

500226

DECLARATION OF CONDOMINIUM
OF
EDGEWATER POINTE AT PERICO BAY CLUB, SECTION II,
a condominium

KNOW ALL MEN BY THESE PRESENTS, that Rookery Bay Associates, a Florida general partnership, hereinafter called "Developer", makes and declares the creation of EDGEWATER POINTE AT PERICO BAY CLUB, SECTION II, a condominium, pursuant to the Condominium Act, as hereinafter defined, and subject to the terms hereinafter set forth:

ARTICLE 1. Submission Statement: Developer, the owner of the lands and appurtenances hereinafter described and defined, hereby submits to condominium ownership pursuant to the Condominium Act, the lands in Manatee County, Florida, described as follows:

1.01 Fee Lands: Those lands described and designated as Phase O, Exhibit 2, attached hereto.

1.02 Access Easements: Those certain perpetual, non-exclusive easements for the purposes of access, ingress, egress, utilities and drainage, described and designated as "Primary Access Road", "Primary Access Road Extension", "Primary Access Road Extension - Section 1", "Primary Access Road Extension - Section 2", "Primary Access Road Extension - Section 3" and "Primary Access Road extensions - Section 4" on Exhibit 2. Also, perpetual non-exclusive easements for such purposes over all Secondary Access Roads now existing or hereafter created in other component communities of Perico Bay.

1.03 Reservation: The fee lands described in Section 1.01 are submitted subject to all easements of record, those reflected on Exhibit 2 and those provided herein.

1.04 Appurtenance: All easements and use rights described in Section 1.02 shall be appurtenant to the lands described in Section 1.01.

1.05 Other Appurtenances: Such other easements, use rights, licenses and servitudes as may now or hereafter be provided as part of the Condominium Property.

1.06 Designation: All such lands, easements and appurtenances, and the rights herein described, shall be a part of the Condominium Property. Additional lands and appurtenances submitted to Condominium ownership under this Declaration as provided herein shall, upon such submission, become a part of the Condominium Property.

ARTICLE 2. Name: The name by which this condominium shall be known and identified is:

EDGEWATER POINTE AT PERICO BAY CLUB, SECTION II, a condominium, hereinafter sometimes called the "Condominium."

ARTICLE 3. Definitions: The terms used in this Declaration, its Amendments and Exhibits, shall have the meanings stated in the Condominium Act, except as herein otherwise provided, unless the context of such term shall otherwise require. Terms defined elsewhere in this Declaration shall have the meanings therein provided. All references to recordation of documents and other materials shall, unless otherwise stated, refer to recordation among the Public Records of Manatee County, Florida.

3.01 Assessment: "Assessment" means a common expense charge against a particular owner and his individual dwelling unit, made by the Association in accordance with this Declaration


RECORD VERIFIED
RE. SUBMITTANCE TO COURT
BY 

Exhibit 1

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and the Condominium Act and secured by a lien against such unit as hereinafter provided. The following meaning shall be given to the following types of assessments:

(a) "Regular Assessment" shall mean the recurring periodic assessment for each dwelling unit owner's share of the budget adopted annually.

(b) "Supplementary Assessment" shall mean assessments in addition to the Regular Assessments necessary to pay common expenses, including without limitations, amounts covering non-recurring items of common expense, or amounts necessary to supplement Regular Assessments in order to defray common expenses incurred in excess of the budget adopted annually.

(c) "Improvement Assessment" shall mean a charge against an owner or his individual dwelling unit representing the prorata share of the cost to the Association for the alteration or improvement of the Condominium Property which may be approved in accordance with this Declaration from time to time. Improvement Assessments may also include costs of repair and reconstruction as provided in Article 16, or the cost of betterments not part of a Regular or Supplementary Assessment but approved in accordance with the By-laws.

(d) "Special Assessment" shall mean any assessment other than the Regular Assessment.

3.02 Association: "Association" means Rookery Bay Maintenance II, Inc., a corporation not-for-profit, and its successors, which is and shall be the legal entity responsible for the operation of this Condominium.

3.03 By-Laws: "By-Laws" means the By-Laws of the Association existing from time to time.

3.04 Board: "Board" means the Board of Directors of the Association.

3.05 Common Elements: "Common Elements" means:

(a) those portions of the Condominium Property not included within the units.

(b) easements through the units for conduits, ducts, plumbing, wires and other facilities for the furnishing of utility services to other units, the common elements and other properties.

(c) an easement of support in every portion of a unit, including improvements thereto, which contributes to the support and structural stability of any other part of the Condominium Property, including improvements thereto.

(d) all property, improvements, facilities, devices and installations, wherever located, within the Condominium Property, for the furnishing of external utility services to the units, other common elements or other properties, except to the extent that ownership of all or any interest therein is reserved by Developer, granted to or owned by a provider of such utility service, or intended for and used by owners of other properties.

(e) any other parts of the Condominium Property designated as a Common Element in this Declaration, or any

amendments or exhibits hereto.

3.06 Common Expenses: "Common Expenses" means those items specified in the Condominium Act as common expenses and all other items of expense specified herein as common expenses, and the reasonably necessary cost of carrying out any Association power, duty or obligation hereunder, including but not limited to:

(a) expense of operating, maintaining, repairing and replacement of common elements and of any portion of units to be maintained by the Association.

(b) expenses of administration and management of the Association and the Condominium Property.

(c) the cost of carrying out the powers and duties of the Association.

(d) valid charges against the Condominium Property as a whole, or the common elements.

(e) the cost of any utility service fee or charge billed to the Condominium as a whole and not separately to each unit, or if such charges are billed to more than this Condominium, this Condominium's Proportionate Share thereof.

(f) the Condominium's Proportionate Share of the expense of maintenance, repair or replacement of recreational facilities, security facilities, maintenance facilities, boulevards, roads, streets, drives, walkways, paths, drainage and stormwater management systems, and other easements, servitudes and Shared or Limited Shared Facilities, whether located within the Condominium Property or not, serving or used by the unit owners or residents of this Condominium and the owners of adjacent lands in accordance with this Declaration and the By-Laws.

(g) the cost of providing uniform basic cable television service to units, if permitted by Florida law. If prohibited by Florida law, basic cable t.v. service shall not be a common expense.

(h) the cost of providing in-unit pest control service to units.

(i) any other item of expense designated as a Common Expense hereunder.

3.07 Common Property: "Common Property" means the recreational lands and other common areas, easements, facilities, improvements and other property owned by, leased to or an interest in which is otherwise granted to the Perico Bay Club Association in accordance with the Perico Bay Club Declaration.

3.08 Common Surplus: "Common Surplus" means the excess of all receipts of the Association, collected in behalf of a condominium, including but not limited to, assessments, rents, profits and revenues on account of the common elements, over the common expenses.

3.09 Condominium Act: "Condominium Act" means Chapter 718, Florida Statutes (1989), as it exists on the date of recodation of this Declaration.

3.10 Condominium Parcel: "Condominium Parcel" means an individual private dwelling unit, together with the undivided share in the common elements which is appurtenant to the private dwelling unit and all other appurtenances to such unit as may be herein provided.

3.11 Condominium Property: "Condominium Property" means

the lands submitted to condominium ownership and all improvements thereto and all easements, servitudes and rights appurtenant thereto intended for use in connection with the Condominium.

3.12 Developer: "Developer" means Rookery Bay Associates, a Florida general partnership, its successors and such of its assigns as to which the rights of Developer hereunder are specifically assigned.

3.13 Institutional Mortgagee: "Institutional Mortgagee" means a bank, savings bank, savings and loan association, credit union, insurance company, mortgage company, mortgage broker, Federal National Mortgage Association, union or other pension fund authorized to do business in Florida, business or investment trust, an agency of the United States Government or the State of Florida or any subdivision thereof, the holder of any mortgage insured by any agency of the United States Government or the State of Florida, or any subdivision thereof, or any lending entity commonly recognized as an institutional lender. If there exists any doubt as to whether or not a given mortgagee is an institutional mortgagee hereunder, such mortgagee or an owner or prospective owner may make application to the Board for a determination as to whether or not such mortgagee is an institutional mortgagee. The Board shall make such determination within ten (10) days of receipt of such application, and issue its determination in written recordable form. Any determination by the Board that a mortgagee is an institutional mortgagee shall be binding upon the Association, all unit owners and other mortgagees, and shall entitle such mortgagee to all of the rights of an institutional mortgagee hereunder.

3.14 Limited Common Elements. "Limited Common Elements" means those portions of the common elements which are reserved for the use of a certain Condominium unit or units, to the exclusion of other units, as may be permitted by this Declaration.

3.15 Owner: "Owner" or "Owner of Unit" means the owner of a Condominium parcel. An owner is the single or multiple owner of the fee simple interest in the Condominium parcel.

3.16 Perico Bay Club Association: "Perico Bay Club Association" means Perico Bay Club Association, Inc., a Florida non-profit corporation, its successors and assigns, which is the entity responsible for administering the Perico Bay Club Declaration in accordance therewith.

3.17 Perico Bay Club Declaration: "Perico Bay Club Declaration" means the Master Declaration of Covenants, Conditions and Restrictions for Perico Bay Club, recorded in Official Records Book 1181, Page 498 of the Public Records of Manatee County, Florida, as same may be amended in accordance with its terms.

3.18 Primary Institutional First Mortgagee. "Primary Institutional First Mortgagee" means the Institutional Mortgagee which owns at any time first mortgages encumbering units which secure a greater aggregate indebtedness than is owed to any other Institutional Mortgagee.

3.19 Special Charges. "Special Charges" means any charge, other than an Assessment, against a particular owner and his unit, made by the Association pursuant to this Declaration and secured by a lien against such unit as hereinafter provided. Without limiting the items to which the term Special Charges may apply, the following meaning shall be given to the following specific type of Special Charges:

(a) "Compliance Charge" shall mean a special

charge against a particular owner and his unit, directly attributable to the owner or his unit, to reimburse the Association for costs in bringing the owner or his unit into compliance with the provisions of this Declaration, the Articles, By-laws or rules and regulations of the Association, or any other charge designated as a Compliance Charge in this Declaration, the Articles or By-laws.

(b) "Service Charge" shall mean a Special Charge against a particular owner and his unit for any service, material or combination thereof which may be obtained by the Association for the use and benefit of such owner or his unit on behalf of such owner accepting or subscribing to such material or service.

3.20 Unit: "Unit" or "Condominium Unit" means that individual private dwelling unit or that part of the Condominium Property which is subject to exclusive ownership as provided in the Condominium Act. The term unit implies a single defined portion of the Condominium Property subject to such exclusive ownership, that cannot be subdivided into additional units. The aggregate of all units is all of the Condominium Property subject to such exclusive ownership.

3.21 Utility Services: "Utility Services" shall include but not be limited to electric power, gas, water, garbage, sewage and trash collection and disposal, cable television signals, master community antenna systems, drainage, stormwater management systems, irrigation systems and telephone and all other service and convenience facilities.

ARTICLE 4. Phase Development: This Condominium is intended to be a phase condominium development in accordance with section 718.403 of the Condominium Act and the provisions of this Declaration:

4.01 General Development Plan: The Development Plan is to establish and develop this Condominium in three phases, each phase comprised of eight (8) single family dwelling units, located in one building. Each building shall consist of two (2) habitable floors and each unit shall be on a single floor of the building in which it is located. Carports providing at least one (1) covered parking space for each unit will be built by the Developer. The right to use a particular carport may be purchased separately from the Developer. At such time, the carport shall be designated as a limited common element appurtenant to the unit to which it is assigned. Additional parking shall be provided in uncovered parking spaces, which may become limited common elements if assigned by the Developer or the Board.

4.02 Description of Phases: The following is a description of each proposed phase:

(a) Phase M. Phase M is planned to contain eight (8) units, and will be located on the land described and depicted on Exhibit 2 as Phase M. This Phase is not being submitted at this time, but may be submitted by the Developer as provided in Section 4.09 hereof.

(b) Phase N. Phase N, is planned to contain eight (8) units, will be located on the land described and depicted on Exhibit 2 as Phase N. This Phase is not being submitted at this time, but may be submitted by the Developer as provided in Section 4.09 hereof.

(c) Phase O. Phase O, planned to contain 8 units, constitutes the initial condominium and is located substantially as described and depicted on Exhibit 2.

4.03 Modifications to Phase Plan. Section 4.01 and 4.02 set out the proposed phase development plan. Developer

reserves the following specific rights to modify the phase plan, in its sole discretion:

(a) Ingress and Egress may be relocated to any location within the phase description.

(b) Developer may make non-material changes in the legal description of any phase.

(c) Developer may modify the plot plan as to unit location, type, floor plan and mix. The initial development plan is predicated on a specific mix of unit types. Specific unit types require certain building sizes and configurations. To the extent the floor plans or mix of unit types may vary or be modified, whether in response to market or other conditions, the development plan and plot plan may be altered within the limitations set forth herein. There will be no more than one buildings in each phase. The number of buildings in all phases will be 3. Each building will contain 8 units.

(d) Any building or structure may be relocated to any other location within the boundaries of its phase.

(e) The common areas may change in proportion to the contraction, expansion or relocation of any building, structure or ingress and egress as provided in this paragraph.

(f) Easements may be relocated, eliminated or established as set forth in this Declaration or permitted by law.

(g) Parking areas and limited common elements may be modified in the same manner as provided for buildings or other structures in this paragraph.

(h) Phases may be submitted to condominium use in any order or combination and do not need to be submitted in numerical order.

(i) Developer anticipates that the building and unit types will be substantially the same as to size, design and configuration in all phases. Developer has reserved the right, however, to change the mix of unit types and size of buildings and units and the floor plans for each building. Although Developer is disclosing that units in buildings that are added may differ substantially, Developer does not anticipate substantial variation. The anticipated difference, if any, will primarily be in the mix of building and unit floor types and floor plans. To accommodate that it may be necessary for the Developer to make adjustments in the location, size or configuration of one or more buildings. Developer does not anticipate any substantial change in architectural concept, building or unit size. In no event shall any phase contain any buildings of more than two stories. The number of buildings that is planned for the entire condominium is (3) three. For each phase (1) one building is planned. The maximum size of any unit in any phase is 1,630 square feet and the minimum is 1,349 square feet.

4.04 Impact of Additional Phases: The impact of completion of additional phases upon the initial Condominium Phase, and of additional phases upon the condominium as it may exist at the time of addition, shall primarily be the increase in the amount land and the number of units comprising the Condominium Property and the concomitant change in percentage ownership and responsibility for common expenses as herein provided. Completion of additional phases will increase the area of development and, it is anticipated, provide for more economical operation of the Condominium. Unit owners in existing phases will, upon completion of additional phases, own a smaller percentage of the common elements, but the common elements shall be increased in quantity.

4.05 Timetable for Phase Development. All planned phases must be added to the condominium on or before seven (7) years from the date of recording of the declaration.

4.06 Percentage Ownership in Common Elements: Each unit owner shall at all times own an equal undivided interest in the common elements then forming a part of the Condominium Property. Upon the addition of phases, or upon the amendment of the Declaration to change the number of units in any one or more phases in accordance with this Article 4, the percentage ownership in the common elements appurtenant to each unit in the Condominium shall be equal to one (1) divided by the total number of units in the phases then forming a part of the Condominium Property. If other phases are not added, the total ownership of the common elements shall be divided equally among the units in the initial phase. In such event, the common elements shall be those within the initial phase.

4.07 Recreation Areas and Facilities: This condominium is planned to include a swimming pool with surrounding deck area, a spa or therapy pool and associated facilities and equipment. The swimming pool and related facilities shall be located substantially as depicted on Exhibit 2. Developer shall reserve the right to grant non-exclusive use rights in these limited shared facilities to other component communities of Perico Bay. Developer plans to grant such non-exclusive use rights in these proposed limited shared facilities to this Condominium. If added, each component community sharing such limited shared facilities shall pay a proportionate share of the shared expenses associated therewith as provided in Article 19.

4.08 Association Membership and Voting. Each unit owner shall be a member of the Association and entitled to one vote, as hereinafter provided, regardless of in which phase the unit is located.

4.09 Amendments Adding Phases. Additional phases may be added to the Condominium by the execution and recording by Developer of an Amendment to this Declaration. Such Amendment shall describe the additional lands and easements and any improvements, and submit them to condominium ownership pursuant and subject to the terms of this Declaration and the Condominium Act. Such amendment shall reference this Declaration by book and page of its recordation. Developer has and reserves the right to sign, acknowledge and record such Amendments without approval, consent or joinder of the Association or any unit owner or mortgagee or other lienholder on any of the existing Condominium Property.

4.10 Effect of Phase Additions. After the addition of any phase, the additional lands and appurtenances submitted to condominium shall be merged with the lands within the Condominium immediately prior to such Amendment and be a part of the Condominium Property as though originally submitted to Condominium ownership hereby, subject only to the change in ownership percentages as provided in Section 4.06. Any mortgage on land comprising a phase shall upon addition of such lands to this Condominium be deemed modified to describe those units located within the phase so added, together with the undivided interests appurtenant to such units in all common elements of the Condominium, wherever located. Likewise, any mortgage encumbering lands forming a part of the Condominium prior to the addition of a phase shall be deemed to encumber the units located within such lands so encumbered and not previously released therefrom (or the unit or units specifically encumbered), together with an undivided interest in all common elements from time to time forming a part of the common elements appurtenant to such units. No such mortgagee shall be required to execute any release nor shall any modification of a mortgage be necessary, to

the end that as additional phases are added, each mortgagee of lands forming a part of the Condominium shall have a mortgage upon unreleased units located in the lands originally encumbered, together with the undivided interest in all common element lands then located within the Condominium Property and appurtenant to such units, except as such units may have been specifically released by such mortgagee. Each mortgagee by consenting to and joining in this Declaration, or an amendment adding a phase hereto, shall be deemed to have consented and agreed to the provisions hereof.

4.11 Phase Lands Not Added. Any lands in proposed phases that are not added to the Condominium Property shall not be a part of the Condominium Property, and may be used for any lawful purpose; provided that such lands may enjoy utility, drainage and access easements over the Condominium Property, as herein provided, and may have a non-exclusive right to share in recreational and other facilities in accordance herewith.

4.12 Time-Share Estates: There will be no time-share estates created with respect to any units in this Condominium.

ARTICLE 5. Unit Boundaries and Identification of Units: Each unit shall consist of that part of the building and improvements containing the unit that lies within the unit boundaries, as herein defined, and as depicted on the survey, plot plan and graphic description.

5.01 Upper and Lower Boundaries: The upper and lower boundaries of each unit shall be the following boundaries, extended to an intersection with the perimetrical boundaries:

(a) Upper Boundary: The plane or planes of the undecorated finished ceiling.

(b) Lower Boundary: The plane or planes of the undecorated finished floor.

5.02 Perimetrical Boundaries: The perimetrical boundaries of each unit shall be the vertical planes of the undecorated finished interior surfaces of the walls bounding the unit, extended to their intersection with each other and with the upper and lower boundaries.

5.03 Interior Stairways: The unit boundaries of second floor units include enclosed private internal stairways as depicted on the survey, plot plan and graphic description.

5.04 Screened Patio/Balcony: Unit boundaries include attached screened patio/balcony as depicted on the Survey, Plot Plan and Graphic Description.

5.05 Apertures In Boundaries: There exist certain physical apertures along the surfaces of unit boundaries to accommodate such items as vents, doors, windows and such other non-structural items as ordinarily provide physical enclosure to a unit. Such items are technically common elements to the extent they are located without the unit boundaries, even though they would customarily be considered as part of the unit. Accordingly, where such apertures exist the structural items involved shall be deemed Limited Common Elements appurtenant to the unit, as shall the volume of space between the unit boundary and the interior surfaces of such structural items. By way of explanation and not by way of limitation, such Limited Common Elements shall include doors, windows, screens and frames, casings, jams and sills.

5.06 Utility Services, Internal: The improvements, devices, installations, appliances and facilities, whether located within or without the boundaries of a unit, furnishing utility services only to such unit shall be deemed a part of the

unit from the point of disconnection or detachment from the improvements, devices, installations, appliances or facilities deemed external utility services under Section 5.05. The points of such disconnection or detachment for such utility services are as follows:

(a) Water: The point or points at which water lines break the plane of a unit boundary.

(b) Sewer: The point or points at which sewer lines break the planes of a unit boundary.

(c) Electric Power: The point at which the electrical service enters the service panel providing service to a particular unit.

(d) Telephone, Cable Television, Master Antenna Television and Other Communication Systems: The point at which such lines break the plane of a unit boundary.

(e) Other: Other utility services shall be deemed external to the point within a unit boundary at which the particular improvement, device, appliance, installation or facility serves only the unit in which it is located.

5.07 Utility Services, External: The improvements, devices, installations, appliances and facilities furnishing utility services and located within the Condominium Property, including those within Unit boundaries, shall be common elements to the point of disconnection or detachment at which same become part of a unit under Section 5.05. Utility services deemed common elements under this section shall be maintained by the Association pursuant to Section 11.01, unless otherwise provided therein. Nothing contained herein shall cause any utility line, facility or device, the ownership of which is retained by a supplier of a utility, to become a common element, nor shall it diminish any maintenance obligation of any such supplier.

5.08 Identification of Units: Each unit shall be given an identifying number or letter, or combination thereof, which designation may identify the building in which such unit is located, and be depicted on the exhibits attached hereto or to subsequent Amendments. No unit shall bear the same identifying designation as any other unit. The identifying number and/or letter of a unit is also the identifying designation of the Condominium Parcel of which such unit forms a part.

5.09 Condominium Parcel: Each Condominium Parcel shall include an individual private dwelling unit together with the following appurtenances and any other appurtenances now or hereafter provided for in this Declaration or the Condominium Act:

(a) Common Elements: An undivided share in the common elements, as set forth in Article 8.

(b) Limited Common Elements: The exclusive right to use all limited common elements appurtenant to such unit.

(c) Air Space Easement: An exclusive easement for the use of the air space occupied by the unit as it exists at any particular time, and as the unit may lawfully be altered or reconstructed from time to time.

(d) Association Membership: Membership in the Association.

(e) Common Surplus: An undivided share in the common surplus.

(f) Common Facilities: The right to use, occupy and enjoy common facilities of this condominium, and such other common facilities (including Shared Facilities and Limited Shared Facilities) as may be located outside this condominium, subject to the provisions of the Declaration, the By-Laws, rules and regulations, the Condominium Act and any Declaration of Servitude, easement, license or other use agreement with respect thereto. Common Facilities shall not include Common Property or other rights under the Perico Bay Club Declaration.

(g) Easements: All easements, licenses, rights and servitudes forming a part of the Condominium Property, whether now in existence or hereafter created.

5.10 External Appliances and Fixtures: All air-conditioning and heating equipment, appliances, devices and installations located outside the unit boundaries, together with all ducts, conduits, condensate lines, electrical connections and other items a part of such system shall be deemed a limited common element appurtenant to the unit served thereby, and be maintained by the owner of such unit.

ARTICLE 6. Easements: The following easements are established and reserved over, across, under and through the Condominium Property, the condominium units and the common elements and limited common elements, each to be a covenant running with the land of the Condominium Property, and in favor of the Association, individual or collective unit owners, the Developer, governments having jurisdiction, suppliers of utility services, the public, the Perico Bay Club Association, third parties and owners and occupants of adjacent lands or lands in the vicinity of this condominium, as the context may require:

6.01 Ingress and Egress: Non-exclusive rights-of-way by vehicle or on foot in, to, over and upon the roads, drives, streets, driveways, stairways, walks and paths, whether shown on any exhibit hereto or not, as same may be initially located or as they may be built or relocated in the future, for all reasonable and usual purposes for which such roads, drives, streets, driveways, stairways, walks and paths are commonly used, and to provide ingress to and egress from each unit and all and singular the common elements and limited common elements. This easement shall not be construed to grant or create the right or privilege to park any vehicle on any part of the Condominium Property not designated as a parking area.

6.02 Utilities and Duct Work: Easements as may be required, desirable or necessary for the furnishing of utility services to any one or more units, the common elements, limited common elements, the Condominium Property generally and adjacent lands not forming a part of the Condominium. Such easements shall include, but not be limited to, such easements as may be shown on exhibits to this Declaration and Amendments hereto. Easements shall exist in all common elements for utility services, external, and an easement in gross is hereby granted in all common elements for utility services in favor of governments having jurisdiction, suppliers of utility services and owners and occupants of lands that are or might be part of Perico Bay. Such easements shall include the right of suppliers of utility services to enter upon the Condominium Property at reasonable times to inspect, repair, maintain and replace utility services, including the periodic reading of metering devices. Easements shall exist as may be required, desirable or necessary for duct work and condensate lines for the furnishing of air-conditioned, cooled or heated air to the units from air-conditioning or heating equipment or installations located without the unit boundaries.

6.03 Encroachments: If a unit shall encroach upon any common element or limited common element, or upon any other unit

by reason of original construction or by the non-purposeful or non-negligent act of the unit owner, then an easement appurtenant to such encroaching unit, to the extent of such encroachment, shall exist. If any common elements or limited common elements shall encroach upon a unit as a result of original construction or the non-purposeful or non-negligent act of the Association or a unit owner, then an easement appurtenant to such common element or limited common element, to the extent of such encroachment, shall exist so long as such encroachment shall exist.

6.04 Maintenance: Such easements as may be reasonably necessary or desirable are provided for the purposes of maintenance, repair, replacement, rebuilding and reconstruction of the units, common elements and limited common elements, utility services, any common areas or facilities serving this Condominium located outside this Condominium, and for implementation of any of the maintenance or repair obligations of the Association, unit owners or others hereunder.

6.05 Structural Support: Easements shall exist in all portions of a unit contributing to the structural support of the improvements and building in which such unit is located, including but not limited to interior load bearing walls, partitions and columns. Such easements shall include all those reasonably necessary or desirable to insure the continued structural support, stability and integrity of the entire building. Likewise, such support easements shall exist in all units and common elements providing support for other units. Such easements shall extend to and include the continued existence, maintenance, repair, rebuilding, replacement and reconstruction of all such building components providing structural support, stability and integrity. No unit owner shall do, cause or permit to be done any act in and about his unit, and the improvements therein, which shall impair the structural stability and integrity of the remaining portion of such building, or any portions of his unit contributing thereto, or otherwise violate the provisions of this section or of this Declaration.

6.06 Access to Other Property: Easements, licenses and private ways are hereby reserved over the boulevards, streets and roads of the Condominium Property for the purpose of utility services, drainage and access to any and all lands that may now or might hereafter form a part of Perico Bay, as defined and described in Article 19. Specifically and without limitation, non-exclusive, perpetual private rights-of-way are reserved over such boulevards, streets and roads to provide ingress to and egress from any and all other Component Communities of Perico Bay and the Common Property. Such easements, private ways and licenses hereby reserved shall be deemed expressly reserved and excepted from each and every conveyance, mortgage, lease or other transfer of a unit or any interest therein by Developer, even though such specific reservation and exception is not mentioned therein. If Developer elects to assign the easements or reservation rights hereunder, or include same in additional developments on such lands, it may do so by specific reference to the easements and easement rights hereunder. Without limiting the generality of the foregoing, Developer reserves an access easement over the common property of this Condominium and the "primary access easement - Section 4" which is reflected on Exhibit 2 for the use and benefit of the owners and occupants of this Edgewater Pointe at Perico Bay Club, a Condominium. These access easements shall be as reasonably necessary to provide full access to Shared Facilities located in this Condominium. Such reserved easements shall be solely for the purposes herein provided and shall be appurtenant to such land. The interior boulevards, streets, lanes and roads of the Condominium Property shall be Secondary Access Roads, and shall be for the benefit and use of all owners and occupants within Perico Bay, their guests, invitees and licensees, and for any and all emergency vehicles. In addition, where reasonably necessary and appropriate, such

easements, licenses and servitudes are reserved to carry out the Shared Use Rights in shared or Limited Shared Facilities and the Common Property set out in Article 19. All such easements, licenses, servitudes and rights so reserved shall include those described or contemplated herein; those located or designated on the plat; those established by construction by Developer or others as part of the development of this Condominium, phase lands not added or other parts of Perico Bay; and those that may be subsequently established by the Association. Such easements, licenses and servitudes may be used for access, utilities and drainage. The Board, on behalf of the Association and on behalf of all unit owners (each of whom hereby appoints the Board as his attorney in fact for this purpose) shall have the right to grant additional access, utility service or other easements, or to relocate existing easements or facilities, in any portion of the Condominium Property, as the Board shall deem necessary or desirable for the proper operation and maintenance of this Condominium, developments in phase lands not added to this Condominium, other parts of Perico Bay or for the general health or welfare of the unit owners, or for the purposes of carrying out any provisions of this Declaration or otherwise; provided that such easements or the relocation of existing easements will not prevent or unreasonably interfere with the reasonable use of the units for their intended purposes, or with the proper exercise of such easements, licenses or servitudes so reserved or granted to the owners or occupants of other portions of Perico Bay. Nothing contained herein shall unreasonably interfere with the right of owners of units in this Condominium from using such boulevards, streets and roads as provided in Section 6.01, and from using the common elements of this Condominium in accordance with this Declaration.

6.07 Developer: Until such time as Developer has completed the Condominium and sold all of the units contained within the Condominium Property, easements, including but not limited to ingress and egress, are hereby reserved and shall exist through and over the Condominium Property as may be required, convenient or desired by Developer for the completion of the development of the Condominium and the sale of the units, including construction traffic. Likewise, such easements are also reserved to the Developer, its successors or assigns, for the development of lands not part of the Condominium Property that may become part of Perico Bay. Neither the unit owners nor the Association shall interfere in any way with such completion and sale. Developer reserves unto itself, its successors and assigns, the right to grant easements over any of the common elements to be used for or in connection with any development on any of the lands that may form a part of Perico Bay and for the purpose of the completion and maintenance of Perico Bay, such easements to be for the purpose of utilities, drainage and ingress and egress. Developer reserves the right to assign any such easements reserved hereunder to other residential developments now or hereafter existing on lands adjacent or nearly adjacent to this condominium, or that may be within Perico Bay, and after Developer transfers control of the Association, the Association may also grant such easement rights upon such requirements as may be deemed fair and appropriate by the Association.

ARTICLE 7. Survey, Plot Plan and Graphic Description:

There is attached hereto and made a part hereof a survey, plot plan and graphic description showing the units, common elements and, in some instances, limited common elements, their location and approximate dimensions which, together with this Declaration, is in sufficient detail to identify the units and common elements. Each such Exhibit is or shall be certified to as required by the Condominium Act. Substantial completion shall be deemed to exist at such time as the surveyor can physically locate and identify unit and common element boundaries as above provided, and said certificate shall not necessarily imply that all units and improvements have been constructed to completion.

If at any time the actual physical location of any unit, building, limited common element or other improvement or easement, facility or installation does not completely coincide with the location, dimensions, configuration, size or relative location of the unit, building, improvement, easement, facility or installation as reflected on Exhibit 2, or amendments thereto, then the actual physical location thereof shall control, and any such variance shall not be deemed inconsistent with this Declaration and shall be deemed to fall within the easement provisions of Article 6.

ARTICLE 8. Undivided Shares in the Common Elements:
Each unit shall have as an appurtenance thereto an equal, undivided share in the common elements.

ARTICLE 9. Percentage and Manner of Sharing Common Expenses and Owning Common Surplus: Each unit and unit owner shall be responsible for the common expenses and own the common surplus in percentages equal to the undivided shares in the common elements from time to time existing, as determined pursuant to Article 8.

ARTICLE 10. Limited Common Elements: The following shall be limited common elements appurtenant to the unit or units served or to which they may be assigned, as applicable:

10.01 Boundary Apertures: The spaces and items described in Section 5.05.

10.02 Air Conditioning and Heating: The air conditioning and heating equipment and systems described in Section 5.10.

10.03 Balconies and Walkways: Except as provided in Article 5, Sections 5.03 and 5.04, any loggia, terrace, porch, patio or walkway attached to an exterior wall of a building that serves one particular adjacent unit shall be a limited common element reserved for the exclusive use of the unit that it serves, subject to any right of passage in favor of other units reasonably necessary to provide access to such other unit or units.

10.04 Stairways: Stairways that are not part of a unit as provided in Article 5, Section 5.03, shall be limited common elements appurtenant to the units served thereby.

10.05 Courtyards: Any fenced garden areas or courtyards adjacent to units shall be limited common elements for the exclusive use of the unit to which they are contiguous, subject to any right of passage in favor of owners of other units or the Association for reasonably necessary access to a unit or common elements for purposes of maintenance or otherwise hereunder.

10.06 Carports : Carports providing one enclosed parking space for each unit shall be built by the Developer. The right to use a particular carport may be purchased separately from the Developer, after which time it will be assigned to an individual unit. Each such carport shall, upon such assignment, become a limited common element appurtenant to the unit to which it is assigned. Purchasers of a new unit from the Developer will have the option to purchase the right to use one carport per unit. If available, a unit owner will be able to purchase the right to use additional carports from the Developer. Carports shall be assigned and transferred only by instrument filed with the Association.

10.07 Parking Spaces: Parking spaces may become limited common elements appurtenant to the units to which they may be assigned by the Developer or the Board, if the Developer or the Board determine to assign such spaces. If neither Developer nor

the Board assign such spaces, then they shall not be limited common elements. Parking spaces shall be assigned and transferred only by instrument filed with the Association. The exclusive right of use of each such limited common element shall pass as an appurtenance to the unit to which it is appurtenant, whether specifically mentioned or not, and the right to use such limited common element may not be separated from the unit to which it is appurtenant, except that carports and parking spaces may be reassigned to another unit with the consent of the Board and the owners of the units to which it is appurtenant before and after assignment. Guest parking spaces may be built throughout the Condominium, and the use of such guest parking spaces shall be subject to reasonable rules and regulations adopted by the Association. Guest parking spaces shall not become limited common elements.

10.08 Other: Any other item designated as a limited common element hereunder shall be appurtenant to the unit or units served thereby, as may be provided herein.

ARTICLE 11. Maintenance, Alterations and Improvements:
Responsibility for the maintenance of the Condominium Property and restrictions upon its alteration and improvements shall be as provided herein:

11.01 Common Elements and Limited Common Elements:

(a) The maintenance, repair and replacement of the common elements and limited common elements shall be the responsibility of the Association, and the expense connected therewith shall be a common expense, except as herein otherwise provided. The unit owners shall be responsible for the maintenance, repair and replacement of doors, windows, glass, screens and other non-structural items described in Section 5.05 as limited common elements, provided, however, that the Association shall be responsible for the exterior maintenance and repair, including painting, of the exterior surfaces of exterior doors, casings, frames, jams and sills. Unit owners shall be responsible for routine maintenance and cleaning of any balconies, loggia, terraces, porches, patios, stairways or walkways that are limited common elements appurtenant to such unit pursuant to Article 10, however, the Association shall be responsible for non-routine maintenance, including painting, and all repair and replacement of such limited common elements. Provided further that the Association shall be responsible for the maintenance, repair and replacement of all limited common elements that are appurtenant to more than one unit.

(b) Unit owners shall further be responsible for the maintenance, repair and replacement of the electrical panel, conduit, wiring, outlets, switches and fixtures from the point at which same are deemed an internal utility service under Section 5.06, notwithstanding their location outside the unit boundaries. Unit owners shall also be responsible for maintenance of the air-conditioning and heating systems serving their unit, including any and all compressors, air-handlers, duct work and other related fixtures, equipment, installation and devices, even though same may be located in whole or in part in the common elements, as provided in Section 5.10.

(c) Unit owners shall be responsible for routine cleaning and maintenance of carports which are limited common elements, but the Association shall be responsible for non-routine maintenance, including painting and all repair and replacement of such limited common elements.

11.02 Units: The maintenance, repair and replacement of the units shall be the responsibility of the unit owner, at his sole expense, except as provided in Section 11.03. The responsibility of the unit owner shall include, but not be limited to all

surfaces, structures, fixtures, equipment, installations, devices, appliances and internal utility services forming a part of the unit or located within the unit boundaries, except as provided in Section 11.03, and shall also include responsibility for the items set out in Section 11.01.

11.03 Maintenance of Units by the Association: The Association shall maintain, repair and replace as a common expense, all portions of a unit, except interior finished surfaces, that contribute to the support of the unit or the improvements in which it is located and in which there exists an easement of support pursuant to Section 6.05, including but not limited to load bearing floors, columns and walls. The Association shall also be responsible for the maintenance, repair and replacement as a common expense of all installations, equipment, fixtures, devices and appliances for the furnishing of utility services that may be located within a unit but which serve part or parts of the Condominium Property other than the unit within which such facilities are located.

11.04 Incidental Damage: Any damage to any unit caused by or as a result of, the carrying out of the maintenance responsibilities of the Association, or the negligence thereof, shall be repaired promptly by the Association as a common expense. Any damage to any part of the common elements, limited common elements or any unit caused by or as the result of any intentional or negligent act of a unit owner, his family, agents, contractors, invitees, guests or licensees, or by such unit owner in carrying out his maintenance responsibilities shall be repaired promptly at the expense of such unit owner. All costs of such repairs shall be charged to the particular unit owner as a Special Charge and may be collected and enforced in the same manner as any other Special Charge. Until so collected, such costs shall be treated as a common expense.

11.05 Failure to Maintain: The Association and its agents may enter any unit or limited common element upon reasonable notice and during reasonable hours to inspect such unit or limited common element. If a unit owner has failed to maintain or repair his unit or limited common element as required hereby, after notice the Association may perform such maintenance and make such repairs that the unit owner has failed to perform and make. All costs of such maintenance and repairs shall be charged to the particular unit owner or owners as a Special Charge and may be collected and enforced in the same manner as any other Special Charge. Until so collected, such costs shall be treated as a common expense.

11.06 Alterations and Improvement:

(a) To Common Elements and Limited Common Elements: After the completion of the improvements included in the common elements and limited common elements which are set forth in this Declaration, or which are contemplated by the Developer in the completion of the development as set forth herein, there shall be no substantial alteration or further improvement in the common elements or limited common elements without the approval in writing of the owners of not less than 75% of the units in the Condominium. Any such alteration or improvement which is so approved by such requisite majority of owners as provided herein shall not interfere with the rights of any unit owner, without his specific consent. The total cost of any such alteration or improvement so approved shall be assessed against and paid by the unit owners as an Improvement Assessment, in proportion to their ownership interests under Article 8. Any alteration or improvement made under the provisions of this section shall not result in any change in the undivided interests or rights of the unit owners in the common elements. Nothing contained in this section shall be deemed to require such written consent for maintenance, repair or replacement of

existing common element facilities and improvements, nor shall the provisions hereof extend to betterments, as provided in the By-Laws. All unit owners shall be liable for any Improvement Assessments levied in connection with such alterations or improvements as well as the common expense of maintenance of the common elements as so altered or improved, whether or not they approved of the alteration or improvement. Unit owners shall not enclose, paint or otherwise decorate, alter or change the structure or appearance of the exterior of the buildings, or any part of the common elements and limited common elements except as may be herein specifically authorized.

(b) To the Units: Except as otherwise reserved by the Developer, no unit owner shall make any alteration or improvement to his unit except in accordance with this section. A unit owner may make alterations and improvements to the interior of his unit, so long as such alterations or improvements do not impair the structural integrity of any part of the building in which such unit is located, including but not limited to interior load bearing walls, partitions or columns, or any other structural elements in which easements exist under Section 6.05, and do not otherwise violate the terms of this Declaration, provided, however, that no unit owner may make any structural alteration or improvement to his unit unless he has first obtained approval in writing of the Board. No such alteration or improvement may be made or performed that would change or alter any interior boundary wall, or any portion of the common elements or limited common elements, other than the electrical service or the air-conditioning and heating system, the maintenance of which the unit owner is responsible for pursuant to Section 11.01. If an owner has received written approval, then the unit owner may make such alteration or improvement at his sole expense, provided that all work shall be done solely in accordance with such approval and without disturbing the rights of other unit owners or the Association, and provided further that all alterations or improvements shall be in compliance with all existing and applicable governmental codes and regulations, and does not cause any increase in any insurance premium to be paid by the Association. The requirement for Board approval shall not apply to items of interior finish, such as wall coverings, floor coverings, mill work, alterations of interior doors, hardware, trim, light fixtures, appliances or plumbing fixtures, it being the intent hereof to require Board approval only when the proposed alteration or improvement is of a structural nature. Nevertheless, any such interior alterations or improvements that are non-structural and that do not require Board approval shall be carried out without disturbing the rights of other unit owners and in compliance with all existing and applicable governmental codes and regulations, and shall not cause any increase in insurance premiums to be paid by the Association. Provided, however, that no unit owner may install floor coverings of wood, tile or other material that may cause sound to be more easily transmitted through the floor without Board approval, which approval may be conditioned upon the unit owner using sound deadening techniques and/or materials at his expense.

ARTICLE 12. Assessments and Special Charges: The Association shall have the authority to make, collect and enforce Assessments as are provided for by the Condominium Act, this Declaration and the By-laws, and Special Charges as provided by this Declaration:

12.01 Common Expenses: Each unit owner, in the event of multiple owners the liability shall be joint and several, shall be liable for a share of the common expenses, as provided in Article 9. 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 shall establish Regular Assessments against unit owners to meet such estimate. Should the Board determine at any time that the Regular Assessments made are not

sufficient to pay the common expenses, or in the event of emergencies, the Board shall have authority to levy and collect Supplementary Assessments to meet such needs and obligations of the Association.

12.02 Compliance Charges: The Board may from time to time levy Compliance Charges against units. Such Compliance Charges shall be levied by the Board against an owner and his unit to reimburse the Association for costs incurred in bringing an owner or his unit into compliance with this Declaration, or for any other charges designated as a Compliance Charge in this Declaration, the Articles, By-Laws or rules of the Association. Compliance Charges are a form of Special Charge.

12.03 Improvement Assessments: The Association, through its Board, may from time to time levy Improvement Assessments against owners and their units for alterations or improvements to the common elements approved as provided in Article 11 or for the costs of repair and reconstruction as provided in Article 16, or for betterments not part of a Regular or Supplementary Assessment, approved in accordance with the By-laws.

12.04 Service Charges: If the Association undertakes to provide materials or services which benefit individual owners or their units, but which can be accepted or not by the owner, such as contracting in bulk for repairs, services, materials or maintenance, cable television service in excess of basic service or other similar services, materials or procedures, then the amount paid or incurred by the Association on behalf of the owner accepting or subscribing to such material or service shall be a Service Charge against such owner and his unit. An owner will be deemed to have agreed to such Service Charge by subscribing, requesting or accepting such material or service. Service Charges shall be levied by the Board and are a form of Special Charge.

12.05 Reserves: As part of its authority to make assessments, the Association, through its Board, may establish reasonable contingency reserves for the protection of the members and the Condominium Property including but not limited to reserves for replacements and repair, operating reserves to cover deficiencies in collection and otherwise and reserves for betterments. The Board shall establish such reserves as are required by the Condominium Act, subject to the right of owners to waive same, in whole or in part.

12.06 Payment of Assessments and Special Charges: Regular Assessments for common expenses shall be established annually, and be due and payable monthly in advance on the first day of each month. All Supplementary, Improvement, and other Special Assessments, as well as all Special Charges, shall be payable in such installments and at such times as may be fixed by the Board at the time of the establishment of such assessment or Special Charge. All assessments and Special Charges and installments thereof, paid on or before ten days after the day on which same shall become due shall not bear interest, but all sums not so paid within such ten day period shall bear interest from the date originally due until paid at the rate of 18% per annum, or such lesser amount as may be determined by the Board. All payments on account shall be applied first to interest, second to the assessment payments first due, and last to Special Charges due. If any assessment or Special Charge or installment thereof remains unpaid thirty days after the same shall become due, the Board may declare the entire remaining amount of such annual Regular Assessment, Supplementary or other Assessment, or Special Charge, as the case may be, due and payable in full as to the delinquent unit owner.

12.07 Uniformity: Each unit owner and his unit shall be liable for a share of Regular, Supplementary, Improvement and other Special Assessments in the proportions provided in Article

9. Special Charges will not necessarily be uniform in amount nor levied in proportion to the share of common expense provided in Article 9 because of their nature, but they shall be handled and processed in a uniform and non-discriminatory manner, and all units and owners similarly situated shall be treated in a uniform manner.

12.08 Lien for Assessments: The Association shall have a lien against each Condominium parcel for any unpaid assessments, with respect thereto, or against the unit owner thereof, and for interest thereon, as provided by the Condominium Act. Such liens shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such assessment or enforcement of such lien. Said liens shall be effective from and after the time of recording a claim of lien stating the description of the unit, the name of the record owner thereof, the amount due and the date when due, in the Public Records of Manatee County, Florida, and said lien shall continue in effect for one year unless an action is commenced thereon within the applicable year, as provided by the Condominium Act. Such claims of lien shall be signed and acknowledged by an officer of the Association or by the managing agent of the Association. Upon full payment, the party making payment shall be entitled to a record satisfaction of such lien. Liens for assessments may be foreclosed by a suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. The Association may also bring an action to recover a money judgment for unpaid assessments without waiving any claim of lien. If a Mortgagee shall obtain title to a unit as a result of a foreclosure of a first mortgage in which the Association has been properly named as a defendant junior lien holder, or as a result of a conveyance in lieu of foreclosure of such first mortgage then such mortgagee shall not be liable for assessments pertaining to such unit or Condominium parcel which became due prior to the acquisition of title by said mortgagee, except for such assessments as are secured by a claim of lien recorded prior to the recording of such mortgage. Such unpaid share of common expenses shall be deemed to be common expense collectible from all unit owners including the person or institution acquiring title to such unit through such foreclosure or a conveyance in lieu of such foreclosure, its successors and assigns. Nothing contained herein shall relieve a unit owner from responsibility for assessments for the period of time he owned such Unit, and same may be collected by suit for damages. A mortgagee acquiring title to a Condominium parcel as a result of a foreclosure or a deed in lieu of foreclosure may not, during the period of its ownership of such parcel, be excused from the payment of the share of expenses, assessments and Special Charges attributable to such unit, whether or not such parcel be occupied.

12.09 Developer's Obligation to Pay Assessments: Except as provided in Section 12.08 and in this section, no unit owner may be excused from the payment of his proportionate share of the common expenses and other assessments, unless all unit owners are likewise excused from such payment. As authorized by the Condominium Act, the Developer or its successors in interest as Developer shall be excused from the payment of its share of common expenses for those units owned by it and in all other respects during the period of time that it shall guarantee the Regular and Supplementary Assessments for common expenses of the condominium (imposed upon unit owners other than Developer) shall not increase over a stated amount per month per unit, and obligates itself to pay any amount of common expenses incurred during that period and not produced by Regular and Supplementary Assessments at guaranteed levels receivable from other unit owners. Developer's Guarantee shall commence upon recordation of this Declaration and shall extend until December 31, 1993, the date upon which non-developer unit owners assume control of the

association, or the day of the first budget year for which reserves have not been waived, whichever shall first occur, unless extended by agreement of the Developer in accordance with the Condominium Act. The guaranteed amount for the budget is \$156.84 per unit, per month for 1990, \$172.52 per unit per month for 1991, \$189.77 per unit per month for 1992, and \$208.75 per unit, per month for 1993. As authorized by the Condominium Act, there may be no assessment of the Developer as a unit owner for capital improvements without the approval thereof in writing by Developer, as long as Developer holds units for sale in the ordinary course of business.

12.10 Certificate of Unpaid Assessments and Special Charges: Any unit owner or mortgagee has the right to require from the Association a certificate showing the amount of unpaid assessments and Special Charges against such unit. The Association shall provide such certificate within fifteen (15) days after the request therefore. The Association shall, as part of its review procedure for the transfer of units pursuant to Article 17, include such certificate when issuing any approval. The Association may condition approval to the transfer of a unit upon the payment of any delinquent assessments and Special Charges with respect to such unit. Failure of the Association to supply such a certificate within fifteen (15) days after receipt of written request therefore made in connection with the sale, mortgaging or other transfer of a unit shall estop the Association from collecting from the purchaser or mortgagee any delinquent assessments and Special Charges that would have been reflected on such certificate, except for those delinquent assessments secured by a lien of record. Such estoppel shall not, however, prevent the Association from collecting any such delinquent assessments or Special Charges from an owner responsible for the payment thereof.

ARTICLE 13. Association: The operation of the Condominium shall be by Rookery Bay Maintenance, Inc., a corporation not-for-profit under the laws of Florida, hereinafter called the "Association". A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit 2, a copy of the By-Laws of the Association is attached hereto as Exhibit 4.

13.01 Membership in Association: Each unit owner shall be a member of the Association, and no one who is not a unit owner shall be a member of the Association. Each unit owner agrees that he shall accept membership in the Association and agrees to be bound by this Declaration, the Articles of Incorporation and By-Laws of the Association and the rules and regulations enacted pursuant thereto. Membership in the Association is automatic upon acquisition of ownership of a Condominium parcel, and may not be transferred separate and apart from a transfer of ownership of the unit. Membership shall likewise automatically terminate upon a sale or transfer of the parcel, whether voluntary or involuntary.

13.02 Voting Rights: Each unit owner is entitled to one vote in the Association. Voting rights and qualifications of voters are more fully set forth in the Articles and By-Laws.

13.03 Authority: The Association shall have all of the powers and authority reasonably necessary to operate the condominium. The Association shall have the powers of authority set forth in the Articles of Incorporation, shall also have the power and authority to enter into agreements whereby it acquires leaseholds, memberships and other possessory or use interests in the lands or facilities, whether or not contiguous to the lands of the condominium, intended to provide for the enjoyment, recreation, or other use benefits of the unit owners.

13.04 Relationship to Perico Bay Club Association: This Condominium is a Component Community pursuant to the Perico Bay

Club Declaration, as well as being a Component Community for the purposes of Article 19. Each owner of a unit in this Condominium is a member of the Perico Bay Club Association. The Perico Bay Club Association has certain authority and responsibilities set out in the Perico Bay Club Declaration, including but not limited to the maintenance of Common Property, for which the Perico Bay Club Association may establish assessments and shall have a lien upon each unit in this Condominium. The Association is prohibited from joining or merging with any other condominium associations or other organizations for the purpose of sharing in the administration, management and/or maintenance of this Condominium property and other properties. Provided, however, that in accordance with the Articles, the Association may act as agent for and on behalf of the Perico Bay Club Association for the collection of its assessments. This Condominium, however, is and shall remain an independent component community, and shall be managed and operated by the Association. As provided in the Perico Bay Club Declaration, and the Articles and By-Laws of the Perico Bay Club Association, the voting rights of owners of units in this Condominium in the Perico Bay Club Association are irrevocably delegated to the Board, and the members of the Board shall represent the owners of units in this Condominium at all meetings of the members of the Perico Bay Club Association. As to matters for which Direct Voting (as defined in the Perico Bay Club Declaration) is required or requested under the Master Perico Bay Club Declaration or the Articles or By-Laws of the Perico Bay Club Association, the matter shall be submitted to the members of the Association in a satellite meeting, and to each Component Association operating a Component Community subject to the Perico Bay Club Declaration, for a vote. The votes actually cast and the numbers cast for and against any proposition shall be binding upon the Board as delegate members, and shall be reported to and voted in the meeting of the Perico Bay Club Association as such positive and negative votes and the numbers actually voted. In all other matters the members of the Board, as Delegate Members of the Perico Bay Club Association, shall be free to vote the number of votes that the owners in this Condominium have in the Perico Bay Club Association as they may determine in accordance with the Perico Bay Club Declaration.

13.05. Arbitration of Disputes. Pursuant to the Condominium Act, Section 3.2(r) of the Articles and Article XII of the By-Laws, the Association shall attempt to arbitrate any claims, controversies, disputes, problems or differences which arise between it or any of the unit owner members and the developer by voluntary binding arbitration. Issues for arbitration should include but are not limited to allegations related to construction of units and improvements, statutory warranties and any other issues arising from provisions of the Condominium documents or the Condominium Act. Arbitrators shall be provided by the American Arbitration Association. The rules or procedure promulgated by the American Arbitration Association shall govern the binding arbitration hearings. The decision of any arbitrator shall be final but shall not be deemed final agency action. Nothing in this section shall be construed to foreclose parties from proceeding in a trial de novo. If such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence. Any party may seek enforcement of the arbitrator's final decision in a court of competent jurisdiction.

ARTICLE 14. Rights of Developer: Notwithstanding the general provisions of this Declaration, the Developer and its successors or assigns as such Developer, has reserved and retained certain rights and privileges, and is exempt from certain provisions otherwise generally applicable, better to enable it to develop the Condominium. This article sets forth certain reservations and retentions of rights and privileges by Developer, and exemptions afforded Developer, but shall not be deemed exclusive.

14.01 Construction and Maintenance: The Developer, its designees, contractors, successors and assigns, shall have the right in its and their sole discretion from time to time to enter the Condominium Property and to take all actions necessary or convenient for the purpose of completing construction and development of the Condominium, and all parts thereof, and to carry out necessary repair, maintenance and replacement that may be the responsibility of the Developer or of the Association, if the Association fails to do so, or for the purpose of construction, completion and maintenance of the Perico Bay Club, provided that such activity is conducted in a reasonable manner at reasonable times and does not prevent or unreasonably interfere, in the opinion of the Developer, its successors or assigns, with the use or enjoyment of the unit owners of the Condominium Property.

14.02 Use and Sale of Units: Developer shall have the authority to sell units to any persons approved by it, without approval of the Association to such transfer. Developer also reserves the right to retain, or sell and lease back, and use as sales offices, promotion and developmental offices and models any units, common elements and limited common elements retained or owned by it, or the use of which has been reserved by the Developer by contract, lease or otherwise. Developer shall have the right to transact on Condominium Property any business necessary to consummate the development of the Condominium and sale of units, including the right to have signs and employees in Developer offices and to use the common elements to show the Condominium Property. The sales office, signs and all other items pertaining to sales shall not be considered common elements and shall remain the property of the Developer. Developer's rights hereunder shall continue so long as it owns units in this Condominium which are offered for sale, or so long as it, or its successors or assigns, is actively developing and offering for sale units located within Perico Bay Club. Developer specifically reserves the right to designate and use exclusively portions of the common elements for temporary uses associated with its development, including but not limited to, temporary administrative, developmental or sales offices, temporary models and temporary parking areas.

14.03 Control of Association: Developer reserves the right to maintain control of the Association until Developer is required to transfer control of the Association by the Condominium Act. Developer reserves the right to transfer Association control to unit owners at any time.

14.04 Amendments to Declaration: Developer reserves the right to amend this Declaration, the Articles or By-Laws, to correct scrivener's errors in such documents or errors in the exhibits or to amend exhibits hereto to conform to post construction survey of the common elements and units, such amendments to be made without the necessity of joinder therein by any unit owners, the Association or the holder of any mortgage or other lien on any part of the Condominium Property. Until such time as Developer has transferred complete control of the Association to the members pursuant to Section 14.03, Developer may amend this Declaration, the Articles and the By-Laws in any manner not expressly prohibited herein or by the Condominium Act without approval of the Association, any unit owners or any mortgagee or other lien holder, provided that such amendment does not, in the reasonable opinion of the Developer, materially adversely affect substantial property rights of unit owners who do not consent in writing. Execution and recording of any amendment by Developer pursuant hereto shall be conclusive evidence that the amendment does not materially adversely affect substantial property rights of unit owners who did not join in or consent to such execution, and any such amendment shall be effective unless subsequently rescinded. Such amendments may alter the location, configuration or size of any unit if the

record owner of such unit and any liens thereon joins in the execution thereof. No such amendment shall, however, change the configuration or size of any unit not owned by Developer in any material fashion, or materially alter or modify the appurtenances to any unit not owned by Developer, or change the percentage by which the owners share the common expense and own the common elements except with the consent of all affected unit owners of record and all record owners of mortgages or liens thereon, except as provided in Article 4. Amendments that contain exhibits revised to conform to post construction surveys need not contain the joinder of the owners of affected units and liens thereon if such post construction, or "as-built" surveys only reflect a non-substantial adjustment in the location, configuration or size of one or more buildings or the location, configuration or size of one or more units, with concomitant alteration of common elements. Any ownership interest, mortgage or other interest in any unit shall attach to such unit and/or altered common element appurtenant thereto as same may be relocated, reconfigured or resized by amendment pursuant hereto without the necessity of any modification or correction of such mortgage or other instrument creating such interest, and the mortgage, ownership or other interest shall attach solely to the unit and appurtenant interest in common elements as so relocated, reconfigured or resized without the necessity for any conveyance or release of any interest as to those portions of the Condominium Property as previously located, configured or sized. Developer may also amend the Declaration as provided in Article 4 without the consent of the Association, any unit owner or the owner of any mortgage or other lien upon the Condominium Property.

14.05 Right of Dedication: Developer, its successors and assigns, reserves the right to dedicate to the public any boulevard, road, street, drive, easement or rights-of-way shown on Exhibit 2, as it may be amended, within the Condominium Property within a period of seven (7) years from the date of recordation of this Declaration. Such dedication rights shall be paramount to the rights of the Association, the unit owners and the owners of any mortgage or other lien on any part of the Condominium Property, and Developer, its successors and assigns, may execute such instruments as may be necessary or desirable to effect such dedication without the joinder or consent of the Association, any unit owner or any such mortgagee or lien holders. Such dedication may involve acceptance by a governmental body and an agreement to maintain, or may be an offer of dedication with no agreement of any government having jurisdiction to maintain such dedicated property.

14.06 Other Reservations: Developer reserves any other rights, privileges, immunities and exemptions provided it by the terms of this Declaration, the Articles or By-Laws of the Association or the Condominium Act.

14.07 Non-Amendment: This article shall not be amended without the written consent of the Developer, so long as Developer owns any units for sale, nor shall Section 14.05 be amended without such consent until seven (7) years after the date of recordation of this Declaration.

ARTICLE 15. Insurance: Insurance, other than title insurance, which shall be carried upon the Condominium Property and the property of the unit owners shall be governed by the following provisions:

15.01 Authority to Purchase: The Association shall have the authority and the responsibility to insure the common elements and limited common elements. The insurance shall insure the interests of the Association and all unit owners and their mortgagees, as their interests may appear. The named insured shall be the Association individually, and as agent for the unit owners without naming them, and as agent for their mortgagees.

The Association shall have the authority as herein provided to insure the units. All premiums and charges for insurance which the Association is authorized or directed to acquire pursuant to this Declaration shall be deemed a common expense.

15.02 Responsibility of Unit Owners: Each unit owner shall be responsible for casualty insurance, at his own expense, covering the improvements made by him within his unit and not covered by the Association policies, and covering his personal property and living expenses. Each unit owner shall also be responsible for carrying such liability insurance covering his own unit at his own expense as he may determine. In no event shall a unit owner be required to obtain insurance on any items deemed a part of the building under applicable provisions of the Condominium Act, as it may be amended from time to time.

15.03 Coverage: The Association shall obtain and pay for, as a common expense, casualty insurance upon all buildings and insurable improvements forming a part of the Condominium Property (other than personal property and living expenses of the unit owner) in an amount equal to the insurable replacement value thereof, and coverage for all personal property forming a part of the common elements in an amount equal to its insurable replacement value, all as shall be determined annually by the Board. The Association shall also insure tangible personal property owned by it. Casualty insurance obtained by the Association hereunder shall extend to and insure those portions of internal utility services physically located outside unit boundaries, those portions of the units for which the Association has maintenance responsibility pursuant to Section 11.03, and all those portions of air-conditioning and heating systems located without the units boundaries, notwithstanding the maintenance obligations of the unit owners. By way of clarification only, those limited common elements designated in Section 5.05 shall also be insured by the Association pursuant hereto. Coverage shall afford protection against fire and windstorm with extended coverage endorsement, and such other risks as from time to time shall be customarily covered with respect to buildings and improvements and property similar in construction, location and use as those covered by the Association, including but not limited to, vandalism, and malicious mischief and where the Condominium Property lies within an area identified as one having special flood hazards, flood disaster insurance in such amounts and coverages as may be customary and available through federally sponsored flood insurance programs. In addition, the Association shall obtain and pay for, as a common expense, public liability insurance coverage for the common elements and limited common elements of the Condominium, in such amounts and in such coverage as may from time to time be determined by the Board. Such policy or policies shall have cross liability endorsements to cover liabilities of the unit owners as a group to a unit owner. The Association shall also carry worker's compensation insurance in an amount sufficient to meet the requirements of Florida law, and such other insurance in such other amounts as the Board shall from time to time determine to be desirable. All hazard policies purchased by the Association shall comply with applicable provisions of the Condominium Act as amended from time to time.

15.04 Association as Agent: The Association is irrevocably appointed agent for each owner and for each owner of a mortgage or other lien upon a unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon the payment of claims, provided that no claims relating to any damage or destruction to an individual unit shall be settled without the written consent of the unit owner, and the owner of any institutional mortgage thereon. The Association may adjust claims against it covered by insurance policies purchased by the Association; provided, however, that no liability claims in which there is liability

asserted against any one or more unit owners shall be settled without the consent of such unit owner or owners.

15.05 Mortgagees: So long as any Institutional Mortgagee shall hold a first mortgage upon a unit in the Condominium, the Primary Institutional First Mortgagee shall have the right upon written request, to approve the insurer on all insurance policies covering the Condominium Property in which such mortgagee has an interest, which approval shall not be unreasonably withheld, but shall be withheld only upon good, sufficient and substantial reasons. The Association shall submit to any Institutional First Mortgagee upon request proof of the payment of the annual premiums on all such insurance policies purchased by the Association. The Association shall also provide mortgagee endorsements when requested. If the Association fails to obtain, pay for and keep in force any insurance required to be maintained by it hereunder, the Primary First Institutional Mortgagee shall have the right to obtain and pay for such policies and shall thereupon be subrogated to the assessment and lien rights of the Association for the premiums so paid. This section shall be construed as a covenant for the benefit of, and may be enforced by, any Institutional Mortgagee. 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 encumbered 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 contained herein 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 owner as their interests may appear. The owner and the holder of any Institutional First Mortgage on any unit shall have the right upon request 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 if a request has been made, which approval shall not be unreasonably withheld. Nothing contained herein shall permit such mortgagee to require such rebuilding or reconstruction that would otherwise violate the provisions of this Declaration.

15.06 Payment of Proceeds: Proceeds of insurance carried by the Association pursuant to this Article shall be payable to an insurance trustee or the Association, as determined hereunder. All proceeds shall be payable to an insurance trustee, except that insurance proceeds for any casualty that amounts to less than 50% of the applicable insurance coverage limits attributable to a single building that is damaged shall be paid to the Association provided, however, that upon the written request of the owners of one-half or more of the units in such building, or their First Institutional Mortgagees, or at the election of the Association, such proceeds shall be paid to the insurance trustee. The insurance trustee shall be an institution possessing trust powers having an office in Manatee County, Florida, which shall be selected by the Board. Proceeds shall be held by the Association or insurance trustee, as the case may be, in trust for the benefit of the Association, affected unit owners and mortgagees as their interest may appear, and shall be used and disbursed in accordance with Section 15.07. The insurance trustee shall not be liable for payment of premiums nor for the renewal or sufficiency of the policies or the failure to collect any insurance proceeds. The duties of the insurance trustee shall be only to receive such proceeds as are paid and transferred to it, and hold and disburse same in accordance herewith.

15.07 Disbursement of Proceeds: Insurance proceeds received by the Association or an insurance trustee shall be used

first to pay the expenses and charges of the insurance trustee, if any, and then to defray the cost of repairing, rebuilding and reconstructing the damaged portions of the Condominium, as provided by Article 16. Any proceeds remaining after defraying such costs shall be distributed to the unit owners and their mortgagees as their interest may appear. It shall be sufficient for any such surplus to be paid jointly to such unit owner and his mortgagee. If it is determined as elsewhere provided that the damaged improvements for which the proceeds are paid shall not be repaired or reconstructed, the proceeds remaining after any required expenditures shall be distributed to the unit owners and their mortgagees as their interest may appear. It shall be sufficient for any such amount to be paid jointly to a unit owner and his mortgagee. In making any disbursement hereunder to unit owners and their mortgagees, the insurance trustee may, in the absence of written notice to the contrary, rely upon a certificate of the Association made by one of its executive officers and attested by another officer as to the names of the unit owners, their mortgagees and their respective shares of the distribution and any liens or other charges of the Association against such shares. The provisions of this section shall be covenants for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

ARTICLE 16. Reconstruction or Repair: If any part of the Condominium Property shall be damaged by casualty, it shall be repaired or reconstructed in accordance with this Article, unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.

16.01 Plans and Specifications: Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, or if not, in accordance with plans and specifications approved by the Board. If the building is one within which units are located, any such plans and specifications that depart substantially from the original building must also be approved in writing by the owners of not less than two thirds of all of the units in the Condominium and by the owners of all of the units in the building that is to be repaired or reconstructed. Provided, however, that no substantial deviation from original plans and specifications will be deemed to exist where same are modified to conform with new provisions of applicable building codes or to utilize new materials and construction techniques not inconsistent with the appearance and character of the Condominium.

16.02 Damage Categories: Casualty damage to the Condominium Property shall be divided into the following categories:

(a) To the Units: Damage to the interior of the units, other than damage to those parts for which the Association maintains insurance coverage pursuant to Section 15.03.

(b) To the Buildings: Damage to the common elements, limited common elements and other portions of the buildings containing units, for which the Association maintains insurance pursuant to Section 15.03. In the event of a casualty, each separate building containing units shall be treated separately as herein provided for the making and settlement of insurance claims, for the receipt, holding and disbursement of insurance proceeds, for the making of cost estimates for repair or reconstruction, and for the assessments necessary to cover deficiencies.

(c) To the Common Property: Damage to all other common elements and limited common elements and tangible personal property owned by the Association.

16.03 Responsibility for Repairs: If the damage is only

to those parts of a unit for which the responsibility of repair or reconstruction is that of the unit owner, then the unit owner shall be responsible for such repair or reconstruction. In all other instances, the responsibility for all repair and reconstruction after casualty damage shall be that of the Association, except that as to the individual unit, the Association's responsibility shall not include interior finish, floor coverings, fixtures, appliances or cabinetry, except with the express written consent of the unit owner, the Association may act as agent for the unit owner in repairing or reconstructing such items. In no event shall the Association assume responsibility for the personal property of the unit owner.

16.04 Estimate of Costs: When the Association shall have the responsibility for repair or reconstruction, prior to commencement of such repair or reconstruction the Association shall obtain reliable and detailed estimates of the cost to repair or reconstruct for each category set out in Section 16.02, and for each separate building within the category described in Section 16.02(b).

16.05 Assessments for Repair and Reconstruction: If, for any damage category, the proceeds of insurance attributable thereto are not sufficient to defray the estimated costs of repair and reconstruction by the Association, or if at any time during such repair or reconstruction, or upon completion thereof, if the funds are not sufficient, Improvement Assessments shall be made against the units and unit owners in accordance with this section. If the deficiency is with respect to a damaged unit only, then the assessment shall be solely against that unit and unit owner. If the deficiency is with respect to damage to a building, then the assessment for same shall be levied in proportion to their ownership interests under Article 8. If the deficiency is with respect to common property as described in Section 16.02(c), then the assessment therefore shall be levied against all units and unit owners within the Condominium. All such assessments shall be made by the Board and shall be in amounts necessary to effect the proper repair and reconstruction of such portions of the Condominium Property. All Improvement Assessments made pursuant to this Section may be enforced in like manner with all other assessments. If an Improvement Assessment is made pursuant hereto, and subsequently additional funds are necessary to defray the required costs of repair and reconstruction, subsequent Improvement Assessments may be made under the authority of this section. If it shall be determined that funds required under this section may not properly be levied as an Improvement Assessment, then the Board shall levy Special Charges in lieu of such Improvement Assessments, in the same amounts and in the same manner as otherwise provided herein.

16.06 Construction Funds: The funds for the payment of the costs of repair and reconstruction after casualty shall consist of the proceeds of insurance and the funds collected by the Association from assessment pursuant to Section 16.05. Separate construction funds shall be established for each damage category and for each separate building within the damage category described in Section 16.02(b), and each such separate fund shall be held and disbursed in payment of such costs by the Association or an insurance trustee, as the case may be, in accordance with this section.

(a) Units: The funds for repair and reconstruction of those portions of a unit for which the unit owner is primarily responsible, but which the Association has assumed responsibility pursuant to Section 16.03, shall be disbursed first for those items for which the Association has responsibility, and the balance, if any, shall be disbursed to the unit owner and his mortgagee, if any, who shall use such funds to complete the repair and reconstruction of such unit.

(b) Supervision of Disbursement: If as to any one damage category, the amount of loss is such as to require an insurance trustee under Section 15.06, then the construction funds shall be disbursed in payment of costs of repair and reconstruction in the manner required by the Board, but only upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work. In all other cases, the construction funds shall be disbursed upon the order of the Board, unless the owners or Institutional First Mortgagees of 50% or more of the units affected by such fund shall request in writing that an architect be employed to supervise, in which case such funds will be disbursed only with the approval of such architect. Nothing contained herein shall prevent the Association from electing to employ an architect, even though not required to do so hereunder.

(c) Surplus: The money disbursed from a fund in payment of the costs of repair and reconstruction shall be deemed paid first from the insurance proceeds, and then from assessments. If there is a balance in a construction fund after payment of all costs of the repair and reconstruction for which the fund was established, such balance shall be returned to the owners of the units which were assessed to the extent that the balance represents assessments. If any part of the balance represents insurance proceeds from policies purchased by the Association as a common expense, such part of the balance shall be disbursed to the Association as part of the common surplus.

(d) Certificate: In making distribution to unit owners and their mortgagees, the insurance trustee may rely upon a certificate of the Association executed by an executive officer, and attested by its Secretary, or an assistant Secretary as to the names of the unit owners and their respective share of the distribution.

16.07 Liability for Assessments: Notwithstanding any damage or destruction to a unit or the building in which it is located, the unit owner shall remain liable to the Association for all assessments and Special Charges in connection with such unit. Such liability shall continue unabated, even though such unit is not fit for occupancy or habitation. In addition to liability for other assessments, such unit may be liable for Improvement Assessments and Special Charges in connection with said unit in accordance with the provisions of this Article.

ARTICLE 17. Transfer of Units: In order to maintain a community of congenial residents and protect the value of the Condominium Property, and in order to assure insofar as possible the financial ability of each unit owner to pay assessments against his unit, the transfer of units by any owner other than the Developer shall be subject to the following restrictions, so long as the Condominium Property shall be subject to the Condominium form of ownership under the laws of Florida.

17.01 Restrictions on Transfer and Acquisition: No unit owner or other person may either transfer or acquire title to or any interest in any unit, or having so acquired such interest, continue to hold such ownership of any such interest, except with approval of the Association in accordance with the provisions of this Article. Without limitation, the provisions of this Article shall apply to any transfer of a unit or any interest therein, whether made by sale, lease for any period of time, gift, devise, inheritance, transfer to or from a trustee, mortgage, transfer by enforcement of lien or other involuntary transfer by operation of law, or any other voluntary or involuntary transfer of any such interest. Transfer contemplated hereby shall include, but not be limited to, the transfer and creation of remainder or other future interests, creation of life estates, distribution by trustees, creation of joint or common ownership interests, with

or without survivorship rights, and any other transfer or transaction or act by which title to or any interest in a unit either is transferred or may be subject to automatic transfer upon the occurrence or non-occurrence of an event yet to transpire.

17.02 Procedure for Association Review: The procedures for review and approval or disapproval by the Association of any transfer subject to this Article shall be as provided in this Section:

(a) Notice to the Association:

(i) Sale, Lease, Gift or Transfer in Trust: A unit owner intending to sell or lease his unit, or any interest therein, or intending to make a gift of such unit or interest therein, or to transfer any interest to a trust, shall give notice to the Association of such intention, together with the name and address of the intended purchaser, lessee, donee, or trustee, and such other information as the Association may reasonably require. Notice of a lease shall be accompanied by an executed copy of the proposed lease, or if such lease be verbal, by a summary of the terms thereof. Such notice, if a sale, at the unit owner's option may include a demand by the owner that the Association furnish a purchaser if the proposed purchaser is not approved. If such demand is made, the notice shall be accompanied by a copy of the executed proposed contract for sale.

(ii) Devise, Inheritance or Distribution by Trust: A unit owner who has obtained his title, or interest in a unit, by devise, inheritance, distribution of a beneficial interest under a trust or by any other manner not heretofore considered, shall give the Association notice of the acquisition of the title, together with such other information concerning the unit owner and his acquisition as the Association may reasonably require, together with a certified copy of the instrument evidencing the unit owner's title, unless the requirement of certification is waived by the Association.

(iii) Acquisitions Without Approval: Any owner of a unit or any interest therein who has obtained title in such a manner that his predecessor in interest has not complied with the terms of this Section and given notice to the Association shall give to the Association notice of the acquisition of his title or interest therein, together with such other information concerning the unit owner and the nature of his acquisition as the Association may reasonably require.

(iv) Failure to Give Notice: If any notice required to be given the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a unit, or any interest therein, the Association may, at its option and without notice, approve or disapprove of the transaction, transfer or ownership change. If the Association disapproves the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of such disapproval.

(b) Certificate of Approval: If the Association approves of a transfer or transaction, it shall do so within the time limits and according to the provisions of this subsection:

(i) Sale, Lease, Gift or Transfer in Trust: If the proposed transaction is one for which notice has been given the Association pursuant to Section 17.02(a)(i), the Association shall have ten days after receipt of such notice and such other information as the Association may require within which either to approve or disapprove of the proposed transaction. If approved, the approval shall be stated in a certificate executed by officers or agents of the Association hereunto duly authorized. Such certificate of approval shall be

in recordable form. If such proposed transaction is not to be evidenced by an instrument in recordable form, then such certificate of approval shall not be issued in recordable form. In either event, such certificate shall be delivered to the person giving notice and requesting approval, or to the other party to the transaction if authorized by the unit owner. Approval of a lease with a purchase option shall not, unless request is made upon application and is stated in the certificate, be deemed approval of a sale pursuant to the exercise of such option.

(ii) Other Acquisitions: If the transaction is one for which notice has been given to the Association pursuant to Section 17.02(a)(ii) and (iii), then the Association shall have thirty days after receipt of such notice and other information as the Association may require within which either to approve or disapprove of such transaction and the continuance of the unit owner's ownership interest in the unit. If approved, the approval shall be stated in a certificate of approval executed by the officers or agents of the Association hereunto duly authorized in recordable form and delivered to the unit owner.

(iii) Failure to Receive Notice: If notice is not given to and received by the Association, as set forth in Section 17.02(a)(iv), and if the Association thereafter approves of such transaction, it shall issue its certificate of approval in the same manner and the same form as though proper notice had been given.

(c) Failure of Association to Act: If the Association does not either approve or disapprove of a transfer of interest in a unit within the time limits provided by this section, then after the expiration of such time period the Association shall be deemed to have approved of such transaction and shall, upon written request therefore, issue an appropriate certificate of approval.

17.03 Disapproval by Association: If the Association shall timely disapprove a transfer of ownership of a unit, or an interest therein, the Association shall notify the applicant and the unit owner, if different from the applicant, of the disapproval within the time period allowed for approval and disapproval. In addition, the Association shall follow the following procedures:

(a) Sale: If the proposed transaction is a sale, and if the notice of sale given by the unit owner so demanded, then within fifteen days after receipt of such notice and all other information reasonably requested by the Association, the Association shall deliver or deposit in the mails, by certified or registered mail, return receipt requested, addressed to the unit owner an agreement to purchase by a purchaser approved by the Association, other than the Association itself, who will purchase and to whom the unit owner must sell the unit or interest therein upon the following terms:

(i) The price to be paid shall be that stated in the disapproved contract to sell, and the notice shall be accompanied by a deposit check in the amount of the deposit reflected in such contract. All other terms shall be the same as those provided for in the disapproved contract, except that the closing date shall be not less than thirty days after the delivery or mailing of said agreement to purchase.

(ii) The unit owner may, at his option, within ten days after receipt of such agreement from the Association, elect not to proceed with the sale of the unit either to the purchaser proposed by such owner, or the purchaser proposed by the Association.

(iii) If the Association shall fail to

provide a purchaser upon the demand of the unit owner in the manner provided, or if a purchaser provided by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been approved and the Association shall furnish the certificate of approval as herein elsewhere provided for such transactions.

(b) Lease: If the proposed transaction is a lease, the unit owner shall be advised of the disapproval in writing and the lease shall not be permitted. For the purpose of this article, a lease with a fixed term of more than fifty years shall be treated in the same manner as a proposed sale.

(c) Gift, Devise, Inheritance, Distribution by Trust or Other Acquisition: If the Association has disapproved a transaction or acquisition other than in the circumstances provided for by subsections (a) and (b) of this section, including without limitation instances of gift, devise, inheritance, distribution by a trust or acquisition of title to a unit or any interest therein by any other voluntary or involuntary procedure, then within the time permitted by Section 17.02 for approval or disapproval by Association, the Association shall deliver or place in the mails, certified or registered mail, return receipt requested, addressed to the unit owner an agreement to purchase by a purchaser, being a person who will purchase approved by the Association and to whom the unit owner must sell the unit or the interest therein transferred or acquired, upon the following terms.

(i) The sales price for the interest shall be the fair market value thereof determined by agreement between the owner of such interest and the purchaser within thirty days from the delivery of mailing of such agreement, and in the absence of an agreement as to price, the price shall be determined by arbitration, in accordance with the then existing rules of the American Arbitration Association, except that the arbitrator shall be two appraisers appointed by the American Arbitration Association. The arbitrators shall base their determination upon average of their separate appraisals of the unit, or interest therein. A judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of arbitration shall be paid by the purchaser.

(ii) The purchase price shall be paid in cash.

(iii) The sale shall be closed within fifteen days following the determination of the sales price.

(iv) If the Association shall fail to provide a purchaser as herein required, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding prior Association disapproval, then such disapproved transfer or ownership shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere herein provided.

(v) Anything herein contained to the contrary notwithstanding, in the event of a proposed but incomplete gift, or transfer to a trustee, the unit owner shall have the option of withdrawing such proposal.

17.04 Corporate or Partnership Owners: Inasmuch as a unit may be used only for residential purposes and a corporation or partnership cannot occupy a unit for such purpose, if a unit owner or proposed owner of a unit or any interest therein is a corporation or partnership, the approval of ownership by the corporation or partnership may be conditioned upon a requirement of disclosure of the identity of the principal owners of the entity, those persons who will occupy the unit on a regular basis

and the class, category or group of persons who will be entitled to occupy the unit pursuant to such ownership.

17.05 Mortgages: No unit owner may mortgage his unit or any interest therein without the approval of the Association, other than a mortgage to an Institutional Mortgagee, the Developer, or the successors in interest to the Developer. The approval of any other mortgagee may be upon conditions determined by the Association, or may be arbitrarily withheld. Nothing herein contained shall prevent the owner of a unit from receiving a purchase money mortgage as part of the consideration for an approved sale of his unit, or an interest therein. Nothing contained herein shall invalidate any mortgage given without Association approval; however, upon acquisition of fee title pursuant to such mortgage, whether by foreclosure, deed in lieu of foreclosure, or otherwise, the owner shall have be deemed to have made an acquisition without approval under Section 17.02(a)(iii).

17.06 Approval Standards: The Association shall administer its approval and disapproval authority under this article in a fair, equitable and uniform manner. In making its determination, the Association shall consider the apparent ability of the proposed owner to meet the financial obligations of unit ownership and membership in the Association; the probable willingness and likelihood that each person will abide by the provisions of this Declaration and all applicable rules and regulations pertaining to the unit; and such other factors as may be relevant to the maintenance and operation of the Condominium Property in a harmonious manner.

17.07 Exceptions: The provisions of this article shall not apply to a transfer to or purchase by an Institutional Mortgagee, whether the mortgage be a first mortgage or not, acquiring its title as a result of owning a mortgage upon a unit, whether such title is acquired through foreclosure proceedings or by deed in lieu of foreclosure, nor shall it apply to a subsequent transfer by such Institutional Mortgagee so acquiring title, or to a subsequent transfer by any other person acquiring title to a unit as a result of a foreclosure sale pursuant to a foreclosure of a mortgage to an Institutional Mortgagee. Similarly, the provisions of this article shall not apply to a transfer to or purchase by the Developer, or a transfer, sale or mortgage to, the Developer. Further, approval shall not be required by the Association of a purchaser who acquires title to a unit at a duly advertised public sale, with open bidding, which is conducted pursuant to law, including but not limited to execution sales, foreclosure sales, judicial sales and tax sales.

17.08 Separation of Unit Prohibited: Any sale or transfer of a unit, or interest therein shall include all of the appurtenances thereto, whether so stated or not, and no appurtenance may be severed from a unit and sold, transferred or otherwise dealt with separate and apart from the unit to which it is appurtenant. No unit may be partitioned or further subdivided; provided, however, that this provision shall not be deemed to prevent ownership of a unit in undivided interests and this provision shall not apply to carports which may be severed from a unit and sold transferred and otherwise dealt with separate and apart from the unit to which it is assigned. All references to units shall, where the context requires, be construed to refer to the Condominium parcel of which the unit is a part.

17.09 Unapproved Transactions: Any devise, conveyance, mortgage, lease or other transfer which is not authorized or approved pursuant to the terms of this Declaration shall be voidable, unless subsequently approved by the Association. Anything herein to the contrary notwithstanding, any transfer requiring Association approval under this Article shall, in the

absence of record evidence of disapproval by the Association, be conclusively deemed approved six (6) months after the date of recordation of the instrument effecting such transfer.

17.10 Fees for Review: The Association may charge a preset fee in connection with the review for purposes of approval or disapproval pursuant to this article. In no event shall such fee exceed the fee permitted under the Condominium Act, from time to time, which at the time of creation of this Condominium is \$50.00. No charge shall be made in connection with extension or renewal of a lease.

17.11 Action by Association: The Board shall exercise the duties and responsibilities of the Association under this Article, unless the Board shall delegate such to a special committee or unless the By-Laws shall otherwise provide.

ARTICLE 18. Purchase of Units by Association: The Association shall have the power to purchase units, subject to the following provisions and limitations:

18.01 Authority: The Association may, upon determination by its Board without approval of the membership, purchase a unit at any public sale resulting from a foreclosure of the Association's lien for delinquent assessments, where the bid of the Association does not exceed the amount found due the Association, or may purchase the unit in lieu of foreclosure of such lien if the consideration therefore does not exceed the amount of such lien. When authorized by affirmative vote of owners of not less than 75% of the units, or the prior written approval of owners of not less than 75% of the units, the Association may bid upon and purchase a unit as a result of a sale of the unit pursuant to the foreclosure of a lien upon the unit for unpaid taxes; the lien of any mortgage; the lien for unpaid assessments other than those due the Association; or any other judgment lien or lien attaching to the unit by operation of law.

18.02 Restriction: The Association shall not purchase any unit itself pursuant to Article 17. The Association may, by vote of a two-thirds majority of all unit owners, purchase and hold one unit for the use and occupancy of a resident manager.

18.03 Common Expense: All costs incurred by the Association in exercising any of its authority under this Article shall be deemed a common expense and collected by regular or special assessment.

ARTICLE 19. Perico Bay: This Condominium is one of several residential developments proposed to be located within the area described in Section 19.02. Believing it to be in the best interest of present and future owners and residents of this Condominium and other developments that may be a part of Perico Bay, Developer hereby declares, establishes, covenants, reserves and provides the following restrictions, provisions, procedures, agreements, covenants, limitations and reservations, which shall be applicable to this Condominium as herein indicated:

19.01 Definitions: For the purposes of this Declaration, and particularly this Article, the following terms shall have the following meanings:

(a) Component Association: "Component Association" means an association operating or representing one or more Component Communities within Perico Bay.

(b) Component Community: "Component Community" means a separate condominium, cooperative, subdivision or other distinct and separate development of residential dwellings within Perico Bay. Each Component Community shall be separate and

distinct, and no Component Community shall be represented or operated by other than its designated Component Association. If any Component Community is not operated or represented by a formal Association, then the record owner or owners of such Component Community shall collectively be deemed a Component Association. Component Communities may, however, enjoy designated Shared Facilities or Limited Shared Facilities, subject to provisions relating thereto.

(c) Designated Association: "Designated Association" means that Component Association designated as having primary responsibility for the maintenance, repair, replacement and operation of a particular Shared or Limited Shared Facility. Where a Shared or Limited Shared Facility is located entirely within a given Component Community, the Component Association for that community will be the Designated Association. Where the facility is located in more than one Component Community, or located entirely outside any Component Community, Developer will designate the Component Association with such responsibility.

(d) Limited Shared Facility: "Limited Shared Facility" means a facility shared by two or more Component Communities, but less than all Component Communities within Perico Bay. An example of a Limited Shared Facility is a swimming pool located within one Component Community, with Shared Use Rights therein granted to unit owners in another Component Community but not all other Component Communities.

(e) Perico Bay: "Perico Bay" means the aggregate of all of those parts of the lands described in Section 19.02 that are developed as Component Communities and designated as a part of Perico Bay. Perico Bay may sometimes also be referred to as Perico Bay Club where the context may be appropriate. The term "Perico Bay Club" may also sometimes be used to refer to the Facilities and the Common Property or the Perico Bay Club Association, and when so used shall not be deemed to have the same meaning as Perico Bay.

(f) Primary Access Roads: "Primary Access Roads" means Perico Bay Boulevard and all extensions thereof, by whatever name it may hereafter be known, and such other roads within Perico Bay that may connect Perico Bay Boulevard to particular Component Communities and the Secondary Access Roads located therein. Developer reserves the right to designate which roads are Primary Access Roads, either in the documents establishing Component Communities or by separate written designation.

(g) Proportionate Share: "Proportionate Share" means, with respect to a Shared Facility or Limited Shared Facility, that part of the Shared Expense attributable to and payable by a particular Component Community. The Proportionate Share shall be determined upon a fair, reasonable and equitable basis, and factors relied upon shall bear a reasonable relationship to the relative benefit obtained by each Component Community. Factors used in making such determinations may include, where appropriate to the nature of the subject matter, the number of residential units (see Pro Rata Share); land area; unit measurement of items maintained; measurement of average or estimated consumption of materials or services; any specific allocation of Shared Expense in any document governing or establishing a facility; and any other factors having a rational connection to the fair and just allocation of such Shared Expense. Determination of a Proportionate Share may be based upon a combination of factors, and may take into consideration in-kind contribution of a Component Community, including but not limited to, payment of non-cost accountable utility expense or the provision of administrative or other services, including serving as the Designated Association with respect to the particular

facility. In certain instances, Proportionate Share may apply to the required participation in Shared Expense of the Owner or Owners of lands having Shared Use Rights in a facility, even though such lands are not a Component Community. In all instances in which this Declaration, or other documents governing a particular facility, prescribe that each Component Community is to pay a Pro Rata Share of Shared Expenses of a particular facility, then the Pro Rata Share shall be the Proportionate Share. In the absence of designation in Component Community documents of a specific formula for determining Proportionate Share, the Boards of the Component Associations involved shall determine the Proportionate Share of each, and any such determination made in good faith and on a fair, reasonable and equitable basis shall be binding, and the Proportionate Share of Shared Expenses attributable to this Condominium, and each other Component Community, shall be a common expense thereof without need for further cost accounting. Likewise the Pro Rata Share or other Designated Proportionate Share shall be a Common Expense.

(h) Pro Rata Share: "Pro Rata Share" means a Proportionate Share determined by reference to relative numbers of residential units having Shared Use Rights. The Pro Rata Share of a particular Component Community shall be equal to the Shared Expense for the particular Shared Facility or Limited Shared Facility, as may be applicable, multiplied times a fraction, the numerator of which is the number of residential units within that particular Component community, and the denominator of which is the total number of Residential Units in all Component Communities sharing in such Shared Facility or Limited Shared Facility, as may be applicable.

(i) Secondary Access Roads: "Secondary Access Roads" means the roads, streets, boulevards and lanes located within each Component Community of Perico Bay that provide vehicular or pedestrian access through such Component Community to one or more other Component Communities of Perico Bay or to lands that may form a part of Perico Bay. Non-exclusive perpetual easements for such access are reserved in all Secondary Access Roads within Perico Bay for use by the owners or occupants of all or any part of Perico Bay.

(j) Shared Expense: "Shared Expense" means, with respect to a Shared or Limited Shared Facility, the total cost of maintenance, repair, replacement and operation of the particular facility. Shared Expense shall include, but not necessarily be limited to, routine maintenance and repair as well as deferred or extraordinary maintenance; costs of casualty, liability and other insurance, if separately insured; taxes, assessments and utility charges attributable to the facility; and costs of materials, supplies, administrative and other services used in connection with the operation, management, repair and replacement of the facility. Shared Expenses shall not include the cost of alteration or improvement of the facility, except where approved by each Component Community sharing such improvement cost in such manner as may be provided generally in the Component Community documents for the governance of approval of improvements to the Component Community. If less than all Component Communities approve of an alteration or improvement, then the cost of such alteration or improvement shall be shared only by those who do so approve, but the cost of continued maintenance, repair and operation of the facility as so altered or improved shall continue to be shared by all Component Communities responsible, whether they have approved of the alteration or improvement or not. Provided, however, no alteration or improvement to a Shared or Limited Shared Facility may be made if it will significantly increase the Shared Expense attributable thereto unless Component Communities responsible for two-thirds of the total Shared Expense approve of the alteration or improvement.

(k) Shared Facilities: "Shared Facilities" means

common facilities, the use or services of which is shared by all Component Communities from time to time forming a part of Perico Bay.

(l) Shared Use Rights: "Shared Use Rights" means those non-exclusive rights, licenses, servitudes and, where appropriate, easements, granted to or reserved in favor of a Component Community, its unit owners, residents and guests and its Component Association, to use a Shared or Limited Shared Facility in common with others for the usual and ordinary purposes of such facility. (For example, a road easement may be used for access, as well as utilities, lights and signage, while a swimming pool may be used for recreational swimming, poolside sun bathing or lounging and hosting of reasonable pool parties.) Each Shared Use Right shall carry with it such easements, licenses and servitudes for access, utilities and otherwise as may be reasonably necessary or desirable for the full enjoyment of such Shared Use Right. Shared Use Rights may, but will not necessarily, be accompanied by an obligation to contribute a Proportionate Share to the Shared Expense thereof.

(m) Stage: "Stage" means a defined developmental segment of Perico Bay. A Stage may include one or more Component Communities and may be developed by Developer or other developers, either separately or in various combinations. Developer, as defined herein, is the only developer of this Condominium. No developer of any Component Community or any Stage of Perico Bay shall be deemed to have any liability or responsibility as developer of any other Component Community or Stage, other than the particular Component Community or communities for which that particular developer is designated as developer in the documents creating same.

19.02 Location: The land that may, in whole or in part, be included as part of Perico Bay is described as that part of Perico Island lying south of Manatee Avenue west (State Road No. 64) in Bradenton, Manatee County, Florida. Not all parts of such land may be developed as part of Perico Bay, but any part of such land may be so included. Each separate residential development that is to be a part of Perico Bay will be designated as such in the documents establishing such development, or by other record notice that such development is a Component Community, and shall thereupon become a Component Community. This Condominium is hereby designated as part of Perico Bay and shall be a Component Community.

19.03 Type Of Development: The lands that may be included within Perico Bay may be used for any lawful purpose. Developer anticipates, however, that much of the land described in Section 19.02 will be developed for residential purposes compatible with or complimentary to this Condominium. (Those parts of Perico Island adjacent to Manatee Avenue will, in all likelihood, be developed for commercial or professional uses, and if so will not be a part of Perico Bay. Certain environmentally sensitive lands are intended for preservation through restrictions limiting or prohibiting development. Parts of the lands described in Section 19.02 that do not become a part of Perico Bay may nevertheless enjoy certain Shared Facilities or Limited Shared Facilities, such as easements for access, utilities and drainage.) Component Communities may be condominiums, cooperatives, subdivisions, apartments or other forms of residential development. It is not anticipated that Developer will develop all of Perico Bay, or the lands that may be included within Perico Bay. Each Component Community of Perico Bay will be established, owned, represented and operated independently, even though such Component Communities may enjoy Shared Facilities or Limited Shared Facilities. The documents creating each Component Community will describe and define those Shared Facilities and Limited Shared Facilities.

19.04 Access to Perico Bay: The following provisions describe the access roads that will serve Perico Bay and, to a limited extent, lands that may be a part of Perico Bay but which are not included as part thereof. Both the Primary and Secondary Access Roads shall be deemed Shared Facilities.

(a) Primary Access: The Primary Access Roads consist of Perico Bay Boulevard, as depicted on Exhibit 2, and extensions thereof, as well as roads that connect or will connect Perico Bay Boulevard with individual Component Communities and the Secondary Access Roads located within such Component Communities. Developer reserves the right to designate those roads that constitute Primary Access Roads. Extensions of the Primary Access Roads into other parts of Perico Bay shall be constructed at no cost to the unit owners in this Condominium, and Developer represents that the Primary Access Roads shall be extended only in conjunction with an increase in the number of Component Communities obligated to pay a Pro Rata Share of the Shared Expense of such Primary Access Roads.

(b) Secondary Access Roads: Extended and alternate access to and through the several Component Communities shall be over the interior roads, boulevards, streets and lanes of the several Component Communities, including this Condominium, described herein as Secondary Access Roads.

(c) Easements For Access: Easements for Secondary Access Road purposes are created and reserved over the interior roads and streets of this Condominium in Article 6. The interior roads of all Component Communities of Perico Bay shall in the aggregate form a network of Secondary Access Roads, as that term is defined in Section 19.01(i). The Common Elements of this Condominium do not include the fee simple to the Primary Access Roads or to any of the Secondary Access Roads not located in this Condominium, but instead include perpetual, non-exclusive easements over such roads for ingress to and egress from the Condominium Property, and for utilities and drainage, as set forth in Article 1. Developer shall cause such common easements in the Secondary Access Roads within this Condominium to be granted to the owners of other Component Communities in Perico Bay, and shall provide that such Secondary Access Roads located in other Component Communities have easements in favor of the unit owners of this Condominium. Developer shall cause like easements in the Primary Access Roads to be granted to all other Component Communities of Perico Bay and those parts of the lands described in Section 19.02 that are not part of Perico Bay. The establishment of the Primary and Secondary Access Roads may be by specific grant or by inclusion of such easement rights as appurtenances to Component Communities, or by any combination thereof.

(d) Maintenance of Access Roads: The Shared Expense of the Primary Access Roads shall be apportioned among all Component Associations within Perico Bay, including the Association operating this Condominium. Each Component Association shall pay a Pro Rata Share of the Shared Expense. Maintenance shall include not only ordinary road maintenance, but also maintenance of landscaping within the Primary Access Road and the payment of any real estate taxes with respect thereto. During the development of Perico Bay, Developer shall provide initial maintenance of the Primary Access Roads and shall certify all actual costs incurred (excluding any overhead or profit to Developer) as the Shared Expense to the Component Associations from time to time comprising Perico Bay. Each Component Association shall thereupon remit to Developer its Pro Rata Share of such certified cost of maintenance. At such time as Developer transfers ownership of the Primary Access Roads pursuant to this Article, the Designated Association shall carry out such maintenance and repair and certify the Shared Expense thereof to each Component Association. The Secondary Access Roads contained

within the several Component Communities shall be maintained by their respective Component Associations as a common expense of each such Component Community, notwithstanding the reciprocal easement and other rights of owners of units in other Component Communities to use such roads.

(e) Further Disposition of Access Roads: Within a reasonable time after completion of Perico Bay, or at any time prior thereto, Developer may cause the Primary Access Roads to be dedicated to the public, by deed or otherwise, with or without official acceptance by the government having jurisdiction of same, and with or without acceptance of same for maintenance by any unit of government. Similarly, Developer may cause all or any part of the Secondary Access Roads, whether in this Condominium or other Component Communities, to be so dedicated pursuant to Article 14. Such dedications may be made without the joinder or consent by any unit owner or Component Association, or the holder of any mortgage or lien on any part of Perico Bay. In lieu of such dedication, Developer may cause the fee simple title to the Primary Access Road to be conveyed to the several Component Associations within Perico Bay. Any such conveyance shall be subject to any and all easements previously reserved or granted therein, and shall be by fee simple deed. Each such Component Association shall receive an undivided interest therein in the same proportion by which such Component Association contributes its Pro Rata Share to the Shared Expense of such Access Roads. Nothing contained herein shall prevent such grantees from subsequently dedicating the Primary Access Roads.

19.05 Drainage Facilities: This Condominium, and each other Component Community, requires stormwater retention and detention facilities. Developer has caused the design and will cause the construction of certain ponds and lakes, with associated interconnections, structures, outfalls and other related installations, which will serve this Condominium and may serve certain other parts of Perico Bay as a Limited Shared Facility. Developer reserves the right to expand or modify such Limited Shared Facility by the creation of drainage easements or facilities, and all such easements and facilities so designated shall be a Limited Shared Facility. Each Component Community whose drainage is provided by such facilities shall be responsible for a Pro Rata Share of the Shared Expense of such facilities. Developer reserves the right to prescribe a Designated Association for the purposes of carrying out the maintenance of such Limited Shared Facility. No unit owner nor the Association shall interfere with or change the drainage system in such a manner as to impair it, or to change the levels or flow without a certificate of an engineer licensed to practice in Florida and approval of applicable units of government having jurisdiction. To the extent any such facilities are located within this Condominium and serve Component Communities other than this Condominium, such facilities shall be a Limited Shared Facility whether designated on the specific condominium plat in question. Likewise, to the extent such facilities are located in another condominium and serve this Condominium, they shall be a Limited Shared Facility whether or not so designated.

19.06 Gatehouse: Developer has constructed a Gatehouse facility, located within Perico Bay Boulevard, at the entrance to Perico Bay. The Gatehouse is intended to provide a visual amenity to, and external identification of, Perico Bay, and allow for a measure of limited or controlled access to Perico Bay. The Gatehouse will be owned initially by Developer, who will operate, maintain and dispose of the Gatehouse according to the provisions of this Section 19.06.

(a) Retention of Ownership, Easements and Licenses: Developer, for itself, its successors, assigns, agents and contractors reserves ownership of the Gatehouse facility, together with all appurtenant and necessary easements and

licenses within Perico Bay Boulevard for the construction, continuation, relocation, operation, maintenance and repair of the Gatehouse and for the furnishing of utility services thereto.

(b) Right of Relocation: Developer reserves the right, at its expense, to relocate the Gatehouse within Perico Bay Boulevard as it may determine.

(c) Right to Discontinue or Modify: Developer reserves the right, in its sole discretion, to discontinue the existence of the Gatehouse and remove same. Developer further reserves the right to determine whether or not such Gatehouse will be staffed, and if staffed, by whom and during what time periods. It is Developer's plan that the Gatehouse shall remain to serve the residents of Perico Bay. Developer does not, however, own all of the land that may comprise Perico Bay, and if the owners of lands that are not made part of Perico Bay, or other developers within Perico Bay, determine that the Gatehouse should not be continued for any reason, including but not limited to a determination that the Gatehouse may restrict free access to and use of their lands, or that it should be continued but only as a non-functional visual amenity, Developer is required by separate agreements with such third parties to comply with their determinations. Developer may exercise its discretion hereunder independently, and may, but shall not be required to, take into consideration the cost of operation of the Gatehouse, market conditions and the preferences of the residents of the several Component Communities of Perico Bay.

(d) Operation and Expenses of Gatehouse: During the development of Perico Bay Developer shall own, manage and operate the Gatehouse as above provided. In addition to the determinations outlined in subsection (c) above, Developer may determine whether the Gatehouse will have operational or decorative gate arms and, if operable, whether they will be operated by persons located within the Gatehouse, automatically or by some combination thereof. All Shared Expense associated with the Gatehouse will be paid initially by Developer. The Gatehouse shall, however, be classified as a Shared Facility, and each Component Association (including the Association) shall be required to pay to Developer a Pro Rata Share of costs actually incurred by Developer, but without any overhead or profit to Developer.

(e) Disposition of Gatehouse: At any time Developer may transfer the ownership of the Gatehouse and the responsibility for its operation and maintenance to a Designated Association (including the Component Association operating this Condominium), or to all Component Associations. At such time as Developer does transfer ownership and control of the Gatehouse, it will provide for a Designated Association. From the time of such transfer each Component Association shall be responsible for its Pro Rata Share of Shared Expense of the Gatehouse, with such Pro Rata Share being paid to the Designated Association. Provided, however, that notwithstanding such transfer, if Developer's guarantee provided in Section 19.14 is still in effect, Developer will remain obligated under that guarantee at the levels and subject to the provisions for termination provided therein. Determinations with respect to the ongoing operation and disposition of the Gatehouse shall, after the transfer of control and ownership by Developer, be made by all Component Associations, with each Component Association having a weighted vote in proportion to its Pro Rata Share of the Shared Expense of the Gatehouse. Developer may condition its continuation of the Gatehouse and transfer to the Component Associations upon the several Associations reaching agreement on the procedures to be used to make determinations with respect to the Gatehouse.

19.07 Common Lighting: Certain street lighting along the Primary Access Roads, as well as street lighting adjacent to

licenses within Perico Bay Boulevard for the construction, continuation, relocation, operation, maintenance and repair of the Gatehouse and for the furnishing of utility services thereto.

(b) Right of Relocation: Developer reserves the right, at its expense, to relocate the Gatehouse within Perico Bay Boulevard as it may determine.

(c) Right to Discontinue or Modify: Developer reserves the right, in its sole discretion, to discontinue the existence of the Gatehouse and remove same. Developer further reserves the right to determine whether or not such Gatehouse will be staffed, and if staffed, by whom and during what time periods. It is Developer's plan that the Gatehouse shall remain to serve the residents of Perico Bay. Developer does not, however, own all of the land that may comprise Perico Bay, and if the owners of lands that are not made part of Perico Bay, or other developers within Perico Bay, determine that the Gatehouse should not be continued for any reason, including but not limited to a determination that the Gatehouse may restrict free access to and use of their lands, or that it should be continued but only as a non-functional visual amenity, Developer is required by separate agreements with such third parties to comply with their determinations. Developer may exercise its discretion hereunder independently, and may, but shall not be required to, take into consideration the cost of operation of the Gatehouse, market conditions and the preferences of the residents of the several Component Communities of Perico Bay.

(d) Operation and Expenses of Gatehouse: During the development of Perico Bay Developer shall own, manage and operate the Gatehouse as above provided. In addition to the determinations outlined in subsection (c) above, Developer may determine whether the Gatehouse will have operational or decorative gate arms and, if operable, whether they will be operated by persons located within the Gatehouse, automatically or by some combination thereof. All Shared Expense associated with the Gatehouse will be paid initially by Developer. The Gatehouse shall, however, be classified as a Shared Facility, and each Component Association (including the Association) shall be required to pay to Developer a Pro Rata Share of costs actually incurred by Developer, but without any overhead or profit to Developer.

(e) Disposition of Gatehouse: At any time Developer may transfer the ownership of the Gatehouse and the responsibility for its operation and maintenance to a Designated Association (including the Component Association operating this Condominium), or to all Component Associations. At such time as Developer does transfer ownership and control of the Gatehouse, it will provide for a Designated Association. From the time of such transfer each Component Association shall be responsible for its Pro Rata Share of Shared Expense of the Gatehouse, with such Pro Rata Share being paid to the Designated Association. Provided, however, that notwithstanding such transfer, if Developer's guarantee provided in Section 19.14 is still in effect, Developer will remain obligated under that guarantee at the levels and subject to the provisions for termination provided therein. Determinations with respect to the ongoing operation and disposition of the Gatehouse shall, after the transfer of control and ownership by Developer, be made by all Component Associations, with each Component Association having a weighted vote in proportion to its Pro Rata Share of the Shared Expense of the Gatehouse. Developer may condition its continuation of the Gatehouse and transfer to the Component Associations upon the several Associations reaching agreement on the procedures to be used to make determinations with respect to the Gatehouse.

19.07 Common Lighting: Certain street lighting along the Primary Access Roads, as well as street lighting adjacent to

meter. Whether the statement of fees and charges is presented to Developer or such Designated Association, upon notification of the amount due each Component Association responsible therefore shall promptly remit its Pro Rata Share to the Developer or the Designated Association to whom such bill is submitted. Should any Component Association fail to pay its share when due, any one or more of the other Component Associations or the Developer may advance such sums as may be necessary to pay such defaulting association's share. Said sum shall bear interest at the highest rate permitted by law, beginning 30 days after written notification of such advance. If it becomes necessary to enforce payment of such share by litigation, the prevailing party shall be entitled to all costs thereof, including a reasonable attorney's fee.

19.11 Covenant of Maintenance Obligations: Developer covenants that other lands within Perico Bay having Shared Use Rights in Shared Facilities or Limited Shared Facilities shall be required to contribute to the Shared Expense in the manner provided in this Article, if so required, except as herein otherwise provided. Notwithstanding the general obligation to contribute that shall be imposed, the owner of certain lands enjoy a preexisting access easement in the Primary Access Roads, pursuant to access easements reserved in O.R. Book 1024, Page 3607, of the Public Records of Manatee County, Florida, as amended, and if such lands do not become part of Perico Bay, then the owner or owners thereof shall have the right of access over the Primary Access Road without being required to contribute to the maintenance thereof. Provided further, the commercial or professional lands adjacent to Perico Bay Club fronting on Manatee Avenue West shall have the right to use the northerly 400 feet of the Primary Access Roads at a cost contribution of 25% of the Shared Expense of maintaining, repairing and replacing the northerly 400 feet of the pavement only. Such commercial lands shall also have the right to utilize drainage facilities and retention ponds within the Drainage Easement without cost contribution to the maintenance thereof. Such lands may have Shared Use Rights in one or more irrigation systems, and shall pay a Proportionate Share of the Shared Expense thereof. Common Property shall enjoy access, utility, drainage, retention and detention facilities without obligation for payment by the Perico Bay Club Association.

19.12 Shared Facilities as Appurtenances: The nonexclusive easements and rights of way for access, ingress and egress, utilities and drainage described in this Declaration, together with such additional extensions of the Primary Access Roads, additional Secondary Access Roads and other Shared or Limited Shared Facilities described herein or contemplated hereby, shall be appurtenances to each unit in this Condominium, and shall pass with the transfer of such unit without being specifically mentioned, and may not be separated therefrom. Similar nonexclusive easements, licenses, servitudes and rights of way created in other Component Communities may be reserved in favor of the owners of units in this Condominium, and upon such reservation shall, without more, become an appurtenance to each unit in this Condominium.

19.13 Implementation of Maintenance: In each instance in which the Association or any other Component Community has an obligation to contribute a Proportionate Share of the Shared Expense of a Shared or Limited Shared Facility, the Designated Association for such facility shall certify the total Shared Expense thereof to each Component Association responsible for contribution thereto. Each such Component Association shall thereupon remit to the Designated Association its Proportionate Share of such certified cost. The Shared Expense may be estimated for reasonable periods in advance, not to exceed one year, and be payable in advance in one or more installments, as the Designated Association may reasonably determine; may be certified and paid

as actual Shared Expenses are incurred; may be certified in arrears; or may be certified in any combination thereof. If certification and payment is made in advance, the Designated Association shall account to each contributing to each Component Association for actual Shared Expenses incurred, and shall credit or return any excess payment to the contributing Component Associations. No estimate or certification shall prevent a Designated Association from certifying and collecting additional Shared Expense actually incurred. The Designated Association may include as part of the Shared Expense actual administrative costs associated with serving as the Designated Association, including but not necessarily limited to, postage, bank service or check printing charges, duplicating charges and accounting fees. The Designated Association shall credit to Shared Expense any interest actually earned on any Shared Expense collected in advance. The Proportionate Share of each Component Association required to contribute shall be a Common Expense of the Component Community operated by such Association, including the Proportionate Shares payable by this Condominium. If any Component Association fails to pay its Proportionate Share when due, the Designated Association or any other Component Association, or the Developer, may advance such sums as may be necessary to pay such defaulting association's share. Any sum so advanced shall bear interest at the highest rate permitted by law, beginning thirty days after written notification of such advance. If it becomes necessary to enforce payment of a Proportionate share, then the prevailing party shall be entitled to all costs thereof, including a reasonable attorney's fee, whether enforced by litigation or otherwise. Where appropriate, during the development of Perico Bay the Developer, or other developers at Perico Bay, may temporarily act in the capacity of the Designated Association for a particular Shared or Limited Shared Facility, and have and exercise the same rights and obligations of the Designated Association with respect to such facility, the certification, collection and accounting of the Shared Expense therefore.

19.14 Guarantee of Share: Developer guarantees to the unit owners in this Condominium and to the Association that this Condominium's Pro Rata Share of the Shared Expense of the Gatehouse, Primary Access Roads and Drainage Easement shall not be greater, in each instance, than what its Pro Rata Share would be if there were 150 units within Perico Bay sharing such cost. At such time as there are at least 150 units within Perico Bay so sharing the cost of any of said facilities, Developer's guarantee with respect to such facility shall terminate and this Condominium, and each other Component Community, shall thereafter be responsible for their respective Pro Rata Share of the Shared Expense of such facility. Developer covenants that during the period of its guarantee of the Pro Rata Share of cost of each such facility it will pay any costs associated with each such facility that are not produced by cost contributions from this Condominium and other Component Communities at guaranteed levels. The provisions hereof shall not impair any separate guarantee by Developer of a budget of an individual Component Community than in effect.

19.15 Perico Bay Club Declaration: As noted, this Condominium is subject to the Perico Bay Club Declaration, and is designated a component community thereunder. The Association is a component association under the Perico Bay Club Declaration. Pursuant to said declaration, the Perico Bay Club Association will obtain, manage, operate and replace common property for the use and benefit of all owners and residents of all component communities of Perico Bay subject to the Perico Bay Club Declaration. Each unit owner in this Condominium shall, upon acquiring ownership of a unit, automatically become a member of the Perico Bay Club Association, and each owner's unit shall be subject to levy of assessments by the Perico Bay Club Association and the right of said association to place a lien on such unit in

accordance with the Perico Bay Club Declaration. The Perico Bay Club Association may, but is not obligated to, delegate collection responsibilities to the association's operating component communities, but each Component Association, including the Association, has the right to decline to act as a collecting agent. In no event will such delegation result in the assessments levied by the Perico Bay Club Association being deemed common expenses of this Condominium, nor shall the Association be responsible to the Perico Bay Club Association for anything other than such assessments as it may agree to collect as agent of the Perico Bay Club Association. This Condominium shall in all events remain a separate condominium established under the Condominium Act and this Declaration, and shall be managed and operated by the Association as herein provided. This Declaration, the Articles and By-Laws of the Association and the Condominium Act provide for the rights and responsibilities of the unit owners and the Association with respect to one another, including this Association's right to collect any assessments or dues for the Perico Bay Club Association and provide for the operation of this Condominium. References herein to the Perico Bay Club Association and the Perico Bay Club Declaration are summary only, and in the event of any conflict between the description of such documents contained herein and such documents themselves, the provisions of such documents shall control.

ARTICLE 20. Protective Covenants: In accordance with this Declaration, the use of the Condominium Property shall be subject to the following protective covenants and use restrictions.

20.01 Use of Units: Each unit shall be used and occupied for single-family, private residential purposes only, except as otherwise expressly provided herein. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed two (2) persons for each bedroom within a residential unit. The Board, however, is authorized and empowered to permit a greater number of persons to occupy a unit upon application of the unit owner if the Board in good faith finds that strict adherence to the limitations of this section would impose a significant hardship upon the applicant. The Board shall administer the authority hereby granted in a fair, uniform and reasonable manner, and in reaching decisions hereunder may take into consideration whether or not the need for occupancy by a greater number of persons than otherwise authorized could reasonably have been foreseen by the unit owner prior to the acquisition of a unit subject to this restriction.

20.02 Common Elements: The common elements shall be only for the purposes for which they are intended, being specifically the use and enjoyment of the unit owners and occupants, their guests and invitees, and for the furnishing of utility services, ingress and egress and recreational facilities for the enjoyment of the unit owners, consistent with the provisions of this Declaration, subject, however, to the easement and other rights created or reserved in favor of other owners, residents and occupants of Perico Bay Club or lands that may form a part of Perico Bay Club.

20.03 Commercial Use: Subject to the Developer's reservation of rights, no part of the Condominium Property shall be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending or other non-residential purpose, including but not limited to retirement homes, group care homes, day care centers, and the like: provided, however, that the Association shall have the right to provide or authorize such services on the common elements as it deems appropriate for the enjoyment of the common elements and for the benefit of the unit owners.

20.04 Nuisances: No nuisance shall be allowed upon the Condominium Property, nor shall any practice or use be allowed which is a source of annoyance to the residents or which interferes with the peaceful possession and proper use of the Condominium Property by its residents. No unit owner shall permit or cause any use of his unit or of the common elements which shall increase the rate or premium of insurance upon any portion of the Condominium Property. Further, no immoral, improper, offensive or unlawful use shall be made of the Condominium Property or of any part thereof and all valid laws, zoning ordinances and regulations of Governmental bodies having jurisdiction thereof shall be observed by all unit owners and by the Association. No unit owner, tenant or guest shall leave any debris or other items of tangible personal property lying about the Condominium Property, including but not limited to such items as tools, equipment, toys, machinery or any other item which is not properly attached to or forming a part of the Condominium Property.

20.05 Masts and Antennae: No mast or antenna, or other similar structure, for the transmitting or receiving of radio or television signals shall be erected, permitted or maintained upon the exterior of any building or elsewhere within the Condominium Property except that one or more master antennae may be erected by the Developer or the Association. Dish antennas may be permitted only in accordance with uniform rules adopted by a two-thirds (2/3) majority of all unit owners in the Condominium.

20.06 Signs: No unit owner shall display or cause or permit to be displayed any sign on any part of the Condominium property, including the units. This provision shall include, but not be limited to, "For Sale" and "For Rent" signs, whether outside the units or located within units but visible through windows or doors thereof. The Board may, by uniform rules and regulations, permit one or more types of small signs providing the family name of the owner or other occupant of a unit, and the unit number and street address thereof. This provision shall not prohibit informational and directional signs that may be installed by Developer or approved by the Board.

20.07 Vehicles: No open-bed truck, motorcycle, tractor, service vehicle, trailer, camper, motor home, boat trailer, go-cart or other novelty vehicle, recreational vehicle or similar equipment shall be permitted to remain upon any portion of the Condominium property, other than for temporary parking. Trucks that do not have an open bed, vans, van-type campers, mopeds, motor scooters and any commercial vehicle not expressly prohibited shall be permitted upon the Condominium for other than temporary parking only if parked in a covered carport. Temporary parking shall mean the occasional parking of such vehicles belonging to or being used by owners or their guests for loading and unloading purposed only, or for the occasional parking thereof while being used in the furnishing of services or delivery of materials to residents or the Association. All temporary parking shall be restricted to paved drives, carports or parking spaces. No vehicle shall park on any grass or landscaped area within the Condominium. The Board may adopt rules and regulations restricting trucks, vans, van-type campers and similar vehicles by length and/or weight; provided, however, that no such regulation may be applied retroactively to a vehicle not previously prohibited which is owned or under firm commitment to purchase by a unit owner or resident at the time such regulation is adopted.

20.08 Boats and Canoes. Boats and canoes are only permitted to be kept on the banks of the waters leading to the bay on the common grounds of the condominium. Boats and canoes are not permitted to be kept on the banks of any drainage facility within Perico Bay Club. These boats and canoes shall be maintained by the owner, and the owner shall not allow the

boats or canoes to become a nuisance.

20.09 Other Structures: Other than the improvements located upon the Condominium Property in accordance with the provisions of this Declaration, no other structure of any nature, whether a shed, shack, tent, barn, storage area or other building however designated shall be permitted upon the Condominium Property. The provisions hereof shall apply to such structures, whether temporary or permanent in nature. This provision shall not restrict the right of the unit owners to authorize alterations or improvements in accordance with this Declaration.

20.10 Animals: The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, is prohibited within any unit or upon the common elements, except that the keeping of small, orderly domestic pets, (i.e. dogs or cats) not to exceed two (2) per unit without the approval of the Board is permitted. (Fish or caged birds shall not be subject to the limitation of two per unit, but shall not be kept in unreasonable numbers or otherwise violate the provisions of this Section.) All pets shall be subject to the rules and regulations adopted by the Board. No such pets may be kept or maintained for commercial purposes or for breeding. Any such pet causing, creating or contributing to a nuisance or unreasonable disturbance of annoyance or noise shall be permanently removed from the condominium property upon ten (10) days written notice from the Board to the owner or other person responsible for such pet and the owner of the unit in which such person resides, if the owner is not also the person responsible for such pet. Such pets shall not be permitted upon the common elements unless accompanied by the person responsible for such pet. All such pets shall either be carried or leashed. Any unit owner or other resident who keeps or maintains any pet upon any portion of the condominium property shall be deemed to have indemnified and agreed to hold the Association, each unit owner and the Developer free and harmless from any loss, claim or liability of any kind or character of whatever arising by the keeping or maintaining of such pet within the condominium. Unit owners and residents shall be responsible for picking up all excrement deposited by any pet immediately. Failure to pick up such excrement promptly shall be prima facie evidence that such pet is causing an unreasonable disturbance or annoyance hereunder. Likewise, pets that howl, hiss or bark so as to annoy or disturb Condominium residents, or pets that bite, growl or behave in a threatening manner to condominium residents and guests shall be deemed to create an unreasonable disturbance or annoyance and may be required to be removed pursuant to this section. All pets shall be registered and inoculated as required by law. The Board may require registration of pets and establish reasonable fees not to exceed the reasonable costs incurred by the Association resulting from the presence of such pets and the administration of this Section.

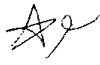
20.11 Laundry: No clothes, sheets, blankets, towels or other articles shall be hung from clothes lines, clothes racks or over fences or otherwise exposed on any part of the common elements or limited common elements, except in such manner as may be approved by regulation adopted by the Board.

20.12 Miscellaneous Restrictions: No machine or apparatus of any sort shall be used or maintained in any unit which causes interference with television or radio reception in other units or other parts of Perico Bay. All trash, rubbish and garbage must be placed within appropriate containers for the material being stored. No unit owner may store or permit to be accumulated upon his unit any materials visible from other units or the common elements. No owner, tenant, occupant or guest shall do anything that will alter any swale, grade or other drainage or storm water management system feature of the condominium property or of Perico Bay Club. No unit owner, occupant, tenant or guest

shall throw any debris in any lake, pool, pond, stream or otherwise litter the condominium property or other parts of Perico Bay Club or the adjacent environmentally sensitive lands.

20.13 Guests: Guests of owners or occupants of units shall comply with all of the provisions of this Article 20 and reasonable rules and regulations adopted by the Association. Any guest who persistently violates such restrictions, rules or regulations may, at the direction of the Association, be required to leave the Condominium Property and the owner of such unit being occupied or visited by such guest shall be responsible for any damage to the common elements or other units committed by such guest, and shall see to it that such guest complies with such restrictions, rules and regulations.

20.14 Leasing: No unit may be leased unless the entire unit is leased to the same tenant, and no part of a unit may be subleased. No unit may be leased for a period of less than thirty (30) days. New lease terms may not commence more than three times in each calendar year. An assignment of a lease by a tenant shall be considered as termination of the existing lease as of the date of assignment, and commencement of a new lease for purposes of this provision. Each lease shall contain the agreement of the tenant to comply with this Declaration and all other agreements and documents governing or affecting the Condominium, and if the lease does not so provide it shall be deemed to include such provision. Each tenant will be jointly and severally liable with the unit owner for any damages to the Condominium Property or other injuries or damages caused by the acts, omissions or negligence of the tenants and those claiming by, through or under him. Such tenant shall likewise be liable jointly and severally with the unit owner for any special assessments levied against the unit arising out of matters occurring during the tenancy of such tenant. All leases shall be subordinate to any lien filed by the Association, and must be approved in accordance with this Declaration. While a unit is leased, the owner of the unit shall not be privileged to enjoy any of the common facilities of this Condominium as an Owner.

20.15 Children: If permitted under existing law, children who have not attained the age of twelve (12) shall not be permitted to reside on the Condominium property or within the units. Nothing contained herein shall prohibit children under the age of twelve (12) from temporary visitation with unit owners or occupants. 

20.16 Window Treatment: Reflective coatings on exterior glass windows and doors of the Condominium is prohibited except where approved by the Association and uniformly installed. All drapes and curtains (or their linings) and blinds, visible from outside a unit, must be of an "off white" color approved by the Board.

20.17 Patios/Balconies: All portions of patios and balconies that are to be painted and maintained by the unit owners are to be maintained in a manner so that the exterior of the building will have a uniform appearance.

20.18 Regulations: Reasonable uniform regulations concerning and limiting the use of the Condominium Property may be made and amended from time to time by the Association, as provided by its Articles of Incorporation and By-Laws, and such regulations may include regulations in implementation of this Article as well as others. Copies of such regulations and amendments thereto shall be furnished by the Association to all unit owners and residents of the Condominium. No rule or regulation may be adopted that alters, limits or expands express provisions of this Article.

20.19 Proviso: Anything herein contained to the

contrary notwithstanding, until such time as the Developer has closed the sale of all units of the Condominium and completed all improvements, neither the unit owners nor the Association, nor the use restrictions of this Declaration, shall interfere with the completion of the contemplated improvements and the sale of the units by the Developer and such agents as the Developer may appoint. Developer may make such use of the unsold units and common elements as may facilitate such completion and sale as elsewhere provided, and may continue to use portions of the Condominium Property in accordance with the reservations contained in Article 14.

ARTICLE 21. Compliance, Default and Enforcement: Each unit owner and the Association shall be governed by and shall comply with the terms, provisions, restrictions and limitations of this Declaration, the Articles of Incorporation, By-Laws and rules and regulations adopted pursuant thereto, and with said documents and regulations as they may be amended from time to time. Each unit owner and the Association shall likewise comply with the provisions of the Condominium Act. A failure or default in compliance therewith shall entitle the Association or other unit owners to enforce the provisions of such documents in the manner provided in this Article, which provisions shall be in addition to other remedies provided in this Declaration and the Condominium Act.

21.01 Enforcement: The provisions of this Declaration, the By-Laws and rules and regulations of the Association duly adopted may be enforced by the Association of any unit owner by such remedies as may be provided by the Condominium Act or such other remedies and means as are provided by the laws of Florida, including but not limited to actions for damages or for injunctive relief, or both, or actions for declaratory judgments. In addition, the Association may impose reasonable fines for non-compliance and default, as set forth from time to time in the By-Laws.

21.02 Negligence or Intentional Acts: A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary as a result of his intentional acts or of his neglect or carelessness, or by that of any member of his family, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire and casualty insurance rates occasioned by the use, misuse, occupancy or abandonment of a unit or of the common elements or of the limited common elements.

21.03 Costs and Attorney's Fees: In any proceeding or action arising because of an alleged failure of a unit owner or the Association to comply with the terms of this Declaration, the Articles and By-Laws of the Association, or the rules and regulations adopted pursuant thereto, and the documents and regulations as they may be from time to time amended, the prevailing party shall be entitled to recover the cost of the proceeding and such reasonable attorney's fees as may be awarded by the court.

21.04 Non-Waiver of Rights: The failure of the Association or any unit owner, or of the Developer, to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation, the By-Laws or the rules and regulations adopted pursuant thereto shall not constitute a waiver of the right to do so thereafter.

ARTICLE 22. Amendments: Subject to other provisions of this Declaration relative to Amendment, including but not limited to the authority of the Developer to amend, which provisions are excepted from the terms of this Article, this Declaration and the By-Laws of the Association may be amended in the following

manner:

22.01 Notice: Notice of a proposed amendment and the subject matter thereof shall be included in the notice of any meeting at which such proposed amendment is considered.

22.02 Resolution: An amendment may be proposed either by the Board or by the owners of 10% or more of the total number of units in the Condominium. An amendment shall be adopted by the affirmative approval of a resolution adopting such amendment, except as elsewhere provided, in the following manner:

(a) The affirmative approval of not less than 75% of the entire membership of the Board, and by the owners of not less than 67% of the units; or

(b) By the affirmative approval of the owners of not less than 75% of the total number of units in the Condominium.

22.03 Consideration and Voting: Upon proposal of an amendment as provided in Section 22.02, the President, or in the event of his refusal or failure to act, the Board of Directors or any member thereof shall call a meeting of the Association members to be held not sooner than fifteen days nor later than sixty days thereafter for the purpose of considering such proposed amendment. Directors and members not present at the meeting considering the proposed amendment may express their approval or disapproval in writing, provided that such writing must be delivered to the Secretary prior to the commencement of such meeting.

22.04 Agreement: In the alternative, an amendment may be made by an agreement signed and acknowledged by all of the unit owners of record in the manner required for the execution of a deed.

22.05 Proviso: Provided, however, that no amendment shall discriminate against any unit owner, nor against any unit, or class or group of unit owners or units, unless the unit owners so affected and their mortgagees, if any, shall unanimously consent in writing; and no amendment shall alter any unit, except as herein specifically provided; nor reduce the share of the common expenses, unless the owner of the units concerned and all record owners of mortgages on such units shall join in the execution of the amendment. Neither shall an amendment of this Declaration make any change in any provision specifically providing that it may not be amended, nor shall any amendment make any change in the nature of the improvements and the character of the Condominium as a residential community unless all the unit owners of record and all of the owners of record of all mortgagees upon units in the Condominium shall join in the execution of the amendment. No amendment shall make any change which would in any way affect any of the rights, privileges, powers or options herein provided in favor of or reserved to the Developer, or to institutional mortgages without the consent of the Developer or the primary first institutional mortgagee and a majority of the other institutional mortgagees, as may be applicable.

22.06 Execution and Recording: A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted and in what manner the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities required for a deed. The amendment shall be effective when such certificate and a copy of the amendment are recorded in the public records of Manatee County, Florida.

ARTICLE 23. Termination: The Condominium may be

terminated in any manner provided by the Condominium Act or pursuant to this Article:

23.01 Agreement: The Condominium may be terminated at any time by the agreement in writing of all of the owners of record of the Condominium Property and by all of the record owners of mortgages upon the units therein.

23.02 Destruction of Buildings: If 3/4ths or more of all the units in the Condominium are substantially damaged or destroyed by casualty so that they are rendered untenable thereby, and if the owners of eighty-five percent (85%) or more of all of the units in the Condominium shall so elect in writing within 90 days after the casualty, then the damaged portions of the Condominium shall not be reconstructed as provided in Article 16 and the Condominium shall be terminated. Such termination shall be evidenced by a certificate of the Association certifying as to the facts effecting termination, which certificate shall become effective when recorded in the public records of Manatee County, Florida.

23.03 Effect of Termination: Upon termination of the Condominium, the Condominium Property shall be owned in common by the unit owners in the same undivided shares as each owner previously owned in the common elements. Any interest in a unit owned by one other than a unit owner, as that term is defined herein, shall not be impaired by such termination, but shall be transferred to the undivided share in the Condominium Property attributable to the unit in which the interest existed prior to termination. All liens shall be transferred to the undivided share in the Condominium Property attributable to the unit originally encumbered by the lien in its same priority.

23.04 Non-Amendment: This Article shall not be amended without written consent of eighty-five percent (85%) of all unit owners and the owners of record of all Institutional Mortgages upon units in the Condominium.

ARTICLE 24. Additional Rights of Institutional Mortgagees: In addition to any rights provided elsewhere in this Declaration, any Institutional Mortgagee who makes a request in writing to the Association for the items provided in this Article shall have the following rights:

24.01 Annual Financial Statements: To be furnished with at least one copy of the annual financial statement and report and budget of the Association, which may be prepared by the Association, including detailed statements of receipts and expenditures.

24.02 Notice of Meetings: To be given written notice by the Association of the call of a meeting of the unit owners to be held for the purpose of considering any proposed amendment to this Declaration or the By-Laws of the Association, which notice shall state the nature of the amendment being proposed.

24.03 Notice of Default: To be given written notice of any default by the owner of any unit encumbered by a mortgage held by such Institutional Mortgagee in the performance of such unit owners obligations under the Declaration, Articles, By-Laws or regulations, which is not cured within 30 days.

24.04 Insurance Endorsements: To be given an endorsement of the policies covering the common elements, limited common elements and the units, if applicable, which endorsement shall require that such Institutional Mortgagee be given any notice of cancellation provided for in such policy.

24.05 Examination of Books and Records: Upon reasonable notice to examine the books and records of the association during

normal business hours.

ARTICLE 25. Notices: Whenever a notice is provided for in any of the Condominium documents, such notice shall be in writing and shall be addressed to the Association at the mailing address of the Condominium Property in Manatee County, Florida, or at such other address as may hereafter be provided. Notice to a unit owner shall be sent to the mailing address of such unit owner as reflected on the records of the Association. The Association or Board may designate a different address or addresses for notices to them respectively, giving written notice of such change of address to all unit owners at such time. Any unit owner may designate a different address or addresses for notice to him by giving written notice of his change of address to the Association. Notices as addressed provided herein shall be deemed delivered when mailed by United States mail, postage prepaid. Whenever specifically provided herein, or whenever a time period or obligation shall commence to run from receipt of a notice, such notice shall be mailed registered or certified with return receipt requested, or delivered in person with either a written acknowledgment of receipt therefore or an affidavit of delivery by the person delivering same.

ARTICLE 26. Covenants: The provisions of this Declaration and the By-Laws and the rights, obligations and easements established thereby, shall be deemed to be covenants and equitable servitudes running with the land so long as the land remains subject to the condominium form of ownership, and shall inure to the benefit of and be binding upon each and every of the unit owners, their respective heirs, personal representatives, successors, assigns, purchasers, lessees, grantees, mortgagees and all others claiming by, through, under or against them. Termination of the Condominium shall not terminate or impair any license, easement or servitude provided in favor of other Component Communities, owners of other lands, suppliers of utilities or governments having jurisdiction. By the recording or acceptance of a deed conveying a unit or any interest therein or any ownership interest in or lien against the property whatsoever, the persons to whom such unit or interest is so conveyed or transferred shall be deemed to have accepted and agreed to be bound by, and subject to all of the provisions of the Condominium Act, this Declaration and the By-Laws and the rules and regulations adopted pursuant thereto, as such documents, other than the Condominium Act, may be amended from time to time.

ARTICLE 27. Miscellaneous Provisions:

27.01 Exemption From Liability: No owner of a unit may exempt himself from liability for assessments against such unit by waiver of the use and enjoyment of any of the common elements or by the abandonment of his condominium unit.

27.02 Taxation: The owner of each Condominium parcel shall return the same for the purposes of ad valorem taxes with the Property Appraiser of Manatee County, or with such other future legally authorized governmental officer or authority having jurisdiction over such matters. Each unit owner shall be solely responsible for all taxes and special governmental assessments that are separately assessed against his condominium parcel.

27.03 Severability: If any of the provisions of this Declaration or of the Articles of Incorporation or By-Laws of the Association or rules or regulations adopted pursuant thereto, or any amendments thereto, or of the Condominium Act, shall be held invalid, in whole or in part, by a court of competent jurisdiction, then such invalidity shall not affect the remaining portions of such documents.

27.04 Developer: The Developer is a Florida general

partnership known as Rookery Bay Associates, a Florida general partnership, and its general partners are Rookery Bay Management & Company, Inc., a Florida corporation and Rookery Bay Associates, Inc., a Florida corporation. Developer is a Florida general partnership, whose general partners are two separate corporations. In any action or claim brought by the association or any owner as to any unit, limited common element or common element, there shall be no individual liability upon any director, officer, shareholder or employee of either general partner, nor shall any resort be had to the private individual or separate property of any such officer, shareholder or employee. Likewise, there shall be no liability in connection with this Condominium upon any Developer of other parts of Perico Bay or lands that might have been included within Perico Bay.

(a) Execution of Documents by Developer: Any contract, lease, mortgage, note, escrow agreement, amendment, notice, consent or other document or instrument executed or to be executed by or on behalf of the Developer in and about the development of the Condominium, the sale and the mortgaging of units, and otherwise, may be executed in the name of the Developer by either Rookery Bay Management & Company, Inc., or Rookery Bay Associates, Inc.; provided, however, that any deed to any part of the Condominium property must be executed by both partners. Any change in the identity of the general partners so authorized to act, or in the requirements for execution of such documents on behalf of the Developer, shall be evidenced by an instrument executed by all general partners with the formalities required for the execution of a deed and shall be effective when recorded in the Public Records of Manatee County, Florida. All persons shall be entitled to rely upon the provisions of this section, and any instruments or documents executed by or on behalf of Developer pursuant hereto, in the absence of record notice to the contrary, and no one need inquire into the terms of the partnership agreement.

(b) Transfer by Developer: Without limiting Developer's right to transfer, Developer specifically reserves the right to transfer its ownership and development rights to a limited partnership in which the general partners are the same as the general partners of developer, and such shall not require the approval, consent or joinder of any purchaser, unit owner, mortgagee of the association, and may be effected either by redesignation of the Developer in this Declaration prior to recording, or the filing of an Amendment after recording, joined in by both the Developer and Successor Developer limited partnership. Furthermore, Developer may assign only a portion of its rights hereunder, or all or any portion of such rights in connection with appropriate portions of the Condominium. In the event of such a partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of the Developer specifically assigned to it. Any such assignment may be made on a non-exclusive basis. Developer shall be deemed to have made a partial non-exclusive assignment in conjunction with any construction mortgage, as it applies to the part of the existing or proposed Condominium Property mortgaged.

27.05 Interpretation: Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the plural shall include the singular and the singular shall include the plural. The provisions of this Declaration and the By-Laws shall be liberally construed to effect the purpose of creating a uniform plan for the operation of a Condominium. This Declaration, the Articles of Incorporation and By-Laws, the exhibits hereto, amendments hereto, and regulations adopted shall be construed under the laws of Florida.

27.06 Warranties: The units, common elements and limited common elements and all portions of the Condominium Property are being sold, delivered and transferred by the

Developer in an "as is" condition and there are no express or implied warranties of fitness, habitability or merchantability, other than statutory warranties, as to any portion of the Condominium Property. By reference to Section 718.203, Florida Statutes (1989), Developer adopts the terms of that statute and grants to each original purchaser a warranty of fitness and merchantability as set out in said Statute in detail. Developer makes this express and written warranty in lieu of all common law or implied warranties of any and all kind.

27.07 Captions: The captions used throughout this Declaration are for convenience only and have no significance in the interpretation of the body of this Declaration.

27.08 Reference to this Document: This document may be referred to as the Declaration or the Declaration of Condominium, with or without reference to the name of the Condominium in any document or instrument pertaining hereto. References to the Condominium Book and page in which the Condominium plat may be recorded shall be deemed, where appropriate, to refer to this Declaration.

IN WITNESS WHEREOF, Developer has caused this Declaration of Condominium to be executed in its name by its partners hereunto duly authorized this 24 day of May, A.D. 1990.

Signed, sealed and delivered in the presence of:

ROOKERY BAY ASSOCIATES, a Florida general partnership

By: ROOKERY BAY MANAGEMENT & COMPANY, INC. a Florida corporation

Edna Lawbone
A Russell

By: James R. Schur

By: ROOKERY BAY ASSOCIATES, INC., a Florida corporation

Edna Lawbone
A Russell

By: JWR
General Partners

STATE OF FLORIDA
COUNTY OF MANATEE

The foregoing instrument was acknowledged before me this 24 day of May, 1990, by James R. Schur, Vice Pres of Rookery Bay Management & Company, Inc., a Florida corporation, on behalf of the corporation, and by Frank A. Burkhardt, Pres of Rookery Bay Associates, Inc., a Florida corporation, on behalf of the corporation, as General Partners of Rookery Bay Associates, a Florida general partnership.

Ann Miller
Notary Public
My commission expires: _____

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP SEPT. 10, 1993
BONDED THRU GENERAL INS. UND.