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DECLARATION OF CONDOMINIUM OF
KNOTT'S LANDING - A CONDOMINIUM

RECORDED IN
 OFFICIAL RECORDS
 CLERK OF THE CIRCUIT COURT
 CHARLOTTE COUNTY, FLORIDA

I. SUBMISSION STATEMENT

CR 780 PG 461

LEAVELL INDUSTRIES, INC., a Florida corporation, the Developer of KNOTT'S LANDING - A CONDOMINIUM, and the owner and holder of the fee simple title in and to the real property hereinafter described in Article III hereof entitled "LAND" hereby submits the same to condominium ownership pursuant to Chapter 718, Florida Statutes, The Condominium Act, upon the terms, conditions, restrictions, reservations and limitations hereinafter set forth. Except where variance permitted by law appear in this Declaration or in the attached Bylaws or in lawful amendments to either of them, the provisions of The Condominium Act as presently constituted, including the definitions therein contained, are adopted and included herein by express reference.

II. NAME

The name by which this Condominium is to be known and identified is: **KNOTT'S LANDING - A CONDOMINIUM**

III. LAND

The legal description of the real property included in the Condominium and submitted herewith to condominium ownership is:

Lots 996 and 997, OAKLAND HILLS SECTION, ROTONDA WEST, according to the plat thereof recorded in Plat Book 8, Pages 15A thru 15K, Public Records of Charlotte County, Florida.

SUBJECT TO: Restrictions, conditions, limitations and easements of record and applicable zoning ordinances, laws and regulations without reimposing any of the same.

IV. IDENTIFICATION OF UNITS

A. The condominium property consists of the land described in Article III hereof and all easements and rights appurtenant thereto, together with the buildings and other improvements constructed thereon, which includes the units and common elements. The principal improvements on the real property submitted herewith to condominium ownership consist of one eight (8) unit, two (2) story building.

B. The areas which are not within the boundaries of a condominium unit are common elements or limited common elements and shall be used, occupied, dealt with and managed as provided for in the Condominium Act and hereafter in this Declaration of Condominium.

C. Parking spaces are in the parking lot abutting the buildings and shall be common elements.

D. Each number unit shall have as its boundary lines, the interior unpainted finished surfaces of the ceiling, floor and perimeter walls, together with the screen porch area adjacent thereto bounded by the finished surfaces of the vertical walls and ceiling, and the unfinished surfaces of the floor in the interior of said porch. Vertical walls on screen porch (sun room) include screens. All bearing walls located within a unit constitute part of the common elements up to the unpainted finished surface of said walls.

E. Each condominium parcel includes the undivided interest of each unit owner in and to the common elements, it being understood that all conduits and wires up to their outlets and

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OR 780 PG 462

all other utility lines and pipes up to their outlets, regardless of location, constitute part of the common elements. Each condominium parcel includes the condominium unit together with the undivided share in the common elements which are appurtenant to that unit.

V. SURVEY, PLOT PLAN AND GRAPHIC DESCRIPTION OF IMPROVEMENTS

There is attached hereto as an exhibit and made a part hereof and recorded simultaneously herewith, a survey, plot plan and graphic description of improvements mentioned above, showing the units and common elements, their location and approximate dimensions in sufficient detail to identify them, said survey, plot plan and graphic description of improvements, also known as the condominium plat, and the notes and legends appearing thereon are made a part hereof and shall be deemed and identified as Exhibit "1" to this Declaration. Said Exhibit "1" has been certified to and in the manner required by Section 718(4)(e), Florida Statutes, The Condominium Act.

VI. UNDIVIDED SHARES IN THE COMMON ELEMENTS AND SHARES IN THE COMMON EXPENSES AND COMMON SURPLUS APPURTENANT TO EACH UNIT

A. Each unit shall have as any appurtenance thereto 12.5 percent of the common elements.

B. The common expenses shall be borne and the common surplus shall be shared by the condominium unit owners in the percentages corresponding to the shares stated in Paragraph A above in this Article VI.

C. In the event of the termination of the Condominium Regime, the Condominium Property shall be owned in common by the unit owners in accordance with the provisions contained in Paragraph I of Article XXVIII., entitled "SHARES OR OWNERSHIP UPON TERMINATION".

VII. CONDOMINIUM ASSOCIATION

The Association responsible for the operation of this Condominium shall be called **KNOTT'S LANDING CONDOMINIUM ASSOCIATION, INC.**, a Florida corporation not for profit. The Association shall have all the powers, rights and duties set forth in this Declaration, the Bylaws, and the Rules and Regulations enacted pursuant to such Bylaws. The Association is sometimes herein referred to as the "Condominium Association" or the "Association of the Corporation". A copy of the Articles of Incorporation of the Association are appended hereto as Exhibit "2". Amendments to the Articles of Incorporation shall be valid when adopted in accordance with their provisions and filed with the Secretary of State of the State of Florida, or as otherwise required by Chapter 617, Florida Statutes, as amended from time to time. Article X. of this Declaration regarding amendments to this Declaration shall not pertain to amendments to the Articles of Incorporation, the recording of which shall not be required among the Public Records to be effective unless such recording is otherwise required by law. No amendments to the Articles shall, however, change any condominium parcel or the share of the common elements or common surplus attributable to a parcel nor the voting rights appurtenant to a parcel unless the record owner or owners thereof and all record owners of liens upon such parcel or parcels shall join in the execution of such amendment.

VIII. BYLAWS

The operation of the Condominium property shall be governed by the Bylaws of the Condominium Association which are annexed to this Declaration as Exhibit "3" and made a part hereof. Said Bylaws may be amended in the same manner and with the same vote required as for amendments to this Declaration.

OR 780 PG 463

**IX. MEMBERSHIP IN THE CONDOMINIUM ASSOCIATION
AND VOTING RIGHTS OF UNIT OWNERS**

A. Every owner of a condominium units, whether he has acquired title by purchase from the Developer, the Developer's grantee, successors or assigns, by gift, conveyance or by operation of law, is bound to and hereby agrees, that he shall accept membership in the Condominium Association described in Article VII. hereinabove, and does hereby agree to be bound by this Declaration, the Bylaws of the Condominium Association and the Rules and Regulations enacted pursuant thereto and the provisions and requirements of the Condominium Act and of the lawful amendments thereto. Membership is automatic upon acquisition of ownership or transfer of the ownership of a unit. Membership shall likewise automatically terminate upon the sale or transfer of the unit, whether voluntary or involuntary.

B. The owner of every condominium unit shall accept ownership of said unit subject to restrictions, easements, reservations, conditions and limitations now of record and affecting the land and improvements constituting the Condominium property.

C. Subject to the provisions and restrictions set forth in the Bylaws of the Condominium Association, each condominium unit owner is entitled to one (1) vote in the Condominium Association for each condominium unit owned by him. Voting rights and qualifications of voters and membership in the Corporation are more fully stated, qualified and determined by the provisions of the Charter of the Association and its Bylaws, which Bylaws are attached hereto and made a part hereof as Exhibit "3". Whenever a particular numerical or percentage vote is called for or provided for in this Declaration or in the Bylaws, such as "3/4 of the unit owners" or "a majority of the members", unless the particular provisions describing the vote required shall specifically require to the contrary, the vote required shall be that percentage or fraction of the total number of votes of the condominium unit owners present and voting or, if the provisions involved so require, of the total number of votes entitled to be voted on the matter. Unless a particular provisions shall require otherwise, a majority vote of the number of votes of unit owners present and voting and entitled to vote on any matter shall be controlling, providing a quorum is present.

X. AMENDMENT TO DECLARATION

A. Except as elsewhere provided in this Declaration, this Declaration may be amended from time to time by resolution adopted at any regular or special meeting of the unit owners of the Condominium called in accordance with the Bylaws at which a quorum is present, such adoption to be by the affirmative vote of 3/4 of the units owners present and voting. Such amendment shall be duly recorded in compliance with requirements of The Condominium Act. No amendment shall change any condominium parcel nor the share of the common elements, common expenses or common surplus attributable to any parcel, nor the voting rights appurtenant to any parcel, unless the record owners or owners thereof and all record owners of liens upon such parcel or parcels shall join in the execution of such amendment.

B. The provisions of Paragraph A. above notwithstanding, no provisions of this Declaration or of the Bylaws of the Condominium Association which it requires to be effective, operational or to be enacted, a vote of the unit owners greater than that required in Paragraph A. above, shall be amended or changed by any amendment to this Declaration or to the Bylaws or the Condominium Association insofar as they appertain to said provisions or provisions, unless in addition to all other requirements of Paragraph A. above being met, said amendment or change shall be approved by a vote of the membership not less than that required by this Declaration or by the Bylaws; whichever shall be applicable, to effect such provisions or provisions. Furthermore, no amendment or change to this

OR 780 PG 464

Declaration or to the Bylaws shall be effective to affect or impair the validity or priority of any mortgage encumbering a condominium parcel or parcels without the written consent thereto by all of the mortgagees owning and holding the mortgage or mortgages encumbering the said parcel or parcels, which consent shall be executed with the formalities required for deeds and recorded with the aforesaid amendment.

C. The provisions of Paragraphs A. and B. to the contrary notwithstanding, if it shall appear that through scrivener's error, all of the common expenses or interest in the common surplus, or all of the common elements in this Condominium have not been distributed in this Declaration such that the sum total of the shares of the common elements which have been distributed, or the share of the common expenses, or ownership of common surplus fails to equal 100%; or, if it shall appear that through such error more than 100% of the common elements or common expenses, or ownership of the common surplus shall have been distributed; or, if it shall appear that though scrivener's error a unit has not been designated an appropriate undivided share of the common elements, common expenses, or common common surplus; or, if it appears that there is an omission or error in this Declaration or in any of the condominium documents required by law to establish this Condominium, the Condominium Association may correct the error and/or omission by an Amendment to this Declaration and/or the other documents by simple resolution of the Board of Directors of the Condominium Association approved by a majority of the unit owners voting at a meeting of units owners (members of the Association) called at least in part for that purpose, at which a quorum is present. If such an amendment, considered and approved pursuant to this paragraph, materially adversely affects property rights of unit owners, the unit owners whose property rights are so materially adversely affected must consent to the amendment in writing for the amendment to be effective. For the purpose of this paragraph, no unit owner's property rights shall be materially adversely affected nor shall his share of the common elements, common expenses or common surplus be deemed modified for reason of the modification of the shares of common expense, common elements or common surplus appurtenant or attributable to another unit.

D. In no event shall any change be made without the consent of any institutional mortgagee holding a mortgage on a unit or a part of the condominium property.

XI. PURPOSE AND USE RESTRICTIONS

The use of the Condominium property shall be in accordance with the following provisions as long as the Condominium exists and the buildings are in useful conditions and exist upon the land:

A. Each of the units shall be occupied only as a single family private dwelling by the owner and members of his family. Except as reserved to the Developer, no unit may be divided or subdivided into a smaller unit.

B. The common elements shall be used only for the purpose for which they are intended in the furnishing of services and facilities for the enjoyment of the apartments. No building or structure of any kind may be erected, constructed or maintained upon any of this land unless the same shall comply and be in conformity with the general zoning and building ordinances of Charlotte County. No structure of a temporary character, trailer, camper, mobile home, tent, shack, or other building shall be used at any time as a residence either temporarily or permanently.

C. No pets shall be maintained or kept in any of the units other than cats and dogs not exceeding twenty-five (25) pounds when fully grown, goldfish, tropical fish and the like, and such birds as canaries, parakeets and the like, provided, however,

OR 780 PG 465

that a maximum of two (2) pets only are permitted in any unit, and provided that they are not kept, bred or maintained for any commercial purpose, except as may be specifically provided for and authorized by the Rules and Regulations of the Association as they may be from time to time adopted or amended, or pursuant to the written consent of the Board of Directors of the Association, or of the Developer, provided such written consent when once given and relied upon in connection with the purchase and acquisition of a condominium unit may not thereafter be revoked or terminated without the consent of the unit owner.

D. No nuisances shall be allowed upon the condominium property, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage allowed to accumulate, nor any fire hazard allowed to exist. No unit owner shall permit any use of his unit or make any use of the common elements which will increase the cost of insurance upon the Condominium property.

E. No immoral, improper, offensive or unlawful use shall be made of the Condominium property nor any part of it, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification or repair of the condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

F. After approval by the Association as elsewhere required, entire units may be rented provided the occupancy is only by the lessee, his family and guests. No rooms may be rented and no transient tenants shall be accommodated in any unit, nor shall any lease of a unit release or discharge the owner thereof of compliance with any of his obligations and duties as a unit owner. All of the provisions of this Declaration, Articles of Incorporation, the Bylaws and the Rules and Regulations of the Association pertaining to the use and occupancy shall be applicable and enforceable against any person occupying a unit as a tenant to the same extent as against a unit owner, and a covenant on the part of each such tenant to abide by the Rules and Regulations of the Association, and the terms and provisions of the Declaration of Condominium, the Articles of Incorporation and the Bylaws, and designating the Association as the unit owner's agent for the purpose of and with the authority to terminate any such lease agreement in the event of violations by the tenant of such covenant, shall be an essential element of any such lease or tenancy agreement, whether oral or written, and whether or not specifically expressed in such agreement.

G. No "For Sale" or "For Rent" signs or other displays or advertising shall be maintained on any part of the common elements or units, except that the right is specifically reserved in the Developer to place "For Sale" or "For Rent" signs in connection with any unsold or unoccupied units it may from time to time own, and the same right is reserved to any institutional first mortgagee which may become the owner of a unit, and to the Association as to any unit which it may own.

H. No truck or other commercial vehicle, boats, house trailers, mobile homes, campers and trailers of every other description shall be parked in any parking space except with the written consent of the Board of Directors. This prohibition of parking shall not apply to temporary parking of trucks and commercial vehicles, such as for pick up, delivery and other commercial services as may be necessary to effectuate deliveries to the condominium, the Association or unit owners and residents.

I. Reasonable regulations concerning the use of Condominium property may be made and amended from time to time by the

OR 780 PG 466

Association in the manner provided by its Articles of Incorporation and the Bylaws. Copies of such regulations and amendments shall be furnished by the Association to all unit owners and residents of the Condominium upon request.

J. All outdoor drying of clothes by line, rack or otherwise shall be prohibited, unless specifically approved by the Association.

K. No television or radio antennas or towers of any nature shall be erected on any part of said property or the exterior of any building.

L. Provided, however, that until Developer has completed all of the contemplated improvements and closed the sale of all of the units of the Condominium, neither the unit owners nor the Association, nor the use of the Condominium property shall interfere with the completion of the contemplated improvements and the sale of the units. Developer may make such use of unsold units, common elements and common areas as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the property and display of signs.

XII. CONVEYANCES

In order to assure a community of congenial residents and occupants and protect the value of the units, and to further the continuous harmonious development of the condominium community, the sale, lease and mortgage of the units shall be subject to the following provisions which shall be covenants running with the land so long as the Condominium property shall be subject to the condominium form of ownership under the laws of the State of Florida:

A. In the event of an attempted conveyance in contravention of directions herein contained, the Condominium Association shall have the right to enforce these provisions by legal proceedings, by injunction proceedings, or by any legal means calculated to produce compliance.

B. A unit owner intending to make a bona fide sale or lease of his unit or any interest therein, shall give to the Association a written notice of his intention to sell or lease, together with the name and address of the purchaser or lessee, and such other information as the Association may reasonably require, and the terms of the proposed transaction. The giving of such notice shall constitute a warranty and representation by the unit owner that he believes the proposal to be bona fide in all respects.

C. No sale, transfer, lease or conveyance of a condominium unit, other than by the Developer, shall be valid without the approval of the Condominium Association, except in the cases elsewhere provided in this Declaration, which approval shall not be unreasonably withheld. Approval shall be in recordable form, signed by an executive officer of the Association and shall be delivered to the purchaser, assignee, or seller and made a part of the document of conveyance.

D. Failure of the Association to act in thirty (30) days shall be deemed to constitute approval, in which event the Association must on demand prepare and deliver approval in recordable form.

E. The provisions of this Article XII shall apply to all successive sales, leases, transfers, subleases or assignments.

F. No unit owner shall sell or lease, nor shall approval be given until and unless all assessments past and due are paid or their payment provided for to the satisfaction of the Association, and unless the proposed lessee can qualify as to the use restrictions.

OR 780 PG 467

G. If a unit owner shall lease his unit, he shall remain liable for the performance of all agreements and covenants in the condominium documents, and shall be liable for the violations by his lessee of any and all use restrictions.

H. Every purchaser or lessee who acquires any interest in a condominium unit shall acquire the same subject to this Declaration, the provisions of the Bylaws of the Condominium Association and the provisions of the Condominium Act.

I. Should any condominium unit at any time become subject to a mortgage or similar lien given as security, in good faith and for value, the holder thereof (hereinafter called the "Mortgagee") upon becoming the owner of such interest though foreclosure of that mortgage, or deed in lieu of foreclosure, shall have the unqualified right to sell, lease or otherwise dispose of said unit, including the fee simple ownership thereof, without complying with the provisions of Paragraphs C. through F. above, provided however, that in all other respects the provisions of this Declaration, the Bylaws of the Association and the provisions of the Condominium Act shall be applicable thereto; and provided further that nothing herein contained shall be deemed to allow or cause a severance from the condominium unit of the share of the common elements and limited common elements or other appurtenances of said unit. Once the Mortgagee mentioned above has sold, transferred or conveyed his fee simple interest to any person whomsoever, the provisions of Paragraphs C. through F. above shall again be fully effective with regard to a subsequent sale, lease or conveyance of said unit.

XIII. RIGHTS OF HEIRS AND DEVISEES OF DECEASED UNIT OWNERS

A. If the owner of a condominium parcel should die and the title to the parcel shall pass to his surviving spouse or to any member of his family regularly in residence with him in the condominium parcel prior to his death, who is over the age of eighteen (18) years, then such successor in title shall fully succeed to the ownership, rights, duties and obligations of the unit owner, the provisions of Article XII of this Declaration notwithstanding.

B. If the title to the condominium unit of such deceased unit owner shall pass to any person other than a person or persons designated in Paragraph A. above, then within ninety (90) days of such person or persons taking title, occupancy or possession of the unit of the deceased owner, he shall advise the Association in writing of his intention of residing in the parcel and of his or their current address. The Association shall have thirty (30) days thereafter to advise said person or persons in writing, delivered or mailed to the said current address, whether his or their occupancy and ownership of the unit is approved. The failure of the Association to give such advice within the the said thirty (30) days shall be deemed automatic approval. If the Association does not approve the ownership and/or occupancy of the parcel by said person or persons and does not notify them, said person or persons shall remain in occupancy only until the Association or such other person or persons shall have procured a purchaser acceptable to the Association for said parcel at a fair market value therefor, established by the Association, which value shall be conclusive upon all persons for all purposes unless grossly inadequate or fraudulent. Thereupon, the person or persons having title, possession and/or occupancy of said parcel shall execute papers and documents as the Association may require to effect the transfer of title, possession and occupancy of the parcel to such purchaser, which purchaser may be the Association.

C. Nothing in this Article XIII. shall be deemed to reduce, forgive or abate the amounts due the Association from the unit owner at the time of his death, nor the assessments attributable

to the unit becoming due after the owner's death, all of which shall be fully due and payable as of the unit owner had not died.

D. Nothing herein contained shall prevent the sale and transfer of a condominium parcel by the owner thereof in the manner otherwise provided in this Declaration.

XIV. ASSESSMENTS

OR 780 PG 468

A. The Condominium Association, through its Board of Directors, shall have the power to make and collect assessments, special assessments and such other assessments as are provided for in The Condominium Act, this Declaration and the Bylaws.

B. Common expenses shall include, but shall not be limited to, costs and expenses of operation, maintenance and management, property taxes and assessments against the Condominium property, (until such time as any of such taxes and assessments are made against the condominium units individually and thereafter only as such taxes or assessments, if any, as may be assessed against the Condominium as a whole), insurance premiums for fire, windstorm, and extended coverage insurance and flood insurance on the Condominium real property and personal property, premiums for public liability insurance, legal and accounting fees, management fees and operating expenses of the Condominium property and the Association; maintenance, repairs and replacements (but only as to the common elements and limited common elements, except for emergency repairs or replacements deemed necessary to protect the common elements and properly chargeable to the individual condominium unit concerned), charges for utility and water used in common for the benefit of the Condominium, cleaning and janitorial services for the common elements and limited common elements, expenses and liabilities incurred by the Association in and about the enforcement of its rights and duties against the members or others, and the creation of reasonable contingency or reserve requirements for the protection of the members and the Condominium property (i.e. reserves for replacements, operating reserves to cover deficiencies in collections), and all other expenses declared by the Board of Directors of the Association to be common expenses from time to time.

C. The Association shall estimate from time to time the amount of common expenses it expects to incur and the period of time involved therein and may assess sufficient monies from unit owners to meet this estimate. Assessments for common expenses shall be borne by unit owners in the proportions or shares set forth in Article VI. hereof pertaining thereto. Assessments shall be monthly or in such other installments and at such times as may be fixed by the Board of Directors.

D. Should the Association through its Board of Directors at any time determine that the assessments made are not sufficient to pay the common expenses or, in the event of emergencies, the Board of Directors shall have the authority to levy and collect additional assessments to meet such needs of the Association.

E. All notices of assessments from the Association to the unit owners shall designate when they are due and payable. Assessments and installments thereof not paid when due shall bear interest from due date at the rate of fifteen (15%) percent per annum.

F. In the event that assessments levied against any unit owner or any installments thereof shall remain unpaid for ninety (90) days or more, then so long as such delinquent assessments and/or installments are not received by the Association such unpaid assessments and/or installments shall be deemed to be a common expense of the Association to be paid out of Association reserves or surplus and, in the event said reserves or surplus are exhausted, then by means of a special assessment as the Board of Directors of the Association shall determine. Nothing

OR 780 PG 469

herein contained shall be deemed to forgive or abate the obligation of the delinquent unit owner to pay the amount of such unpaid assessments to the Association or to pay assessments thereafter becoming due.

XV. LIEN OF THE ASSOCIATION

The Association shall have a lien on each condominium unit for any unpaid assessments and interest thereon against the unit owner of each condominium unit as provided in The Condominium Act. In the event such lien is asserted or claimed, the delinquent unit owner agrees to pay reasonable attorneys' fees sustained by the Association incident to the collection of such unpaid assessments for the enforcement of such lien and the said lien shall also secure the payment of such attorneys' fees. Said lien shall be effective from and after its recording in accordance with the provisions of The Condominium Act, and shall otherwise be enforceable as provided in The Condominium Act.

XVI. PROVISIONS REGARDING TAXATION

A. The Condominium Act provides that property taxes and special assessments shall be assessed against, and collected on the condominium units and not upon the Condominium property as a whole. Such taxes, when assessed, shall be paid by each unit owner in addition to the payment of such unit owner's share of the common elements.

B. However, until such procedure is put into effect and operation by the taxing authorities, it is likely that tax bills may be rendered against the entire Condominium property, including common elements and condominium units. In such case, the tax will be apportioned against each unit according to the ownership of common elements and otherwise shall be treated as a part of the common expenses of the Condominium Association.

C. Whenever a tax is assessed against the Condominium property as a whole instead of against each parcel it shall be treated as a common expense in accordance with the provisions of this Article XVI.

XVII. MAINTENANCE AND REPAIRS

A. The owner of each condominium unit, at his own expense, shall see to, and be responsible for, the maintenance of his unit and all equipment and fixtures therein, including, but not limited to, all air-conditioning equipment, including compressors for his unit, located within a unit on the common elements, and must promptly correct any condition which would, if left uncorrected, cause any damage to another unit, and shall be responsible for any damages caused by his willful, careless or negligent failure to act. Furthermore, the owner shall, at his own expense, maintain and replace, when necessary, all screening within his unit and within the perimeter walls of his unit, and all window and plate glass in windows, and in the perimeter walls of the unit. The Condominium Association shall undertake the painting, maintenance and/or repair of all exterior walls of the Condominium as a part of the overall program of maintenance and repair. Unit owners will be individually responsible for the maintenance of the electrical system and electrical distribution systems within their own units from and including the fuse box applicable and serving the unit inward; that is to say, in respect to all distributor lines servicing only the unit and outlets within the unit. It shall be the responsibility of the Association to maintain and repair the electrical system and distribution lines up to the individual unit fuse boxes.

B. Except as provided in Paragraphs A. and B. above, and elsewhere in this Declaration, the Association shall be responsible for, and see to, the maintenance, repair and operation of the common elements of the Condominium. The Association shall have all the power necessary to discharge this

OR 780 PG 470

responsibility and may exercise these powers exclusively if it so desires, or may delegate them as elsewhere provided for in this Declaration, or in the Bylaws of the Association.

XVIII. ALTERATION OF UNITS

A. No owner of a condominium unit shall make or cause to be made, any structural modification or alterations in his unit, or in the water, gas, electrical, plumbing, air-conditioning equipment or utilities therein, without the consent of the Association, which may be withheld in the event the Board of Directors determines that such structural alteration or modification would in any manner endanger the building. If the modification or alteration desired by a unit owner involves the removal of any permanent interior partition, the Association may permit the same of the wall is not a load-bearing partition and if the same does not interfere with any common utility sources. No unit owner shall cause any improvements or changes to be made to the exterior of the building including, but not limited to, painting, installation of electric wires, TV antennae or air-conditioning units which may protrude through the walls or roof of the building, installation of lights on exterior walls, or in any other manner change the appearance of the exterior of the building or any portion of the building not totally within the unit, without the consent of the Association. No unit owner nor any other person, shall install upon the roof or exterior of the building upon the Condominium property, or upon the common elements or limited common elements of the Condominium, TV antennae, radio antennae, electric, electronic or electro-mechanical devices, decorative items or affixed furnishings without the consent of the Association.

B. Provisions of Paragraph A. to the contrary notwithstanding, with the permission of the Condominium Association, or of the Developer, abutting condominium units may be physically combined into a single dwelling, but they shall nevertheless, for all other pertinent purposes including, but not limited to, assessments, attribution of common elements and voting, be deemed separate units. Units which have been or are combined to form one dwelling may be severed into their component units (separate units) at any time the owner of the combined units so desires. Any construction or modification of the interior of such units as may be required to effectuate the severance of the combined units into separate units shall be subject to the approval of the Board of Directors of the Condominium Association, which shall not be unreasonable withheld. Such modification for the combining or severing of combined units shall in any and all events be accomplished at the sole expense of the unit owner or owners of the combined units and not at the expense of the Condominium Association. Nothing herein contained shall be deemed to require the Association or the Developer to approve any structural modification or significant modification of any load-bearing element. Furthermore, nothing herein contained shall be deemed to require the Condominium Association of the Developer to approve any modification which will alter the exterior appearance of the Condominium building in which the combined units being severed into its component units are located or in which the separate units being combined are located.

C. Any alteration in units owned by the Developer or a successor Developer, as hereinafter defined, shall not require the approval of the Condominium Association, but such approval may be given solely by the Developer herein named or by his designee or nominee specifically granted such authority. Provisions of this Paragraph C. may not be amended without the approval in writing of the Developer, or the specific designee or nominee of the Developer.

XIX. ALTERATIONS, ADDITIONS AND IMPROVEMENTS TO COMMON ELEMENTS

The Association shall have the right to make, or cause to be

OR 780 PG 471

made, substantial and material alterations, improvements and additions to the common elements in accordance with the following provisions:

A. A special meeting of all the unit owners may be called for the purpose of acting upon the proposal for such substantial alteration, improvement or addition, upon not less than twenty (20) days nor more than sixty (60) days notice.

B. A vote of three-fourths (3/4) of the total number of votes of all members in the Association, in person or by proxy, shall be required to approve and adopt the provisions allowing such alterations, improvements and additions.

C. The cost of such alteration, improvements or additions shall be assessed and collected as a common expense and each unit owner shall bear the same proration or share of such costs as is the share of the common elements appurtenant to his unit, as such shares are set forth in Article VI. of this Declaration.

XX. LIABILITY INSURANCE

A. The Board of Directors of the Association shall obtain liability insurance in such amounts as the Board of Directors may determine from time to time for the purpose of providing liability insurance coverage for the common elements and limited common elements of this Condominium. The Board of Directors shall collect and enforce payment of a share of the premium for such insurance from each unit owner as an assessment in accordance with the percentages set forth in Article VI. of this Declaration. Each individual unit owner shall be responsible for the purchasing of liability insurance for accidents occurring in his own unit. In accordance with the provisions of The Condominium Act, the liability of a unit owner for common expenses shall be limited to amounts for which he is assessed from time to time in accordance with The Condominium Act. This Declaration and the Bylaws. The owner of a unit shall have no personal liability for any damages caused by the Association on or in connection with the use of the common elements except to the extent that and only if the law mandates such personal liability.

B. A unit owner shall be liable for injuries or damages resulting from an accident in his own unit to the same extent and degree that the owner of a house would be liable for an accident occurring within the house. If there shall become available to the Condominium Association a program of insurance which will not only insure the Association's liability and the liability of the unit owners with respect to the common elements and limited common elements, but also the liability of individual unit owners with respect to the interior of their units, then the Association may obtain such liability insurance coverage protecting both the Condominium Association and the unit owner against all liabilities for damage to person and property whether occurring within or without a unit, and the premium therefor shall be a common expense. If it shall appear that condominium unit owners in such a program of insurance are entitled to elect additional coverages or excess coverage above those coverages elected by the Association for all unit owners, then the Association may require the individual unit owners selecting the excess coverage to pay the reasonable premium for such additional or excess coverage.

XXI. PROVISIONS FOR CASUALTY INSURANCE PAYMENTS OF PROCEEDS, RECONSTRUCTION, INSURANCE TRUSTEE

A. **Purchase of Insurance.** The Board of Directors of the Association shall keep the Condominium property insured. The Condominium property shall include all the buildings erected upon the land, all fixtures and personal property appurtenant thereto owned by the Association, or constituting part of the common elements or limited common elements and all units contained therein. The insurance shall insure the interest of

OR 780 PG 472

the Association and all unit owners and their mortgagees, as their interest may appear, against loss or damage by fire and hazards of a similar or dissimilar nature as are customarily covered with respect to buildings similar in construction, location and use to the buildings erected upon the Condominium property, in an amount which shall be equal to the maximum insurable replacement value as determined no less than every four (4) years by the insurance carrier, if such insurance is reasonably available. The Association is authorized to obtain and accept a policy with a deductible clause if the Association cannot reasonably obtain coverage without such a clause. The Directors shall have no liability to the Association, and/or for the failure to obtain insurance in the full amount of the coverage required hereunder if, in good faith, a majority of their whole number shall have determined that such insurance is not reasonably available.

B. Assured and Loss Payable. All casualty insurance policies purchased by the Association hereunder shall be for the benefit of the Association and all unit owners and their mortgagees, as their interests may appear, and shall provide that all proceeds covering casualty losses of \$10,000.00 or less shall be paid to the Association. Any sum in excess of \$10,000.00 shall be paid to an insurance trustee. An insurance trustee shall be any bank or trust company or other corporate trustee authorized to and doing business in Charlotte County, Florida, designated by the Board of Directors of the Association and approved by a majority of the mortgagees of the units in the Condominium (the term "majority" meaning the holders of debts secured by first mortgages, the unpaid balance of which is more than one-half (1/2) of the unpaid principal balance of all first mortgages on said units). Said trustee is herein referred to as the "Insurance Trustee". The Insurance Trustee shall not be liable for the payment of premiums or the sufficiency of premiums nor for the failure to collect any insurance proceeds. The Insurance Trustee shall be responsible only for monies which come into its possession and only for its willful misconduct, bad faith or gross negligence. The duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust pursuant to the terms of the Insurance Trust Agreement between the Association and the Insurance Trustee, which shall not be inconsistent with any of the provisions herein set forth.

C. Payment of Premiums, Trustee's Expenses and Collection. The Board of Directors shall collect and pay the premiums for: casualty insurance, and all fees and expenses of the Insurance Trustee as a part of the common expenses for which assessments are levied. Each unit owner shall pay, and be responsible for, casualty insurance premiums, and all fees and expenses of the Insurance Trustee in the same manner as all other assessments.

D. Mandatory Repair. Unless there occurs substantial damage or destruction to all or a substantial part of the Condominium property as hereinafter defined, and subject to the provisions hereinafter provided, the Association and the unit owners shall repair, replace and rebuild the damage caused by casualty loss, which shall be borne by the unit owners in proportion to the shares of the common elements owned by them.

E. Determination of Damage and Use of Proceeds. Immediately after a casualty damage to any part of the Condominium property, the Board of Directors shall obtain reliable and detailed estimates of the cost necessary to repair and replace the damaged property to a condition as good as the condition that existed prior to the casualty loss, provided, however, that if a casualty causing damage is limited to a single unit, then it shall be the responsibility of that unit owner to obtain estimates of the cost of replacement as aforesaid. If the net proceeds of insurance are insufficient to pay the estimated cost of reconstruction and repair, the Board of Directors shall promptly, upon determination of deficiency, levy a special assessment against the individual unit owners for

OR 780 PG 473

that portion of the deficiency related to individual damaged units, provided, however, that if in the opinion of the Board of Directors, it is impossible to accurately and adequately determine the portion of the deficiency related to individual damaged units, the Board of Directors shall levy the special assessment for the total deficiency against each of the unit owners.

Unless there occurs substantial damage to, or destruction of, all or a substantial portion of the Condominium property, and the unit owners fail to elect to rebuild and repair as provided in Paragraph F. below, the Insurance Trustee shall disburse the net proceeds and the funds collected by the Board of Directors from the assessments hereinabove set forth to repair and replace any damage or destruction of property, and shall pay any balance remaining to the unit owners and their mortgagees as their interests may appear. The proceeds of insurance and the funds collected by the Board of Directors from the assessments as hereinabove provided shall be held by the Insurance Trustee in trust for the uses and purposes herein provided. The Insurance Trustee shall have no obligation or duty to see that the repairs, reconstruction or replacements required hereunder are performed or accomplished, but such duty shall be the Association's.

F. Total Destruction. As used in this Declaration, and in any other connection or context dealing with this Condominium "substantial damage to or destruction of all or a substantial portion of the Condominium property" shall mean that three-fourths (3/4) or more of all units are or have been rendered untenable by casualty or loss or damage.

1. Should there occur such substantial damage to, or destruction of, all or a substantial part of the Condominium property with respect to the entire Condominium, the Condominium property shall not be reconstructed unless three-fourths (3/4) of all the unit owners shall agree thereto in writing, within sixty (60) days after the casualty loss or damage occurs. Should reconstruction not be approved as aforesaid, the Insurance Trustee is authorized to pay proceeds of the insurance to the unit owners and their mortgagees, as their interest may appear, in accordance with the provisions of Paragraph I. below. The determination not to reconstruct after casualty shall be evidenced by a certificate, signed by one of the officers of the Association, stating that the said sixty (60) day period has elapsed and that the Association has not received the necessary writings from three-fourths (3/4) of the unit owners.

2. If the unit owners elect to reconstruct pursuant to Paragraph 1 above, then all insurance proceeds reasonably attributable to the damage or destruction of the building shall be first used for the reconstruction and repair of the building, to the extent that proceeds are sufficient; and in the event that such proceeds are not sufficient, the condominium unit owners shall be assessed in proportion to their relative shares of common elements for any deficiency or insufficiency in the funds necessary to such reconstruction or repair as contemplated by Paragraph D. above.

G. Rights of Mortgagees. If any first mortgagee of any condominium unit shall require it, the Association shall from time to time deposit in a savings account established for the purpose, or with the Insurance Trustee, sufficient monies in escrow to insure the payment of the casualty insurance premiums insuring the Condominium property. A majority of such mortgagees (as hereinabove defined in Paragraph B. above) may designate the bank, or Insurance Trustee as the depository of these funds and may determine the provisions of the escrow, but only one such escrow account shall be required. However, the Association shall not be required to fund this escrow more

OR 780 PG 474

frequently than one-twelfth (1/12) of the reasonably estimated casualty insurance next due. Any mortgagee in any mortgage which, in accordance with the provisions of the mortgage, shall have the right to demand insurance proceeds in the event of a casualty loss to the property secured by said mortgage, waives the right to such proceeds if the proceeds are used pursuant to this Declaration to repair, replace or restore the property subject to the mortgage lien. However, nothing herein contained shall be deemed a waiver by the mortgagee of its rights, if any, to require that any surplus proceeds over and above the amount actually used for repair replacement or reconstruction of the property subject to the mortgage, be distributed to the mortgagee and the unit owners, as their interests may appear. The owner and holder of any first mortgage on any unit shall have the right to approve the plans and proposals for any repairs, reconstruction or replacements to the unit or units encumbered by its mortgage or mortgages, and no such repairs, reconstruction or replacements shall be begun or undertaken without such approval, which approval shall not be unreasonably withheld.

H. **Association as Agent.** The Association is hereby irrevocably appointed as agent for each unit owner to adjust all claims arising under insurance policies purchased by the Association, and to execute releases thereof.

XXII. MORTGAGES AND MORTGAGEES

A. An owner who mortgages his condominium unit must notify the Association of the name and address of his mortgagee and the Association shall maintain such information in a register which shall, among other things, contain the names of all the owners of condominium units and the names of mortgagees holding mortgages on condominium units. The failure to notify the Association of the existence of a mortgage shall in no way impair the validity of the mortgage. If an owner mortgages his condominium unit he shall not be permitted to modify, alter or change the physical aspect of the unit without the written permission of the mortgagee. The Association shall, at the request of a mortgagee, report any unpaid assessments due from the owner of the condominium unit encumbered by the mortgage owned by that mortgagee.

B. If the holder of a first mortgage of record or other purchaser of a condominium unit obtains title to the condominium parcel as a result of foreclosure of the first mortgage, or as result of a deed given in lieu of foreclosure, such acquiror of title, and his successors and/or assigns, shall not be liable for the share of the common expenses or assessments by the Association pertaining to the condominium unit so acquired, or chargeable to the former unit owner of the acquired unit which became due prior to the acquisition of the title as a result of the foreclosure, or deed in lieu of foreclosure, unless the share is secured by a claim of lien for assessments recorded prior to the recording of the mortgage which is foreclosed, or for which a deed was given in lieu of foreclosure. That unpaid share of the common expenses or assessments shall be common expenses collectable from all of the unit owners including such acquiror, his successors and/or assigns.

C. The term "institutional mortgagee" as used in this Declaration shall mean a bank, savings and loan association, insurance company or union pension fund authorized to do business in the State of Florida or an agency of the United States Government, or the holder of any mortgage insured by any agency of the United States Government, or the holder of any mortgage insured by any agency of the United States Government, such as the Federal National Mortgage Association, Federal Housing Authority or the Veteran's Administration. Where an institutional first mortgage by some circumstances fails to be a first mortgage but it is evident that it is intended to be a first mortgage, it shall, nevertheless, for the purposes of this Declaration and the Exhibits annexed hereto, be deemed an

OR 780 PG 475

institutional first mortgage, and the holder thereof be deemed to be an institutional first mortgagee.

XXIII. DEVELOPER'S UNITS, RIGHTS AND PRIVILEGES

A. The provisions of Article XXI. of this Declaration respecting sale, transfer and lease of condominium parcels shall not be applicable to the Developer who is submitting the Condominium property to the condominium form of ownership. The Developer has and reserves the right to sell, lease or rent condominium units and parcels to any purchaser or lessee approved by it, subject, however, to the use restriction herein provided. The Developer shall have the right to transact any business necessary to consummate the sale of units, including, but not limited to, the right to maintain models, advertise on the premises and use the common elements. In the event there are unsold parcels, the Developer retains the right to ownership thereof under the same terms and obligations as other owners of condominium parcels except as elsewhere herein provided. The Developer may sell, lease, mortgage and/or rent parcels owned by it to any person or persons whomsoever and the provisions of Paragraph C. though F. of Article XII. shall not be applicable to the Developer, notwithstanding anything to the contrary contained in this Declaration, the Bylaws or the Charter of the Association.

B. So long as the Developer holds any units for sale in the ordinary course of business, none of the following actions may be taken by the Condominium Association, either through act of its Board of Directors or its members, without Developer's approval in writing:

1. Assessments of the Developer as a unit owner for capital improvements; and

2. Any action by the Association that would be detrimental to the sale of units by the Developer; however, in increase in assessments for common expense without discrimination against the Developer shall not be deemed to be detrimental to the sale of units for the purpose of this paragraph.

C. The provisions of Article XI. of this Declaration to the contrary notwithstanding, the Developer may retain and use as a sales office, promotion and development officers and models, any units, common elements and limited common elements retained by the Developer or owner by the Developer or the use of which has been reserved to the Developer in this Declaration and other Condominium Documents or by contract or otherwise lawfully enforceable as a contract obligation by the Developer against the Condominium Association or any of the unit owners other than the Developer, so long as such use shall also conform with applicable laws, zoning, rules and ordinances of the appropriate governmental jurisdictions.

D. For the purpose of this Article XXIII., and the powers, rights and authorities granted to the Developer, the Developer shall include any of its parent and subsidiary corporations designated by it by instrument in writing to be considered by the Developer herein, for the purposes set forth herein, or any of them, and/or any corporate agent of said Developer similarly designated by the Developer to be treated as a developer, for the purposes herein contained or any of them, which agent is involved in the development, promotion, construction and/or sales of this Condominium and its units. The term "Developer" shall also include for all purposes contained in this Declaration and its Exhibits, and successor or alternate developer as a successor or alternate developer by an instrument in writing specifically setting forth that such successor or alternate is to have the rights, duties, obligations and responsibilities, in whole or in part, of the Developer hereunder, providing that such instrument in writing shall by

OR 780 PG 476

executed by such successor or alternate developer indicating its consent to be so treated as "Developer".

E. This Article shall not be amended without the written consent of the Developer and any successor or alternate Developer designated in accordance with the provisions of Paragraph D. above.

XXIV. SEPARABILITY OF PROVISION

Invalidation of any of the covenants, conditions, limitations or provisions of this Declaration or in the Bylaws of the Condominium Association, or of The Condominium Act shall in no wise effect the remaining part or parts hereof which are unaffected by such invalidation and the same shall remain effective.

XXV. TERMINATION

The provisions for termination contained in Paragraph F. of Article XXI. of this Declaration are in addition to the provisions for voluntary termination provided for by The Condominium Act, as amended. In addition, the Condominium may be voluntarily terminated if the proposed voluntary termination is submitted to a meeting of the members pursuant to notice and is approved in writing within ninety (90) days of said meeting by three-fourths (3/4) of the total vote of the members of the Association and by all holders of first mortgages encumbering units in the Condominium.

XXVI. EASEMENTS FOR ENCROACHMENTS

All the Condominium property and all the condominium units and the common elements shall be, and are, singly and collectively, subject to easements for encroachments which now or hereafter exist or come into being, caused by settlement or movement of the buildings or other inaccuracies in construction or reconstruction of the buildings or such improvements upon the Condominium property, which encroachments shall be permitted to remain undisturbed and such easements shall, and do, exist and shall continue as valid easements as long as such encroachments exist. A valid easement for the maintenance of such encroachments is herein created so long as such encroachments stand.

XXVII. MAINTENANCE CONTRACTS

If there shall become available to the Condominium Association a program of contract maintenance for all appliances and/or all air-conditioning compressors and/or air handlers serving individual condominium units which the Association determines is to the benefit of the condominium unit owners to consider, then upon resolution of the unit owners at which a quorum is present, or by a majority of their whole number, in writing, the Condominium Association may enter into such contractual undertakings. The expenses of such contractual undertakings to the Association shall be a common expense. If, on the other hand, the Condominium Association determines that the program may be undertaken by the Association for the benefit of Condominium unit owners who elect to be included in the program, then the Association may undertake the program without consent of the membership being required as aforesaid, and the costs of such contractual undertakings shall be borne exclusively by the unit owners electing to be included in the program, and shall not be a common expense of the Association, but the Association may arrange for the collection of the contract costs from the individual unit owners electing to be included therein, and may execute the contractual undertaking involved upon such terms and conditions as the Association deems proper, and require from the unit owners electing to be included such written agreements as the Association shall deem proper to evidence the said unit owners' obligations to the Association for their proportionate share of the costs of such program.

OR 780 PG 477

XXVIII. MISCELLANEOUS PROVISIONS

A. Commencement of Developer's Obligations. Developer's obligation to pay maintenance for monthly common expenses may be deferred and excused as follows:

1. The Developer or other person owning condominium units or having an obligation to pay common expenses may be excused from the payment of his share of the common expenses which would have been assessed against his unit during the period or time that he shall have guaranteed to each unit owner, or a majority of the units owners other than the Developer, that the assessment for common expenses of the Condominium imposed upon the unit owners will not increase over a stated dollar amount, providing that the Developer or such other persons shall obligate themselves to pay any amount of common expenses incurred during that period upon the guarantee of maintenance and not produced by the assessments at the guaranteed level received and receivable from other unit owners. The agreement of the Developer may be contained in the Purchase Agreement for condominium units in the Condominium heretofore and hereafter executed with the Developer. Persons other than the Developer or specific designees of the Developer may be excused from payment as aforesaid but only if both the Developer and the Condominium Association shall approve.

B. Right of Entry. The Condominium Association, its officers, directors, agents and employees, shall at all times have the right to enter the condominium units at reasonable times for the purposes of inspecting the common elements, gaining access to the common elements, or making repairs or otherwise maintaining the Condominium property, or to abate emergency situations which threaten damage to the Condominium property or to any of it.

C. Easements. The Developer and its successors as Developer retain the right and shall at all times have the right to declare and create, modify and amend, from time to time, without joinder and consent of any unit owner or of the Condominium Association, easements upon the Condominium Property for public utility purposes and for peaceful ingress and egress to prevent abutting properties from being landlocked or otherwise denied reasonable access to and from the public ways, providing, however, that at the time of the creation of such easement or easements, such easements, modifications and amendments shall not be inconsistent with the peaceful and lawful use and enjoyment of the Condominium property by the owners thereof. The Developer may, by an instrument in writing, relinquish the power and authority herein reserved to create, modify and amend easements, by the filing among the Public Records of Charlotte County, Florida, a written instrument to that effect, from and after the recording of which the Developer and its successors and assigns as Developer shall no longer have the powers and authorities reserved or granted in this Paragraph C.

D. Master Television Antenna and Cable Television. The Association by action of its Board of Directors, is authorized to enter into agreements to provide or allow master television service, whether or not in association with cable television service, to be given to the owners or occupants of improvements to real property in the vicinity of the Condominium, upon such

OR 780 PG 478

terms and conditions as the Board of Directors shall approve, including, but not limited to, the authority of the Association to enter into a master television service contract in which the cost shall be treated as a common expense. This authority is granted in realization of the fact that a master television antenna may be able to serve the condominium unit owners on a more economical basis. This authority shall be liberally construed to allow the placement of cables, equipment and all necessary adjunctive mechanical, electro-mechanical, electrical and/or electronic devices upon the Condominium property as the Board of Directors shall approve to effectuate the intentions of this Paragraph. Unit owners shall have the right to have cable television services extended and provided within their units without action of the Board of Directors and such services may be brought to the unit owners requiring or desiring such service over the common elements of the Condominium and as other utility services may be extended to the condominium units, providing that such installation shall not be unsightly and that such installation shall not interfere with the reasonable, lawful and peacefull use of the common elements and the limited common elements by the persons entitled to use them. Nothing in this Paragraph E. shall be construed to impose upon the Developer or any other person, either real or corporate, the obligation to provide or install either a master television antenna or cable television facilities in this Condominium, not to prohibit such installation.

E. Association May Waive Leaschold Restrictions. The provisions of Article XI. of the Declaration respecting the restriction on leasing and the right of the Association may be waived as a matter of Association policy uniformly applicable to all unit owners, upon the recommendation of the Association, approved by resolution of the membership (unit owners). Notwithstanding such waiver, the Board of Directors shall have the power to reimpose any of the waived restrictions or limitations set forth in Article XI. without approval of the membership being required. By a three-fourths (3/4) vote of the Board of Directors, the Board may impose additional restrictions and rules and regulations upon the leasing of units in addition to those contained in Article XI., but no such rules and regulations shall be deemed applicable to any lease existing at the time of the promulgation of such rules and regulations, to the extent that such rules and regulations are inconsistent with the contractual obligations in the lease.

F. Developer's Rights to Use Units as Offices. The Developer may maintain offices in one or more units until all other units of the Developer have been sold, provisions of Articles XI. of this Declaration to the contrary notwithstanding.

G. Restrictions on Amendments. Provisions of Article X. of this Declaration to the contrary notwithstanding, no provisions of this Declaration, or of the Bylaws of the Condominium Association granting or reserving to the Developer any rights, powers, authorities, usages, or dispensations may be modified or amended in any way which will impair or restrict those rights, powers, authorities or special dispensations without the written approval of the Developer so long as the Developer or any successor or alternate Developer shall own any units in this Condominium and for a period of two (2) years after the sale and conveyance of the last condominium unit owned by the Developer, and any successor or alternate Developer, to any person other than a successor or alternate Developer.

OR 780 PG 479

H. Approval by Condominium Association. Whenever an approval of the Condominium Association is called for in this Declaration or in the Bylaws of the Condominium Association, such approval shall not be unreasonably withheld and such approval may be granted by act of the Board of Directors of the Condominium Association except in such cases where the particular provisions involved require approval by the unit owners or the Condominium Association members.

I. Shares of Ownership on Termination. Upon removal of the Condominium property from the provisions of The Condominium Act or other termination of the condominium form of ownership, no matter how effected, the unit owners shall own the Condominium property in common in the undivided shares which shares are referred to as "Termination Shares", and are in the same proportions as the ownership of common elements and common expenses. This Paragraph I. may not be amended without unanimous consent of all unit owners.

XXIV. TIME SHARE ESTATES PROHIBITED

No time share estates shall be created with regard to units of this condominium by the Developer or by any of the unit owners.

* * * * *

LEAVELL INDUSTRIES,

IN WITNESS WHEREOF, INC. has caused this Declaration of Condominium to be executed by its President and attested by its Secretary, this 1st day of March, 1984.

ATTEST:

LEAVELL INDUSTRIES, INC.

By: Allyson P. Leavell
ALLYSON P. LEAVELL, Secretary

By: Edward L. Leavell
EDWARD L. LEAVELL, President

STATE OF FLORIDA }
COUNTY OF CHARLOTTE }

BEFORE ME, a notary public, in and for the State and County last aforesaid, duly authorized to take acknowledgements, personally appeared EDWARD L. LEAVELL

and ALLYSON P. LEAVELL as President and Secretary respectively of LEAVELL INDUSTRIES, INC. a Florida corporation, to me well known to be the persons described herein, and they acknowledged before me that they executed, sealed and delivered the foregoing Declaration of Condominium for the uses and purposes therein expressed, as such officers and on behalf of said corporation, as their free act and deed.

WITNESS my hand and official seal in the State and County last aforesaid, this 1st day of March, 1984.

[Signature]
NOTARY PUBLIC

My commission expires: 12-3-87

EXHIBIT "2"
KNOTT'S LANDING A CONDOMINIUM

State of Florida



Department of State

OR 780 PG 481

I certify that the attached is a true and correct copy of the Articles of Incorporation of KNOTT'S LANDING CONDOMINIUM ASSOCIATION, INC., a corporation organized under the Laws of the State of Florida, filed on March 14, 1984, as shown by the records of this office.

The charter number of this corporation is N01956.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
15th day of March, 1984.



CER-101

George Firestone
Secretary of State

ARTICLES OF INCORPORATION

OR 780 PG 482

OF**KNOTT'S LANDING CONDOMINIUM ASSOCIATION, INC.**

BY THESE ARTICLES, the undersigned hereby associate themselves for the purpose of forming a corporation not for profit under Chapter 617, of the Laws of the State of Florida.

ARTICLE ONE**Name and Definitions**

The name of the corporation shall be KNOTT'S LANDING CONDOMINIUM ASSOCIATION, INC.". The corporation is herein referred to as the "Association", and the terms used herein shall have the meaning for each stated in the Condominium Act of the State of Florida (hereinafter referred to as the "Act") and the Declaration of Condominium of KNOTT'S LANDING CONDOMINIUM to be recorded in the Public Records of Charlotte County, Florida, unless the context otherwise requires.

ARTICLE TWO**Purpose**

The Association is organized for the following purposes:

1) To maintain, operate and manage the Condominium known as KNOTT'S LANDING CONDOMINIUM located at Boundary Boulevard, Rotonda West, Charlotte County, Florida, and to do all things incident, necessary, convenient, expedient, ancillary, or in aid of the accomplishment of the foregoing.

2) To own, operate, lease, sell, trade, or otherwise deal with such property, real or personal, as may be necessary or convenient in the administration of the Condominium.

ARTICLE THREE**Powers**

A. **Implied Powers.** The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the purposes of the Association, as set forth in this Article, the Declaration of Condominium, or the Act, and which are not in conflict with the Act.

B. **Specific Powers.** In furtherance of the purposes of the Association, the Association shall have all of the powers set forth in the Act, and all of the powers reasonable necessary to operate the Condominium pursuant to the Declaration of

Condominium, including but not limited to the following irrevocable rights, powers and authority:

(1) To enforce the covenants and restrictions contained in the Declaration, and to make, establish and enforce reasonable Rules and Regulations governing the administration, management and use of the Condominium Property;

(2) To establish a budget for the operations of the Condominium; to designate those expenses which shall constitute the common expenses and limited common expenses of the Condominium; to make, levy and collect assessments against unit owners of the Condominium to provide the funds to pay for common expenses and limited common expenses of the Condominium as provided for in the condominium documents and in the Act; and to use and expend the proceeds of the assessments in the exercise of the duties and powers of the Association;

(3) To maintain, repair, replace and operate those portions of the condominium property that the Association has the duty or right to maintain, repair, replace and operate under the condominium documents.

(4) To have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any common elements or limited common elements, or to have immediate access at any time as may be necessary for making emergency repairs necessary to prevent damage to other units;

(5) To contract for the management of the condominium property and to delegate to such agent(s) all or some of the powers, duties and responsibilities of the Association;

(6) To employ personnel to perform the services required for proper operation of the Condominium;

(7) To purchase and maintain all forms of insurance on the condominium property for the protection of the Association and its members;

(8) To reconstruct the condominium property after casualty or other loss;

(9) To make additional improvements on and to the condominium property;

(10) To approve or disapprove the transfer, mortgage and ownership of units to the extent such power is granted to it under the condominium documents;

(11) To retain legal counsel at the expense of the Association and to enforce by legal action the provisions of

OR 780 PG 483

the condominium documents and the Rules and Regulations of the Association;

(12) To acquire, by purchase or otherwise, units in the Condominium, and to hold, lease, mortgage and convey the same;

(13) To lease or license the use of common elements and limited common elements in a manner not inconsistent with the rights of the unit owners;

(14) To pay taxes and assessments which are liens against any part of the Condominium other than individual units (unless the individual units are owned by the Association) and the appurtenances thereto, and to assess the same against the units subject to liens for such purposes;

(15) To pay the cost of all power, water, sewer, trash, garbage, and other utility services rendered to the Condominium and not billed to the individual units; and

(16) To adopt and establish Bylaws for the operation of the Condominium Association.

ARTICLE FOUR

Association Funds and Property

The Association shall pay no dividend, and shall distribute no part of its income to its Members, Directors or Officers. Nevertheless, the Association may pay compensation in a reasonable amount to its Members, Directors and Officers for services rendered and it may confer benefits on its Members in conformity with the Declaration of Condominium and the purposes of the Association. On termination, the Association may make distributions to its Members as permitted by law, and no such payment, benefit, or distribution shall be deemed a dividend or distribution of income. All funds and property acquired by the Association and all proceeds therefrom shall be held and used for the benefit of the Members of the Association in accordance with the provisions of the Declaration, these Articles and the Bylaws.

ARTICLE FIVE

Members

A. Qualification. The Members of the Association shall consist of all the unit owners of record in the condominium.

B. Change in Membership. Change of membership in the Association shall be established by the recording in the Public Records of Charlotte County, Florida of a deed or other instrument establishing a record title to a condominium unit,

OR 780 PG 484

and delivery to the Association of a certified copy of such instrument. The new unit owner designated by such instrument shall hereupon become a Member of the Association and the membership of the prior unit owner shall thereby be terminated.

C. Transfer of Membership. The share of a Member in the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to such Member's unit.

D. Meetings. The Bylaws shall provide for an annual meeting of Members and may provide for regular and special meetings rather than the annual meeting.

E. Voting. The owner of each unit shall be entitled to the number of votes specified in the Declaration of Condominium for that unit. The manner of exercising voting rights shall be determined by the Bylaws.

ARTICLE SIX

OR 780 PG 485

Directors

A. Number. The property, business and affairs of the Association shall be managed by a Board of Directors consisting of the number of Directors determined by the Bylaws, but which shall consist of not less than three (3) Directors. Except as may otherwise be provided in the Bylaws, each Director shall be either a person designated by the Developer or a person entitled to cast a vote in the Association.

B. Election. Directors may be designated or elected and removed, and vacancies on the Board of Directors shall be filled as provided in the Bylaws.

C. Authority. All of the duties and powers of the Association existing under the Condominium Act, the Declaration of Condominium, 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 by the Condominium Act, the Declaration of Condominium, these Articles or the Bylaws.

D. Initial Directors. The names and addresses of the three (3) Members of the first Board of Directors, who shall hold office until the election or appointment of their successors, are as follows:

NAME
EDWARD L. LEAVELL

ADDRESS
295 Bel Aire Court
Punta Gorda, Florida 33595

ALLYSON E. LEAVELL

295 Bel Aire Court
Punta Gorda, Florida 33595

EDWARD R. PONGER

Grace Street
Punta Gorda, Florida 33950**ARTICLE SEVEN**

OR 780 PG 486

Officers

The affairs of the Association shall be administered by the Officers designated in accordance with the Bylaws. The names and addresses of the Officers who shall serve until the election or appointment of their successors in accordance with the Bylaws are as follows:

OFFICE	NAME	ADDRESS
President	EDWARD L. LEAVELL	295 Bel Aire Court Punta Gorda, Florida
Vice President	EDWARD R. PONGER	Grace Street Punta Gorda, Florida
Secretary	ALLYSON E. LEAVELL	295 Bel Aire Court Punta Gorda, Florida
Treasurer	ALLYSON E. LEAVELL	295 Bel Aire Court Punta Gorda, Florida

ARTICLE EIGHT**Term**

The term of the Association shall be perpetual; provided, however, that the Association shall be terminated by the termination of the Condominium in accordance with the terms of the Declaration of Condominium.

ARTICLE NINE**Registered Office and Agent**

The initial principal office of the Association shall be: 1137 S. McCall Road, Englewood, Florida 33533. The initial registered office of the Association shall be: 1137 S. McCall Road, Englewood, Florida 33533; and the name of the initial registered agent at such address shall be: STEVEN R. CROSS.

ARTICLE TEN**Incorporators**

The name and address of each incorporator of the Association is:

NAME	ADDRESS
EDWARD L. LEAVELL	295 Bel Aire Court Punta Gorda, Florida

OR 780 PG 487

ALLYSON E. LEAVELL

295 Bel Aire Court
Punta Gorda, Florida

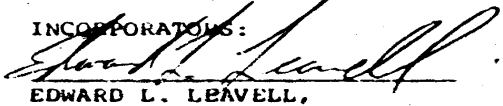
EDWARD R. PONGER

Grace Street
Punta Gorda, Florida

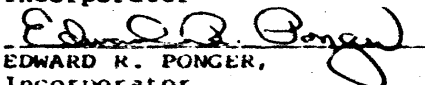
* * * * *

IN WITNESS WHEREOF, the Incorporators have hereunto affixed
their signatures this 1 day of Feb, 1987.

INCORPORATORS:


EDWARD L. LEAVELL,
Incorporator


ALLYSON E. LEAVELL,
Incorporator


EDWARD R. PONGER,
Incorporator

STATE OF FLORIDA }
COUNTY OF CHARLOTTE }

BEFORE ME, a notary public, authorized to take
acknowledgements in the State and County set forth above,
personally appeared EDWARD L. LEAVELL, ALLYSON E. LEAVELL, and
EDWARD R. PONGER, as the Incorporators, to me well known to be
the persons who executed the foregoing Articles of Incorporation
as such and they acknowledged before me that they executed the
same.

WITNESS my hand and official seal in the State and County
last aforesaid this 1 day of Feb, 1987.


Notary Public

My commission expires: 12-3-87

OR 780 PG 488

REGISTERED AGENT FORM

Certificate designating the place of business or domicile
for the Service of Process within the State of Florida, and
naming the agent upon whom process may be served.

* * * * *

In pursuance to Chapter 48.091, Florida Statutes, the
following is submitted in compliance with said Act:

FIRST - KNOTT'S LANDING CONDOMINIUM ASSOCIATION, INC.
desiring to organize under the laws of the State of Florida,
with its principal office, as indicated in the Articles of
Incorporation, at 1137 S. McCall Road, Englewood, County of
Charlotte, State of Florida, has named Steven R. Cross located
at 1137 S. McCall Road, Englewood, County of Charlotte, State of
Florida, as its registered agent to accept service of process
within this State of Florida.

SECOND - Having been named to accept service of process for
the above-named corporation, at the place designated in this
Certificate, I hereby accept the appointment to act in this
capacity, and agree to comply with the provision of said Act
relative to keeping open said office.

By: 
STEVEN R. CROSS,
Registered Agent

SECRETARY OF STATE

MAR 11 2017

FILED

EXHIBIT "3"

BYLAWS OF
KNOTT'S LANDING
CONDOMINIUM ASSOCIATION, INC.

OR 780 PG 489

1. IDENTITY

1.01. THESE ARE the Bylaws of KNOTT'S LANDING CONDOMINIUM ASSOCIATION, INC., called "Association" in these Bylaws, a corporation not for profit under the laws of the State of Florida. The Articles of Incorporation of the Association were filed in the office of the Secretary of State on the 14th day of March, 1984. The Association has been organized for the purpose of administering a condominium pursuant to Chapter 718, Florida Statutes, called The Condominium Act in these Bylaws, which condominium is identified by the same of KNOTT'S LANDING - A CONDOMINIUM, and is located upon the following real property situate in Charlotte County, Florida, to-wit:

Lots 996 and 997, OAKLAND HILLS SECTION, ROTONDA WEST, according to the plat thereof recorded in Plat Book 8, Pages 15A thru 15K, Public Records of Charlotte County, Florida.

1.02. The office of the Association shall be located at:

1.03. The fiscal year of the Association shall be the calendar year.

1.04. The seal of the corporation shall bear the name of the corporation, the word "Florida", the words "Corporation Not for Profit", and the year of incorporation. An impression of which is as follows:

(corporate seal)

2. MEMBERS

2.01. Roster of Members. The Association shall maintain a roster of the names and mailing addresses of unit owners, which shall constitute a roster of members. The roster shall be maintained from evidence of ownership furnished to the Association from time to time to substantiate the holding of a membership, and from changes of mailing addresses furnished from time to time. Each Member shall furnish to the Association a copy of the evidence of his title substantiating his membership in the manner required by the Articles of Incorporation and the Declaration of Condominium.

2.02. Annual Meeting. The annual members' meeting shall be held on the 15th day in February of each year at 1:00 p.m. local time, at such place in Englewood or Rotonda West, Florida as the President, or a majority of the Board of Directors shall determine; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day which is not a holiday. The purpose of the meeting shall be to elect Directors and to transact any other business authorized to be transacted by the Members. The Directors first elected by the Membership of the Association shall serve until the date for the next following annual meeting.

2.03. Special Members' Meetings. Special Members' meetings shall be held at such place as provided for annual meetings whenever called by the President or by a majority of the Board of Directors, and must be called by those officers upon receipt of a written request from a majority of the Members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

OR 780 PG 490

2.04. Notice of a Meeting. Notice of meetings of Members stating the time and place, and the reasons for which the meeting is called shall be given by the officer calling the meeting. A copy of the notice shall be posted in a conspicuous place on the Condominium property, and a copy shall be mailed by certified mail to each Member entitled to attend the meeting, except Members who waive the notice in writing. The mailing shall be to the address of the Member as it appears on the roster of Members. The posting, and mailing of the notice, shall be effectuated not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. Notice of a meeting may be waived before or after the meeting. Mailing of notice of the meeting shall be sent by certified mail, and the post office certificate of mailing shall be retained as proof of such mailing.

2.05. Quorum of Members. A quorum of Members shall consist of persons entitled to cast a majority of votes of the entire Membership. The acts approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the act of the Members, except when approval by a greater number of Members is required by the Declaration of Condominium, the Articles of Incorporation, or these Bylaws.

2.06. Voting. In any meeting of Members, the owners of units shall be entitled to cast one vote per unit. If a unit is owned by one person, his right to vote shall be established by the roster of Members. If a unit is owned by more than one person, or is under lease, the persons entitled to cast the vote for the units shall be designated by a certificate signed by all of the record owners of the unit according to the roster of unit owners, and filed with the Secretary of the Association. If a unit is owned by a corporation, the person entitled to cast the vote for the unit shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or the Assistant Secretary of the corporation, and filed with the Secretary of the Association. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the units concerned. A certificate designating the person entitled to cast the vote for a unit may be revoked by any owner of a share in the unit. If a certificate designating the person entitled to cast the vote for a unit is not on file, the vote of the owners shall be considered in determining whether a quorum is present, but not for any other purpose; provided, however, that where a unit is owned by husband and wife, either unit owner shall be entitled to vote for the unit and shall be considered in determining whether a quorum is present, absent an apparent conflict.

2.07. Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy. A proxy must be filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. One person may hold no more than five (5) proxies. No proxy shall be valid for more than ninety (90) days after the date of the meeting for which it was given and may be revoked at any time.

2.08. Adjourned Meetings. If any meeting of Members cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the adjourned meeting is given in the manner required for notice of a meeting.

2.09. Minutes. The minutes of all meetings of unit owners and the Board of Directors shall be kept in a book available for inspection by unit owners, or their authorized representatives, and the Board of Directors at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

2.10. **Order of Business.** The order of business at annual Member's meetings and as far as practical at other Members' meetings, shall be:

- A. Call to order by President;
- B. Election of Chairman of the meeting;
- C. Calling of roll, and certifying of proxies;
- D. Proof of notice of meeting, or waiver of notice;
- E. Reading and disposal of any unapproved minutes;
- F. Reports of officers;
- G. Reports of committees;
- H. Election of inspectors of election;
- I. Determination of numbers of Directors;
- J. Election of Directors;
- K. Unfinished business;
- L. New business; and
- M. Adjournment.

OR 780 PG 491

2.11. **Proviso.** Provided, however, that until a majority of the Directors of the Association are elected by the Members other than the Developer of the Condominium, the proceedings of all meetings of Members of the Association shall have no effect unless approved by the Board of Directors.

3. DIRECTORS

3.01. **Membership.** The affairs of the Associations shall be managed by a Board of not less than three (3) nor more than Ten (10) directors, the exact number to be determined at the time of election.

3.02. **Election of Directors.** The election of Directors shall be conducted in the following manner:

A. Election of Directors shall be held at the annual Members' meeting.

B. A nominating committee of five (5) Members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual Member's meeting. The committee shall nominate one person for each Director then serving. Nominations for additional Directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

C. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

D. Except as to vacancies provided by removal of Directors by Members, vacancies in the Board of Directors occurring between annual meetings of Members shall be filled by appointments by the remaining Directors.

E. Any Member of the Board of Administration may be recalled or removed from office with or without cause by the vote or agreement in writing by a majority of all unit owners. A special meeting of the unit owners to recall a Member or Members of the Board of Directors may be called by ten (10%) percent of the unit owners of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting.

F. Provided, however, that until a majority of the Directors are elected by the Members other than the Developer of the Condominium, neither the first Directors of the Association, nor any Directors replacing them nor any Directors named by the Developer shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed by the Developer.

OR 780 PG 492

3.03. **Term.** The term of each Director's service shall extend until the next annual meeting of the Members and subsequently until his successors are duly elected and qualified or until he is removed in the manner elsewhere provided; provided, however, that the terms of the first Directors shall be as set forth in the Articles of Incorporation of the Association.

3.04. **Organizational Meeting.** The organizational meeting of the Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice to officers and Directors of regular meetings shall be given personally or by mail, telephone or telegraph, and shall be transmitted at least three (3) days prior to the meeting.

3.05. **Regular Meetings.** Regular meetings of the Board of Directors may be held as such time and place as shall be determined, from time to time, by a majority of the Directors. Notice to officers and Directors of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three days prior to the meeting.

3.06. **Special Meetings.** Special meetings of the Directors may be called by the President, and must be called by the Secretary at a written request of one-third (1/3) of the Directors. Notice to officers and Directors of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three days prior to the meeting.

3.07. **Notice of Meetings.** All meetings of the Board of Directors shall be open to unit owners. Adequate notice of all meetings shall be posted conspicuously on the Condominium property at least forty-eight (48) hours in advance, except in an emergency. Notice of any meeting where assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

3.08. **Waiver of Notice.** Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to giving of notice.

3.09. **Quorum.** A quorum at Director's meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of Directors is required by the Declaration of Condominium, The Articles of Incorporation or these Bylaws.

3.10. **Adjourned Meetings.** If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.11. **Joinder in Meeting.** The joinder of a Directors in the action of a meeting by signing and concurring in the minutes of that meeting shall not constitute the presence of that Director for the purpose of determining a quorum.

3.12. **Presiding Officer.** The presiding officer at the Director's meetings shall be the chairman of the Board of Directors, if such an officer has been elected; and if none, the President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

3.13. Order of Business. The order of business shall be as follows:

- A. Calling of roll;
- B. Proof of due notice of meeting;
- C. Reading and disposal of any unapproved minutes;
- D. Reports of officers and committees;
- E. Election of officers;
- F. Unfinished business;
- G. New business; and
- H. Adjournment.

OR 780 PG 493

3.14. Director's Fees. The Director's fees, if any shall be determined by the Members.

3.15. Powers and Duties of the Board of Directors. All of the powers and duties of the Association existing under the Condominium Act, the Declaration of Condominium, Articles of Incorporation and these Bylaws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by unit owners when that is specifically required.

4. OFFICERS

4.01. Executive Officers. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, if so desired, who shall be a Director, a Treasurer, a Secretary and an Assistant Secretary, if so desired, all of whom shall be elected annually by the Board of Directors, and who may be preemptorily removed at any meeting by concurrence of a majority of all the Directors. A person may hold more than one office except that the President may not also be the Secretary or Assistant Secretary. No person may sign an instrument nor perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

4.02. President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of President of an association, including, but not limited to, the power to appoint committees from among the Members from time to time to assist in the conduct of the affairs of the Association as he in his discretion may determine appropriate.

4.03. Vice President. The Vice President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He shall also assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

4.04. Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the Members. He shall attend to the 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 shall affix it to instrument requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of an association and as may be required by the Directors or the President.

4.05. Assistant Secretary. The Assistant Secretary shall exercise the powers and perform the duties of the Secretary in the absence or disability of the Secretary.

4.06 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep books of account for

the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a Treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of Treasurer.

4.07. Compensation. The Compensation of all officers and employees of the Association shall be fixed by the Directors. The provision that the Director's fees shall be determined by Members shall not preclude the Board of Directors from employing a Director as an employee of the Association nor preclude the contracting with a Director for the management of the Condominium.

5. FISCAL MANAGEMENT

OR 780 PG 494

The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions.

5.01. Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

A. Current expenses, which shall include all receipts and expenditures to be made within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to capital surplus or to additional improvements. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

B. Capital surplus for a reserve account for capital expenditures and deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

C. Capital surplus for replacements, which shall include funds for repair or replacements required because of damage, depreciation or obsolescence.

D. Capital surplus for betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

5.02. Budget. The Board of Directors shall adopt a budget for each calendar year. The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications including, if applicable, but not limited to those expenses in Florida Statutes Section 718.504(20) and shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the foregoing accounts according to good accounting practices as follows:

A. Current expense, the amount for which shall not exceed 115% of the budget for the account for the prior year.

B. Deferred maintenance, the amount for which shall not exceed 115% of the budget for this account for the prior year.

C. Replacements, the amount for which shall not exceed 115% of the budget for this account for the prior year.

D. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall

OR 780 PG 495

include, but not be limited to, roof replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item.

E. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will part of the common elements, the amount for which shall not exceed \$20,000.00; provided, however, that in the expenditure of this fund, no sum in excess of \$2,500.00 shall be expended for a single item or purpose unless the item or purpose has been approved by the Members.

F. Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by Members entitled to cast not less than seventy-five (75%) percent of the votes of the entire Membership of the Association, and provided, however, as long as the Developer is in control of the Board of Directors, the Board shall not impose an assessment for any year greater than 115% of the prior fiscal year or calendar year's assessments without approval of a majority of all unit owners.

G. It is further provided that the budget for the Condominium shall be as set forth in the estimated operating budget until the annual meeting for the Association is held in 1985. Until that time, the owners of units that have been sold by the Developer will be assessed for common expenses at the rates stated in their contracts for purchase of units, and the Developer will be assessed for the amounts by which the common expenses exceed the amounts assessed against the owners of units sold by the Developer.

H. Copies of a proposed budget and proposed assessments shall be delivered or mailed to each Member not less than thirty (30) days prior to the meeting of the Board of Directors at which the proposed budget will be considered for adoption, together with a notice of that meeting. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member. Said meeting shall be open to all unit owners. In the event the adopted budget exceeds 115% of the assessments for the preceeding year, the board shall call a special meeting of the unit owners upon the following:

- 1) Written application of ten (10%) percent of the unit owners to the Board within thirty (30) days after said adoption by the Board;

- 2) Written notice shall be sent not less than ten (10) days prior to the meeting and held within thirty (30) days of receipt of the petition to the Board requesting the meeting. At the special meeting unit owners shall consider and enact a budget; which budget shall be adopted by a vote of not less than a majority of all unit owners.

I. In determining whether assessments exceed 115% of the assessments for the preceeding year, the following items shall be excluded:

- 1) Authorized provisions for reasonable reserves for repair or replacement of Condominium property;

- 2) Anticipated expenses by the Condominium Association which are not anticipated being accrued on a regular or annual basis;

OR 780 PG 496

3) Assessments for betterments to the Condominium property.

5.03. Assessments. Assessments against the unit owners for their shares of the items of budget shall be made by the Board of Directors for the calendar year annually in advance on or before the 1st day of December preceding the year for which the assessments are made. The amount required from each unit owner to meet the annual budget shall be divided into four (4) assessments, one of which shall be due on the first day of each calendar quarter of the year for which the assessments are made, or thirty (30) days after the mailing to the unit owners concerned of a statement for the assessments coming due, whichever date shall last occur. If assessments are not made quarterly as required, quarterly assessments shall be presumed to have been made in the amount of the last prior quarterly assessment, and assessments in this amount shall be due on the first day of each calendar quarter until changed by an amended assessment. In the event a quarterly assessment shall be insufficient in the judgment of the Board of Directors to provide funds for the anticipated current expense for the ensuing quarter, and for all of the unpaid operating expenses previously incurred, the Board of Directors shall amend the budget and shall make amended quarterly assessments for the balance of the year in sufficient amount to meet these expenses for the year; provided, however, that any account of the amended budget that exceeds the limit upon increases for that year shall be subject to the approval of the Membership of the Association as previously required in these Bylaws.

5.04. Financial Budget. Within sixty (60) days following the end of the fiscal or calendar year, the Board of Directors of the Association shall mail or furnish by personal delivery to each unit owner, a complete financial report of actual receipts and expenditures for the previous twelve (12) months. The report shall show the amounts of expenses by accounts and expense classifications including, if applicable, but not limited to, the following:

- A. Cost for security;
- B. Professions and management fees and expenses;
- C. Taxes;
- D. Cost for recreation facilities;
- E. Expenses for lawn care;
- F. Expenses for refuse collection and utility services;
- G. Cost for building maintenance and repair;
- H. Insurance costs;
- I. Administrative and salary expenses; and
- J. General reserves, maintenance reserves and depreciation reserves.

5.05. Assessments for Charges. Charges by the Association against members for other than common expenses shall be payable in advance. Those charges may be collected by assessment in the same manner as common expenses, and when circumstances permit, those charges shall be added to the assessments for common expense. Charges for other than common expense may be made only after approval of a Member, and may include, but shall not be limited to charges for the use of Condominium property, when authorized by the Declaration of Condominium, maintenance services furnished at the expense of a Member and other services furnished for the benefit of a Member.

5.06. Assessments for Emergencies. Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be due only after thirty (30) days notice is given to the unit owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of assessment.

5.07. Depository. The depository of the Association shall be such bank or banks as shall be designated from time to time

OR 780 PG 497

by the Directors and in which the monies of the Associations shall be deposited. Withdrawal of monies from those accounts shall be only by checks signed by such persons as are authorized by the Directors.

5.08. **Audits.** An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the report shall be furnished to each Member not later than April 1st of the year following the year for which the report is made.

5.09. **Fidelity Bonds.** Fidelity bonds shall be required by the Board of Directors from all officers or Directors who control or disburse funds of the Association. The amounts of those bonds and the sureties shall be determined by the Directors. The premiums on the bonds shall be paid by the Association.

6. PARLIMENTARY RULES

6.01. Robert's Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation and these Bylaws.

7. AMENDMENT

7.01. Except as otherwise provided, these Bylaws may be amended in the manner set forth in Florida Statute, Section 718.112(2)(i).

7.02. Provided, however, that no amendment shall discriminate against any Member nor against any unit or class or group of units unless the Members so affected shall consent. No amendment shall be made that in conflict with the Articles of Incorporation or the Declaration of Condominium.

7.03. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and Bylaws, which certificate shall be executed by the officers of Association, with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Charlotte County, Florida.

* * * * *

THE FOREGOING were adopted as the Bylaws of KNOTT'S LANDING CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors ofn the 1st day of March, 1984.

ATTEST:

KNOTT'S LANDING CONDOMINIUM
ASSOCIATION, INC.

By: Allyson P. Leavell
Secretary
ALLYSON P. LEAVELL,

By: Edward L. Leavell
President
EDWARD L. LEAVELL,

