Association, including:

(i) all exterior doors, windows and screens of any permitted improvement, which surfaces will be maintained in such manner as to preserve a uniform appearance from outside the Units;

(ii) exterior paint of all exterior door surfaces;

(iii) interior paint, finish, covering, wallpaper and decoration of all walls, floors and ceilings;

(iv) all built-in shelves, cabinets, counters, storage areas and closets;

(v) any and all appliances and mechanical, ventilating, heating and air conditioning equipment contained within the Unit or located outside the Unit and dedicated to the exclusive use of such Unit;

(vi) all bathroom fixtures, equipment and devices;

(vii) all electrical, plumbing, and telephone fixtures, equipment, outlets, switches, wires, pipes and conduits within a Unit serving only the respective Unit, and all electric lines between the Unit and its individual service panel or meter;

(viii) all interior doors, non-load-bearing walls, partitions, and room dividers;

(ix) all furniture, furnishings and personal property contained within the Unit;

(x) all other maintenance or repair of or replacements involving a Unit as contemplated and authorized hereunder; and

(xi) hurricane shutters, unless the Association will hereafter accept responsibility as set forth in Section 16.23.

Owners will immediately notify the Association of any needed repairs or replacement for which the Association is responsible hereunder. No Owner may alter or repair any portion of the Common Elements or any Improvements located therein without the prior written approval of the Board, and pursuant to the terms of this Declaration.

9.2 Power to Enforce Maintenance. If an Owner fails to maintain or repair the property as required, or otherwise violates the provisions of this Declaration, fifteen (15) days after the Association notified the Owner with written notice (except when the maintenance or repair requires more than ten (10) days for performance and the Owner commences the maintenance or repair within ten (10) days and diligently pursues the maintenance or repair to completion), the Association will have the right to proceed in the Orange Courts to seek compliance with the foregoing provisions, or the Association will have the right to charge the Owner for the necessary sums to put the improvement within or, if applicable, on the exterior of the Unit in good condition, and to collect the charge from or levy such Owner. The Association will have the right, for its employees or agents, to enter the Unit and do the necessary work to enforce compliance with the above provisions.

9.3 The Association's Right of Access for Repairs. The Association will have the irrevocable right of access to all Units during reasonable hours when necessary for the maintenance, repair or replacement of any Common Element therein or assessable therefrom or of any portion of a Unit to be maintained by the Association pursuant to this Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units. Each Owner will provide the Association with all keys necessary for entrance to the Unit.

9.4 Association's Right of Access During Emergency. It is the responsibility of every Owner to secure the Owner's Unit in the event of imminent emergency. The Association will have the irrevocable and unconditional right of access to all Units at any time prior, during and after any emergency situation, including imminent or present hurricane, flooding, windstorm, or other natural or man-made emergency, as may be necessary to prevent or minimize damage to the Common Elements or to a Unit or Units.

ARTICLE 10.

ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATION

Whenever, in the judgment of the Board, the Common Elements, or any part thereof, will require capital additions, alterations, replacement or Improvements (as distinguished from maintenance, repairs and replacements) costing in excess of \$25,000.00 in the aggregate in any calendar year, the Association may proceed with such additions, alterations or Improvements only if the making of such additions, alterations or Improvements will have been approved by the Owners of a majority of the total voting interests represented at a meeting at which a quorum is attained. Any such additions, alterations or Improvements to such Common Elements, or any part thereof, costing in the aggregate \$25,000.00 or less in a calendar year may be made by the Board without approval of the Owners. The cost and expense of any such additions, alterations or Improvements to such Common Elements will be a Special Assessment of the Owners as provided in Section 13.2. For purposes of this Article 10, "aggregate in any calendar year" will include the total debt incurred in that year, if such debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is due beyond that year.

ARTICLE 11.

ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY UNIT OWNER

11.1 Consent of the Board. No Owner will make any addition, alteration or improvement in or to the Common Elements, the Association Property, its Unit or any Limited Common Element without the prior written consent of the Board. The Board will have the obligation to answer, in writing, any written request by an Owner for approval of such if additional information requested is received, and the failure to do so within the stipulated time will constitute non-consent of the Board. The Board may require, as its sole discretion, a structural engineer, architect, or other professional to review the proposed alterations, with such review to be at the Owner's sole expense. The Board may condition the approval in

any manner, including the satisfaction of the requirements described in this Declaration. The proposed additions, alterations and Improvements by the Owners will be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction. Once approved by the Board, such approval may not be revoked for a period of six (6) months, so long as the conditions imposed by the Association are satisfied. An Owner making or causing to be made any such additions, alterations or Improvements agrees, and will be deemed to have agreed, for such Owner, and its heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, Developer and all other Owners harmless from and to indemnify them for any costs, claims, damages, expenses, or liabilities to the Condominium Property, Association Property and/or other Units and expenses arising therefrom, and will be solely responsible for the maintenance, repair and insurance thereof from and after that date of installation or construction thereof, as may be required by the Board. The Board's rights to review and approve of plans and other submissions under this Declaration are intended solely for the benefit of the Association. Neither Developer, the Association nor any of its officers, directors, employees, agents, contractors, consultants or attorneys will be liable to any Owner or any other person by reason of mistake in judgment, failure to point out or correct deficiencies in any plans or other submissions, negligence, or any other misfeasance, malfeasance or non-feasance arising out of or in connection with the approval or disapproval of any plans or submissions. Anyone submitting plans hereunder, by the submission of same, and any Owner, by acquiring title to same, agrees not to seek damages from Developer and/or the Association arising out of the Association's review of any plans hereunder. Without limiting the generality of the foregoing, the Association will not be responsible for reviewing, nor will its review of any plans be deemed approval of, any plans from the standpoint of structural safety, soundness, workmanship, materials, usefulness, conformity with building or other codes or industry standards, or compliance with governmental requirements. Further, each Owner (including the successors and assigns) agrees to indemnify and hold the Association, Developer and other Owners harmless from and against any and all costs, claims (whether rightfully or wrongfully asserted), damages, expenses or liabilities whatsoever (including reasonable attorneys' fees and court costs at all trial and appellate levels), arising out of any review of plans by the Association hereunder.

Notwithstanding anything herein contained to the contrary, the following alterations and/or Improvements will not require the approval of the Association: (i) replacement of any plate glass window with a window of the same material, color and size; and (ii) replacement of an exterior air handler/compressor serving one or more Units, which may be effected by the Owner of any Unit directly served by the applicable air handler (and provided that the installation will not adversely affect any other Owners), provided the replacement air handler/compressor is placed in the same location as the equipment being replaced.

11.2 Combining Units. An Owner who owns two Units separated by a common party wall may, at its own expense, combine the two Units to form one office or business by removing all or a part of that wall, but only if it first obtains written approval of the alteration from the Board and all Institutional First Mortgagees holding mortgages on either or both Units. Anything herein to the contrary notwithstanding, the Board's approval will not be withheld unless the Owner fails to demonstrate to the Board reasonable satisfaction: (a) that the party selected to perform the work is capable of performing it satisfactorily, and (b) that the proposed alteration would not in any material way: (i) interfere with any other Owner's use and enjoyment of its Unit, (ii) impair the Building's structural soundness, (iii) impair utility services to any Unit or the Building, or (iv) violate any applicable law or ordinance. An Owner who thus combines two Units may at any time restore the party wall in its original location and will be required to do so before conveying one of the Units without the other or before conveying the Units to different parties. If two Units are combined, the voting rights, percentage ownership of the Common Elements appurtenant to each Unit and other rights and obligations hereunder will remain unchanged and each Unit will remain as a separate legal Unit.

11.3 Contiguous Units. An Owner who purchases two (2) contiguous Units may, with the prior approval of and subject to restrictions imposed by the Association, create one or more openings in the party wall which divides such Units in order to form one comprehensive area. Nevertheless, the creation of an opening or openings will not constitute a change in the configuration or size of the Units, and such Owner will continue to be the record owner of two (2) Units and will be responsible for the payment of Common Expenses on both Units. There will be no separate conveyance of one of the Units until both Units have been restored to their original condition prior to such combination.

11.4 Restrictions on Contractors, Workers. The Board will have the right to adopt restrictions and conditions relating to the terms on which construction, repairs, maintenance and replacement within the Building can be performed, including the review and approval of plans, design, structural integrity, aesthetic appeal, construction details, lien protection, Association oversight, contractor's access, deliveries, and storage of materials and hours of construction and other matters relating to such work. The Association will have the right to approve the contractor performing the work, to require that the work be performed only during certain specified hours or only on certain days so as to minimize the disruption and inconvenience to the other Owners, and to require that the contractor fulfill such bonding and insurance requirements as the Board may reasonably require. Any contractor, worker or other person who does not comply with the Association's regulations and requirements regarding construction in and about the Building will be denied access to the Building and will not be permitted to perform further work at the Building. The Owner will further be responsible for any damage done to the Building by any contractor, worker or other person performing work in the Unit and such damage will be the subject of a Special Assessment against the Owner by the Association.

11.5 Improvement, Additions or Alterations by Developer. Anything to the contrary notwithstanding, the foregoing restrictions in this Article 11 will not apply to Developer-owned Units or work performed by Developer on behalf of an Owner. Developer will have the additional right, without the prior written consent of the Board or other Owners, to expand, alter or add to all or any part of the Common Elements or the Association Property for so long as Developer holds any Unit for sale in the ordinary course of business. Any amendment to the Declaration required by a change made by Developer pursuant to this Section 11.5 will be effected by Developer alone without the vote or prior written consent of the Association or Owners (or their mortgagees) required, except to the extent that any of same constitutes a material amendment, in which event, the amendment must be approved as set forth in Section 8.2 this Declaration. The provisions of this Article 11 may not be added to, amended or deleted without the prior written consent of Developer.

11.6 Changes in Developer-Owned Units and Common Elements by Developer. Developer will have the right, without the vote or prior written consent of the Association or Owners, to: (i) make alterations, additions or Improvements in, to and upon Units owned by Developer and any Limited Common Elements appurtenant thereto, whether structural or non-structural, interior or exterior, ordinary or extraordinary; (ii) change the layout or number of rooms in any Developer-owned Units; (iii) change the size of Developer-owned Units by combining separate Developer-owned Units into a single space (although being kept as two separate legal Units), or otherwise; and (iv) reapportion among Developer-owned Units affected by such change in size pursuant to the preceding clause, their appurtenant interests in the Common Elements and share of the Common Surplus and Common Expenses; provided, however, that the percentage interest in the Common Surplus and Common Expenses of any Units (other than the affected Developer-owned Units) will not be changed by reason thereof unless all of the Owners of such Units will consent thereto and, provided further, that Developer will comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making the above alterations, additions and Improvements, Developer may expand, add to, relocate or alter Common Elements adjacent to or near such Units, incorporate portions of the Common Elements into adjacent Units and incorporate Units into adjacent Common Elements, provided that such relocation and alteration

does not, in Developer's sole, absolute, and unfettered discretion materially adversely affect the market value or ordinary use of Units owned by Owners other than Developer. Any amendments to this Declaration required by changes of Developer alone pursuant to this Article 11, will be effected by Developer alone, without the vote or prior written consent of the Association or Owners (or their mortgagees) required, except to the extent that any of same constitutes in Developer's sole, absolute, and unfettered discretion, a material amendment, in which event, the amendment must be approved as set forth in this Declaration. The provisions of this Article 11 may not be added to, amended or deleted without the prior written consent of Developer.

ARTICLE 12.

OPERATION OF THE CONDOMINIUM BY THE ASSOCIATION; POWERS AND DUTIES

12.1 Membership in the Association. Membership of each Owner in the Association is appurtenant to each Unit. Each Unit will have appurtenant to it, votes in the Association equal to the percentage interest of each particular Unit as set forth in Exhibit "D."

12.2 Restraint on Assignment of Shares and Assets. Each Owner's share in the funds and assets of the Association cannot and may not be assigned, hypothecated, or transferred in any manner except as an appurtenance to the Owner's Unit.

12.3 Transfer of Control of the Association. Owners other than Developer are entitled to elect members of the Board at such times as are prescribed by this Section 12.3 and Section 718.301, *Florida Statutes*. Developer will designate the initial members of the Board. Developer will continue to designate from time to time all Developer positions on the Board until such time as Developer is no longer entitled to elect or designate a directors in accordance with Section 718.301, *Florida Statutes*. Nothing in this Declaration may be construed to preclude Developer from relinquishing control of the Board at any earlier time that Developer may so elect.

12.4 Effect on Developer. So long as Developer holds any Unit for sale in the ordinary course of business, no Assessment of Developer as an Owner for special improvements may be assessed.

12.5 Management Agreement. The Association may enter into a management agreement for the management and maintenance of the Condominium Property. Pursuant to such management agreement, the Association may authorize a management agent to assist the Association in carrying out the Association's powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with funds as will be made available by the Association for such purposes. The Association, its directors and its officers will, however, retain at all times the powers and duties granted by the Condominium Documents and the Act, including the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association. Each Owner, its heirs, successors and assigns, will be bound by any such management agreement for the purposes therein expressed, and, by virtue of said party's taking title to a Unit in this Condominium, said Owner hereby covenants and promises to perform each and every one of the covenants, promises and undertakings to be performed by Owners in the cases provided therefor in any such management agreement.

12.6 Association Powers On Merger; Operation of Other Condominiums. In the event this Condominium is merged pursuant to the Act with another separate and independent condominium to form a single condominium, the Association is expressly empowered to manage and operate the resulting single condominium as provided for in the Act and this Declaration. The Association is also specifically empowered to manage, operate, and maintain any other separate and independent condominiums that the Board will elect to manage, operate, and maintain from time to time in accordance with the Act, this

Declaration and the declaration of condominium of the other separate and independent condominium. If the Association manages, operates, or maintains any independent condominium other than the Condominium, the Association will maintain the books, records, accounts, and funds of such other condominiums separate and apart from the books, records, accounts, and funds of the Condominium.

12.7 Powers and Duties. The Association will be the entity responsible for the operation of the Condominium. The powers and duties of the Association will include those set forth in the Articles and By-Laws as may be amended from time to time. In addition, the Association will have all the powers and duties set forth in the Act, as well as all powers and duties granted to or imposed upon it by this Declaration, including:

(a) The irrevocable right to have access to any portion of each Unit and its Limited Common Elements from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of such portions thereof as required by this Declaration or the Act, for performing extermination services, or at any time and by force, if necessary, for making emergency repairs therein necessary to prevent damage to the Common Elements or to any other Unit or Units thereon.

(b) The power to make and collect Assessments and other related expenses authorized under the Act against Owners, to lease, maintain, repair and replace the Common Elements, and to grant, modify or cancel easements pertaining to the Common Elements.

(c) The duty to maintain accounting records, according to good accounting practices, which will be open to inspection by Owners or their authorized representatives at reasonable times upon prior request.

(d) The power to contract for the management and maintenance of the Condominium Property and to authorize a duly licensed management agent (who may be an affiliate of Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of the Condominium Rules and Regulations, and to perform the maintenance, repair and replacement required of the Association with such funds as will be made available by the Association for such purposes. The Association will also have the power to join with other condominium associations and entities in contracting for the maintenance and repair of the several condominium properties and other type properties, and may contract for or may join with other condominium associations in contracting for the management of the several condominium properties and other type properties, as may be more specifically provided for by the Articles and By-Laws.

(e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, if any. Such actions must be approved by a majority of the entire Board and a majority of the Owners of all the Units, or by such greater percentage of the Board or Owners as may be specified in the By-Laws with respect to certain borrowing, and no such action will be permitted while Developer holds any Unit for sale in the ordinary course of business without the prior written consent of Developer.

(f) The power to adopt and amend the Condominium Rules and Regulations concerning the details of the operation and use of the Condominium Property.

(g) The power to acquire, lease, mortgage, and convey real and personal property and to grant, modify and cancel easements regarding such property, provided that such action may be done only upon: (i) the approval of a majority of the Board; (ii) a finding by the Board that such action is for the benefit of the members of the Association; and (iii) a finding by the Board that action does not

materially interfere with Developer's easements or other rights granted in this Declaration. The requirements of this Declaration pertaining to the Owners' approval of costs in excess of the threshold amount stated therein (including the provision as to the debt incurred) will also apply to this acquisition and dealing with Association-owned property; provided, however, that the acquisition of a Unit as a result of a foreclosure of the lien for Assessments will be exempt from these requirements.

(h) The power to acquire or enter into agreements acquiring leaseholds, memberships or other possessory or use interests in lands or facilities for recreational purposes as long as such arrangements are also approved by the Owners of the total voting interests.

(i) All of the powers which a corporation not-for-profit in the State of Florida may exercise pursuant to this Declaration, the Articles, the By-Laws, Chapter 617, *Florida Statutes*, and the Act, in all cases except as expressly limited or restricted in the Act or the Condominium Documents.

12.8 Limitation of Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association will not be liable to Owners for injury or damage, other than for the cost of maintenance and repair, caused by any latent condition of the Condominium Property. Further, the Association will not be liable for any such injury or damage caused by defects in design or workmanship or any other reason connected with any additions, alterations or Improvements done by or on behalf of any Owners, regardless if whether or not same will have been approved by the Association pursuant to the provisions of this Declaration.

NOTWITHSTANDING ANYTHING CONTAINED IN THE "CONDOMINIUM DOCUMENTS, 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 OR FOR ANY PROPERTY OF ANY SUCH PERSONS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING:

(a) 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 USES 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;

(b) 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, THE COUNTY, AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES; AND

(c) 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 ITS ACCEPTANCE OF TITLE TO ITS 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 ARTICLE, "ASSOCIATION" SHALL INCLUDE WITHIN ITS MEANING ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE AND BOARD OF DIRECTORS MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS. THE PROVISIONS OF THIS ARTICLE SHALL ALSO INURE TO THE BENEFIT OF DEVELOPER AND ITS AFFILIATES, WHICH SHALL BE FULLY PROTECTED HEREBY.

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

12.10 Acts of the Association. Unless the approval or action of Owners, and/or a certain specific percentage of the Board is specifically required in this Declaration, the Articles or By-Laws, or the Condominium Rules and Regulations, or applicable law, all approvals or actions required or permitted to be given or taken by the Association will be given or taken by the Board, without the consent of Owners, and the Board may so approve and act through the proper officers of the Association without a specific resolution. When an approval or action of the Association is permitted to be given or taken hereunder or thereunder, such action or approval may be conditioned in any manner the Association deems appropriate or the Association may refuse to take or give such action or approval without the necessity of establishing the reasonableness of such conditions or refusal.

12.11 Amendment of By-Laws. No amendment to the By-Laws will change the rights and privileges of Developer without Developer's prior written consent. Any amendment to the By-Laws will be executed by the parties as required pursuant to this Declaration and the provisions of the By-Laws.

12.12 Binding Effect of Condominium Documents. Every Owner of a Unit, whether having acquired such ownership by gift, conveyance or transfer by operation of law, or otherwise, will be bound by the Condominium Documents and any management agreement entered into by the Association for the management of the Condominium. Membership in the Association will automatically terminate upon the termination of ownership of a Unit, and the subsequent owner(s) taking title will automatically become entitled to membership.

ARTICLE 13. DETERMINATION OF ASSESSMENTS

13.1 General Assessment. The Board will from time to time, and at least annually, prepare and adopt the Budget for Common Expenses, determine the amount payable by the Owners to meet the Common Expenses, and allocate and assess such expenses among the Owners in accordance with the provisions of this Declaration and the other Condominium Documents ("General Assessment"). The Board will advise all Owners promptly in writing of the amount of the General Assessment payable by each of them as determined by the Board. The Budget for Common Expenses will include the reserves required by law or determined appropriate by the Board, the costs of carrying out the powers and duties of the Association, and any other expenses designated as Common Expenses by the Act, this Declaration and the other Condominium Documents, or by the Association. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association expenses and liabilities, to fund reserve

accounts, or otherwise as the Board will determine from time to time, and need not be restricted or accumulated. Any adopted Budget of Common Expenses will be subject to change by the Board, and the amount of the General Assessment will be changed in accordance with such revised Budget for Common Expenses to cover actual expenses at any time. General Assessments include expenses of any items or services required by any federal, state, or local governmental entity to be installed, maintained, or supplied to the Condominium Property by the Association, including fire safety equipment or water or sewer service where a master meter serves the condominium. The Board will consider and adopt the Budget for Common Expenses in accordance with the Act.

13.2 Special Assessments. In addition to General Assessments, the Board may levy "Special Assessments" which mean or refer to amounts levied against each Owner and its Unit, representing a portion of the costs incurred by the Association for specific purposes of a nonrecurring nature which are not in budgeted in the Budget for Common Expenses.

13.3 Payment. Special Assessments may be levied by the Board and will be payable in monthly or quarterly installments, at the discretion of the Board and in accordance with the By-Laws and the Act.

13.4 Capital Reserve. The Association will maintain a reserve fund in accordance with the Act to be used solely for making capital expenditures in connection with the Common Elements ("Capital Reserve"). The Board will determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of the Improvements to the Common Elements and equipment owned by the Association as well as periodic projections of the cost of anticipated major repairs or Improvements to the Common Elements or the purchase of equipment to be used by the Association in connection with its duties. Each Budget of Common Expenses will disclose that percentage of the annual Assessment which will be added to the Capital Reserve, and each Owner will be deemed to make a capital contribution to the Association equal to such percentage multiplied by each installment of the annual Assessment paid by such Owner. Such reserves may be waived or reduced on an annual basis as provided by the Act. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year will be charged first against such portions of any contingency reserve or Capital Reserve, as applicable, which remains unallocated. If the estimated cash requirement proves inadequate for any reason or in the event a non-recurring Common Expense is anticipated for any year, then the Board may prepare and approve a supplemental Budget of Common Expenses covering the estimated deficiency or non-recurring expense for the remainder of such year, copies of such supplemental budget will be furnished to each Owner, and thereupon a separate Assessment will be made to each Owner for its proportionate share of such supplemental Budget of Common Expenses. All Owners will be personally liable for and obligated to pay their respective adjusted monthly Assessment.

13.5 Working Capital Contribution. At the closing of a purchase of a Unit from Developer, the Owner will pay the Working Capital Contribution to the Association. The Working Capital Contribution will be used to create and fund a working capital fund for the Association. The Working Capital Contribution is not refundable, is in addition to the Owner's share of the then current Common Expenses, and will not be applied as a credit against any Assessments otherwise due and payable by the Owner. To further ensure that the Association will have sufficient cash available to pay for start-up expenses, Common Expenses and other expenses, Developer may from time to time advance to the Association the Working Capital Contribution applicable to any Unit(s) prior to the time legal title to such Unit(s) is conveyed to the Owner(s) thereof.

ARTICLE 14.
COLLECTION OF ASSESSMENTS

14.1 Liability for Assessments. An Owner, regardless of how title is acquired, including by purchase at a judicial sale or by deed in lieu of foreclosure, will own shares in the Common Elements and the Common Surplus, and will be liable for her percentage of all Assessments coming due while it is the Owner. Additionally, except as set forth in Section 14.7, an Owner will be jointly and severally liable with the previous owner for all unpaid Assessments that came due up to the time of the conveyance, without prejudice to any right such Owner may have to recover from the previous owner the amounts paid by such Owner. 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, or otherwise.

14.2 Personal Liability for Unpaid Assessments. Each Owner and, except as limited by Section 14.7, any successor in title or interest to such Owner is personally liable for all assessments made against the Unit pursuant to this Declaration or the Act, and the Association may bring an action for a money judgment against a delinquent Owner or successor in title or interest to such Owner to collect all sums due the Association, including interest, late charges, costs, collection fees and reasonable attorneys' fees, including those incurred in all bankruptcy and probate proceedings. If a Unit is owned by more than one person or entity, such Owners will be jointly and severally liable for all assessments made against their respective Unit. The liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Element or by abandonment of the Unit for which the assessments are made. Any person acquiring title must pay any delinquent amounts owed to the Association within thirty (30) days after transfer of title.

14.3 Default in Payment of Assessments. Assessments and installments thereof not paid within ten (10) days from the date when they are due will bear interest at the rate established from time to time by the Board from due date until paid (provided, however, that no such rate will exceed the maximum allowed by law). In the event the Board has not established such rate, the interest rate will be eighteen percent (18%) per annum. Each delinquent payment will be subject to an administrative late fee in an amount not to exceed the greater of twenty-five dollars (\$25.00) or five percent (5%) of each delinquent installment. The Association has a lien on each Unit for any unpaid Assessments on such Unit, with interest thereon 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 lien will be effective on the earliest date allowed by law, which will be no later than as of the recording of the claim of lien; provided, however, no lien may be filed by the Association against a Unit until thirty (30) days after the date on which a notice of intent to file a lien has been delivered to the Owner by certified mail, return receipt requested, and by first-class United States mail to the Owner at the Owner's last known address as reflected in the records of the Association; provided, however, if the address reflected in the records of the Association is outside the United States, then the notice must be sent first-class United States mail to the Unit and to the last known address by regular mail with international postage, which will be deemed sufficient. Delivery of the notice will be deemed given upon mailing, or alternatively, notice will be complete if served on the Owner in the manner authorized by Chapter 48, *Florida Statutes*, and the Florida Rules of Civil Procedure. Such lien will be evidenced by the recording of a claim of lien in the Public Records, stating the description of the Unit, the name of the record Owner, the name and address of the Association, the amounts due and the due dates. The claim of lien will not be released until all sums secured by it (or such other amount as to which the Association will agree by way of settlement) have been fully paid or until it is barred by law. The claim of lien will secure (whether or not stated therein) all unpaid Assessments, interest thereon, the administrative late fee, and costs and attorneys' fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a final judgment of foreclosure thereof. A claim of lien will be signed and acknowledged by an

officer or authorized agent of the Association. Upon payment, the person making the payment is entitled to a satisfaction of the lien in recordable form. The Association or its assignee may bring an action to foreclose a lien for unpaid Assessments in the manner a mortgage of real property is foreclosed on in Florida, and may also bring an action at law to recover a money judgment for the unpaid Assessments and other amounts due without waiving any claim of lien. The Association is entitled to recover its costs and reasonable attorneys' fees incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid Assessments.

As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid and after thirty (30) days prior written notice to the applicable Owner and the recording of a claim of lien, the Association may declare the balance of General Assessment installments due for the remainder of the fiscal year and payments of other known Assessments to be accelerated and will thereupon be immediately due and payable. In the event that the amount of such accelerated installments or payments changes, the Owner or the Association, as appropriate, will be obligated to pay or reimburse to the other the amount of increase or decrease within ten (10) days of same taking effect.

Any payments received by the Association from a delinquent Owner will be applied first to any interest accrued as provided above, then to any administrative late fee, then to any costs and reasonable attorneys' fees incurred in collection as aforesaid and then to the delinquent and any accelerated Assessment. The foregoing application of funds received will be applicable despite any restrictive endorsement, designation or instruction placed on or accompanying a payment.

14.4 Fines. For each violation of any of the Condominium Documents, the Board may levy against the offending Owner a sum of up to one hundred dollars (\$100.00) per violation or such higher amount as may be then allowed by Applicable Law, as it may exist from time to time. This remedy is in addition to, and not in lieu of, the remedies provided in the Condominium Documents or Applicable Law. An Owner against whom a fine is sought to be levied will be afforded an opportunity for hearing if required by the Act.

14.5 Notice of Intention to Foreclose Lien. Unless otherwise required by the Act or other applicable law, no foreclosure judgment may be entered in favor of the Association until at least thirty (30) days after the Association gives written notice to the 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 coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association will not recover attorneys' fees or costs. The notice must be given by delivery of a copy of it personally to the Owner or by certified or registered mail, return receipt requested, addressed to the Owner at the last known address, and upon such mailing, the notice will be deemed to have been given. If after diligent search and inquiry the Association cannot find the Owner or a mailing address at which the Owner will receive the notice, the court may proceed with the foreclosure action and may award attorneys' fees and costs as permitted by law. The notice requirements of this Section 14.5 are satisfied if the Owner records a Notice of Contest of Lien as provided in the Act.

14.6 Appointment of Receiver to Collect Rental. If the Owner remains in possession of the Unit after a foreclosure judgment has been entered, the court in its discretion may require the Owner to pay a reasonable rental for the Unit. If the Unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent, the expenses of such receiver to be paid by the party which does not prevail in the foreclosure action.

14.7 Institutional First Mortgagee. In the event an Institutional First Mortgagee or other purchaser will obtain title to a Unit by foreclosure, or by deed in lieu of foreclosure, such Institutional

First Mortgagee or other purchaser, its successors and assigns, will be liable for Assessments or other related expenses authorized under the Act secured by the claim of lien only to the extent provided by the Act. If, due to the applicable provisions of the Act, any unpaid share of the Assessments or other related expenses authorized under the Act are not required to be paid, then such unpaid share or other related expenses authorized under the Act will be deemed to be a Common Expense collectible from all of the Owners, including such acquirer, and such acquirer's successors and assigns.

14.8 Certificate of Unpaid Assessments. Within fifteen (15) days after request by an Owner or an Institutional First Mortgagee of a Unit, the Association will provide a certificate stating all Assessments and other monies owed to the Association by the Owner with respect to its Unit. Any person other than the Owner who relies upon such certificate will be protected thereby.

14.9 Installments. General Assessments will be collected monthly or quarterly, in advance, as determined from time to time by the Board. Initially, General Assessments will be collected monthly.

ARTICLE 15.

INSURANCE, RESTORATION OF IMPROVEMENTS AND EMINENT DOMAIN

15.1 Insurance.

(a) The Board will have the option, in its sole, absolute, and unfettered discretion, of appointing an "Insurance Trustee." The term "Insurance Trustee" will also include the Board if the Board fails or elects not to point such Insurance Trustee, in which case the Board will perform directly all obligations imposed upon such Insurance Trustee by this Declaration. If the Insurance Trustee fails or ceases for any reason to act as the Insurance Trustee, then the Board will have the option, in its sole discretion, of appointing a successor Insurance Trustee. Fee and expenses of any Insurance Trustee will be Common Expenses.

(b) The Board will have the authority to and will obtain insurance (exercising its best efforts to obtain and maintain such insurance) for the Condominium Property as follows; provided, however, in no event will the Board purchase less insurance (in terms of coverage or type) than is required by the Act:

(i) Insurance on the Condominium Property, Units and Common Elements, all items under the terms of this Declaration for which the Association is responsible for the maintenance thereof, and all items for which the Association is required under applicable provisions of the Act to insure, against loss or damage by fire and against loss or damage by risks now or hereafter embraced by conventional extended coverage and vandalism and malicious mischief endorsements, in an amount sufficient to prevent the insured from being a co-insurer within the terms of the applicable policies, but in any event in an amount not less than 100% of the full insurance replacement cost thereof. The "full insurance replacement cost" will be determined at least once every thirty-six (36) months by the Board, which determination may be based upon appropriate insurance appraisals. The cost of any and all such appraisals will be Common Expenses;

(ii) Each hazard insurance policy issued or renewed for the purpose of protecting the Condominium must include primary coverage for: (i) all portions of the Condominium Property as originally installed or replacement of like kind and quality, in accordance with the original plans and specifications; (ii) all alterations or additions made to the Condominium Property or the Association Property pursuant to Section 718.113(2), *Florida Statutes*; and (ii) the coverage must exclude: (a) all personal property within the Units or Limited Common Elements; (b) all floor, wall, and ceiling coverings; (c) electrical fixtures, appliances, water heaters, water filters, built-in cabinets, and

countertops; (d) window treatments, including curtains, drapes, blinds, hardware, and similar window treatment components; or (e) replacements of the foregoing.

(iii) To the extent applicable, if any, insurance on the Condominium Property (exclusive of excavations, foundations and footings) against all loss or damage from explosion of heating apparatus, pressure vessels and pressure pipes, if any, installed in, on or about Condominium Property, without co-insurance clause so long as available, in such amount as the Board will deem desirable;

(iv) To the extent applicable, if any, insurance on the Condominium Property against all loss or damage from floods or rising waters; provided, however, that such insurance will not be required to cover the personal property contained within a Unit (including appliances and equipment installed in a Unit prior to conveyance by Developer, if applicable);

(v) Comprehensive public liability and property damage insurance against claims for personal injury or death or property damage suffered by the public or by any Owner occurring, in, on or about the Condominium Property or upon, in or about the streets and passageways and other areas adjoining the Condominium Property, such public liability and property damage insurance to afford protection to such limits as the Board will deem desirable (but in no event not less than \$1,000,000.00 with respect to liability for personal injury or property damage arising out of a single accident), and such insurance coverage to include Owners as additional insureds, but only with respect to that portion of the Condominium Property not reserved for the exclusive use of a single Owner;

(vi) Such workmen's compensation insurance as may be necessary to comply with applicable laws;

(vii) Employer's liability insurance in such amount as the Board will deem desirable;

(viii) Fidelity insurance coverage will be carried in the name of the Association for all officers, directors, and employees of the Association and all other persons who control or disburse funds of the Association, including those individuals authorized to sign checks on behalf of the Association. The total amount of fidelity bond coverage must cover the maximum funds that will be in the custody of the Association or the management company at any one time. The cost of the fidelity insurance coverage or the fidelity bond, as applicable, will be a Common Expense; and

(ix) Such other insurance (including insurance with respect to officers' and directors' liability) as may be required by law or deemed necessary by the Board in such reasonable amounts as the Board will deem desirable.

(c) Premiums and Deductibles. Premiums on insurance policies purchased by the Association and any deductibles required under such policies are Common Expenses; provided, however, all deductibles must be consistent with industry standards and prevailing practices for similar communities. The Board may cause, as part of the budgeting process, a reserve account to be established to pay the amount of deductibles, if any, on insurance policies purchased by the Association. In computing the deductible reserve account the Board may use any "expected life" calculation that it deems reasonable. Furthermore, all uninsured losses and other damages in excess of hazard insurance coverage under the hazard insurance policies maintained by the Association are a Common Expense, except that:

(i) An Owner is responsible for the costs of repair or replacement of any portion of the Condominium Property not paid by insurance proceeds, if such damage is caused by intentional conduct, negligence, or failure to comply with the terms of this Declaration or the

Condominium Rules and Regulations by such Owner or such Owner's guests, tenant, or invitees, without compromise of the subrogation rights of any insurer.

(ii) An Owner is responsible for the costs of repair or replacement of personal property of such Owner or the Association, as well as other property, whether real or personal, which Owners are required to be insured pursuant to this Declaration.

(iii) To the extent the cost of repair or reconstruction for which an Owner is responsible is reimbursed to the Association by insurance proceeds, and, to the extent the Association has collected the cost of such repair or reconstruction from such Owner, the Association will reimburse such Owner without the waiver of any rights of subrogation.

(iv) The Association is not obligated to pay for repair or reconstruction or repairs of causally losses as a Common Expense if the casualty losses were known or should have been known to an Owner and were not reported to the Association until after the insurance claim of the Association for that casualty was settled or resolved with finality, or denied on the basis that the claim was untimely filed.

(v) The Association is not obligated to pay for any reconstruction or repair expenses incurred by a current or former Owner of the unit or by Developer if the improvement benefits only the Unit for which such improvement was installed and is not part of all Units as part of original construction, whether or not such improvement is located within the Unit; provided, however, this does not relieve any party of its obligations regarding recovery due under any insurance implemented specifically for any such improvements.

(d) All insurance provided for in this Article 15 will be effected under valid and enforceable policies issued by insurers of recognized responsibility authorized to do business in the State of Florida.

(e) All policies of insurance of the character described in this Article 15: (i) will name, as insured, Developer, so long as it has an insurable interest, and the Association individually and as trustee of the Owners without naming them and their respective mortgagees, and will also name as an insured the Insurance Trustee if appointed in accordance with this Article 15, as the respective interests of all such insureds may appear; (ii) will be without contribution as respects other such policies of insurance carried individually by the Owners whether such other insurance covers their respective Units and/or the additions and Improvements made by such Owners to their respective Units; (iii) will provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement therefor, such option will not be exercisable in the event the Owners elect to sell the Condominium Property or terminate the Condominium; and (iv) will contain an endorsement to the effect that such policy will not be terminated for nonpayment of premiums without at least thirty (30) days prior written notice to the mortgagee of each Unit. Policies of insurance of the character described in this Article 15 may contain an endorsement extending coverage so as to include the payment of Common Expenses with respect to damaged Units during the period of reconstruction thereof. Notwithstanding the issuance of standard mortgage clause endorsements under the policies of insurance of the character described in this Article 15, any losses under such policies will be payable, and all insurance proceeds recovered thereunder will be applied and discussed, in accordance with the provisions of this Declaration.

(f) All policies of insurance of the character described in this Article 15 will name as insureds the Association, the Board, its manager, and the other agents and employees of such Association, Board and manager and Developer in its capacity as an Owner and Board member, and will also provide coverage for each Owner (except as more particularly described in this Article 15). In addition, all

policies of insurance of the character described in this Article 15 will contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, members of the Board, Developer, the manager, their respective employees and agents, and the Owners and occupants and will cover claims of one or more insured parties against other insured parties.

(g) The Association, for the benefit of the Owners and the mortgagee of each Unit, will pay the premiums on the policies of insurance obtained by the Association, as required by this Article 15 at least thirty (30) days prior to the expiration dates of the respective policies.

(h) The loss, if any, under any policies of insurance will be payable, and the insurance proceeds paid on account of any such loss will be applied and disbursed as follows:

(i) To the Association, as trustee for each of the Owners in their respective percentages of ownership in the Common Elements as established in this Declaration, in the case of any one loss of \$20,000.00 or less in the aggregate, which insurance proceeds, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, will be applied to the payment of the cost of restoring the Condominium Property to substantially the same condition in which it existed immediately prior to such damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before, free from mechanic's, materialmen's and other similar liens; or

(ii) In case of any one loss exceeding \$20,000.00 in the aggregate, then the insurance proceeds will be paid to the Insurance Trustee for the purpose of collecting and disbursing the insurance proceeds. The Insurance Trustee will not be liable for the payment of premiums nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds, nor for the form or content of the policies. The sole duty of the Insurance Trustee will be to receive such proceeds as are paid and distribute the same as herein provided for the purposes elsewhere stated. Such proceeds, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, and the fees of the Insurance Trustee, will be applied by the Insurance Trustee to the payment of the cost of restoring the Condominium Property to substantially the same condition in which it existed immediately prior to such damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before. Such proceeds will be paid by the Insurance Trustee to or for the account of the Association, from time to time as work progresses, in such manner as will be required to facilitate the restoration of the damaged property. The Association and the Insurance Trustee may, prior or subsequent to any such loss, enter into an insurance trust agreement further implementing the provisions of this Declaration with respect to the collection and disbursement of proceeds of insurance by the Insurance Trustee.

(i) The Board, or, where applicable, the Insurance Trustee, will have the exclusive authority to negotiate losses under any policy providing property or liability insurance as described in this Article 15 and such other authority as may be necessary in connection with its purchase and maintenance of the insurance required under this Article 15.

(j) Owners.

(i) Each Owner will obtain insurance coverage and deductibles at its own expense upon its Unit, and the personal property therein; all floor, wall and ceiling coverings; all built-in cabinets, appliances, water heaters, air conditioning and heating equipment, and electrical fixtures that are located within the Unit and required to be repaired or replaced by the Owner; and all alterations, additions and Improvements made to the Unit or the Common Elements by the Owner and or its predecessors in title. Each Owner will carry insurance with endorsements for leakage, seepage and wind-driven rain,

additions and alterations. Each Owner, at its own expense, will also obtain business operation insurance coverage, which will include business interruption insurance, and if applicable, insurance for rent loss. Each Owner will further obtain personal liability insurance coverage and deductibles at its own expense, to the extent not covered by the policies of liability insurance obtained by the Board for the benefit of all of the Owners as above provided. All policies of casualty insurance carried by each Owner will be without contribution as respects the policies of casualty insurance obtained by the Board for the benefit of all of the Owners as above provided. At all times, each Owner will have delivered to the Association, the original (or a certified copy thereof) of all policies of insurance required hereby, together with receipts or other evidence that the premiums therefore have been paid. Not less than thirty (30) days prior to the expiration date of any such policies, the Owner will deliver to the Association the original (or a certified copy thereof), of the renewal certificate, as applicable, for each renewed policy, together with receipts or otherwise evidence that the premiums therefore have been paid.

(ii) Each Owner will be required to report all additions or alterations to its Unit promptly in writing to the Board, without prior request from the Board, and each Owner will be responsible for any deficiency in any insurance loss recovery resulting from its failure to so notify the Board. The Board will not be responsible for obtaining insurance on such additions, alterations or Improvements unless and until such Owner will make such report and request the Board in writing to obtain such insurance, and will make arrangements satisfactory to the Board for such additional premiums; and upon the failure of such Owner so to do, the Board will not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or Improvements. In this subsection, "additions" or "alterations" will mean property attached to the Unit and not readily removable without damage to the Unit, including carpeting, special flooring, special wall covering, and paneling. The insurance coverage described in this subsection will not be deemed to include personal property owned by the Owner and not attached to the Unit.

(iii) Each Owner hereby waives and releases any and all claims which he may have against any other Owner if any, and their respective employees and agents, for damages to the Common Elements, the Units, or to any personal property located in the Unit or Common Elements caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance.

(iv) Each Owner will carry hazard insurance and such hazard insurance must contain the following: (i) that the coverage afforded by such policy is excess coverage over the amount recoverable under any other policy covering the same property; (ii) that there is special assessment coverage of no less than two-thousand dollars (\$2,000) per occurrence; (iii) that the policy does not provide rights of subrogation against the Association; (iv) that coverage for all improvements or additions to the Condominium Property that benefit fewer than all unit owners have the use thereof (may be insured by the association at the cost of the unit owners have the use thereof); and (v) that the Association is named as an additional named insured and loss payee.

(v) Owners will provide evidence of a currently effective policy to the Association upon request, but not more than once a year.

(vi) No Owner will cause insurance premiums to be assessed on the basis of increased charges for coverage on certain Units.

15.2 Cancellation of Insurance. The Board will be responsible, in the event any insurance required under to be carried by the Association pursuant to this Article 15 is canceled, for serving notice of such cancellation upon any persons insured thereunder.

15.3 Repair, Restoration or Reconstruction of the Improvements.

(a) In the event the Improvements forming a part of the Condominium Property, or any portion thereof, including any Units, will suffer damage or destruction from any cause and the proceeds of any policy or policies insuring against such loss or damage, and payable by reason thereof, plus Capital Reserves, if permitted by the Act, will be sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction will be undertaken and the insurance proceeds and, if necessary, the Capital Reserves, will be applied by the Board or the payee of such insurance proceeds in payment therefor; provided, however, that in the event within one-hundred eighty (180) days after said damage or destruction, the Owners will elect either to sell the Condominium Property or terminate the Condominium, then such repair, restoration, or reconstruction will not be undertaken. In the event such repair, restoration, or reconstruction is not undertaken the net proceeds of insurance policies will be divided by the Board or the payee of such insurance proceeds among all Owners according to each Owner's percentage of ownership in the Common Elements as set forth in Article 5, after first paying out of the share of each Owner the amount of any unpaid liens on its Unit, in the order of the priority of such liens. In the event repair, restoration or reconstruction are not undertaken, the Association will not be required to pay the amount of any deductible under applicable insurance policies.

(b) If the insurance proceeds and Capital Reserves are insufficient to reconstruct the Unit and the Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Unit within one-hundred eighty (180) days from the date of damage or destruction, then the provisions of the Act will apply.

(c) In the case of damage or other destruction in which fewer than one-half (1/2) of the Units are rendered uninhabitable, the Unit or other portion of the property will be reconstructed.

(d) In the case of damage or other destruction in which at least one-half (1/2) of the Units are rendered uninhabitable, upon the affirmative vote of not fewer than seventy-five percent (75%) of the total voting interest voting at a meeting called for that purpose, any portion of the property affected by such damage or destruction may be withdrawn from the Condominium. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof will be reallocated among the remaining Units on the basis of the percentage of ownership of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of ownership appurtenant to that Unit will be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board. The payment of just compensation, or the allocation of any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, will be allocated on the basis of each Owner's percentage of ownership therein. Any proceeds available from the withdrawal of any Limited Common Elements will be distributed in accordance with the percentage of ownership of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of Assessments on such Unit or portion thereof by the Owner will cease.

(e) As used in this Section 15.3, "repair, restoration or reconstruction" of Improvements means restoring the Improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before unless, if allowed by the Act, other action is approved by holders of first mortgages on Units which have at least a majority of the total voting interests.

(f) All reconstruction work after a casualty loss will be undertaken by the Association; provided, however, an Owner may undertake reconstruction work on portions of such

Owner's Unit with the prior written consent of the Board and such reconstruction work may be conditioned upon the approval of repair methods, the qualifications of the proposed contractor, or the contract that is used for that purpose. Owners are responsible for the cost of reconstruction of any portion of the Condominium Property that such Owner was required to carry insurance.

15.4 Eminent Domain. In the event any portion of the Condominium Property is taken by condemnation or eminent domain proceedings, provision for withdrawal from the provisions of the Act of such portion so taken may be made by the Board. Upon the withdrawal of any Unit or portion thereof due to eminent domain, the percentage of ownership in the Common Elements appurtenant to such Unit or portion thereof will be reallocated among the remaining Units on the basis of the percentage of ownership of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of ownership appurtenant to that Unit will be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Owner will be on an equitable basis, which need not be a Unit's percentage of ownership. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, will be payable to the Association and will be allocated on the basis of each Owner's percentage of ownership therein. Proceeds available from the withdrawal of any Limited Common Element will be distributed in accordance with the percentage of ownership of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of Assessments on such Unit or portion thereof by the Owner will cease. The Association will represent the Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for the acquisition of the Common Elements or any part thereof. In the event of the total taking of the property by eminent domain, the condemnation award available in that connection will be divided by the Association among all Owners according to each Owner's percentage of ownership in the Common Elements as set forth in Article 5, after first paying out of the share of each Owner the amount of any unpaid liens on its Unit, in the order of the priority of such liens.

ARTICLE 16. OCCUPANCY AND USE RESTRICTIONS

The use of the Condominium Property will in accordance with the following provisions so long as the Condominium exists:

16.1 Professional Medical Use. Units in phase 1 of the Condominium will be used exclusively for professional medical offices and such other commercial purposes as may be approved by Developer or the Board. Units in phase 2 of the Condominium will be used for any commercial purpose. Notwithstanding the foregoing, the Association will have the right to provide or authorize such services on the Common Elements as the Association deems appropriate for the use and enjoyment of the Common Elements and for the benefit of the Owners. This section does not apply to Units owned by Developer.

16.2 Signage. Each Unit will have a license to display a sign identifying the Owner or tenant of the Unit on the corridor wall to the right or left of the entry door to the Unit. The location and dimensions of each sign will conform to the signage program adopted by Developer, so long as Developer holds any Unit for sale in the ordinary course of business, and thereafter to the signage program of the Association, as same may be amended from time to time. All signs will be subject to approval by the Association, and the Association reserves the right to regulate the style, type and material used for all signage in the Common Elements and to impose uniform signage requirements, except as expressly permitted by this Section 16.2. No Owner may erect, install or display any sign or advertising material upon the Building exterior, the exterior of the Unit (including any windows, corridors or exterior doors),

or the exterior walls thereof, or in any window therein, without the prior written approval of the Association. No signage will be installed or modified in the Common Elements without the prior written approval of the Association. In addition, all signage will comply with all applicable zoning and building codes.

16.3 Building Directory. Each Unit will have a license to have one entry identifying the Owner or tenant of the Unit on the directory located in the lobby of the Building. Directory signage or identification will be provided and installed by the Association in accordance with Building standards as established by the Association at the Owner's expense.

16.4 Antennae. No antenna, aerial, or satellite dish may be erected or installed on the exterior walls of a Unit or Common Elements of the Condominium, which includes the roof, without the prior written consent of the Board; provided, however, such consent will not be required when the installation of such antenna, aerial, or satellite dish, and the location thereof falls under the 1996 Federal Communication Commission (FCC) Over-the-Air-Reception-Device (OTARD) rule, as such rule may be amended from time to time. Any such approved installation will be done in a manner as to minimize the external view of such antennae.

16.5 Exterior Appearance. No action will be taken which would alter the exterior appearance of a Unit or the Building, including painting of any exterior portion thereof, installation of any blinds, curtains or window treatments which would adversely affect the exterior appearance of the Building, any tinting of windows which would adversely affect the exterior appearance of the Building. Window treatments may be permitted on a uniform and nondiscriminatory manner by the Board if they are found not to violate the foregoing prohibitions. This section does not apply to Developer.

16.6 Specific Prohibited Uses. No Unit or any part thereof, nor any part of the Common Elements or Condominium Property may be used, assigned or sublet for residential purposes. No Unit, nor any part of the Common Elements or Condominium Property may be used, assigned or sublet for any of the following uses: nude or semi-nude dancing; for the display or sale of pornographic materials; adult movie theater; so-called "head shops" selling or displaying drug paraphernalia; massage parlor; lingerie modeling; industrial purposes; warehouse; entertainment or recreation facilities; renting, leasing or selling or displaying for the purpose of renting, leasing or selling of any boat, motor vehicle or trailer; flea market; or on-site dry cleaning plant. "Entertainment or recreational facility," as used herein, will include a theater, bowling alley, skating rink, dance hall, billiard or pool hall, game parlor, or video arcade (containing more than four (4) electronic games). For the purposes of this Section 16.6, "pornographic materials" will be any books, magazines, newspapers, DVDs or videotapes which would be deemed obscene under prevailing laws.

16.7 Insurance Risks. No person will permit or suffer anything to be done or kept in its Unit which will increase the rate of insurance on the Condominium Property, or which will obstruct or interfere with the rights of other Owners, or annoy them by unreasonable noises, or otherwise, nor will the Owners commit or permit any nuisance, immoral or illegal acts in or about the Condominium Property.

16.8 Garbage and Refuse. No Unit will be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste will not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material will be kept in a clean and sanitary condition. The Association may maintain a shared dumpster for the use of all Owners. Each Owner will be solely responsible, at such Owner's expense, for the disposal, in accordance with all applicable laws, orders, ordinances and regulations, of any and all medical, infectious and hazardous waste that will be generated in connection with the use of such Unit (collectively, "Medical Waste"). Without limiting the foregoing, each Owner generating Medical Waste will at all times contract directly with a properly licensed Medical