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DECLARATION OF CONDOMINIUM
OF

CHARDONNAY AT THE VINEYARDS, a Condominium

MADE this 3rd day of August, 1989, by CHARDONNAY JOINT VENTURE, a Florida general partnership, hereinafter called the "Developer", for itself and its successors, grantees and assigns.

WHEREIN the Developer makes the following declarations:

1. THE LAND. The Developer owns or has a contractual interest in certain real property located in Collier County, Florida, as more particularly described on Page A-1 of Exhibit "A" (hereinafter the "Land"). Developer acquired fee simple title to a portion of the Land through Warranty Deed recorded June 7, 1988, and recorded in Official Record Book 1355, Page 1863, of the Public Records of Collier County, Florida.

2. SUBMISSION STATEMENT. The Developer hereby submits only those portions of the Land described on Pages A-2 of Exhibit "A" as Phase I, and appurtenances belonging thereto, and all other property, real, personal or mixed, located on and intended for use in connection therewith, to the condominium form of ownership and use in the manner provided by the Florida Condominium Act as it exists on the date of recording this Declaration; excluding therefrom, however, all public utility installations, cable television lines, and other similar equipment, if any, owned by the utility furnishing services to the Condominium.

2.1 Covenants Run with Land. The covenants and restrictions contained in this Declaration shall run with the Land and be binding upon and inure to the benefit of all present and future owners of condominium parcels. The acquisition of title to a unit, or any interest in the condominium property, or the lease, occupancy, or use of any portion of the condominium property shall constitute an acceptance and ratification of all provisions of this Declaration as it shall be amended from time to time, and an agreement to be bound by its terms. The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan of condominium ownership.

3. NAME. The name by which this Condominium shall be identified is "CHARDONNAY AT THE VINEYARDS, a Condominium", (the "Condominium"), and it is located at Chardonnay Lane, Naples, Florida 33999, in the Development known as the Vineyards of Naples.

4. DEFINITIONS: The terms used in this Declaration and its exhibits shall have the meanings stated below and in Chapter 718, Florida Statutes, unless the context otherwise requires.

4.1 "Apartment" has the same meaning as the term "unit" as defined in the Condominium Act.

4.2 "Apartment Owner", "Unit Owner" or "Owner" means any person who owns a record fee simple interest in a unit in this Condominium, except that for purposes of interpreting the use and occupancy restrictions related to units as set forth in Section 12 of this Declaration, in cases where a primary occupant is to be designated for a unit because of the nature of its ownership, these terms refer to the primary occupant and not the record owner.

4.3 "Assessment" means a share of the funds required for the payment of common expenses which from time to time is assessed against the units.

4.4 "Association" means CHARDONNAY AT THE VINEYARDS, INC., a Florida corporation not for profit, the entity responsible for the operation of this Condominium.

4.5 "Association Property" means all property, real or personal, owned or leased by the Association for the use and benefit of the unit owners.

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4.6 "Board of Directors" or "Board" means the representative body which is responsible for the administration of the Association's affairs, and is the same body referred to in the Condominium Act as the "Board of Administration".

4.7 "Condominium Documents" means and includes this Declaration and all recorded exhibits hereto, as amended from time to time.

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

(A) One natural person.

(B) Two or more natural persons, each of whom is related by blood, marriage or adoption to each of the others.

(C) Two or more natural persons meeting the requirements of (B) above, except that there is among them one person who is not related to some or all of the others.

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

4.10 "Guest" means any person (other than the unit owner or his family) who is physically present in, or occupies an apartment on a temporary basis at the invitation of the apartment owner or other legally permitted occupant, without the payment of consideration.

4.11 "Institutional Mortgagee" means the mortgagee (or its assignee) of a first mortgage against a condominium parcel, which mortgagee is a bank, savings and loan association, private mortgage company, real estate or mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Association, or any agency of the United States of America. The term also refers to any holder of a first mortgage against a condominium parcel, which mortgage is guaranteed or insured, as evidenced by a recorded instrument, by the Federal Housing Administration, the Veterans Administration, any agency of the United States of America or by any other public or private corporation engaged in the business of guaranteeing or insuring residential first mortgage loans, and their successors and assigns.

4.12 "Lease" means the grant by a unit owner of a temporary right of use of the owner's unit for valuable consideration.

4.13 "Limited Common Elements" means and includes those common elements which are reserved for the use of a certain unit or units to the exclusion of other units.

4.14 "Master Association" means the Vineyards Community Association, Inc.

4.15 "Master Declaration" refers to the Declaration of Master Covenants, Conditions and Restrictions for the Vineyards.

4.16 "Occupant" or "Occupy", when used in connection with a unit, means any person who is physically present in a unit on two or more consecutive days, including staying overnight.

4.17 "Primary Institutional Mortgagee" means that institutional mortgagee which, at the time a determination is made, holds more first mortgages on units in the Condominium than any other institutional mortgagee, such determination to be made by reference to the number of units encumbered, and not by the dollar amount of such mortgages.

4.18 "Primary Occupant" means the natural person approved for occupancy when title to a unit is held in the name of more than two or more persons, or by a trustee or a corporation or other entity which is not a natural person.

4.19 "Recreation Area" means the area described on Pages A-5 and A-6 of Exhibit A.

4.20 "Recreation Association" means and refers to the Chardonay Recreation Association, Inc.

4.21 "Rules and Regulations" means the rules and regulations promulgated by the Board of Directors concerning the use of the common elements and the operation of the Association.

5. DESCRIPTION OF IMPROVEMENTS: SURVEY AND PLANS:

5.1 Survey and Plot Plans. Attached hereto as Exhibit "B", are surveys of the Land being submitted to condominium ownership, and plot plans which graphically describe the improvements in which units are located, and which show all the units, including their identification numbers, locations and approximate dimensions and the common elements and limited common elements. Together with this Declaration, the exhibit is in sufficient detail to identify each unit, the common elements and limited common elements, and their relative locations and dimensions.

5.2 Unit Boundaries. Each unit shall include that part of the building that lies within the following boundaries:

- (A) Upper and Lower Boundaries. The upper and lower boundaries of the unit shall be the following boundaries and as illustrated in Exhibit "B", extended to their planar intersections with the perimeter boundaries:
- (1) Upper Boundaries. In all units located on the floors below the top floor of a building, the upper boundary shall be the horizontal plane of the unfinished lower surface of the ceiling. In all units located on the top floor, the upper boundary shall follow the contour of the interior unfinished surface of the drywall attached to the underside of the roof trusses.
 - (2) Lower Boundaries. The horizontal plane of the unfinished upper surface of the concrete floor of the unit.
- (B) Perimeter Boundaries. The perimeter boundaries of the unit shall be the vertical planes of the unfinished interior surfaces of the walls bounding the unit as shown in Exhibit "B" hereto, extended to their planar intersections with each other and with the upper and lower boundaries.
- (C) Interior Walls. No part of the non-structural interior partition walls within an apartment shall be considered part of the boundary of a unit.
- (D) Apertures. Where there are apertures in any boundary, including, but not limited to, windows and doors, the perimeter boundaries shall extend to the interior unfinished surfaces of such apertures, and their frameworks thereof. Exterior surfaces made of glass or other transparent material and all framings, casings and hardware therefor, shall be excluded from the unit.

In cases not specifically covered in this Section 5.2, or in any case of conflict or ambiguity, the graphic depictions of the unit boundaries set forth in Exhibit "B" hereto shall control in determining the boundaries of a unit, except the provisions of 5.2(D) above shall control over the survey.

6. CONDOMINIUM PARCELS: APPURTENANCES AND USE:

6.1 Unit Identification. The identification of each unit shall be by number, as indicated in Exhibit "B".

6.2 Appurtenances to Each Unit: Shares of Ownership The owner of each unit shall have certain rights and own a certain interest in the condominium property, including without limitation the following:

- (A) An undivided ownership share in the Land and other common elements and the common surplus, as follows: Each unit owner shall own a one-twenty fourth (1/24th) interest in and to the common elements and common surplus. Provided, however, that when and if Phase II and III are added, each unit owner's proportional share of ownership in the common elements (including the common elements comprising Phase II and Phase III) and common surplus shall be one sixtieth (1/60th) after adding Phase II, and one one hundred twentieth (1/120th) after adding Phase III.
- (B) Membership and voting rights in the Association, which shall be acquired and exercised as provided in the Articles of Incorporation and By-Laws of the Association, attached hereto as Exhibits "C" and "D" respectively.
- (C) The exclusive right to use the limited common elements reserved for the unit, and the right to use the common elements.
- (D) An exclusive easement for the use of the airspace 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. An easement in airspace which is vacated shall be terminated automatically.
- (E) Other appurtenances as may be provided in this Declaration and its exhibits.

Each unit, together with its appurtenances, constitutes a "condominium parcel".

6.3 Use and Possession. A unit owner is entitled to exclusive use and possession of his unit. He is entitled to use the common elements and Association property in accordance with the purposes for which they are intended, but no use may unreasonably interfere with the rights of other unit owners or other persons having rights to use the condominium property. No unit may be divided nor may any fractional portion of a unit be sold, leased or otherwise transferred. The use of the units, common elements, limited common elements and Association property shall be governed by the condominium documents and (where appropriate) by rules and regulations adopted by the Board of Directors.

7. COMMON ELEMENTS: EASEMENTS.

7.1 Definition. The term "common elements" means all portions of the condominium property not included within the units, and includes without limitation the following:

- (A) All portions of the Land which have been submitted to condominium ownership by this Declaration or an amendment hereto.
- (B) All portions of the buildings and other improvements not included within the units, including limited common elements.
- (C) Easements through units for conduits, ducts, plumbing, wiring, and other facilities for furnishing utility services to units and the common elements.

- (D) An easement of support in every portion of the Condominium which contributes to the support of a building.
- (E) The property and installations required for furnishing utilities and other services to more than one unit or to the common elements.

7.2 Easements. Each of the following easements and easement rights is reserved through the condominium property and is a covenant running with the land of the Condominium, and notwithstanding any of the other provisions of this Declaration, may not be revoked and shall survive the exclusion of any land from the Condominium. None of the easements specified in this section may be encumbered by any leasehold or lien other than those on the condominium parcels. Any lien encumbering these easements shall automatically be subordinate to the rights of unit owners with respect to such easements.

- (A) Utility and other Easements. The Association has the power, without the joinder of any unit owner, to grant easements such as electric, gas, cable television, or other utility or service easements, or relocate any existing easements, in any portion of the common elements, and to grant access easements or relocate any existing access easements in any portion of the common elements, as the Association shall deem necessary or desirable for the proper operation and maintenance of the Condominium. Such easements, or the relocation of existing easements, may not prevent or unreasonably interfere with the use of the units. The Association may also transfer title to utility-related equipment, facilities or material, and to take any other action to satisfy the requirements of any utility company or governmental agency to which any such utility-related equipment, facilities or material are to be so transferred.
- (B) Encroachments. If any unit encroaches upon any of the common elements or upon any other unit for any reason other than the intentional act of the unit owner, or if any common element encroaches upon any unit, then an easement shall exist to the extent of that encroachment as long as the encroachment exists.
- (C) Ingress and Egress. A non-exclusive easement shall exist in favor of each unit owner and occupant including future owners in Phase II and Phase III if added to this Condominium, their respective guests and invitees for pedestrian traffic over, through, and across sidewalks, streets, paths. A non-exclusive easement shall exist in favor of each unit owner and occupant including future owners in Phase II and Phase III if added to this Condominium, their respective guests and invitees for vehicular and pedestrian traffic over, through, and across such portions of the common elements as from time to time may be paved and used for purposes of ingress and egress to the public ways.
- (D) Construction: Maintenance. The Developer (including its designees and contractors) shall have the right to enter the condominium property and take any action reasonably necessary or convenient for the purpose of completing the construction thereof including the construction of Phases 2 and 3, or any part thereof, or any improvements or units located thereon, and for repair, replacement and maintenance purposes where the Association fails to do so, provided such activity does not prevent or unreasonably interfere with the use or enjoyment by the unit owners of the condominium property.
- (E) Sales Activity For as long as it holds any unit for sale in the ordinary course of business in Phase I, II or III, the Developer and its designees shall have the right to use, without charge,

any units owned by it, and the common elements and Association property (including, but not limited to, all recreational facilities) in order to establish modify, maintain and utilize, as it and they deem appropriate, model apartments and sales and other offices. Without limiting the generality of the foregoing, the Developer and its designees may show model apartments of the common elements to prospective purchasers or tenants, erect on the condominium property signs and other promotional material to advertise units for sale or lease, and take all other action helpful for sales and promotion of the Condominium.

- (F) The easements and rights described in (D) and (E) above shall terminate upon the sale of all units in the Condominium to purchasers other than a successor Developer.

7.3 Restraint Upon Separation, and Partition The undivided share of ownership in the common elements and common surplus appurtenant to a unit cannot be conveyed or encumbered separately from the unit and shall pass with the title to the unit, whether or not separately described. No action shall lie for partition of the common elements. The shares in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to the units.

8. LIMITED COMMON ELEMENTS:

8.1 Description of Limited Common Elements. Certain common elements have been designated as limited common elements, reserved for the use of a particular unit or units, to the exclusion of the other units. The limited common elements and the units to which their use has been designated are as described in this Declaration and as further identified on the attached survey and plot plan. The following common elements are hereby designated as limited common elements:

- (A) Covered Parking - There have been designated in Exhibit "B" certain numbered covered parking spaces or carports as limited common elements. These spaces are assigned to the exclusive use of specific units as shown in Exhibit B. Each unit shall always have the exclusive use of one assigned parking space. The cost of maintenance of all covered parking spaces shall be a common expense.
- (B) Air Conditioning and Heating Equipment - All equipment, fixtures and installations located outside of a unit, which furnish air conditioning or heating exclusively to that unit, shall be limited common elements, and shall be maintained, repaired and replaced solely at the expense of the owner of the unit.
- (C) Terraces - The airspace as shown in Exhibit "B" comprising the area directly in front of each unit (hereinafter the terrace) shall be identified as a limited common element. Each unit shall always have the exclusive use of the terrace located directly in front of that unit and shall be responsible for the day to day cleaning and care of such airspace.
- (D) Balconies. The airspace comprising the screened balcony (sometimes referred to as a "lanai") attached to and serving exclusively each unit, shall be a limited common element. The unit owner shall be responsible for day-to-day cleaning and care and replacement of screens. All exterior painting shall be the responsibility of the Association and shall be a common expense. No porch may be carpeted, covered or enclosed in any way other than as it is enclosed or covered upon the initial purchase from the Developer, nor may storm shutters of any kind be installed, without the prior written approval of the Board of Directors. The maintenance, repair or replacement and insurance

of such approved carpeting, covering, shutters or enclosure shall be the responsibility of the unit owner.

- (E) Others - Any part of the common elements connected to or exclusively serving a single unit, and specifically required in Section 11 of this Declaration to be maintained, repaired or replaced by or at the expense of the unit owner, shall be deemed a limited common element appurtenant to that unit, whether specifically described above or not. This paragraph includes windows, screens and doors, including all hardware and framings therefor.

8.2 Exclusive Use: Transfer of Use Rights The exclusive use of a limited common element is appurtenant to the unit or units to which it is designated or assigned. The right to such use passes with the unit, whether or not separately described, and cannot be separated from it; except that the use rights to a particular carport or covered parking space may be exchanged or assigned between units by the following procedure:

- (A) The unit owners desiring to exchange such use rights shall submit a written request to the Board of Directors who shall then execute a Certificate of Transfer which shall include the recording data identifying this Declaration and be executed in the form required for the execution of a deed.
- (B) The transfer of rights shall be complete and effective when the certificate is recorded in the Public Records of Collier County, Florida. The cost of recording shall be borne by the unit owners desiring the exchange or transfer.

Unit owners shall also have the right to transfer the use of their assigned carport or covered parking space by renting such space to another unit owner. All such leases shall be in writing and a copy of each lease must be provided to the Condominium Association. The lessee under any such lease shall bear the same responsibilities for the parking garage as unit owners using their own designated space.

9. ASSOCIATION: The operation of the Condominium is by CHARDONNAY AT THE VINEYARDS, INC., a Florida corporation not for profit, which shall perform its function pursuant to the following:

9.1 Articles of Incorporation A copy of the Articles of Incorporation of the Association is attached as Exhibit "C".

9.2 By-Laws The By-Laws of the Association shall be the By-Laws attached as Exhibit "D", as they shall be amended from time to time.

9.3 Delegation of Management The Association may contract for the management and maintenance of the condominium property and authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, keeping of records, enforcement of rules and maintenance, repair and replacement of the common elements and Association property with funds made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties provided in the Condominium Act.

9.4 Membership The membership of the Association shall be comprised of owners of the units, as further provided in the By-Laws.

9.5 Acts of the Association. Unless the approval or affirmative vote of the unit owners is specifically made necessary by some provision of the Condominium Act or the condominium documents, all approvals or actions permitted or required to be given or taken by the Association may be given or taken by its Board of Directors, without a vote of the unit owners. The officers and Directors of the Association have a fiduciary relationship to

the unit owners. A unit owner does not have the authority to act for the Association by reason of being a unit owner.

9.6 Powers and Duties. The powers and duties of the Association include those set forth in the Condominium Act and the condominium documents. The Association may contract, sue, or be sued with respect to the exercise or nonexercise of its powers and duties. For these purposes, the powers of the Association include, but are not limited to, the maintenance, management, and operation of the condominium property and Association property. The Association has the power to enter into agreements to acquire leaseholds, memberships and other possessory or use interests in lands or facilities contiguous to the lands of the Condominium, for the use and enjoyment of the unit owners.

9.7 Official Records. The Association shall maintain its Official Records as required by law. The records shall be open to inspection by members or their authorized representatives at all reasonable times. The right to inspect the records includes a right to make or obtain photocopies at the reasonable expense of the member seeking copies.

9.8 Purchase of Units. The Association has the power to purchase units in the Condominium and to acquire and hold, lease, mortgage, and convey them.

9.9 Roster. The Association shall maintain a current roster of names and mailing addresses of unit owners. A copy of the roster shall be made available to any member upon request.

9.10 Limitation on Liability. Notwithstanding its duty to maintain and repair condominium or association property, the Association shall not be liable to unit owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or unit owners or other persons.

10. ASSESSMENTS AND LIENS: The Association has the power to levy and collect assessments against each unit and unit owner in order to provide the necessary funds for proper operation and management of the Condominium and for the operation of the Association. The power of the Association to levy and collect assessments includes regular assessments for each unit's share of the common expenses as set forth in the annual budget, and special assessments for unusual, non-recurring or unbudgeted common expenses. The Association may also levy special charges against any individual unit for any amounts other than common expenses which are properly chargeable against such unit under this Declaration or the Association's By-Laws. Assessments shall be levied and payment enforced as provided in Section 6 of the By-Laws and as follows:

10.1 Common Expenses. Common expenses include all expenses of the operation, maintenance, repair or replacement of the common elements and Association property as well as assessments levied on the Association by the Recreation Association, if any, the expenses of operating the Association and any other expenses properly incurred by the Association for the Condominium, including any amounts budgeted for the purpose of funding reserve accounts. The cost of water and sewer service to the units shall be a common expense. If the Board of Directors so determines, the cost of basic cable or satellite television programming to the units shall be a common expense.

10.2 Share of Common Expenses. The common expenses of the Condominium shall be shared by the unit owners in the same proportion as they share ownership of the common elements, as set forth in Section 6.2 above.

10.3 Ownership Assessments collected by or on behalf of the Association become the property of the Association; no unit owner has the right to claim, assign or transfer any interest therein except as an appurtenance to his unit. No owner has the right to withdraw or receive distribution of his share of the common surplus, except as otherwise provided herein.

10.4 Who is Liable for Assessments. The owner of each unit, regardless of how title was acquired, is liable for all assessments or installments thereon coming due while he is the owner. Multiple owners are jointly and severally liable. Except as provided in Section 10.11 below, whenever title to a condominium parcel is transferred for any reason, the transferee is jointly and severally liable with the transferor for all unpaid assessments against the transferor, without prejudice to any right the transferee may have to recover from the transferor any amounts paid by the transferee.

10.5 No Waiver or Excuse from Payment. The liability for assessments may not be avoided or abated by waiver of the use or enjoyment of any common elements or Association property, by abandonment of the unit for which the assessments are made, or by interruption in the availability of the unit or the common elements for any reason whatsoever. No unit owner may be excused from payment of his share of the common expenses unless all unit owners are likewise proportionately excused from payment, except as provided below as to mortgagees and the Developer.

10.6 Application of Payments: Failure to Pay: Interest: Acceleration. Assessments and installments thereon paid on or before ten (10) days after the date due shall not bear interest, but all sums not so paid shall bear interest at the highest rate allowed by law, until paid. Assessments and installments thereon shall become due, and the unit owner shall become liable for said assessments or installments, on the date set by the Association for payment. All payments on account shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, and regular or special assessments, in such manner and amounts as the Board of Directors may determine. No partial payment which bears a restrictive endorsement shall be accepted. No payment by check is deemed received until the check has cleared. In any action under Section 718.116(4)(a) of the Condominium Act the Association shall have the right to accelerate the due date of the entire unpaid balance of the unit's annual assessment for the fiscal year in which the action is brought as if said balance had originally been due on the date suit is brought. The Association's Claim of Lien shall secure payment of the entire accelerated obligation, together with interest on the entire balance, attorneys fees and costs as provided by law; and said Claim of Lien shall not be satisfied or released until all sums secured by it have been paid. Before exercising the right to accelerate the Association shall send to the delinquent owner a notice of intent to do so, which notice shall be sent by certified or registered mail to the owner's last known address, and shall be deemed given upon mailing of the notice, postpaid. The notice may be given as part of the notice of intent to foreclose as required by Section 718.116 of the Condominium Act, or may be sent separately.

10.7 Liens. The Association has a lien on each condominium parcel securing payment of past due assessments, including interest and reasonable attorney's fees and costs incurred by the Association incident to the collection of the assessment or enforcement of the lien, whether before, during or after a lien foreclosure suit. The lien is perfected upon recording a Claim of Lien in the Public Records of Collier County, Florida, stating the description of the condominium parcel, the name of the record owner, the assessments past due and the due dates. The lien is in effect until barred by law. The Claim of Lien secures all unpaid assessments and charges coming due prior to a final judgment of foreclosure, including all sums due because of the Association's exercise of the right to accelerate, as provided above. Upon full payment, the person making the payment is entitled to a satisfaction of the lien.

10.8 Priority of Lien. Except as otherwise provided by law, the Association's lien for unpaid assessments shall be subordinate and inferior to any recorded first mortgage and any mortgage of which the Developer is the mortgagee, unless the Association's Claim of Lien was recorded before the mortgage, but shall be superior to, and take priority over, any other mortgage regardless of when the mortgage was recorded. The Association's lien shall be inferior to any lien of the Master Association. Any lease of a unit shall be subordinate and inferior to any Claim of Lien of the Association, regardless of when the lease was executed.

10.9 Foreclosure of Lien. The Association may sue to foreclose its lien for unpaid assessments in the manner provided in the Condominium Act and may also seek to recover a money judgment for the unpaid assessments without waiving any lien rights.

10.10 Transfer of Ownership of Foreclosed Unit. If a foreclosure action is brought against the owner of a condominium parcel and the interest of the owner in the condominium parcel is sold, the owner's membership shall be cancelled and membership shall be issued to the purchaser at the foreclosure sale.

10.11 Mortgage Foreclosure. Except as otherwise provided by law, if the mortgagee of a first mortgage of record acquires title to a condominium parcel as a result of foreclosure of the first mortgage, or as the result of a deed given in lieu of foreclosure, such acquirer of title shall not be liable for the share of common expenses or assessments attributable to the condominium parcel, or chargeable to the former owner of the parcel, which came due prior to the mortgagee's acquisition of title. Any unpaid share of common expenses which such acquirer is exempt from liability becomes a common expense collectible from all unit owners, including such acquirer and his successors and assigns. No owner or acquirer of title to a condominium parcel by foreclosure (or by deed in lieu of foreclosure) may during the period of his ownership of such parcel, whether or not the parcel is occupied, be excused from the payment of any assessments coming due during the period of such ownership.

10.12 Certificate As To Assessments. Within fifteen (15) days after request by a unit owner or unit mortgagee, the Association shall provide a certificate stating whether all assessments and other monies owed to the Association by the unit owner with respect to the condominium parcel have been paid. Any person other than the owner who relies upon such certificate shall be protected thereby.

10.13 Liability of Developer for Common Expenses. The Developer guarantees that from the date of recording this Declaration until July 1989 quarterly assessments against each unit for common expenses will not exceed \$350 per quarter. From July 1989, until control of the Association is turned over to unit owners other than the Developer, quarterly assessments against each unit for common expenses will not exceed \$360. During these periods, Developer and all units owned by Developer shall not be subject to assessment for common expenses. The Developer will fund the difference between assessments at the guaranteed level receivable from other unit owners and the actual common expenses incurred during the guarantee period. If at any time during this period funds collected from assessments are not sufficient to provide payment, on a timely basis, of all common expenses, the Developer shall fund deficits at the time such payment is due. After the end of the guarantee period the Developer shall provide the accounting required by Rule 7D-18.06(9), Florida Administrative Code, and fund any outstanding deficits.

11. MAINTENANCE: LIMITATION UPON ALTERATION AND IMPROVEMENT: Responsibility for the maintenance, repair and replacement of the condominium property and restrictions on its alteration and improvements shall be as follows:

11.1 Association Maintenance. The maintenance, repair and replacement of all common elements and association property (other than limited common elements required elsewhere herein to be maintained by the unit owner) shall be performed by the Association, and the cost is a common expense. The Association's responsibility includes, without limitation, electrical conduit, rough plumbing, and other installations located within a unit but serving another unit, or located outside the unit, for the furnishing of utilities to one or more units or the common elements. The Association is not responsible for interior wall switches or receptacles, plumbing fixtures, or other electrical, plumbing or mechanical installations located within the unit. All incidental damage to an owner's property, a unit, or the limited common elements, caused by work done or ordered by the Association, shall be promptly repaired by and at the expense of the Association, which shall restore the property as nearly practical to its condition before the damage.

11.2 Unit Owner Maintenance. Each unit owner is responsible, at his own expense, for all maintenance, repairs, and replacements within his own unit, whether ordinary or extraordinary. The owner's responsibility includes, without limitation, screens, windows and window glass, the interior side of the entrance door and all other doors within or affording access to the unit, electrical, mechanical and plumbing fixtures and outlets (including connections) appliances, all portions of the heating and air conditioning equipment, carpeting and other floor covering, appliances, other facilities or fixtures located or contained entirely within his own unit or which serve only his own unit, and all interior partition walls which do not form part of the boundary of the unit. However, any insurance proceeds paid to the Association with respect to any loss or damage to any property within the unit covered by the Association's casualty insurance, which loss would otherwise be borne by the unit owner, shall be paid to the unit owner. The unit owner shall also have the following responsibilities:

- (A) Balconies, Lanais and Terraces. The unit owner shall be responsible for the day-to-day maintenance, care and preservation of the paint and surface of the walls, floor and ceiling, within said area, any door serving said area, and the wiring, electrical outlet(s) and fixture(s) thereon, if any, all screens, and the replacement of light bulbs.
- (B) Interior Decorating; Floor Coverings. Each unit owner is responsible for all decorating within his own unit, including painting, wallpapering, panelling, floor covering, draperies, window shades, curtains, lamps and other light fixtures, and other furnishings and interior decorating. All units above the ground floor shall always have the floors covered with wall-to-wall carpeting. Exceptions: in kitchens and foyers cushioned vinyl flooring may be used. On porches and in bathrooms any type of flooring may be used. Any deviation from the foregoing must have written Board approval as to its sound-deadening qualities. The Association shall be entitled to require the removal of any non-conforming flooring, and may withhold approval of any proposed sale or lease of a unit until such non-conforming flooring is removed.
- (C) Window Coverings. The coverings and appearance of porches, windows and doors, whether by draperies, shades, solar film or other materials visible from the exterior of the unit, shall be subject to regulation by the Board of Directors.
- (D) No signs are permitted unless first approved in writing by the Board of Directors. Balconies, terraces and lanai areas shall be used only for the purposes intended, and they shall not be used for hanging garments or other objects, for outdoor cooking, for cleaning of rugs or other household items, or for storage of bicycles or other personal property of unit owners.

11.3 Alteration to Units and Limited Common Elements by Unit Owner. No owner shall make or cause the making of any structural modifications or alterations to his unit or its appurtenant limited common elements without first obtaining the written consent of the Association, which consent shall be denied if a majority of the Board of Directors determines that the proposed modifications or alterations might adversely affect, or in any manner be detrimental to, the Condominium in part or whole. If any unit owner requests approval of an alteration or modification involving the removal of any interior partition, the Association may permit such removal if the partition to be removed is not a load-bearing partition and so long as the removal thereof would not materially affect or interfere with the utility services constituting common elements, if any, located therein. No owner shall cause his porch or lanai to be enclosed or cause any changes, structural or non-structural, to be made to the unit or building, including painting or other decoration outside of the unit, or the installation of any electrical wiring, television or radio antenna, appliance or jacuzzi, or in any manner change the exterior appearance of any portion of the Condominium, without the prior written consent of the

Board of Directors. Any glass, screen, curtain, blind, shutter, awning or other item which may be installed on any porch or lanai is subject to regulation by the Board of Directors.

11.4 Alterations and Additions to Common Elements. The protection, maintenance, repair and replacement of the common elements is the responsibility of the Association and the cost is a common expense. Beyond this function, the Association shall make no material alteration of, nor substantial additions to, the common elements without prior approval of at least a majority of the voting interests. However, if work reasonably necessary to protect, maintain, repair or replace the common elements also constitutes a material alteration or substantial addition to the common elements, no prior unit owner approval is required.

11.5 Enforcement of Maintenance. If after reasonable notice the owner of a unit fails to maintain the unit or its appurtenant limited common elements as required above, the Association may institute legal proceedings to enforce compliance, or may take any and all other lawful actions to remedy such violation. The Association may repair, replace, or maintain any item which constitutes a hazard to other condominium property or residents, or which has a material adverse effect on the appearance of the Condominium. Any expenses so incurred by the Association shall be charged to the unit owner, together with reasonable attorney's fees and other expenses of collection, if any.

11.6 Negligence: Damage Caused by Condition in Unit. Each unit owner shall be liable to the Association and to other unit owners for the expenses of any maintenance, repair or replacement made necessary by his act or negligence, or by that of any member of his family or his guests, employees, agents, or lessees. If any condition, defect or malfunction existing within a unit, whether caused by the owner's negligence or otherwise, shall cause damage to the common elements or to other units, the owner of the offending unit shall be liable to the person or entity responsible for repairing the damaged areas for all costs of repair or replacement not paid by insurance. If one or more of the units involved is not occupied at the time the damage is discovered, the Association may enter the unit without prior notice to the owner and take reasonable actions to mitigate or prevent the spread of the damage. The Association may, but is not obligated to, also repair the damage, with the consent of the owner.

11.7 Association's Access to Units. The Association has an irrevocable right of access to the units for the purposes of protecting, maintaining, repairing and replacing the common elements and any other purpose permitted by law. The Association's right of access includes without limitation entry for purposes of pest control and preventive maintenance of safety equipment such as smoke alarms as well as the right, but not the duty, to enter under circumstances where the health or safety of residents may be endangered. The exercise of the Association's access rights shall be accomplished with due respect for the unit owner's rights to privacy and freedom from unreasonable annoyance, as well as with appropriate precautions to protect the owner's property. The Association may retain a pass-key to all units. No unit owner shall alter any lock, nor install a new lock, to prevent access when the unit is unoccupied, unless the prior written consent of the Board of Directors is obtained. Where such consent is given, the unit owner shall provide the Association with a key.

12. USE RESTRICTIONS: In order to maintain a community of congenial, financially responsible residents, with the objectives of protecting the value of the units and facilitating the development of a stable, quiet community and peace of mind for all residents, the use and occupancy of the units shall be subject to the following provisions, which each owner of a unit covenants to observe:

12.1 Units. Each unit shall be occupied as a residence for one family and for no other purpose. No more than six (6) persons may occupy a unit at any time. See also Section 14.3 dealing with leased units.

12.2 Occupancy in Absence of Owner. If the owner and his family members who permanently reside with him are not in residence, and the unit has not been leased, the owner may permit his unit to be occupied by other family members or guests. The Board of Directors may require the unit owner to register occupants under this Section in advance of their arrival.

12.3 Occupancy When Owner is Present. There is no restriction on the number of guests, whether related or unrelated to the owner, who may occupy the unit in the presence of the unit owner, as long as the maximum occupancy limit of six (6) persons is observed.

12.4 Age Restrictions. There are no age restrictions for occupants of units. All occupants under eighteen (18) years of age must be closely supervised at all times by an adult to insure that they do not become a source of annoyance to other residents.

12.5 Pets. The owner of each unit, while in residence, may keep one (1) small pet, of a normal domesticated household type (such as a cat or dog) in the unit. No such pet may exceed fifteen (15) pounds in weight. The pet must be carried under the owner's arm or leashed at all times while on the condominium property or association property outside the unit. The ability to keep such a pet is a privilege, not a right, and the Board of Directors is empowered to order and enforce the removal of any pet which becomes a source of unreasonable annoyance to other residents. No pets of any kind are permitted in a unit if the owner of the unit is not in residence. No pets other than those permitted above may be kept in the Condominium.

12.6 Nuisances. No owner shall use his unit, or permit it to be used, in any manner which is reasonably disturbing, detrimental or a nuisance to the occupants of another unit, or which would not be consistent with the maintenance of the highest standards for a first class residential condominium, nor permit the premises to be used in a disorderly or unlawful way. The use of each unit shall be consistent with existing laws and the condominium documents, and occupants shall at all times conduct themselves in a peaceful and orderly manner.

13. TRANSFER OF OWNERSHIP OF UNITS. In order to maintain a community of congenial, financially responsible residents with the objectives of protecting the value of the units and facilitating the development of a stable, quiet community and peace of mind for all residents, the transfer of ownership of the units shall be subject to the following provisions, which each owner covenants to observe:

13.1 Forms of Ownership:

- (A) A unit may be owned by one natural person who has qualified and been approved as elsewhere provided herein.
- (B) Co-Ownership. Co-Ownership of units may be permitted. If the co-owners are other than husband and wife, the Association shall require the owners to designate in writing one approved natural person as "primary occupant". Occupancy of the unit by other persons shall be as if the primary occupant is the only actual owner. A change in the primary occupant shall be treated as a transfer of ownership by sale or gift subject to the provisions of this Section 13. No more than one such change will be approved in any twelve (12) month period.
- (C) Ownership by Corporations, Partnerships or Trusts. A unit may be owned in trust, or by a corporation, partnership or other entity which is not a natural person, if approved in the manner provided elsewhere herein. The intent of this provision is to allow flexibility in estate, financial or tax planning, and not to create circumstances in which the unit may be used as short-term transient accommodations for several individuals or families. The Association shall require a trustee, or corporation or other

entity to designate in writing one natural person to be the "primary occupant". The occupancy of the unit by other persons shall be as if the primary occupant is the only actual owner. A change in the primary occupant shall be treated as a transfer of ownership by sale or gift subject to the provisions of this Section 13. No more than one such change will be approved in any twelve month period.

- (D) Life Estate. A unit may be subject to a life estate, either by operation of law or by a voluntary conveyance approved under 13.2 below. In that event, the life tenant shall be the only member from such unit, and occupancy of the unit shall be as if the life tenant was the only owner. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy right unless separately approved by the Association. The life tenant shall be liable for all assessments and charges against the unit. Any consent or approval may be given by the life tenant alone, and the consent or approval of the holders of the remainder interest shall not be required. If there is more than one life tenant, they shall be treated as co-owners for purposes of determining voting and occupancy rights.

13.2 Transfers

- (A) Sale or Gift. No unit owner except the Developer may dispose of a unit or any interest therein by sale or gift (including agreement for deed) without prior written approval of the Board of Directors.
- (B) Devise or Inheritance. If any unit owner acquires his title by devise or inheritance, his right to occupy or use the unit shall be subject to the approval of the Board of Directors. Approval shall not be denied to any devisee or heir who was the prior owner's lawful spouse at the time of death.
- (C) Other Transfers. If any person acquires title in any manner not considered in the foregoing subsections, that person shall have no right to occupy or use the unit without first being approved by the Board of Directors under the procedures outlined in Section 13.3 below.
- (D) To facilitate transfers proposed during times when many of the members are not in residence, the Board of Directors may by resolution delegate its approval powers to the manager, or to an ad hoc committee, which shall consist of at least three (3) members. The Chairman of the committee shall be deemed a Vice-President, and as such shall be empowered to execute Certificates of Approval on behalf of the Association.

13.3 Procedures

(A) Notice to Association.

- (1) Sale or Gift. An owner intending to make a sale or gift of his unit or any interest therein shall give to the Board of Directors or its designee written notice of such intention at least twenty (20) days prior to the intended closing date together with the name and address of the proposed purchaser or donee, a copy of the sales contract, if any, and such other information about the proposed purchaser as the Board may reasonably require. The Board may require a personal interview with the prospective purchaser and his spouse, if any, as part of the application process.
- (2) Devise, Inheritance or Other Transfers. The transferee must notify the Board of Directors of his ownership and submit a certified copy of the instrument evidencing his ownership

and such other information as the Board may reasonably require. The transferee shall have no occupancy right unless approved by the Board, but may sell or lease the unit following the procedures in this Section or in Section 14.

- (3) Failure to Give Notice. If no notice is given, the Board at its election may approve or disapprove the transfer without prior notice. If it disapproves, the Association shall proceed as if it received notice on the date of such disapproval; however, the proposed transferee may provide the Board with the required notice and request reconsideration.

- (B) Board Action. Within twenty (20) days after receipt of the required notice and all appearances and information requested, or not later than sixty (60) days after the notice required by paragraph (A) above is received, whichever occurs first, the Board shall approve or disapprove the transfer. If a transfer is approved, the approval shall be stated in a Certificate of Approval executed by the President or Vice-President of the Association in recordable form and delivered to the transferee. If the Board neither approves nor disapproves within the foregoing period, such failure to act shall be deemed the equivalent of approval and on demand the Board shall issue a Certificate of Approval to the transferee.

(C) Disapproval

- (1) Approval of the Association shall be withheld only if a majority of the whole Board so votes, after receiving a written opinion of legal counsel that such disapproval is for good cause. Good cause for disapproval shall include, without limitation, the following:
- (a) The person seeking approval has been convicted of a felony involving violence to persons or property, or a felony demonstrating dishonesty or moral turpitude;
- (b) The person seeking approval has a record of financial irresponsibility, including without limitation prior bankruptcies, foreclosures or bad debts;
- (c) The application for approval on its face indicates a strong likelihood that the person seeking approval will conduct himself in a manner inconsistent with the covenants and restrictions applicable to the Condominium;
- (d) The person seeking approval has a history of disruptive behavior or disregard for the rights and property of others, as evidenced by his conduct in other social organizations or associations, or by his conduct in this Condominium as a tenant, unit owner or occupant of a unit; or
- (e) The person seeking approval failed to provide the information or appearances required to process the application in a timely manner.

13.4 Exception. The provisions of Sections 13.2 and 13.3 are not applicable to the acquisition of title by a mortgagee who acquires title through the mortgage, whether by foreclosure or deed in lieu of foreclosure.

13.5 Unapproved Transfers. Any sale or other transfer of ownership which is not approved pursuant to this Section shall be void unless subsequently approved in writing by the Board.

13.6 Fees for Processing Applications for Approval to Purchase or Lease. Whenever herein the Board's approval is required to allow the sale, lease, or other transfer of an interest in a unit, the Association may charge a preset fee for processing the application, such fee not to exceed the maximum allowed by law. No fee may be charged for approval of the renewal or extension of a lease with the same lessee.

14. LEASING OF UNITS: All leases of units must be in writing. A unit owner may lease only his entire unit, and then only in accordance with this Section, after receiving the approval of the Association. The lessee must be one natural person.

14.1 Procedures.

- (A) Notice. An owner intending to lease his unit shall give to the Board of Directors or its designee written notice of such intention at least fifteen (15) business days prior to the starting date of the proposed lease, together with the name and address of the proposed lessee, an executed copy of the proposed lease, and such other information as the Board may reasonably require.
- (B) Approval. After the required notice and fees, and all information requested have been provided, the Board or its designee shall approve or disapprove the proposed lease within fifteen (15) business days. If the Board neither approves nor disapproves within the fifteen (15) day period such failure to act shall be deemed the equivalent of approval, and on demand the Board shall issue a written letter of approval to the lessee.
- (C) Disapproval. If a proposed lease shall be disapproved, the lease may not be made. Appropriate grounds for disapproval shall include, but not be limited to, the following:
- (1) The notice is not accompanied by the required application fee and any security deposit required to be paid to the Association.
 - (2) The unit owner is delinquent in the payment of assessments at the time the application is considered;
 - (3) The unit owner has a history of leasing his unit to troublesome tenants and/or refusing to control and accept responsibility for the occupancy of his unit;
 - (4) The real estate company handling the leasing transaction on behalf of the unit owner has a history of not adequately screening applicants or recommending undesirable tenants;
 - (5) The application on its face appears to indicate that the person seeking approval intends to conduct himself in a manner inconsistent with the covenants and restrictions applicable to the Condominium;
 - (6) The prospective lessee is, or reasonably appears to be, one or more college students on "spring break" or other holiday.
 - (7) The prospective lessee has been convicted of a felony involving violence to persons or property, or a felony demonstrating dishonesty or moral turpitude;
 - (8) The prospective lessee has a history of conduct which evidences disregard for the rights and property of others;
 - (9) The prospective lessee evidences a strong probability of financial irresponsibility;

- (10) In the case of a renewal, the lessee has during previous occupancy, evidenced an attitude of disregard for the provisions in the Condominium documents and House Rules; or
- (11) The prospective lessee gives false or incomplete information to the Association as part of the application procedure.
- (D) Failure to Give Notice. If proper notice and information is not given, the Board at its election may approve or disapprove the lease without prior notice. If it disapproves, the Board shall proceed as if it received notice on the date of such disapproval; however, the proposed lessee may provide the Board with the required notice and request reconsideration. Any lease entered into without approval or in violation of the above provisions shall, at the option of the Board, be treated as a nullity, and the Board shall have the power to evict the lessee without securing consent to such eviction from the unit owner.
- (E) Applications; Assessments. Applications for authority to lease shall be made to the Association on such forms and include such terms and security deposits as the Board may, from time to time, provide. The legal responsibility for paying condominium assessments may not be delegated to the lessee, nor to a rental agent.
- (F) Notice of disapproval shall be sent or delivered to the unit owner or his rental agent, if any. To facilitate approval of leases, the Board of Directors may by resolution delegate its approval powers to the manager.

14.2 Term of Lease. No unit may be leased for a term of less than thirty (30) days. No lease may be for a term of more than one (1) year, and no option for the lessee to extend or renew the lease beyond a one year period without Association approval shall be permitted. However, the Board may, in its discretion, approve the same lease from year to year. No subleasing or assignment of lease rights by the lessee is allowed.

14.3 Occupancy During Lease Term. No one but the lessee, his family and their guests may occupy the unit during the term of a lease. The total number of overnight occupants of a leased unit is limited to six (6) persons, except that the maximum is four (4) persons during leases of three (3) months or longer.

14.4 Use of Common Elements, and Recreation Association Property. To prevent overtaxing the facilities, a unit owner whose unit is leased may not use the recreation or parking facilities during the lease term.

14.5 Regulation by Association. All of the provisions of the condominium documents and the rules and regulations of the Association shall be applicable and enforceable against any person occupying a unit as a lessee or guest to the same extent as against an owner. A covenant on the part of each lessee to abide by the rules and regulations of the Association and the provisions of the Condominium documents, designating the Association as the owner's agent, with the authority to terminate any lease agreement and evict the tenants, in the event of violations by the tenants of such covenant, shall be deemed to be included in every lease agreement, whether oral or written, and whether specifically expressed in such agreement or not.

15. INSURANCE. In order to adequately protect the Association, the Association property and the condominium property required to be insured by the Association, insurance shall be carried and kept in force at all times in accordance with the following provisions:

15.1 Duty and Authority to Obtain. The Board of Directors shall obtain and keep in force the insurance coverage which it is required to carry, and may obtain and keep in force any or all additional insurance coverage it deems necessary. The name of the insured shall be the Association and the unit owners without naming them, and their mortgagees, as their interests shall appear.

15.2 Required Coverage The Association shall maintain adequate insurance covering all of the buildings and the common elements as well as all Association property, in an amount determined annually by the Board of Directors, such insurance to afford at least the following protection:

- (A) **Property** Loss or damage by fire, extended coverage (including windstorm) vandalism, malicious mischief, and all other hazards covered by the standard "All Risk" property contract.
- (B) **Flood.** Loss or damage caused by flood.
- (C) **Liability.** Premises and operations liability for bodily injury and property damage in such limits of protection and with such coverage as required by the Board of Directors of the Association, with cross liability endorsement to cover liabilities of the unit owner as a group to a unit owner.
- (D) **Automobile.** Automobile liability for bodily injury and property damage for all owner and/or non-owned motor vehicles in such limits of protection and with such coverage as may be required by the Board of Directors of the Association.
- (E) **Compensation.** The Association shall maintain Workers' Compensation insurance on at least a minimum premium basis.
- (F) **Statutory Dishonesty Bond** (minimum of \$10,000 per person having access to Association funds).

15.3 Optional Coverage. The Association may purchase and carry other such insurance coverage as the Board of Directors may determine to be in the best interest of the Association and unit owners. Some of the more common options include:

- (A) Additional flood insurance.
- (B) Broad Form Comprehensive General Liability Endorsement.
- (C) Directors and Officers Liability.
- (D) Medical Payments.
- (E) Leakage, seepage and wind-driven rain.

15.4 Description of Coverage. A detailed summary of the coverage included in the master policies, and copies of the master policies, shall be available for inspection by unit owners upon request.

15.5 Waiver of Subrogation. If available and where applicable, the Board of Directors shall endeavor to obtain insurance policies which provide that the insurer waives its right to subrogation as to any claim against unit owners, the Association, or their respective servants, agents or guests, except for any claim based upon gross negligence evidencing reckless, willful or wanton disregard for life or property.

15.6 Insurance Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association, the unit owners and their mortgagees as their interests may appear, and all proceeds shall be payable to the Association. The duty of the Association shall be to receive such proceeds as are paid and hold and disburse the same in trust for the

purposes stated herein and for the benefit of the unit owners and their respective mortgagees in the following shares:

- (A) Common Elements. Proceeds on account of damage to common elements shall be held in as many undivided shares as there are units, the shares of each unit owner being the same as his share in the common elements.
- (B) Units. Proceeds on account of damage within units shall be held in shares based on the prorated amount of damage in each damaged unit as a percentage of the total damage in all units.

If a mortgagee endorsement has been issued as to a unit, the shares of the mortgagee and the unit owner shall be as their interests appear. In no event shall any mortgagee have the right to demand application of insurance proceeds to any mortgage or mortgages which it may hold against units, except to the extent that insurance proceeds exceed the actual cost of repair or restoration of the damaged building or buildings. No mortgagee shall have any right to participate in determining whether improvements will be rebuilt after casualty. The foregoing notwithstanding, insurance proceeds on account of any NFIP flood insurance policy on an individual unit purchased by the Association or by a unit owner shall be used only to repair or rebuild the unit to which the respective policy applies and that unit's appurtenant share of the common elements, and no other unit owner or unit may directly benefit from said proceeds. If the Condominium is not to be restored or rebuilt, the proceeds shall accrue to the benefit of the respective unit owner and his mortgagees, if any.

15.7 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the unit owners in the following manner:

- (A) Cost of Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed by the Association, the proceeds shall be paid to defray the costs thereof. Any proceeds remaining after defraying costs shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being paid jointly to them. This is a covenant for the benefit of mortgagees and may be enforced by them.
- (B) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damages for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of mortgagees and may be enforced by them.

15.8 Association as Agent. The Association is hereby irrevocably appointed agent for each unit owner to adjust all claims arising under insurance policies purchased by the Association for damage or loss to the condominium property.

16. RECONSTRUCTION OR REPAIR AFTER CASUALTY: If any part of the condominium property is damaged by casualty, whether and how it shall be reconstructed or repaired shall be determined as follows:

16.1 Damage to Units. Where loss or damage occurs within a single unit or several units, any Association insurance proceeds on account of the damage, in shares computed as provided in 15.6 above, shall be distributed to the owner(s) of the damaged units. The owners of damaged units shall be responsible for reconstruction and repair within their units.

16.2 Damage to Common Elements - Less than "Very Substantial". Where loss or damage occurs to the common elements, but the loss is less than "very

substantial", as hereinafter defined, it shall be mandatory for the Association to repair, restore and rebuild the damage caused by the loss, and the following procedures shall apply:

- (A) The Board of Directors shall promptly obtain detailed estimates of the cost of repair and restoration, and shall negotiate and contract for the repair and reconstruction of the premises.
- (B) If the proceeds of insurance are insufficient to pay for the cost of repair and reconstruction of the common elements, the Association shall promptly, upon determination of the deficiency, and if other funds such as reserves are not available, levy a special assessment against all unit owners in proportion to their shares in the common elements for any deficiency. Such special assessments need not be approved by the unit owners. The special assessments shall be added to the proceeds available for repair and restoration of the property.

16.3 "Very Substantial" Damage. As used in this Declaration, the term "very substantial" damage shall mean loss or damage whereby one-half (1/2) or more of the units are rendered uninhabitable. Should such "very substantial" damage occur then:

- (A) The Board of Directors shall promptly obtain reliable and detailed estimates of the cost of repair and restoration.
- (B) A membership meeting shall be held not later than sixty (60) days after the casualty, to determine the wishes of the membership with reference to rebuilding or abandonment of the Condominium.
 - (1) If the insurance proceeds and reserves available for restoration and repair are sufficient to cover the cost thereof, so that no special assessment is required, then the condominium property shall be restored or repaired unless two-thirds (2/3) of the voting interests shall vote for abandonment, or unless the then applicable zoning or other regulatory laws will not allow reconstruction of the same number and general type of unit, in which case the Condominium shall be terminated.
 - (2) If the insurance proceeds and reserves available for restoration and repair are not sufficient to cover the cost thereof so that a special assessment will be required, then unless two-thirds (2/3) of the voting interests vote in favor of such special assessment and against abandonment of the Condominium, it shall be abandoned and the property removed from the provisions of the Condominium Act. If two-thirds (2/3) of the voting interests approve the special assessment, the Association shall levy such assessment and shall contract for such repairs and restoration. The special assessment shall be added to the proceeds available for repair and restoration of the property.
- (C) If any dispute shall arise as to whether "very substantial" damage has occurred, a determination by a majority of the whole Board of Directors shall be binding upon all unit owners.

16.4 Application of Insurance Proceeds. It shall be presumed that the first monies disbursed for repair and restoration shall be from insurance proceeds; if there is a balance in the funds after the payment of all costs of repair and restoration, such balance shall be distributed to the unit owners, except as otherwise provided in Section 15.6.

16.5 Equitable Relief. In the event of damage to the condominium property which is to be repaired, and if the property is not repaired, reconstructed, or rebuilt within a reasonable period of time, any unit owner may petition a court for equitable relief, which may include a termination of the Condominium and a

partition. For the purposes of this provision, it shall be conclusively presumed that repair, reconstruction or rebuilding has occurred within a reasonable period of time if substantial work is commenced within four (4) months following the damage or destruction and is completed within twelve (12) months thereafter.

16.6 Plans and Specifications Any reconstruction or repairs must be substantially in accordance with the plans and specifications for the original buildings, or according to different plans and specifications approved by the Board of Directors and by the owners of three-fourths (3/4) of the units, and the Primary Institutional Mortgagee.

17. CONDEMNATION:

17.1 Deposit of Awards with Association. The taking of all or any part of the Condominium property by condemnation or eminent domain shall be deemed to be a casualty to the portion taken and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards may be payable to unit owners, the unit owners shall deposit the awards with the Association; and if any fail to do so, a special charge shall be made against the defaulting unit owner in the amount of his award, or the amount of that award shall be set off against any sums payable to that owner.

17.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged property will be reconstructed and repaired after a casualty.

17.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of all awards and special assessments will be deemed to be Association property and shall be owned and distributed in the manner provided for insurance proceeds when the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, the owners of condemned units, if any, will be made whole, and any property damaged by the taking will be made usable in the manner provided below. Proceeds of awards and special assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursements of funds after a casualty.

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

17.5 Units Reduced but Tenatable. If the taking reduces the size of a unit and the remaining portion of the unit can be made tenatable, the awards for the taking of a portion of that unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

- (A) Restoration of Unit. The unit shall be made tenatable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be paid by the owner of the unit.
- (B) Distribution of Surplus. The balance of the award, if any, shall be distributed to the owner of the unit and to each mortgagee of the unit, the remittance being made payable jointly to the owner and mortgagees.
- (C) Adjustment of Shares in Common Elements. If the floor area of a unit is reduced by the taking, the number representing the share in the common elements appurtenant to the unit shall be reduced in the proportion by which the floor area of the unit is reduced by the taking, and then the shares of all unit owners in the common elements shall be restated as percentages of the total of

the numbers representing their original shares as reduced by the taking.

17.6 Unit Made Untenatable. If the taking is of any entire unit or so reduces the size of a unit that it cannot be made tenatable, the award for the taking of the unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

- (A) Payment of Award. The fair market value of the unit immediately prior to the taking shall be paid to the owner of the unit and to each mortgagee of the unit, the remittance being made payable jointly to the owner and mortgagee(s).
- (B) Addition to Common Elements. If possible and practical, the remaining portion of the unit shall become a part of the common elements and shall be placed in condition for use by some or all unit owners in the manner approved by the Board of Directors.
- (C) Adjustment of Shares in Common Elements. The shares in the common elements appurtenant to the units that continue as part of the Condominium shall be adjusted to distribute the ownership of the common elements among the reduced number of units. This shall be done by restating the shares of continuing unit owners in the common elements as percentages of the total of the numbers representing the shares of these as they existed prior to the adjustment.
- (D) Assessments. If the amount of the award for the taking is not sufficient to pay the fair market value of the condemned unit to the unit owner and to condition the remaining portion of the unit for use as a part of the common elements, the additional funds required for those purposes shall be raised by special assessment against all unit owners who will continue as owners of units after the changes in the Condominium affected by the taking. The assessments shall be made in proportion to the shares of those owners in the common elements after the changes affected by the taking.
- (E) Arbitration. If the fair market value of a unit prior to the taking cannot be determined by agreement between the unit owner and the Association within thirty (30) days after notice by either party, the value shall be determined by appraisal in accordance with the following. The unit owner, the first mortgagee, if any, and the Association shall each appoint one M.A.I. appraiser, who shall appraise the unit and shall determine the fair market value by computing the arithmetic average of their appraisals of the unit; and a judgment of specific performance upon the value arrived at by the appraisers may be entered in any court of competent jurisdiction. The cost of appraisal shall be paid by the party selecting the appraiser.

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

17.8 Amendment of Declaration. The changes in units, in the common elements and in the ownership of the common elements that are necessitated by condemnation, shall be evidenced by amending this Declaration and its Exhibits. The amendment must be approved only by a majority of the Board of Directors, and the consent of unit owners or mortgagees is not required for any such amendment.

18. TERMINATION: The Condominium may be terminated in the following manner:

18.1 Agreement. The Condominium may be terminated at any time by approval, in writing, of the owners of at least eighty percent (80%) of the units, and of the Primary Institutional Mortgagee.

18.2 Very Substantial Damage. If the Condominium, as a result of casualty, suffers "very substantial damage" to the extent defined in Section 16.3, and it is not decided as therein provided that it will be reconstructed or repaired, the Condominium form of ownership will thereby terminate without agreement.

18.3 General Provisions. Upon termination, the former unit owners shall become the owners, as tenants in common, of all condominium and association property and the assets of the Association. The shares of such tenants in common shall be the same as were their shares of the common elements. The mortgagee or lienor of a unit owner, shall have a mortgage or lien solely and exclusively upon the undivided share of such tenant in common in and to the lands and other properties and rights which he may receive by reason of such termination. The termination of the Condominium shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts affecting the termination. Termination shall become effective when that certificate is recorded in the Public Records of Collier County, Florida.

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

18.5 Partition: Sale. Following termination, the former condominium property and Association property may be partitioned and sold upon the application of any unit owner. If following a termination, the former owners of seventy-five percent (75%) of the units determine to accept an offer for the sale of the property, all owners shall be bound to execute deeds and other documents reasonably required to effect the sale. In such event, any action for partition of the property shall be held in abeyance pending the sale, and upon the consummation of the sale shall be discontinued by all parties thereto.

18.6 Last Board. The members of the last Board of Directors shall continue to have the powers granted in this Declaration for the purpose of winding up the affairs of the Association, notwithstanding the fact that the Association itself may be dissolved upon a termination.

18.7 Provisions Survive Termination. The provisions of this Section 18 shall be deemed covenants running with the land, and shall survive the termination of the Condominium until all matters covered by those provisions have been completed.

19. OBLIGATION OF OWNERS:

19.1 Duty to Comply: Right to Sue. Each unit owner, his tenants and guests, and the Association shall be governed by and shall comply with the provisions of the Condominium Act, the Declaration, the documents creating the Association, the By-Laws and the Rules and Regulations. Actions for damages or for injunctive relief, or both, for failure to comply may be brought by the Association or by a unit owner against:

- (A) The Association;
- (B) A unit owner;
- (C) Anyone who occupies a unit; or
- (D) Any member of the Board of Directors who willfully and knowingly fails to comply with these provisions.

19.2 Waiver of Rights. The failure of the Association or of a member to enforce any right, provision, covenant or condition which may be granted by the condominium documents shall not constitute a waiver of the right of the Association or member to enforce such right, provision, covenant or condition in the future. A provision of the Condominium Act may not be waived by a unit owner if the waiver would adversely affect the rights of the owner or defeat the purpose of the provision, except that unit owners or Directors may waive notice of specific meetings as provided in the By-Laws. Any written instrument or instruction given by a prospective purchaser or unit owner to an escrow agent may be relied upon by the escrow agent, whether or not such instruction and the payment of funds thereunder might otherwise constitute a waiver of any provision of the Condominium Act.

19.3 Attorney's Fees. In any legal proceeding arising out of an alleged failure of a tenant, unit owner or the Association to comply with the requirements of the Condominium Act or the condominium documents, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court.

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

20. RIGHTS OF MORTGAGEES:

20.1 Approvals. Written consent of the institutional mortgagee of a unit shall be required for any amendment to the Declaration which would decrease the percentage interests of the unit in the ownership of the common elements, except as provided in Sections 17.5(C), 17.6(C) and 17.8.

20.2 Notice of Casualty or Condemnation. In the event of condemnation, eminent domain proceedings, or very substantial damage to, or destruction of, any unit or any part of the common elements, the record holder of any first mortgage on an affected unit shall be entitled to notice.

20.3 Mortgage Foreclosure. Except as otherwise provided by law, if the mortgagee of a first mortgage or an institutional mortgage of record acquires title to a condominium parcel as a result of foreclosure of the mortgage, or as the result of a deed given in lieu of foreclosure, such acquirer of title shall not be liable for the share of common expenses or assessments attributable to the condominium parcel, or chargeable to the former owner of the parcel, which came due prior to the mortgagees acquisition of title. Any unpaid share of common expenses which such acquirer is exempt from liability becomes a common expense collectible from all unit owners, including such acquirer and his successors and assigns. No owner or acquirer of title to a condominium parcel by foreclosure or by a deed in lieu of foreclosure may be excused from the payment of any assessments coming due during the period of such ownership.

20.4 Redemption. If proceedings are instituted to foreclose any institutional mortgage or lien on any unit, the Association, on behalf of one or more unit owners and with the permission of the mortgagee, may redeem the mortgage or lien for the amount due thereon and be thereby subrogated to all of the mortgagee's or lienor's rights of action, or the Association may purchase the unit at the foreclosure sale. An institutional mortgagee shall have an unrestricted, absolute right to accept title to the unit in settlement and satisfaction of the mortgage or to foreclose its mortgage in accordance with its terms, and to bid upon the unit at the foreclosure sale. If the Association or any of its members redeem the mortgage or cure the default, it or they shall have a lien against the unit for all sums expended in connection

therewith, and shall have the same rights to collect such sums as in the case of a past due assessment.

20.5 Right to Inspect Books. The Association shall make available to institutional mortgagees requesting same current copies of the condominium documents and the books, records and financial statements of the Association. "Available" shall mean ready for inspection, upon written request, during normal business hours, or under other reasonable circumstances. Photocopies shall be provided at the expense of the person requesting them.

20.6 Financial Statement. Any institutional mortgagee is entitled, upon written request, to a copy of the financial statement of the Association for the immediately preceding fiscal year.

20.7 Lender's Notices. Upon written request to the Association, any institutional mortgagee shall be entitled to timely written notice of:

- (A) Any 60-day or longer delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds a mortgage.
- (B) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- (C) Any proposed action that requires the consent of a specified percentage of mortgage holders.

21. DEVELOPER'S RIGHTS AND DUTIES. So long as the Developer or any successor in interest to the Developer holds any units in the Condominium for sale in the ordinary course of business, the following shall apply:

21.1 Developer's Use. Until the Developer has completed all of the contemplated improvements and has sold all of the units in the Condominium neither the unit owners nor the Association, nor their use of the condominium property shall unreasonably interfere with the completion of the contemplated improvements or the sale of units. The Developer may make any use of the unsold units and the common elements, as may reasonably be expected to facilitate completion and sales, including, but not limited to, maintenance of a sales office, display of signs, leasing units, and showing the units for sale to prospective purchasers. No "For Sale" or "Lease" sign may be displayed upon the condominium property without the consent of the Developer during this period.

21.2 Assignment. All or any of the rights, privileges, powers and immunities granted or reserved to the Developer in the condominium documents may be freely assigned by the Developer, in whole or in part, to any person, entity, or nominee without the consent of any other unit owner or any holder of a mortgage secured by any unit. In the event of the foreclosure of any mortgage owed by the Developer, or deed in lieu of such foreclosure, the person first acquiring title to such interest by reason of such foreclosure, or deed in lieu of foreclosure, shall succeed to all rights, powers, privileges and immunities of the Developer.

21.3 Amendment of Plans and Alteration of Boundaries and Apartment Dimensions. Developer reserves the right to modify the appointments, design or arrangement of any units, to add custom features requested by individual purchasers, or to alter the boundaries between units so long as Developer owns the units so altered, provided no such change shall be made without amendment of the condominium documents where appropriate to reflect the changes. Any such amendment need be signed and acknowledged only by the Developer, and shall not require the approval of unit owners, unit purchasers, or the Association.

21.4 Amendments by Developer. As long as the Developer holds any unit in the Condominium for sale in the ordinary course of business, the Developer reserves the right to amend this Declaration and its exhibits in any manner convenient or necessary to the development process. Said amendments may be

made and executed solely by the Developer and recorded in the Public Records of Collier County, Florida, and without any requirement of securing the consent of any unit owner, the Association, or the owner and holder of any lien encumbering a condominium parcel, provided such amendments shall not increase the number of units nor alter the boundaries of the common elements beyond the extent permitted in Section 21.3, nor shall such amendments adversely affect the lien or priority of any institutional mortgage recorded prior to the amendment. Any amendment made pursuant to this section shall not be effective as to any institutional mortgagee if it impairs the rights, interest or security of the institutional mortgagee.

21.5 Sales or Leases of Units. To the extent permitted by law, the Developer shall have the right to sell or transfer ownership of any unit owned by it to any person, on such terms and conditions as the Developer deems in its own best interest, without need for Association approval.

21.6 Turnover. The Developer may turn over control of the Association to unit owners other than the Developer prior to the statutory dates by causing all of its appointed Directors to resign, whereupon it shall be the affirmative obligation of unit owners other than the Developer to elect Directors and assume control of the Association. Provided at least thirty (30) days' notice of the Developer's decision to cause its appointees to resign is given to unit owners, neither the Developer, nor such appointees, shall be liable in any manner in connection with such resignations, even if unit owners other than the Developer refuse or fail to assume control.

22. AMENDMENT OF DECLARATION. Except as otherwise provided above, amendments to this Declaration shall be proposed and adopted as follows:

22.1 Proposal. Amendments to this Declaration may be proposed by the Board of Directors or by written petition signed by the owners of at least one-fourth (1/4) of the units.

22.2 Procedure. Upon any amendment to this Declaration being proposed as provided above, the proposed amendment shall be submitted by the Board of Directors to a vote of the owners not later than the next annual meeting for which proper notice can still be given.

22.3 Vote Required. Except as otherwise provided by law, or by specific provision of the condominium documents, this Declaration may be amended by concurrence of two-thirds (2/3) of the voting interests present in person or by proxy and voting at any annual or special meeting called for the purpose, provided that notice of each proposed amendment has been given to the members in accordance with law. Alternatively, amendments may be adopted without a meeting following the procedures set forth in Section 3.11 of the By-Laws.

22.4 Certificate: Recording. A copy of each amendment shall be attached to a certificate reciting facts showing that the amendment was duly adopted as an amendment to the Declaration, which certificate shall be in the form required by law and shall be executed by officers of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida.

22.5 Proviso. No amendment may change the configuration or size of any unit in any material fashion, materially alter or modify the appurtenances to the unit, or change the proportion or percentage by which the owner of a parcel shares the common expenses and owns the common surplus, unless the record owner of the unit and his institutional mortgagee, if any, consents in writing to the amendment. This proviso does not apply to changes caused by condemnation or a taking by eminent domain, which may be made as provided in Section 17.

22.6 Phasing Amendments. Notwithstanding the foregoing, the Developer has the right to amend this Declaration and its Exhibits to add Phase 2 and Phase 3 to this Condominium pursuant to Section 23 of this Declaration and Section 718.403 of the Condominium Act. Such amendment shall not require execution by

or consent thereto by unit owners, the Association, or the owner and holder of any lien or mortgage encumbering a condominium parcel in the land already submitted to condominium ownership, and said amendment is required to be executed only by the Developer, and recorded in the Public Records of Collier County, Florida, together with such joinders or consents as may be required under Section 718.104(3) of the Condominium Act.

22.7 Correction of Errors. If there is an omission or error in this Declaration of Condominium or in other documents required by Florida law to establish the Condominium, the Association may correct the error or omission by following the procedures set forth in the Condominium Act.

22.8 Amendment of Provisions Relating to Developer. As long as the Developer holds any unit in the Condominium for sale in the ordinary course of business, no amendment shall be effective to change any provision relating specifically to the Developer without the Developer's written consent.

23. PHASE DEVELOPMENT. This Condominium may be developed in phases pursuant to Section 718.403, Florida Statutes (1987). Phase I is the land and improvements being submitted to Condominium ownership by this Declaration, consisting of twenty-four (24) units in two 3-story buildings each containing twelve (12) units.

23.1 Phase I. The land contained within Phase I is legally described on Page A-2 of Exhibit "A" to this Declaration and the survey and plot plan appear on Pages B-1 and B-2 of Exhibit "B".

23.2 Phase II. Phase II, is legally described on Page A-3 of Exhibit "A". Page B-2 of Exhibit "B" shows the approximate location of buildings and improvements to be located in Phase II.

23.3 Phase III. Phase III is legally described on Page A-4 of Exhibit "A". Page B-2 of Exhibit "B" shows the approximate location of buildings and improvements to be located in Phase III.

23.4 Deadline for adding Phase II and Phase III; No Time Sharing. Phase II and Phase III shall be added, if at all, not later than seven (7) years after the date of recording this Declaration in the Public Records of Collier County, Florida. No time share estates may be created in any phase of this Condominium.

23.5 Voting Rights and Ownership in Association. The owners of each unit collectively, will be entitled to cast one vote in Association affairs where a vote of the members is required or called for. The owners of each unit shall beneficially own a fractional share of the assets of the Association equal to the unit's fractional share of ownership of the common elements as stated in Section 6.2 of this Declaration.

23.6 Developer's Options as to Phase II and Phase III Property. Any and all property included in Phase II and Phase III as described in this Declaration shall not become part of this Condominium unless added to it by a recorded amendment to this Declaration. The decision to add Phase II and Phase III is in the sole discretion of the Developer. The land comprising Phase II and Phase III, if not added to the Condominium may be used by the Developer or its successors, grantees and assigns for any lawful purpose, including the creation of other separate condominiums.

24 Recreational Facilities and Recreation Association.

24.1 Facilities Committed to be Built Which Will be Used Only by Unit Owners in the Condominium. None.

24.2 Facilities Committed to be Built Which May be Used by Unit Owners in Other Condominiums.

The recreational facilities described in this subparagraph 24.2 and consisting of the property described in Exhibit A-5 of Exhibit "A" to this prospectus as Recreational Parcel 1 are committed to be constructed at the time Phase I is added to the condominium. Page B-3 of Exhibit B is a proposed plot plan of The Recreation Parcel 1.

i. Swimming Pool. One heated, rectangular swimming pool with dimensions of at least 20' by 30', and with depths ranging from approximately 3' to 6' will be centrally located to the buildings of Phase 1 and Phase 2 on a parcel of land jutting into and surrounded on three sides by the lake located in Phase 2. A deck at least six (6) feet wide will surround the pool on all sides. The pool and deck area surrounding the pool will have the capacity to accommodate approximately 40 persons.

ii. Clubhouse. A 790 square foot clubhouse consisting of a kitchen, seating area with room for four (4) tables seating four (4) people each, and mens and ladies restrooms, and an area for storing pool equipment will also be located adjacent to the pool.

iii. Spa/Hot Tub. A circular hot tub with the capacity to seat at least five (5) persons will be located between the pool and the clubhouse.

The Developer will spend \$5,000 to provide pool furniture and equipment and other personal property for these facilities.

24.3 Facilities Not Committed to be Built Which Will be Used Only by Unit Owners in the Condominium if the Facilities are Built. These Facilities Will be Available For Use by Owners, Tenants and Guests, Only if Phase III is Added to the Condominium.

If and only if Phase III is added to this condominium, the Developer commits to construct, on the property described on page A-6 of Exhibit "A" as Recreational Parcel 2, the facilities described in this subparagraph 24.3.

i. Swimming Pool, Spa, and Clubhouse. One heated, rectangular swimming pool with dimensions of at least 20' by 30', and with depths ranging from approximately 3' to 6' will be centrally located to the buildings of Phase III on a parcel of land jutting into and surrounded on three sides by the lake located in Phase 3. A deck at least six (6) feet wide will surround the pool on all sides. The pool and deck area combined will have the capacity to accommodate approximately 40 persons. A clubhouse consisting of a kitchen seating area and mens and ladies restrooms will also be located on the parcel, along with a spa.

ii. Clubhouse. A 790 square foot clubhouse consisting of a kitchen with room for four (4) tables seating four (4) people each, and mens and ladies restrooms, and an area for storing pool equipment will also be located adjacent to the pool.

iii. Spa/Hot Tub. A circular hot tub with the capacity to seat at least five (5) persons will be located between the pool and the clubhouse.

24.4 Ownership and Sharing of Expenses for Recreation Parcels.

- (A) If Phase II, but not Phase III, is added to the condominium, title to Recreation Parcel 1 will be deeded to the Condominium Association upon completion of the recreation facilities located thereon as evidenced by the receipt of a certificate of occupancy with respect to said

facilities. If Phase II and III are added to the Condominium, title to Recreation Parcels 1 and 2 will be deeded to the condominium association upon completion of the recreation facilities located on both Recreation Parcels as evidenced by the receipt of a certificate of occupancy with respect to said facilities. The notice required to be given under §718.403(3), Florida Statutes, by the Developer to unit owners shall be determinative under this Section with respect to whether or not additional Phases will be added to the condominium and the Developer's obligation to deed title to the recreation parcels from the Developer to the Association. The expenses of transferring title will be borne by the Association.

- (B) If neither Phase II nor Phase III is added to the Condominium, the Association will operate, maintain, repair and replace the facilities comprising the Recreation Parcel 1 until unit owners in this Condominium, other than the Developer have assumed control of the Association. At that time, title to the Recreation Area, the right to operate, maintain, repair and replace said Recreation Area and the right to promulgate the rules and regulations therefor shall be vested in and assumed by a Florida non-profit corporation to be formed and known as CHARDONNAY RECREATION ASSOCIATION, INC., (the "Recreation Association"). The Recreation Association shall be formed for the purpose of seeing to the operation, maintenance, repair and replacement of the Recreation Area; to prepare the annual budget therefor; to assess the respective associations or legal entities using the common facilities in the proportion that the number of their respective units bears to the total number of units; to establish and enforce rules and regulations for the use of the Recreation Area; to retain management and enter into management contracts for the purpose of accomplishing the objects and purposes of the corporation; and for such other similar purposes as is necessary in connection with the operation and maintenance of the Recreation Area. All sums assessed by the Association shall be payable by the various legal entities within the Chardonnay Development in accordance with the formula for sharing said expenses as set forth below.

If the Recreation Association is created, each association and/or legal entity owning residential units, rental or other, in any portion of the land described on Page "A-2" and "A-3" of Exhibit "A" shall be a member. The members' votes shall be weighted to correspond to the proportion that the number of units in the respective condominium and/or other residential building bears to the total number of units having use rights in the Recreation Area.

- (C) Method of Sharing Cost and Expense. If all three phases are included in the Condominium, the total cost and expense of managing, operating and maintaining the Recreation Areas and all facilities thereon shall be a common expense of the Association and assessed to the unit owners in accordance with their respective proportions of sharing common expenses. If Phase III is not added to this Condominium Recreation Parcel 2 will not be developed and the total cost and expense of managing, operating and maintaining Recreation Parcel 1 and all facilities thereon shall be a common expense of the Association and shall be assessed to the unit owners in accordance with their respective proportions of sharing common expenses. If Phase II is not added to this condominium and is developed separately by the owners of the lands contained in said phase, either as condominiums, rental apartments, single family residences or otherwise, the cost and expense of the management, operation, maintenance and repair of the improved Recreation Parcel 1 shall be apportioned by the Recreation Association to the respective owners in each condominium pro-rata to the number of units operated by each legal entity. In that case, the Condominium would consist only of Phase I, a total of 24 units, and its share of the cost and expense would be that fractional part of the total, the numerator of which would be 24 and the denominator of which would be the total number of living units having use rights in Recreation Parcel 1.

RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS OR THE ASSOCIATION.

24.5 Other Recreational Facilities.

(A) The Vineyards Golf and Country Club. The Vineyards Golf and Country Club, Inc. (hereinafter the Club) will operate a 36 hole golf course, a clubhouse including a dining facility, a pool, a children's pool, a spa, and a tennis facility. The Club will operate as a private club with membership being accepted on an application basis. The initiation fee for a resident member in 1988 is \$18,000 of which 50% is refundable upon disposition of the club membership. The annual dues are currently \$2,014 per year. In 1989, the initiation fee will be \$20,000. The refundability features and the annual dues will remain the same. The Developer is not involved in the construction or continued maintenance of any facilities associated with the Club.

25. MISCELLANEOUS

25.1 Severability. The invalidity or unenforceability in whole or in part of any covenant or restriction or any section, subsection, sentence, clause, phrase or word or other provision of this Declaration, or any exhibit attached thereto, shall not effect the remaining portions thereof.

25.2 Applicable Statutes. The validity, application and construction of this Declaration and its exhibits shall be governed by the Laws of Florida, particularly the Condominium Act, as it exists on the date this Declaration is recorded.

25.3 Conflicts. If there is a conflict between any provision of this Declaration and the Condominium Act, the Condominium Act shall control. If there is a conflict between this Declaration and the Association's Articles of Incorporation or By-Laws, the Declaration shall control. If there is a conflict between this Declaration and the Master Declaration, the Master Declaration shall control.

25.4 Interpretation. The Board of Directors is responsible for interpreting the provisions of this Declaration and its exhibits. Such interpretation shall be binding upon all parties unless it is wholly unreasonable. A written opinion rendered by legal counsel that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation.

25.5 Exhibits. There is hereby incorporated within this Declaration any materials contained in any of the exhibits hereto, which under the Condominium Act are required to be part of the Declaration, or would be ineffective unless contained herein.

IN WITNESS WHEREOF, the Developer has executed this Declaration the day and year first above written.

Signed in the presence of:

CHARDONNAY JOINT VENTURE
a Florida general partnership

By: AMERICAN VENTURE ASSOCIATES,
a Florida corporation,
General Partner

BY: Jeffrey Miller
Jeffrey Miller, President

Shelley Beth Marshall
Staxxon Craico

(SEAL)

NYCON ASSOCIATES, INC.
a Florida corporation,
General Partner

Patricia A. Ostrombuck

BY: Martin Berry
Martin Berry, President

Janet D. Witter

STATE OF FLORIDA
COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this 3rd day of August, 1988, by Jeffrey Miller, President of AMERICAN VENTURE ASSOCIATES CORPORATION, a Florida corporation, general partner in CHARDONNAY JOINT VENTURE, a general partnership, on behalf of the general partnership.

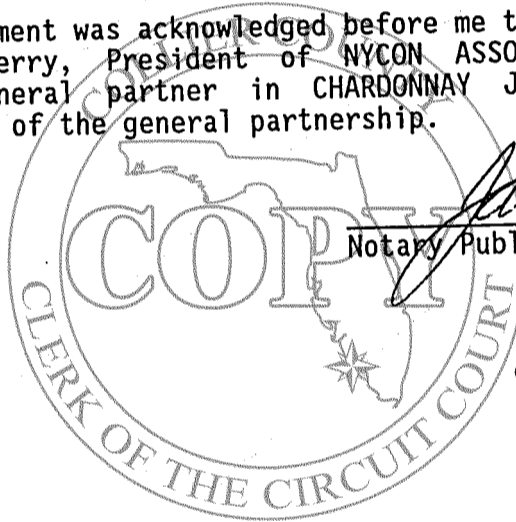
Shelly Beth Mandell
Notary Public (SEAL)



SHELLY BETH MANDELL
MY COMMISSION EXPIRES
July 17, 1993
BONDED THRU NOTARY PUBLIC UNDERWRITERS

STATE OF NEW YORK
COUNTY OF ONONDAGA

The foregoing instrument was acknowledged before me this 27th day of July, 1988, by Martin Berry, President of NYCON ASSOCIATES, INC., a Florida corporation, a general partner in CHARDONNAY JOINT VENTURE, a general partnership on behalf of the general partnership.



Janet D. Witter
Notary Public (SEAL)

JANET D. WITTER
Notary Public, State of New York
Qualified in Onon. Co. No. 96944E
Commission Expires 10/31/89

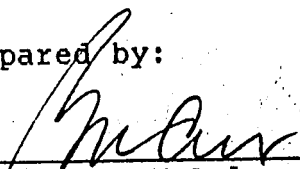
LEGAL DESCRIPTION

CHARDONNAY AT THE VINEYARDS

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14 Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

BEGIN at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West along said right-of-way line for 654.46 feet to a Point of Curvature of a curve concaved Northeasterly; thence run 205.90 feet along the arc of said curve having a radius of 665.00 feet, a central angle of 17 Degrees 44 Minutes 26 Seconds, a chord of 205.08 feet and a chord bearing of North 70 Degrees 25 Minutes 20 Seconds West to a Point of Tangency; thence run North 61 Degrees 33 Minutes 07 Seconds West along said right-of-way line for 193.11 feet; thence run North 38 Degrees 31 Minutes 15 Seconds East for 568.41 feet; thence run South 51 Degrees 39 Minutes 22 Seconds East for 437.26 feet; thence run South 77 Degrees 20 Minutes 59 Seconds East for 455.28 feet; thence run South 13 Degrees 27 Minutes 17 Seconds West for 377.31 feet to the POINT OF BEGINNING.

Prepared by:


 William C. McAnly, P.L.S.
 FL Cert. No. 1543
 Date: 7/12/05

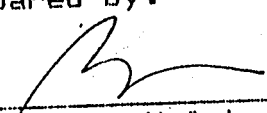
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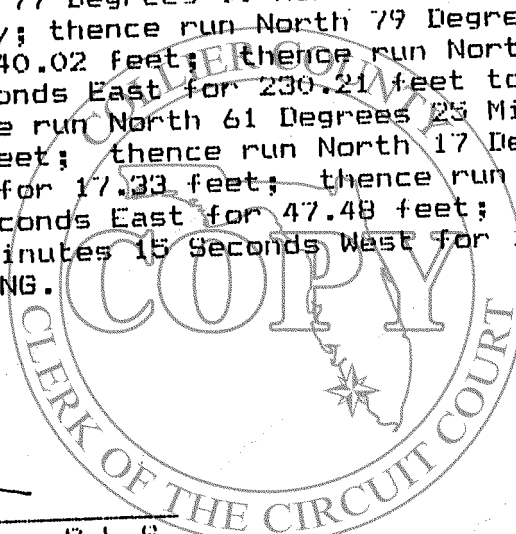
CHARDONNAY AT THE VINEYARDS

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14 Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

Commence at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West 540.02 feet; thence run North 28 Degrees 19 Minutes 15 Seconds East for 230.21 feet to the POINT OF BEGINNING; thence run North 61 Degrees 25 Minutes 03 Seconds West for 44.17 feet; thence run North 17 Degrees 19 Minutes 20 Seconds East for 17.33 feet; thence run South 61 Degrees 25 Minutes 03 Seconds East for 47.48 feet; thence run South 28 Degrees 19 Minutes 15 Seconds West for 17.00 feet to the POINT OF BEGINNING.

Prepared by:


 William C. McAnly, P.L.S.
 FL Cert. No. 1543
 Date: 8/2/89



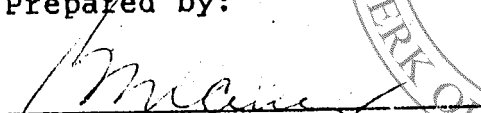
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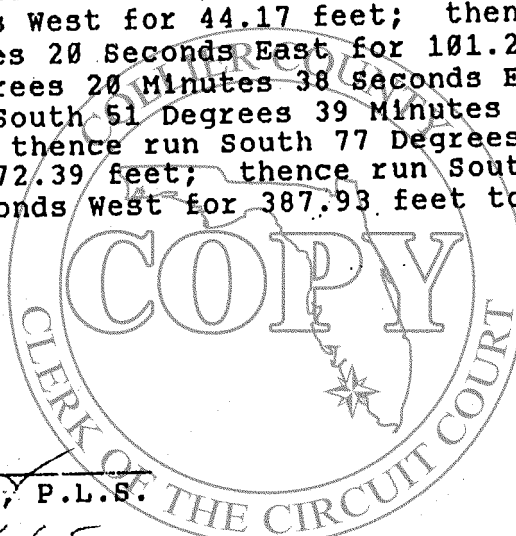
CHARDONNAY AT THE VINEYARDS - PHASE I

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14 Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

Commence at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West 316.07 feet to the POINT OF BEGINNING; thence continue North 79 Degrees 17 Minutes 33 Seconds West for 223.95 feet; thence run North 28 Degrees 19 Minutes 15 Seconds East for 230.21 feet; thence run North 61 Degrees 25 Minutes 03 Seconds West for 44.17 feet; thence run North 17 Degrees 19 Minutes 20 Seconds East for 101.27 feet; thence run North 38 Degrees 20 Minutes 38 Seconds East for 102.42 feet; thence run South 51 Degrees 39 Minutes 22 Seconds East for 73.14 feet; thence run South 77 Degrees 20 Minutes 59 Seconds East for 72.39 feet; thence run South 10 Degrees 42 Minutes 27 Seconds West for 387.93 feet to the POINT OF BEGINNING.

Prepared by:


William C. McAnly, P.L.S.
FL Cert. No. 1543
Date: 7/21/55



LEGAL DESCRIPTION

CHARDONNAY AT THE VINEYARDS

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14 Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

Commence at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West 540.02 feet; thence run North 28 Degrees 19 Minutes 15 Seconds East for 230.21 feet to the POINT OF BEGINNING; thence run North 61 Degrees 25 Minutes 03 Seconds West for 44.17 feet; thence run North 17 Degrees 19 Minutes 20 Seconds East for 17.33 feet; thence run South 61 Degrees 25 Minutes 03 Seconds East for 47.48 feet; thence run South 28 Degrees 19 Minutes 15 Seconds West for 17.00 feet to the POINT OF BEGINNING.

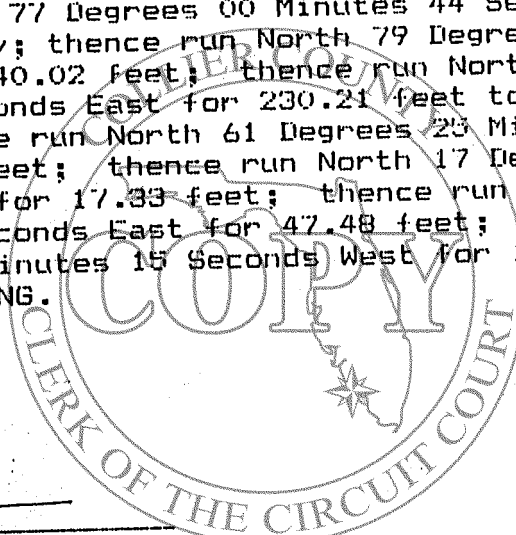
Prepared by:



William C. McAnly, P.L.S.

FL Cert. No. 1543

Date: 8/2/89



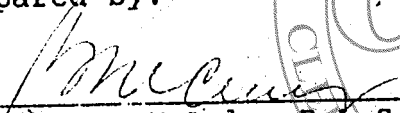
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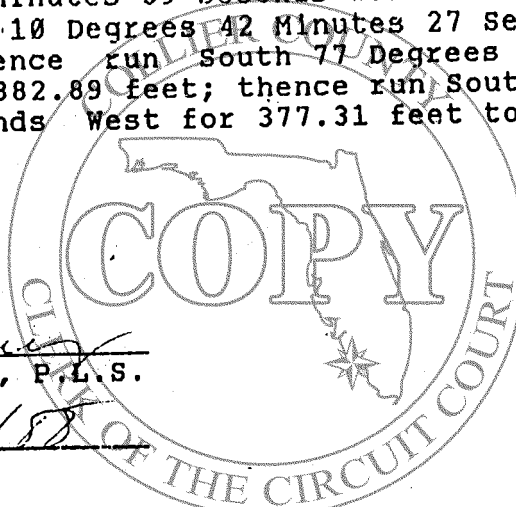
CHARDONNAY AT THE VINEYARDS - PHASE II

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14 Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

BEGIN at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West for 128.23 feet; thence run North 13 Degrees 27 Minutes 17 Seconds East for 179.73 feet; thence run North 77 Degrees 20 Minutes 59 Seconds West for 196.57 feet; thence run North 10 Degrees 42 Minutes 27 Seconds East for 201.74 feet; thence run South 77 Degrees 20 Minutes 59 Seconds East for 382.89 feet; thence run South 13 Degrees 27 Minutes 17 Seconds West for 377.31 feet to the POINT OF BEGINNING.

Prepared by:


 William C. McAnly, P.L.S.
 FL Cert. No. 1543
 Date: 7/21/88

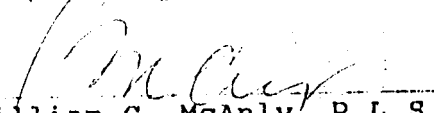


CHARDONNAY AT THE VINEYARDS - PHASE III

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14 Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

Commence at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet, and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West for 540.02 feet to the POINT OF BEGINNING; thence continue North 79 Degrees 17 Minutes 33 Seconds West for 114.44 feet to a Point of Curvature of a curve concaved Northeasterly; thence run 205.90 feet along the arc of said curve having a radius of 665.00 feet, a central angle of 17 Degrees 44 Minutes 26 Seconds, a chord of 205.08 feet and a chord bearing of North 70 Degrees 25 Minutes 20 Seconds West to a Point of Tangency; thence run North 61 Degrees 33 Minutes 07 Seconds West for 75.02 feet; thence run North 35 Degrees 27 Minutes 26 Seconds East for 84.18 feet; thence run North 81 Degrees 16 Minutes 03 Seconds East for 31.50 feet; thence run North 46 Degrees 12 Minutes 20 Seconds East for 77.66 feet; thence run South 78 Degrees 56 Minutes 09 Seconds East for 16.62 feet; thence run South 55 Degrees 19 Minutes 41 Seconds East for 129.30 feet; thence run South 34 Degrees 40 Minutes 19 Seconds West for 74.73 feet; thence run South 04 Degrees 08 Minutes 32 Seconds East for 41.07 feet; thence run South 07 Degrees 03 Minutes 10 Seconds East for 106.57 feet; thence run North 02 Degrees 25 Minutes 32 Seconds East for 26.63 feet; thence run North 59 Degrees 44 Minutes 58 Seconds West for 78.14 feet; thence run North 28 Degrees 19 Minutes 15 Seconds East for 137.25 feet; thence run North 60 Degrees 22 Minutes 01 Seconds East for 12.59 feet; thence run South 61 Degrees 40 Minutes 45 Seconds East for 37.55 feet; thence run North 38 Degrees 46 Minutes 49 Seconds East for 26.48 feet; thence run North 51 Degrees 39 Minutes 22 Seconds West for 154.28 feet; thence run North 38 Degrees 20 Minutes 38 Seconds East for 20.00 feet; thence run North 51 Degrees 39 Minutes 22 Seconds West for 22.30 feet; thence run South 38 Degrees 31 Minutes 15 Seconds West for 146.77 feet; thence run North 69 Degrees 42 Minutes 17 Seconds West for 26.22 feet; thence run North 60 Degrees 10 Minutes 14 Seconds West for 61.56 feet; thence run South 39 Degrees 53 Minutes 40 Seconds West for 86.05 feet; thence run North 86 Degrees 43 Minutes 53 Seconds West for 35.65 feet; thence run North 51 Degrees 28 Minutes 45 Seconds West for 39.27 feet; thence run North 38 Degrees 31 Minutes 15 Seconds East for 452.02 feet; thence run South 51 Degrees 39 Minutes 22 Seconds East for 364.12 feet; thence run South 38 Degrees 20 Minutes 38 Seconds West for 102.42 feet; thence run South 17 Degrees 19 Minutes 20 Seconds West for 101.27 feet; thence run South 61 Degrees 25 Minutes 03 Seconds East for 44.17 feet; thence run South 28 Degrees 19 Minutes 15 Seconds West for 230.21 feet to the POINT OF BEGINNING.

Prepared by:


 William C. McAnly, P.L.S.
 FL Cert. No. 1543

Date: 7/2/50

LEGAL DESCRIPTION

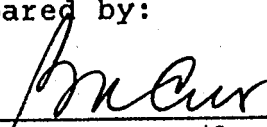
CHARDONNAY AT THE VINEYARDS

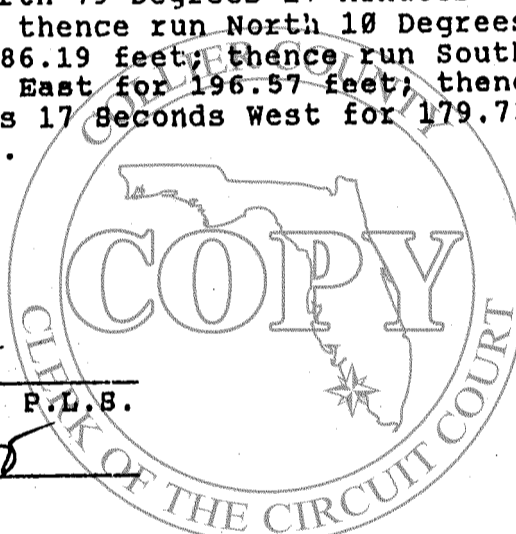
RECREATIONAL PARCEL I

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Prepared by:


 William C. McAnly, P.L.B.
 FL Cert. No.: 1543
 Date: 7/17/00



LEGAL DESCRIPTION

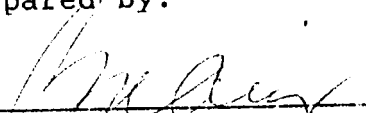
CHARDONNAY AT THE VINEYARDS

RECREATIONAL PARCEL 2

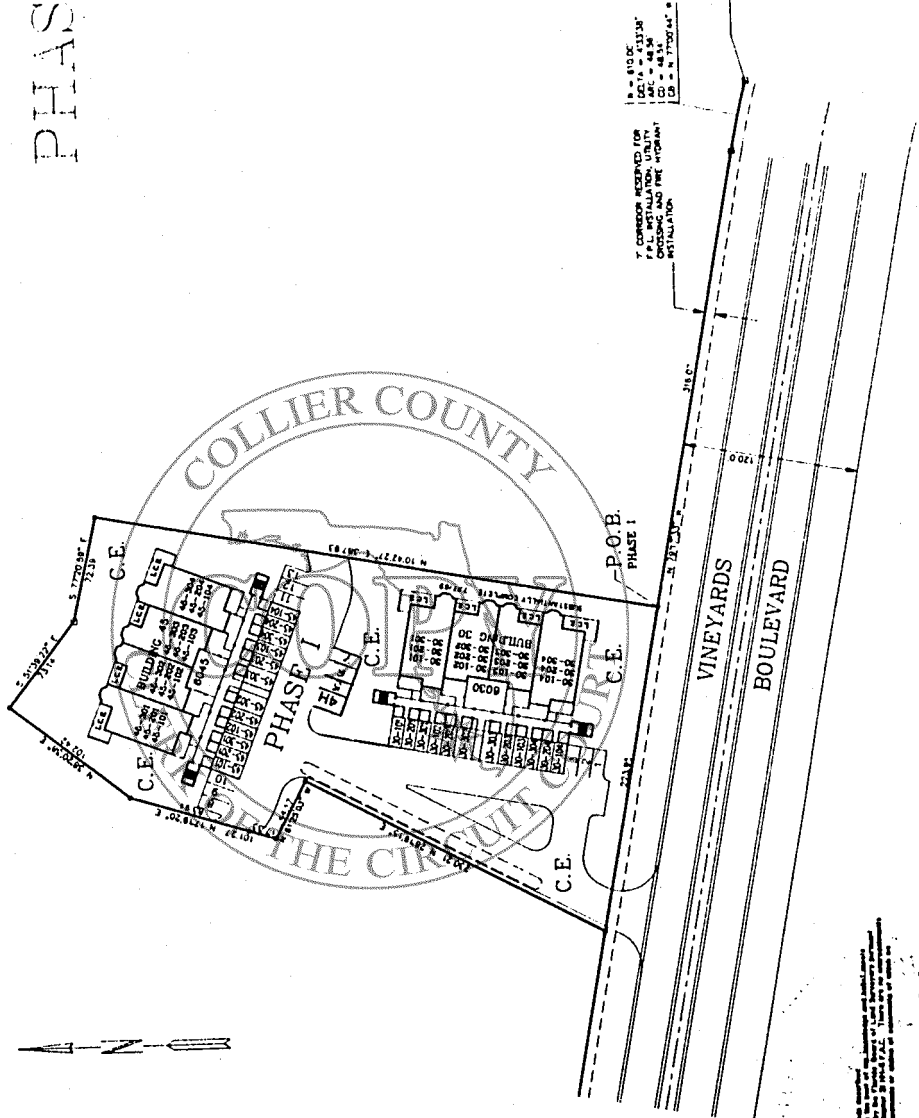
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Prepared by:


 William C. McAnly, P.L.B.
 FL Cert. No. 1543
 Date: 11/21/88

CHARDONNAY AT THE VINEYARDS PHASE I



GENERAL NOTES

1. SEE ATTACHMENTS FOR LEGAL DESCRIPTIONS
2. ALL IMPROVEMENTS ARE PROPOSED AS OF JULY 1988 UNLESS OTHERWISE INDICATED.
3. ALL PORTIONS OF THE CONDOMINIUM NOT INCLUDED WITHIN THE UNITS ARE COMMON ELEMENTS
4. THERE ARE TWO (2) BUILDINGS NUMBERED 30 AND 45 IN PHASE I OF CHARDONNAY AT THE VINEYARDS. EACH BUILDING HAS TWELVE (12) DWELLING AND 104 SECONDARY UNITS. UNITS ARE NUMBERED 301, 302, 203 AND 304. THIRD FLOOR UNITS ARE NUMBERED 301, 302, 303, AND 304.
5. CARPORTS NUMBERED 30-101 - 30-304 INCLUSIVE, AND 45-101 - 45-304 INCLUSIVE ARE L.C.E.

LEGEND

- DENOTES HANDICAP PARKING SPACE
- DENOTES CARPORT
- DENOTES SET IRON PIN
- DENOTES FOUND IRON PIN
- DENOTES FOUND CONCRETE MONUMENT
- P.O.B. DENOTES POINT OF BEGINNING
- P.O.C. DENOTES POINT OF COMMENCEMENT
- C.E. DENOTES COMMON ELEMENT
- L.C.E. DENOTES LIMITED COMMON ELEMENT

EXHIBIT "B"

APPROVED	DATE	BY	FOR
			CHARDONNAY JOINT VENTURE
			REVISION PHASE I - CHARDONNAY
			SURVEY & PLOT PLAN
			WILLIAM C. HARTLEY & ASSOCIATES, P.A.
			1000 N. W. 10th St., Ft. Lauderdale, FL 33304

COLLIER COUNTY HAS A PORTION OF THE TRACT BEING PLATTED AND THE TRACT IS SUBJECT TO THE PLATTING AND RECORDING ACTS OF THE STATE OF FLORIDA. THE PLATTING AND RECORDING ACTS OF THE STATE OF FLORIDA REQUIRE THAT THE PLATTING AND RECORDING ACTS OF THE STATE OF FLORIDA BE COMPLIED WITH IN ORDER FOR THE PLATTING AND RECORDING ACTS OF THE STATE OF FLORIDA TO BE VALID AND EFFECTIVE.

Wm 7/19/87

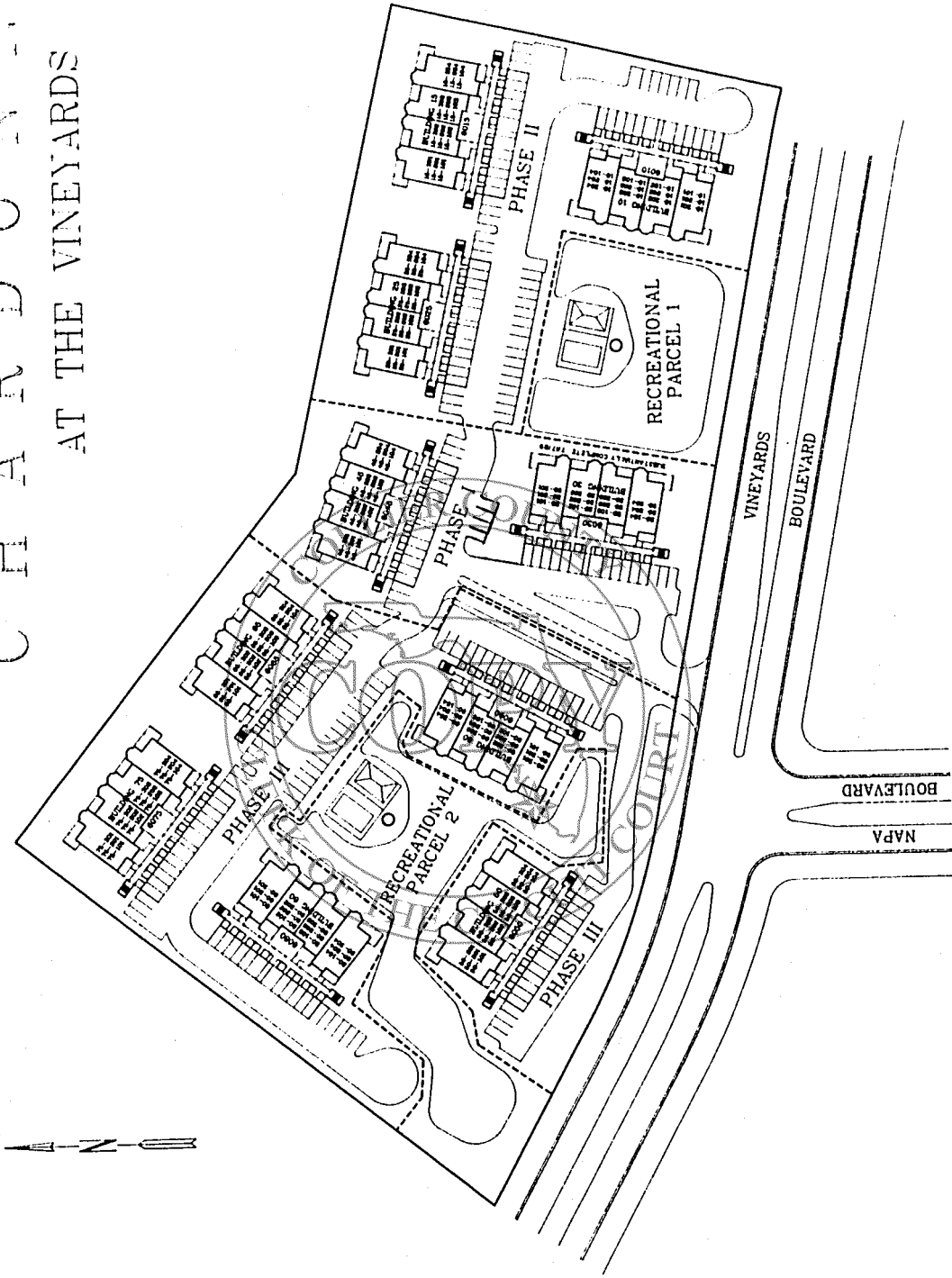
PLAT BOOK

PAGE

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002359

CHARDONNAY AT THE VINEYARDS

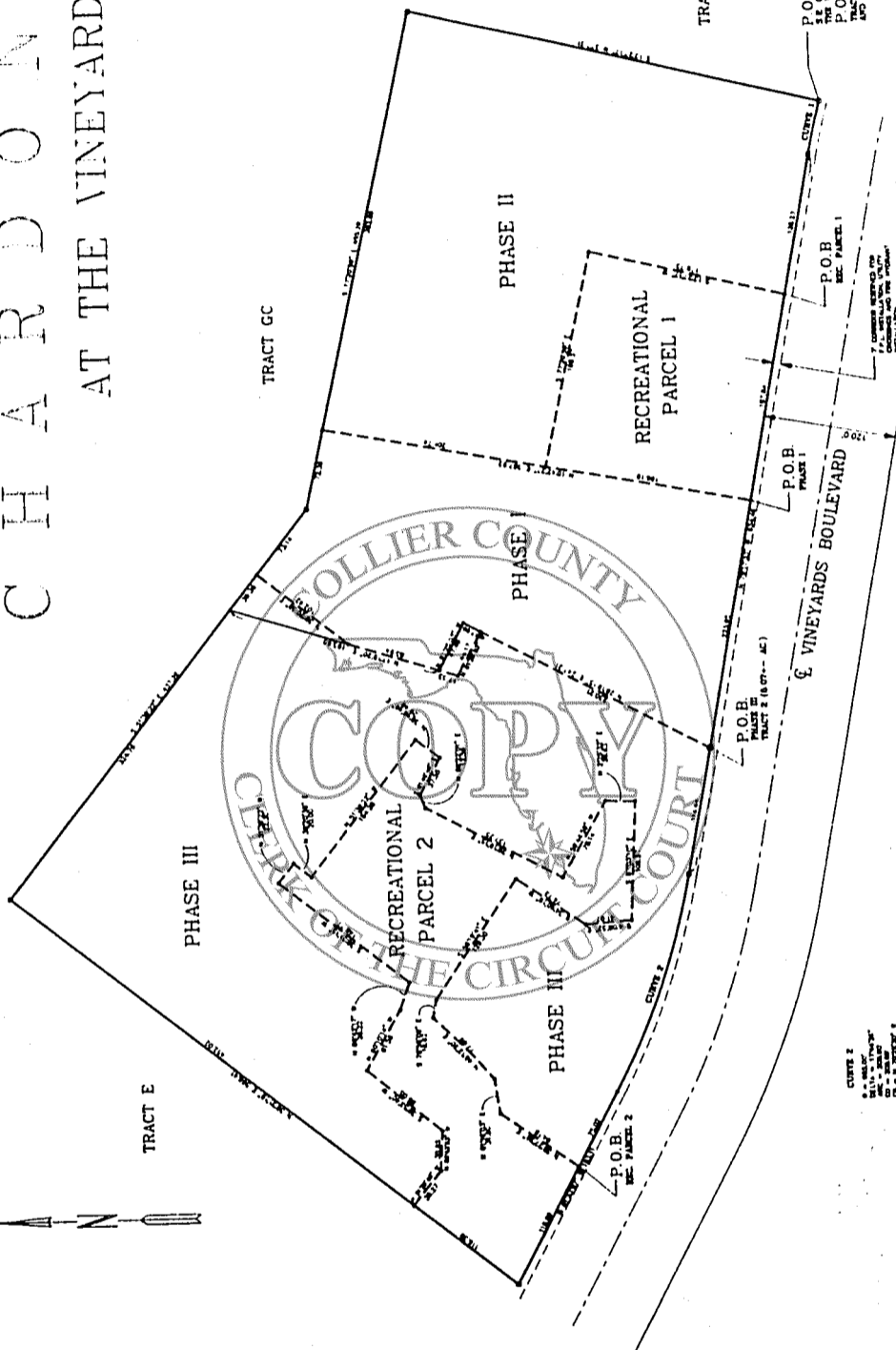
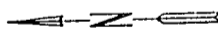


B-2

EXHIBIT "B"

NO.	241	TO	CHARDONNAY JOINT VENTURE
DATE	10/21/88	BY	CHARDONNAY
DESCRIPTION	AT THE VINEYARDS		
PROJECT	PILOT PLAN		
DRAWN BY	WILLIAM C. MARSH & ASSOCIATES P.A.	DATE	10/21/88
SCALE	AS SHOWN	PROJECT NO.	
CHECKED BY		DRAWING NO.	
DATE		PROJECT NAME	
PROJECT LOCATION			
PROJECT OFFICE			

CHARDONNAY AT THE VINEYARDS



- LEGEND**
- DENOTES FOUND CONCRETE MONUMENT
 - DENOTES SET IRON PIN
 - DENOTES FOUND IRON PIN
 - DENOTES POINT OF BEGINNING
 - P.O.B DENOTES POINT OF COMMENCEMENT
 - P.O.C DENOTES PHASE BOUNDARY
 - DENOTES TRACT & PROJECT BOUNDARY

NOTES

SEE ATTACHMENTS FOR LEGAL DESCRIPTIONS

EXHIBIT "B"

PROJECT	CHARDONNAY JOINT VENTURE
OWNER	CHARDONNAY
DATE	10/14/59
BY	WILLIAM C. HANLEY & ASSOCIATES, P.A.
TITLE	SURVEY
SCALE	AS SHOWN
DATE OF SURVEY	10/14/59
DATE OF PLAT	10/14/59
DATE OF RECORDING	10/14/59
BOOK	
PAGE	

CURVE 1
RADIUS 100.00'
CHORD 100.00'
ANGLE 90.00°

CURVE 2
RADIUS 100.00'
CHORD 100.00'
ANGLE 90.00°

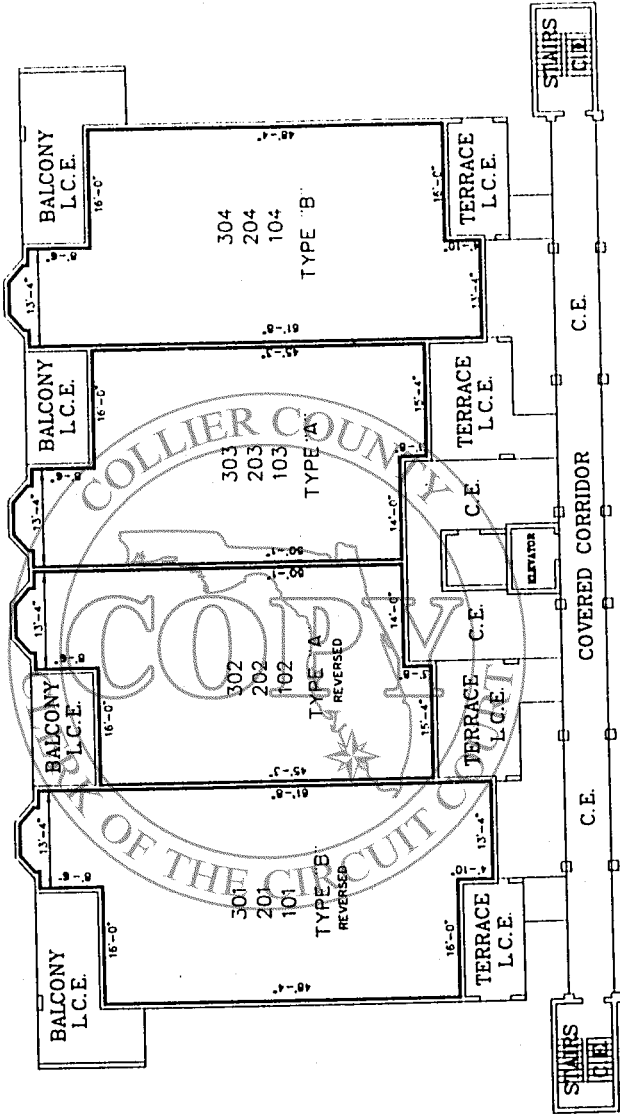
CERTIFICATION

I, WILLIAM C. HANLEY, a duly qualified and licensed Professional Engineer, State of Florida, do hereby certify that the foregoing is a true and correct copy of the original survey as shown to me by the owner and that the same is in accordance with the laws of the State of Florida and the rules and regulations of the Board of Professional Engineers, State of Florida.

W. C. Hanley
Professional Engineer
No. 12345
State of Florida

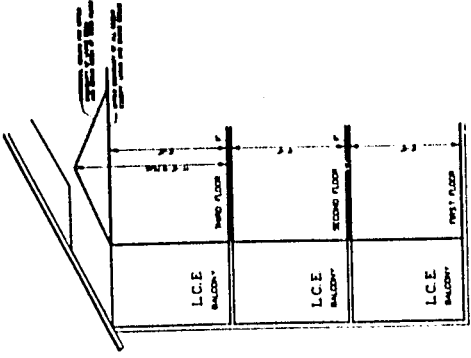
10/14/59

CHARDONNAY AT THE VINEYARDS



TYPICAL UNIT BOUNDARY
FIRST, SECOND & THIRD FLOORS
ALL BUILDINGS
1/8" = 1'-0"

EXHIBIT "B"



TYPICAL SECTION
1/8"

NOTES

1. L.C.E. Limited Common Elements, C.E. Common Elements.
2. Unit boundaries are shown with the following identification:
A. Unit boundaries. The solid line and dashed line with dots to the exterior of the unit wall in the common areas.
B. Common Element boundaries. The solid line with dots to the exterior of the unit wall.
- (1) Unit boundaries are as shown on the plan. The unit boundaries are shown with the solid line and dashed line with dots to the exterior of the unit wall in the common areas. The common element boundaries are shown with the solid line with dots to the exterior of the unit wall.
- (2) Unit boundaries. The common areas of the building are shown with the solid line and dashed line with dots to the exterior of the unit wall.
- (3) Common Element boundaries. The common areas of the building are shown with the solid line with dots to the exterior of the unit wall.
3. The portion of the building shown on the plan is the portion of the building shown on the plan. The portion of the building shown on the plan is the portion of the building shown on the plan.
4. The portion of the building shown on the plan is the portion of the building shown on the plan. The portion of the building shown on the plan is the portion of the building shown on the plan.
5. The portion of the building shown on the plan is the portion of the building shown on the plan. The portion of the building shown on the plan is the portion of the building shown on the plan.

PROJECT NO.	1001459
DATE	12/13/10
SCALE	1/8" = 1'-0"
DESIGNED BY	WILLIAM S. HANLEY & ASSOCIATES, P.A.
CHECKED BY	WILLIAM S. HANLEY & ASSOCIATES, P.A.
APPROVED	

PLAT BOOK

WILLIAM C. McANLY AND ASSOCIATES, P.A.

PROFESSIONAL ENGINEERS & LAND SURVEYORS
5101 TAMiami TRAIL EAST, SUITE 202
NAPLES, FLORIDA 33962
813/775-0723
813/774-5562

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OR BOOK

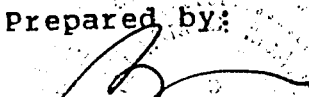
SURVEYORS CERTIFICATE OF SUBSTANTIAL COMPLETION

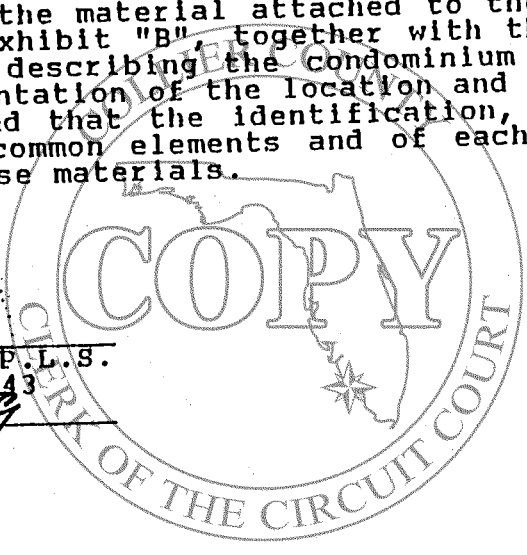
CERTIFICATE OF SURVEYOR made this 17th day of July, 1989.

This certificate is made as to Building 6030 of Chardonnay, at the Vineyards, Phase I, a Condominium, located at Naples, Collier County, Florida, pursuant to Section 718.104 (4) (e), Florida Statutes.

I, William C. McAnly, a Land Surveyor authorized to practice in the State of Florida, hereby certify that the construction of the above-referenced buildings, and all planned improvements, including but not limited to the landscaping, utility services, access to the units and common element facilities serving the buildings, have been substantially completed, so that the material attached to the Declaration of Condominium as Exhibit "B", together with the provisions of the Declaration describing the Condominium property, is an accurate representation of the location and dimensions of the improvement, and that the identification, location and dimensions of the common elements and of each unit can be determined from these materials.

Prepared by:


William C. McAnly, P.L.S.
Florida Reg. No. 1543
Date: 7/19/89



002362
PAGE

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of CHARDONNAY AT THE VINEYARDS, INC., a corporation organized under the Laws of the State of Florida, filed on February 20, 1989, as shown by the records of this office.

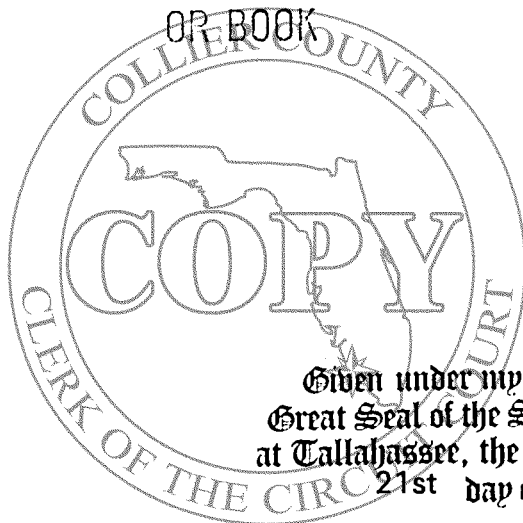
The document number of this corporation is N30788.

001459

002363

OR BOOK

PAGE



Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
21st day of February, 1989.



CR2EO22 (6-88)

Jim Smith

Jim Smith
Secretary of State

ARTICLES OF INCORPORATION
OF
CHARDONNAY AT THE VINEYARDS, INC.

FILED
FEB 20 11
CLERK OF THE CIRCUIT COURT
COLLIER COUNTY FLORIDA

Pursuant to Section 617, Florida Statutes, the Articles of Incorporation are created by Raymond Shane, as sole incorporator, for the purposes set forth below.

ARTICLE I

NAME: The name of the corporation, herein called the "Association", is CHARDONNAY AT THE VINEYARDS, INC.

ARTICLE II

PURPOSE AND POWERS: The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act for the operation of CHARDONNAY AT THE VINEYARDS, a Condominium, located in Collier County, Florida.

The Association is organized and shall exist as a non-stock basis as a corporation not for profit under the laws of the State of Florida, and no portion of any earnings of the Association shall be distributed or inure to the private benefit of any member, Director or officer of the Association. For the accomplishment of its purposes, the Association shall have all of the common law and statutory powers and duties of a corporation not for profit under the laws of the State of Florida, except as limited or modified by these Articles, the Declaration of Condominium, the By-Laws or the Florida Condominium Act; and it shall have all of the powers and duties reasonably necessary to operate the Condominium, including but not limited to the following:

- (A) To make and collect assessments against members of the Association to defray the costs, expenses and losses of the Condominium, and to use the proceeds of assessments in the exercise of its powers and duties.
- (B) To maintain, repair, replace and operate the condominium property, including the power to charge reasonable use fees for use of the common elements or association property.
- (C) To purchase insurance for the protection of the Association and its members.
- (D) To reconstruct improvements after casualty and to make further improvements of the property.
- (E) To make, amend and enforce reasonable rules and regulations governing the use of the common elements, and the operation of the Condominium.

- (F) To approve or disapprove the transfer, leasing and occupancy of units, to the extent set forth in the Declaration of Condominium.
- (G) To enforce the provisions of the Condominium Act, the Declaration of Condominium, these Articles, and the By-Laws of the Association.
- (H) To contract for the management and maintenance of the condominium and to delegate any powers and duties of the Association in connection therewith except such as are specifically required by the Declaration of Condominium to be exercised by the Board of Directors or the membership of the Association.
- (I) To employ accountants, attorneys, architects, and other professional personnel to perform the services required for proper operation of the Condominium.
- (J) To enter into agreements, or acquire leaseholds, memberships, and other possessory or use interests in lands or facilities, whether or not the lands or facilities are contiguous to the lands of the Condominium, if they are intended to provide enjoyment, recreation, or other use or benefit to the unit owners.
- (K) To borrow money for any of the purposes of the Association.

All funds and the title to all property acquired by the Association shall be held for the benefit of the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the By-Laws.

ARTICLE III

MEMBERSHIP:

- (A) The members of the Association shall consist of all record owners of a fee simple interest in one or more units in the Condominium, excluding those who hold such interest merely as the security for the performance of an obligation, and as further provided in the By-Laws; after termination of the Condominium the members shall consist of those who are members at the time of such termination.
- (B) Change of membership shall be established by recording in the Public Records of Collier County, Florida, a deed or other instrument conveying title and by complying with the requirements of Section 2.1 of the By-Laws.
- (C) The share of a member in the funds and assets of the Association cannot be assigned, or transferred in any manner except as an appurtenance to his unit.

- (D) The owners of each unit, collectively, shall be entitled to one vote in Association matters as set forth in the Declaration of Condominium and the By-Laws. The manner of exercising voting rights shall be as set forth in the By-Laws.

ARTICLE IV

TERM: The term of the Association shall be perpetual.

ARTICLE V

BY-LAWS: The By-Laws of the Association may be altered, amended, or rescinded in the manner provided therein.

ARTICLE VI

AMENDMENTS: Amendments to these Articles shall be proposed and adopted in the following manner:

- (A) Proposal. Amendments to these Articles may be proposed by a majority of the Board, or by petition of the owners of at least one-fourth (1/4) of the units by instrument, in writing, signed by them.
- (B) Notice. Upon any amendment or amendments to these Articles being proposed by said Board or unit owners, such proposed amendment or amendments shall be submitted to a vote of the members not later than the next annual meeting for which proper notice can still be given.
- (C) Vote Required. These Articles of Incorporation may be amended by vote of a majority of the voting interests at any annual or special meeting, or by approval in writing of a majority of the voting interests without a meeting, provided that notice of any proposed amendment has been given to the members of the Association, and that the notice contains a fair statement of the proposed amendment.
- (D) Effective Date. An amendment shall become effective upon filing with the Secretary of State and recording a certified copy in the Public Records of Collier County, Florida.

ARTICLE VII

DIRECTORS AND OFFICERS:

- (A) The affairs of the Association shall be administered by a Board of Directors consisting of the number of Directors determined by the

By-Laws, but not less than three (3) Directors, and in the absence of such determination shall consist of three (3) Directors.

- (B) Directors of the Association shall be elected by the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.
- (C) The business of the Association shall be conducted by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board.

ARTICLE VIII

INITIAL DIRECTORS:

The initial Directors of the Association shall be:

Raymond Shane
2400 Tamiami Trail, Fourth Floor, Suite 402
Naples, Florida 33940

John Tousel
2400 Tamiami Trail, Fourth Floor, Suite 402
Naples, Florida 33940

Martin Berry
University Toyota, Inc.
3120 Erie Boulevard East
Syracuse, New York 13214

ARTICLE IX

INITIAL REGISTERED AGENT:

The initial registered office of the Association shall be at:

2400 Tamiami Trail, Fourth Floor, Suite 402
Naples, Florida 33940

The initial registered agent at said address shall be:

John Tousel

ARTICLE X

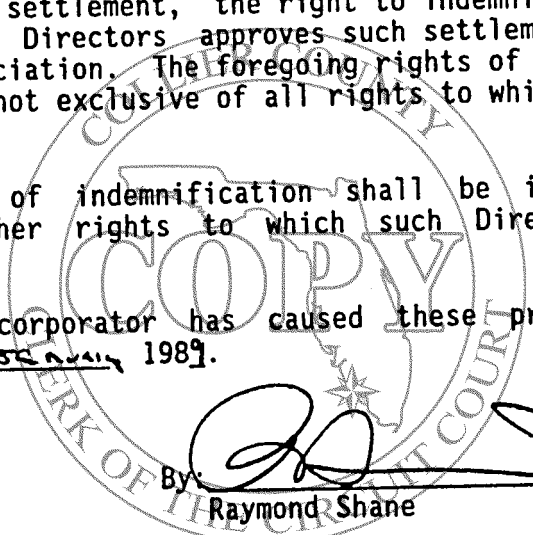
INDEMNIFICATION: To the fullest extent permitted by Florida law, the Association shall indemnify and hold harmless every Director and every officer of the Association against all expenses and liabilities, including attorneys fees, actually and reasonably incurred by or imposed on him in connection with any legal proceeding (or settlement or appeal of such proceeding) to which he may be a party because of his being or having been a Director or officer of the Association. The foregoing right of indemnification shall not be available if a judgment or other final adjudication establishes that his actions or omissions to act were material to the cause adjudicated and involved:

- (A) Willful misconduct or a conscious disregard for the best interests of the Association, in a proceeding by or in the right of the Association to procure a judgment in its favor.
- (B) A violation of criminal law, unless the Director or officer had no reasonable cause to believe his action was unlawful or had reasonable cause to believe his action was lawful.
- (C) A transaction from which the Director or officer derived an improper personal benefit.
- (D) Wrongful conduct by Directors or officers appointed by the Developer, in a proceeding brought by or on behalf of the Association.

In the event of a settlement, the right to indemnification shall not apply unless the Board of Directors approves such settlement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all rights to which a Director or officer may be entitled.

The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

WHEREFORE the incorporator has caused these presents to be executed this 25th day of January 1989.

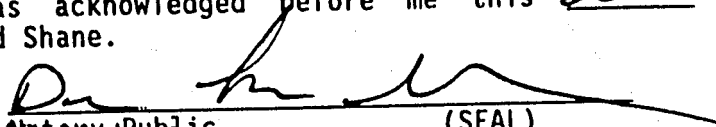


By: 
Raymond Shane

FILED
 1989 FEB 20 PM 4:00
 SECRETARY OF STATE
 TALLAHASSEE, FLORIDA

STATE OF FLORIDA
COUNTY OF COLLIER

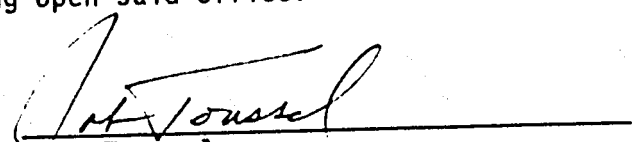
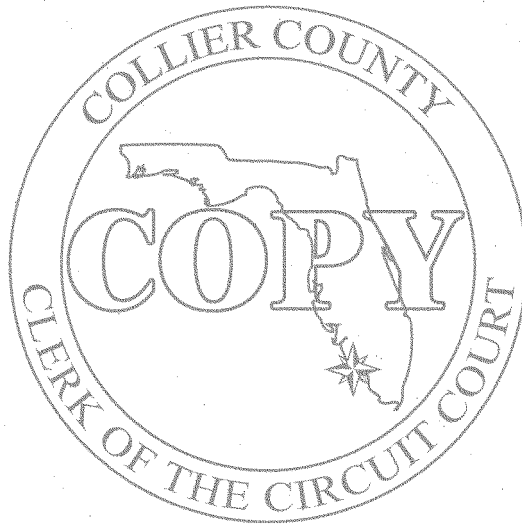
The foregoing instrument was acknowledged before me this 25th day of January, 1989, by Raymond Shane.



Notary Public State of Florida
My Commission Expires April 01, 1989
Bonded By Iowa National Ins. Co. (SEAL)

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for CHARDONNAY AT THE VINEYARDS, INC., at the place designated in these Articles of Incorporation, I hereby accept the appointment to act in this capacity and agree to comply with the laws of the State of Florida in keeping open said office.


John Tousel

FILED
1989 FEB 20 PM 4:05
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Chardonnay at the Vineyards
Articles of Incorporation

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Exhibit "C"

BY-LAWS
OF
CHARDONNAY AT THE VINEYARDS, INC.

1. GENERAL. These are the By-Laws of CHARDONNAY AT THE VINEYARDS, INC., hereinafter the "Association", a corporation not for profit organized under the laws of Florida for the purpose of operating a condominium pursuant to the Florida Condominium Act.

1.1 Principal Office. The principal office of the Association shall be at 6030 Chardonnay Lane, Naples, Florida, or at such other place in Collier Country, Florida, as the Board of Directors may designate.

1.2 Seal. The seal of the Association shall be inscribed with the name of the Association, the year of its organization, and the words "Florida" and "corporation not for profit." The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document or writing of the corporation where a seal may be required.

1.3 Definitions: The terms used herein shall be defined as provided in the Declaration of Condominium to which this document is attached as Exhibit "D".

2. MEMBERS.

2.1 Qualification. The members of the Association shall be the record owners of legal title to the units. Membership shall become effective upon the occurrence of the last to occur of the following events.

- (A) Recording in the Public Records of a Deed or other instrument evidencing legal title to the unit in the member.
- (B) Approval of the Association as provided for in the Declaration.
- (C) Delivery to the Association of a copy of the recorded Deed or other instrument evidencing title.
- (D) Delivery to the Association, if required, of a written designation of a primary occupant.

In the case of a unit subject to a recorded agreement for deed, the contract vendee shall be entitled to exercise membership and use rights.

2.2 Voting Rights. The members of the Association are entitled to one (1) vote for each unit owned by them. The total number of votes ("voting interests") shall equal the total number of units. The vote of a unit is not divisible. The right to vote may not be denied because of delinquent assessments. If a condominium unit is owned by one natural person, his right to vote shall be established by the record title to the unit. If a unit is owned jointly by two or more natural persons, that unit's vote may be cast by any one of the record owners. If two or more owners of a unit do not agree among themselves how their vote shall be cast, that vote shall not be counted for any purpose except for determining whether a quorum has been attained. If the owner of a unit is not a natural person or is a trustee, the vote of that unit shall be cast by the unit's primary occupant designated as set forth in Section 13.1 of the Declaration.

2.3 Approval or Disapproval of Matters. Whenever the decision of a unit owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such unit if in an Association meeting, unless the joinder of record owners is specifically required.

Chardonnay at the Vineyards
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Exhibit "D"

2.4 Change of Membership. Following written approval of the Association, as elsewhere required herein, a change of membership in the Association shall be established by the new member's membership becoming effective as provided in 2.1 above; and the membership of the prior owner shall thereby be automatically terminated.

2.5 Termination of Membership. The termination of membership in the Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the condominium during the period of his membership, nor does it impair any rights or remedies which the Association may have against any former owner or member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

3. MEMBERS' MEETINGS.

3.1 Annual Meeting. The members shall meet at least once in each calendar year, and such meeting shall be the annual meeting. The annual meeting shall be held in Collier County, Florida, each year during January at a day, place and time designated by the Board of Directors, for the purpose of electing Directors and transacting any other business duly authorized to be transacted by the members.

3.2 Special Members' Meetings. Special members' meetings must be held whenever called by the President or by a majority of the Board of Directors, and may also be called by members entitled to cast at least ten percent (10%) of the votes of the entire membership. Business at special meetings shall be limited to the items specified in the notice of meeting.

3.3 Notice of Meetings. Notice of all members' meetings must state the time, date, and place of the meeting. The notice must be mailed to each member at his address as it appears on the books of the Association, or may be furnished by personal delivery. The member bears the responsibility for notifying the Association of any change of address. The notice must be mailed or delivered at least fourteen (14) days prior to the date of the meeting. Notice of the annual meeting shall be posted in a conspicuous place on the condominium property at least fourteen (14) days prior to the annual meeting. Notice of the annual meeting shall be sent by first class mail to each owner, and an affidavit of the officer making such mailing shall be retained in the Association records as proof of such mailing. Notice of the annual meeting may be delivered in person if a written waiver of mailing is obtained.

3.4 Quorum. Except as provided in Section 9.3 of these By-Laws, a quorum at members' meetings shall be attained by the presence, either in person or by proxy, of persons entitled to cast thirty three and one-third percent (33 1/3%) of the votes of the entire membership.

3.5 Vote Required. The acts approved by a majority of the total votes of the entire membership shall be binding upon all unit owners for all purposes, except where a higher vote is required by law or by any provision of the Condominium documents.

3.6 Proxies. At a meeting, votes may be cast in person or by proxy. A proxy may be given by any unit owner, but shall be valid only for the specific meeting for which originally given and/or any lawful adjournment of that meeting. No proxy shall be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, signed by the person authorized to cast the vote for the unit, and specify the date, time and place of the meeting for which it is given. The Board may require that the original is delivered to the Secretary not less than forty-eight (48) hours before the appointed time of the meeting or adjournment thereof. Holders of proxies must be unit owners or spouses of unit owners. No proxy shall be valid if it names more than one person as the

holder of the proxy, but the holder shall have the right, if the proxy so provides, to substitute another person to hold the proxy.

3.7 Adjourned Meetings. Any duly called meeting of the members may be adjourned to a later time or day by vote of the majority of the voting interests present, regardless of whether a quorum has been attained. When a meeting is adjourned it shall not be necessary to give notice of the time and place of its continuance if such are announced at the meeting being adjourned. Any business which might have been conducted at the meeting as originally scheduled may instead be conducted at the continuance.

3.8 Order of Business. The order of business at members' meetings shall be substantially as follows:

- (A) Call of the roll or determination of quorum.
- (B) Reading and disposal of any unapproved minutes
- (C) Reports of Officers
- (D) Reports of Committees
- (E) Election of Directors (annual meeting only)
- (F) Unfinished Business
- (G) New Business
- (H) Adjournment

3.9 Minutes. Minutes of all meetings of members and of the Board of Directors shall be kept in a businesslike manner and available for inspection by Directors and members or their authorized representatives at all reasonable times and for a period of at least seven years after the meeting.

3.10 Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the law, with the Declaration, or with these By-laws. The President may appoint a Parliamentarian whose decision on questions of Parliamentary Procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

3.11 Action by Members Without Meeting. Any action required or permitted to be taken at a meeting of the members may be taken by mail without a meeting if written consents, setting forth the action to be taken, are signed by the members having not less than the minimum number of votes that would be necessary to take such action at a meeting, or sixty percent (60%) of the total votes of the entire membership, whichever is greater unless a lesser vote is required by law. If the requisite number of written consents are received by the Secretary within thirty (30) days of mailing notice of the proposed action to the members, a resolution passed by the Board of Directors on the action so authorized shall be of full force and effect as if a full membership meeting had been held. Within ten (10) days after adopting the resolution, the Board shall send written notice of the action taken to all members who have not consented in writing. Nothing in this paragraph shall be construed in derogation of members' rights to call a special meeting of the membership, as elsewhere provided in these By-Laws. The written consents used to authorize an action without a meeting shall become a part of the Association's Official Records. If the vote is obtained by polling the unit owners by mail, the unit owners list on record with the Secretary at the time of mailing the voting material shall be the list of qualified voters.

4. BOARD OF DIRECTORS. The administration of the affairs of the Association shall be by a Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Declaration, Articles of Incorporation, and these By-Laws, shall be exercised by the Board, subject to approval or consent of the unit owners only when such is specifically required.

4.1 Number and Terms of Service. Initially the number of Directors which shall constitute the whole Board of Directors shall be three (3). However, in order to provide for a continuity of experience by establishing a system of staggered terms, at the first annual meeting at which unit owners other than the Developer elect a majority of the Directors, the number of Directors shall

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be increased to five (5). The three (3) candidates receiving the highest number of votes shall be elected for two year terms. The two (2) candidates receiving the next highest number of votes shall be elected for one year terms. Thereafter, all Directors shall be elected for two (2) year terms. A Director will serve until his successor is duly elected unless he sooner resigns or is recalled as provided in 4.5 below. Directors shall be elected by the members at the Annual Meeting, or in the case of a vacancy, as provided in 4.4 below.

4.2 Qualifications. Except for Directors appointed by the Developer, each Director must be a member or the spouse of a member.

4.3 Nominations and Elections. At each Annual Meeting the members shall elect as many Directors as there are regular terms of Directors expiring or vacancies to be filled. If all directors offices are vacant the members may elect directors at a special meeting. The nominating committee, if any, shall submit its recommended nominees for the office of Director on the floor at the annual meeting, at which time any other eligible person may also be nominated as a candidate. Directors shall be elected by a plurality of the votes cast at the annual meeting. In the election of Directors, there shall be appurtenant to each unit as many votes for Directors as there are for any person nominated as a Director, it being the intent hereof that voting for Directors shall be non-cumulative. The candidates receiving the highest number of votes shall be declared elected, except that a tie vote shall be broken by agreement or by a run-off election.

4.4 Vacancies on the Board. If the office of any Director or Directors becomes vacant for any reason, a majority of the remaining Directors, through less than a quorum, shall promptly choose a successor or successors who shall hold office until the next annual meeting. At the next annual meeting, the members shall elect a person or persons to fill the remaining unexpired term or terms, if any.

4.5 Removal of Directors. Any or all Directors, except those appointed by the Developer, may be removed with or without cause by a majority vote of the entire membership, either by a written petition or at any meeting called for that purpose. If a meeting is held or a petition is filed for the removal of more than one Director, the question shall be determined separately as to each Director sought to be removed. If a special meeting is called by ten percent (10%) of the voting interests for the purpose of recall, the notice of the meeting must be accompanied by a dated copy of the signature list, stating the purpose of the signatures. The meeting must be held not less than fourteen (14) days nor more than sixty (60) days from the date that notice of the meeting is given.

4.6 Organizational Meeting. The organizational meeting of a new Board of Directors shall be held within ten (10) days after the election of new Directors at such place and time as may be fixed by the Directors at the annual meeting at which they were elected.

4.7 Regular Meetings. Regular meetings of the Board may be held at such time and place in Collier County, Florida, as shall be scheduled in advance from time to time by a majority of the Directors.

4.8 Special Meetings. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of one-third (1/3) of the Directors. Not less than two (2) days notice of a special meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

4.9 Notice to Owners. Meetings of the Board of Directors shall be open to members, and notices of all Board meetings shall be posted conspicuously on the Condominium property at least forty-eight (48) hours in advance of each Board meeting, except in an emergency. Notice of any Board meeting where assessments against units are to be considered by any reason shall specifically contain a statement that assessments will be considered and the nature of the assessments. No other notice of the proposed agenda need be given.

4.10 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. If all Directors are present at a meeting, no notice to Directors shall be required.

4.11 Quorum of Directors. A quorum at a Board meeting shall be attained by the presence in person of a majority of all Directors. Directors may participate in any meeting of the Board, or meeting of an executive or other committee, by means of a conference telephone call or similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting.

4.12 Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum has been attained shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the condominium documents or by applicable statutes. Directors may not vote by proxy at Board meetings.

4.13 Presumption of Assent. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of any action taken, unless he voted against such action or abstained from voting because of an asserted conflict of interest.

4.14 Adjourned Meetings. The majority of those present at any meeting of the Board of Directors regardless of whether a quorum has been attained may adjourn the meeting from time to time. At any adjourned meeting provided a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

4.15 The Presiding Officer. The President of the Association, or in his absence, the Vice-President, shall be the presiding officer at all meetings of the Board of Directors. If neither is present, the presiding officer shall be selected by majority vote of those present.

4.16 Compensation of Directors and Officers. Neither Directors nor officers shall receive compensation for their services unless compensation for their services is approved by a majority of the voting interests. Nothing herein shall preclude the Board of Directors from employing a Director or officer for the management of the Condominium or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

4.17 Committees. The Board of Directors may appoint from time to time such standing or temporary committees, including a nominating committee, as the Board may deem necessary and convenient for the efficient and effective operation of the Condominium. Any such committee shall have the powers and duties assigned to it in the resolution creating the committee.

5. OFFICERS.

5.1 Officers and Elections. The executive officers of the Association shall be a President, and a Vice-President, who must be Directors, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of Directors. Any officer may be removed with or without cause by vote of a majority of all Directors at any meeting. Any person except the President may hold two or more offices. The Board of Directors shall, from time to time, appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one Vice-President.

5.2 President. The President shall be the chief executive officer of the Association; he shall preside at all meetings of the members and Directors, shall be ex-officio a member of all standing committees, shall have general and active management of the business of the Association, and shall see that all

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orders and resolutions of the Board are carried into effect. He shall execute bonds, mortgages and other contracts requiring seal of the Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board of Directors to some other officer or agent of the Association.

5.3 Vice-Presidents. The Vice-Presidents in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and they shall perform such other duties as the Board of Directors shall prescribe.

5.4 Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of the members and shall record all votes and the minutes of all proceedings in a book to be kept for the purpose, and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board or the President. He shall keep in safe custody the seal of the Association and, when authorized by the Board, affix the same to any instrument requiring it. The Secretary shall be responsible for the proper recording of all duly adopted amendments to the condominium documents. Any of the foregoing duties may be performed by an Assistant Secretary, if one has been designated.

5.5 Treasurer. The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association, making proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if one has been designated.

6. FISCAL MATTERS. The provisions for fiscal management of the Association set forth in the Declaration of Condominium shall be supplemented by the following provisions:

6.1 Depository. The Association shall maintain its accounts in such financial institutions in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities, and other similar investment vehicles.

6.2 Budget. The Board of Directors shall annually adopt a budget for common expenses. A copy of the proposed budget and a notice stating the time, date and place of the meeting at which the budget will be considered shall be mailed to or served on the owner of each unit not less than fourteen (14) days prior to that meeting. The proposed budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications.

6.3 Reserves for Capital Expenditures and Maintenance. In addition to annual operating expenses, the proposed budget must include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by a formula based upon estimated life and replacement cost of each item. These reserves shall be funded unless the members subsequently determine by majority vote of those present in person or by proxy at a duly called meeting to fund no reserves or less than adequate reserves for a fiscal year. The vote to waive or reduce reserves, if any is held, may be held only after the proposed budget has been mailed to the unit owners as required in 6.2 above. Reserves funded under this paragraph shall be used only for the purposes for which they were reserved, unless their use for other purposes is first approved by a majority

of the voting interests present and voting at a members' meeting called for the purpose.

6.4 General Reserves. In addition to the statutory reserves provided in 6.3 above, or in place of them if the members so vote, the Board may establish one or more additional reserve accounts for contingencies, operating expenses, repairs, minor improvements or deferred maintenance. The purpose of the reserves is to foster financial stability and avoid special assessments on a frequent basis. The amounts proposed to be so reserved shall be shown in the proposed annual budget each year. These funds may be spent for any purpose approved by the Board.

6.5 Assessments. Regular annual assessments based on the adopted budget shall be paid in quarterly installments, in advance, due on the first day of January, April, July and October of each year. Written notice of each quarterly installment shall be sent to members at least fourteen (14) days prior to the due date. Failure to send or receive such notice shall not excuse the obligation to pay. If an annual budget has not been adopted at the time a quarterly installment is due, it shall be presumed that the amount of such installment is the same as the last quarterly payment, and shall be continued at such rate until a budget is adopted and pro rata assessments are calculated, at which time any overage or shortage calculated shall be added or subtracted from each unit's next due quarterly installment.

6.6 Special Assessments. Special assessments may be imposed by the Board of Directors when necessary to meet unusual, unexpected, unbudgeted, or non-recurring expenses, or for such other purposes as are authorized by the Declaration of Condominium and these By-Laws. Special assessments are due on the day specified in the resolution of the Board approving such assessment. The total of all special assessments made in any fiscal year shall not exceed fifteen percent (15%) of the total annual budget for that year, including reserves, unless a majority of the voting interests first consent. The notice of any special assessment must contain a statement of the purpose(s) of the assessment, and the funds collected must be spent for the stated purpose(s) or returned to the members as provided by law.

6.7 Fidelity Bonds. The Treasurer, and all other officers who are authorized to sign checks, and all Directors and employees of the Association handling or responsible for Association funds, shall be bonded in such amounts as may be required by law or otherwise determined by the Board of Directors. The premiums on such bonds shall be paid by the Association.

6.8 Financial Information. Not later than ninety (90) days after the close of each fiscal year, the Board shall cause to be prepared financial statements meeting or exceeding the minimum requirements of Subsection 718.111(13), or Subsection 718.111(14), Florida Statutes, as applicable. Copies of these statements shall be furnished to each member.

6.9 Audits. A formal, certified audit of the accounts of the Association, if required by a majority of the voting interests shall be made by a certified public accountant, and a copy of the audit report shall be available to all members.

6.10 Application of Payments and Commingling of Funds. All monies collected by the Association may be commingled in a single fund or divided into two or more funds, as determined by the Board of Directors. All payments on account by a unit owner shall be applied as to interest, delinquencies, costs and attorney's fees, other charges, and regular or special assessments, in such manner and amounts as the Board of Directors may determine, subject to Section 11.6 of the Declaration.

6.11 Fiscal Year. The fiscal year for the Association shall begin on the first day of January of each year. The Board of Directors may change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed in the Internal Revenue Code of the United States of America.

7. RULES AND REGULATIONS: The Board of Directors may by majority vote adopt and amend administrative rules and regulations governing the operation of the Condominium, and the use, maintenance, management and control of the common elements and the Association property. Copies of such rules and regulations shall be furnished to each unit owner. Any rule or regulation created and imposed by the Board must be reasonably related to the promotion of health, happiness and peace of mind of the unit owners and uniformly applied and enforced.

8. COMPLIANCE AND DEFAULT; REMEDIES. In addition to the remedies provided in Section 19 of the Declaration, the following provisions shall apply:

8.1 Fines. The Board of Directors may levy reasonable fines against units whose owners commit violations of the Condominium Act, the provisions of the condominium documents or Association rules and regulations, or condone such violations by their family members, guests or lessees. The fines shall be in an amount deemed necessary by the Board to deter future violations, but in no event shall any fine exceed the maximum amount allowed by law. The procedure for imposing such fines shall be as follows:

- (A) The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:
- (1) A statement of the date, time and place of the hearing;
 - (2) A statement of the provisions of the Declaration, Bylaws, or rules which have allegedly been violated; and,
 - (3) A short and plain statement of the matters asserted by the Association.
- (B) The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association.

8.2 Correction of Health and Safety Hazards. Any violations which are deemed by the Board of Directors to be a hazard to the public health or safety may be corrected immediately as an emergency matter by the Association and the cost thereof shall be charged to the unit owner, and payment may be enforced by a lien against said unit with the same force and effect as if the charge were a part of the common expenses.

8.3 Voluntary Binding Arbitration. In the event of a dispute between one or more unit owners and/or the Association arising from the operation of the Condominium, the parties may submit the dispute to voluntary binding arbitration under the rules of the Division of Florida Land Sales and Condominiums.

8.4 Enforcement of Rules and Regulations. If any dispute over the enforcement or interpretation of Association Rules and Regulations should arise, either between two or more unit owners, or between the Association and one or more unit owners, it is intended that such dispute be resolved by agreement or by voluntary binding arbitration, and not by resort to the courts. For this purpose, no party to such a dispute shall be entitled to recover attorney's fees as a prevailing party in any lawsuit involving the disputed matters unless the party has, before filing the lawsuit, offered in writing to submit the dispute to voluntary binding arbitration as provided for in the Condominium Act. If the other party accepts the offer, both parties shall proceed without undue delay to submit the issue to arbitration, and no lawsuit may be filed until the arbitration process has been concluded. If the other party refuses the offer, he shall not be entitled to recover attorney's fees in the lawsuit. Nothing herein shall be construed to prevent the Association from recovering attorney's fees in any action brought to collect unpaid assessments, including fines, or to require the Association to submit assessment collection disputes to arbitration.

Chardonnay at the Vineyards
By-laws

D-8

Exhibit "D"

8.5 Availability of Remedies. Each member, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of violations regardless of the harshness of the remedy utilized by the Association and regardless of the availability of other legal remedies. It is the intent of all members to give the Association methods and procedures which will enable it to operate on a businesslike basis, to collect those monies due it and to preserve the majority's right to enjoy the condominium property free from unreasonable restraint and annoyance.

9. TRANSFER OF ASSOCIATION CONTROL; DEVELOPER'S RIGHTS.

9.1 Members' Rights to Elect Board of Directors. When owners other than the Developer own fifteen percent (15%) or more of the units that will be ultimately operated by the association, the owners other than the Developer shall be entitled to elect one-third (1/3) of the members of the Board of Directors. Unit owners other than the Developer are entitled to elect a majority of the members of the Board of Directors upon the first of the following events to occur:

- (A) Three years after fifty percent (50%) or more of the units that will be ultimately operated by the Association have been conveyed to purchasers;
- (B) Three months after ninety percent (90%) of the units that will be ultimately operated by the Association have been conveyed to purchasers;
- (C) When some of the units have been conveyed to purchasers and none of the others are being built or offered for sale by the Developer in the ordinary course of business.

9.2 Developer's Right to Designate Members of Board of Directors. The Developer shall be entitled to designate at least one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the units.

9.3 Notice of Members' Meetings. Within sixty (60) days after the unit owners other than the Developer are entitled to elect one or more Directors, the Association shall call, upon not less than thirty (30) days or more than forty (40) days notice, a meeting of the unit owners to elect the member or members of the Board. The meeting may be called and the notice given by any unit owner if the Association fails to do so.

9.4 Developer's Rights. So long as the Developer holds any unit for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer.

- (A) Any amendment to the condominium documents which would adversely affect the Developer's rights.
- (B) Any action by the Association that would be detrimental to the sales of units by the Developer. However, an increase in assessments for common expenses shall not be deemed to be detrimental to the sales of units.
- (C) Assessment of Developer-owned units for capital improvements.

9.5 Transfer of Association Control. Not more than 60 days after unit owners other than the Developer elect a majority of the Directors, the Developer shall relinquish control of the Association, and the unit owners shall accept control. Simultaneously, the Developer shall deliver to the Association all property of the Association held or controlled by the Developer and all items and documents that the Developer is required to deliver or turn over to the Association. The Developer may turn over control of the Association to unit owners other than the Developer prior to the statutory

date, in its sole discretion, by causing all of its appointed Directors to resign, whereupon it shall be the affirmative obligation of unit owners other than the Developer to elect Directors and assume control of the Association. Provided at least thirty (30) days notice of the Developer's decision to cause its appointees to resign is given to unit owners, neither the Developer, nor such appointees, shall be liable in any manner in connection with such resignation even if unit owners other than the Developer refuse or fail to assume control.

10. AMENDMENT OF BY-LAWS. Amendments to these By-Laws shall be proposed and adopted in the following manner:

10.1 Proposal. Amendments to these By-Laws shall be proposed by a majority of the Board or upon written petition signed by at least one-fourth (1/4) of the voting interests.

10.2 Procedures. Upon any amendment or amendments to these By-Laws being proposed by said Board or unit owners, such proposed amendment or amendments shall be submitted to a vote of the unit owners subject to the minimum notice requirements imposed by law.

10.3 Vote Required. Except as otherwise provided by law, or by specific provision of the Condominium documents, these By-Laws may be amended by concurrence of majority of the total membership, provided that notice of any proposed amendment has been given to the members in accordance with law. Alternatively, amendments may be adopted without a meeting by following the procedure set forth in Section 3.11 of these By-Laws.

10.4 Effective Date. A copy of each amendment shall be attached to a certificate that the amendment was duly adopted, which certificate shall be executed by officers of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida. The certificate must identify the book and page of the Public Records where the Declaration of Condominium is recorded.

11. MISCELLANEOUS.

11.1 Gender. Whenever the masculine or singular form of the pronoun is used in these By-laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

11.2 Severability. Should any portion hereof be void or become unenforceable, the remaining provisions of the instrument shall remain in full force and effect.

11.3 Conflict. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these By-Laws and the Declaration of Condominium or Articles of Incorporation, the provisions of the Declaration or Articles of Incorporation shall prevail over the provisions of the By-Laws.

The foregoing constitute the first By-Laws of CHARDONNAY AT THE VINEYARDS, INC., and were duly adopted at the first meeting of the Board of Directors held on 8/2, 1989.

Date: August 22, 1989.

Secretary

Seal

Attest:

President

Chardonnay at the Vineyards
By-laws

D-10

Exhibit "D"

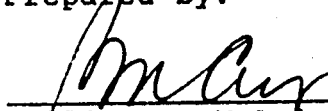
LEGAL DESCRIPTION

CHARDONNAY AT THE VINEYARDS

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14 Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

BEGIN at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West along said right-of-way line for 654.46 feet to a Point of Curvature of a curve concaved Northeasterly; thence run 205.90 feet along the arc of said curve having a radius of 665.00 feet, a central angle of 17 Degrees 44 Minutes 26 Seconds, a chord of 205.08 feet and a chord bearing of North 70 Degrees 25 Minutes 20 Seconds West to a Point of Tangency; thence run North 61 Degrees 33 Minutes 07 Seconds West along said right-of-way line for 193.11 feet; thence run North 38 Degrees 31 Minutes 15 Seconds East for 568.41 feet; thence run South 51 Degrees 39 Minutes 22 Seconds East for 437.26 feet; thence run South 77 Degrees 20 Minutes 59 Seconds East for 455.28 feet; thence run South 13 Degrees 27 Minutes 17 Seconds West for 377.31 feet to the POINT OF BEGINNING.

Prepared by:


 William C. McAnly, P.L.S.
 FL Cert. No. 1543
 Date: 7/12/08

LEGAL DESCRIPTION

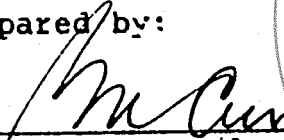
CHARDONNAY AT THE VINEYARDS

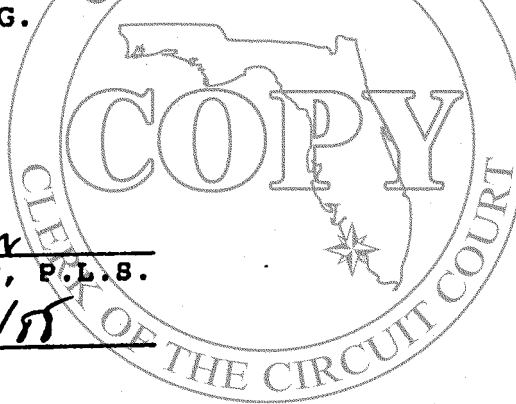
RECREATIONAL PARCEL I

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14 Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

Commence at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West for 128.23 feet to the POINT OF BEGINNING; thence continue North 79 Degrees 17 Minutes 33 Seconds West for 187.84 feet; thence run North 10 Degrees 42 Minutes 27 Seconds East for 186.19 feet; thence run South 77 Degrees 20 Minutes 59 Seconds East for 196.57 feet; thence run South 13 Degrees 27 Minutes 17 Seconds West for 179.73 feet to the POINT OF BEGINNING.

Prepared by:


 William C. McAnly, P.L.S.
 FL Cert. No. 1543
 Date: 7/12/85



LEGAL DESCRIPTION

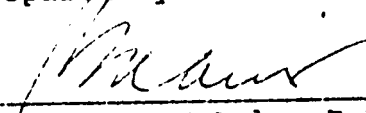
CHARDONNAY AT THE VINEYARDS

RECREATIONAL PARCEL 2

A portion of Tract E, the Vineyards, Unit One, according to the plat recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida; being more particularly described as follows:

Commence at the Southeast corner of Tract E, The Vineyard, Unit One as recorded in Plat Book 14, Pages 67 through 74 inclusive of the Public Records of Collier County, Florida, said corner being a point on the Northeasterly right-of-way line of Vineyards Boulevard and a Point of Curvature of a curve concaved Southwesterly, and run along said right-of-way line for 48.56 feet along the arc of said curve having a radius of 610.00 feet, a central angle of 04 Degrees 33 Minutes 38 Seconds, a chord of 48.54 feet, and a chord bearing of North 77 Degrees 00 Minutes 44 Seconds West to a Point of Tangency; thence run North 79 Degrees 17 Minutes 33 Seconds West for 654.46 feet to a Point of Curvature of a curve concaved Northeasterly; thence run 205.90 feet along the arc of said curve having a radius of 665.00 feet, a central angle of 17 Degrees 44 Minutes 26 Seconds, a chord of 205.08 feet and a chord bearing of North 70 Degrees 25 Minutes 20 Seconds West to a Point of Tangency; thence run North 61 Degrees 33 Minutes 07 Seconds West for 75.02 feet to the POINT OF BEGINNING; thence run North 35 Degrees 27 Minutes 26 Seconds East for 84.18 feet; thence run North 81 Degrees 16 Minutes 03 Seconds East for 31.50 feet; thence run North 46 Degrees 12 Minutes 20 Seconds East for 77.66 feet; thence run South 78 Degrees 56 Minutes 09 Seconds East for 16.62 feet; thence run South 55 Degrees 19 Minutes 41 Seconds East for 129.30 feet; thence run South 34 Degrees 40 Minutes 19 Seconds West for 74.73 feet; thence run South 04 Degrees 08 Minutes 32 Seconds East for 41.07 feet; thence run South 87 Degrees 03 Minutes 10 Seconds East for 106.57 feet; thence run North 02 Degrees 25 Minutes 32 Seconds East for 26.63 feet; thence run North 59 Degrees 44 Minutes 58 Seconds West for 78.14 feet; thence run North 28 Degrees 19 Minutes 15 Seconds East for 137.25 feet; thence run North 68 Degrees 22 Minutes 01 Seconds East for 12.59 feet; thence run South 61 Degrees 40 Minutes 45 Seconds East for 37.55 feet; thence run North 38 Degrees 46 Minutes 49 Seconds East for 26.48 feet; thence run North 51 Degrees 39 Minutes 22 Seconds West for 154.28 feet; thence run North 38 Degrees 20 Minutes 38 Seconds East for 20.00 feet; thence run North 51 Degrees 39 Minutes 22 Seconds West for 22.30 feet; thence run South 38 Degrees 31 Minutes 15 Seconds West for 146.77 feet; thence run North 69 Degrees 42 Minutes 17 Seconds West for 26.22 feet; thence run North 60 Degrees 10 Minutes 14 Seconds West for 61.56 feet; thence run South 39 Degrees 53 Minutes 40 Seconds West for 86.05 feet; thence run North 86 Degrees 43 Minutes 53 Seconds West for 35.65 feet; thence run North 51 Degrees 28 Minutes 45 Seconds West for 39.27 feet; thence run South 38 Degrees 31 Minutes 15 Seconds West for 116.39 feet; thence run South 61 Degrees 33 Minutes 07 Seconds East for 118.09 feet to the POINT OF BEGINNING.

Prepared by:


 William C. McAnly, P.L.B.
 FL Cert. No. 1543
 Date: 11/21/05

ARTICLES OF INCORPORATIONOF

CHARDONNAY RECREATION ASSOCIATION, INC.

Pursuant to Section 617.013, Florida Statutes, these Articles of Incorporation are created by Chardonnay Joint Venture, a Florida general partnership as sole incorporator, for the purposes set forth below.

ARTICLE I

NAME: The name of the Corporation is Chardonnay Recreation Association, Inc., and its address is 600 Fifth Avenue South, Suite 210, Naples, Florida 33940.

ARTICLE II

PURPOSE AND POWERS: The purpose for which the Corporation is organized is to provide an entity for the ownership, maintenance and operation of certain recreational and common facilities for Chardonnay at the Vineyards, located in Naples, Collier County, Florida. Chardonnay at the Vineyards is a phased condominium consisting of the land described in Exhibit E-1 to these Articles and the improvements to be constructed thereon.

The Corporation is organized and shall exist on a non-stock basis as a corporation not for profit under the laws of the State of Florida. No portion of any earnings of the Corporation shall be distributed or inure to the private benefit of any member, director or officer. All funds and the title to all property acquired by the Corporation shall be held for the benefit of the members in accordance with the provisions of these Articles of Incorporation and the By-Laws. For the accomplishment of its purposes, the Corporation shall have all of the common law and statutory powers and duties of a Florida corporation not for profit, except as limited or modified by these Articles or the By-Laws, including without limitation to the following:

- A. To own, acquire and convey land, and to operate, maintain, and manage those lands owned or to be owned by the Corporation and such other lands which the Corporation is responsible to maintain, including the land described in Exhibit E-2 and E-3 attached hereto.
- B. To operate, maintain, manage and keep in good repair, any of the improvements and amenities upon lands owned by the Corporation and upon lands which the Corporation is responsible to maintain, including, without limitation, swimming pools, clubhouse, spa and other structures for the use of the Corporation's members and their respective unit owners.

Recreation Association - Articles of Incorporation Exhibit "E"
Page 1

- C. To landscape all lands owned by the Corporation, and all lands which the Corporation is responsible to maintain, and to contribute to the artistic and architectural building and construction standards of all lands owned or maintained by the Corporation, and all buildings and improvements situate, lying and being within that area of Collier County, Florida, described in Exhibit E-2 and E-3 hereto.
- D. To make available to the members of the Corporation and their respective unit owners, services and facilities for the enjoyment of the properties herein mentioned, and to promote the social welfare, security, pleasure, recreation, entertainment, and common good of the members and their respective unit owners.
- E. To assess against the members of the Corporation, fees for the operation and maintenance of the Corporation in order to enable the Corporation to perform its purposes as set forth herein and in the By-Laws of the Corporation, and such other purposes as may be allowed by law.
- F. To borrow or raise money for any of the purposes of the Corporation and from time to time without limit as to amount, to draw, make, accept, endorse, execute, and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness; and to secure the payment of any thereof, and of the interest thereon, any mortgage, pledge, conveyance or assignment in trust, of the whole or any part of the rights or property of the Corporation, whether at the time owned or thereafter acquired.
- G. To participate in mergers and consolidations with other non-profit corporations organized for the operation of property within Chardonnay at the Vineyards, or annex additional property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of at least two-thirds (2/3rds) of the members.
- H. To construct on the lands owned by the Corporation a manager's office or residence, or to purchase a dwelling unit within Chardonnay at the Vineyards for such purpose, if deemed desirable by the Board of Directors.

ARTICLE III

MEMBERSHIP:

- A. The members of this Corporation shall be all the Florida non-profit corporations ("Associations") which are actually created for the
 Recreation Association - Articles of Incorporation Exhibit "E"
 Page 2

- purpose of operating a residential condominium or other multi-unit residential development located within Chardonay at the Vineyards. If any of the member Associations is voluntarily dissolved (except incident to a merger with this corporation), that Association's right to membership shall be transferred to another corporation, or to a trustee, which shall have and exercise such Association's membership rights, obligations and privileges as long as this Corporation exists.
- B. Whenever a vote of the members is required, each member Association shall be entitled to one vote in Corporation matters for each dwelling unit within that Association. The manner of exercising voting rights shall be as set forth in the By-Laws.
- C. The share of a member Association in the funds and assets of the Corporation cannot be assigned, withdrawn or transferred in any manner except as an appurtenance to the property the member Association operates.

ARTICLE IV

DIRECTORS AND OFFICERS:

- A. The affairs of the Corporation shall be administered by a Board of Directors consisting of the number of Directors determined by the By-Laws, but not less than three (3) Directors, and in the absence of such determination shall consist of three (3) Directors. Directors may be, but do not have to be, officers or directors of their respective Associations.
- B. Directors shall be appointed or elected by the member Associations in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.
- C. The business of the Corporation shall be conducted by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors at its annual organizational meeting and shall serve at the pleasure of the Board.

ARTICLE V

TERM: The term of the Corporation shall be perpetual.

Recreation Association - Articles of Incorporation Exhibit "E"
Page 3

FORSYTH, SWALM & BRUGGER, P.A., Attorneys at Law, 600 Fifth Avenue South, Suite 210, Naples, Florida 33940

ARTICLE VI

BY-LAWS: The By-Laws of the Association may be altered, amended, or rescinded in the manner provided therein.

ARTICLE VIIAMENDMENTS:

- A. These Articles of Incorporation may be altered or amended at any regular or special meeting of the members, provided that: (1) written notice of the meeting is given in the manner provided for in the By-Laws, and the notice contains the full text of the proposed alteration or amendment; and (2) the proposed alteration or amendment is approved by the affirmative vote of at least a majority of the voting interests.
- B. No amendment of these Articles or of the By-Laws shall be effective to change the voting rights of any member, or to change the proportion or percentage by which a member shares the expenses of the Corporation, unless that member consents thereto.
- C. An amendment shall become effective after filing with the Secretary of State and after being recorded in the Public Records of Collier County, Florida. For recording purposes, the amendment shall be attached to a certificate executed by the officers of the Corporation with the formalities of a deed. The certificate must identify the book and page of the Public Records where each Declaration of Condominium for all condominiums in the Cobblestone Court complex are kept.

ARTICLE VIII

INITIAL DIRECTORS: The Initial Directors of the Association shall be:

Raymond Shane
2400 North Tamiami Trail
Fourth Floor, Suite 402
Naples, Florida 33940

John Toussef
2400 North Tamiami Trail
Fourth Floor, Suite 402
Naples, Florida 33940

Martin Berry
14 Gayle Road
Skaneateles, New York 13152

ARTICLE IXINITIAL REGISTERED AGENT:

The initial registered office of the Association shall be at:

600 Fifth Avenue South, Suite 210
Naples, Florida 33940

The initial registered agent at said address shall be:

Darla M. Romfo

ARTICLE X

INDEMNIFICATION: To the fullest extent permitted by Florida law, the Association shall indemnify and hold harmless every Director and every officer of the Association against all expenses and liabilities, including attorneys fees, actually and reasonably incurred by or imposed on him in connection with any legal proceeding (or settlement or appeal of such proceeding) to which he may be a party because of his being or having been a Director or officer of the Association. The foregoing right of indemnification shall not be available if a judgment or other final adjudication establishes that his actions or omissions to act were material to the cause adjudicated and involved:

- A. Willful misconduct or a conscious disregard for the best interests of the Association, in a proceeding by or in the right of the Association to procure a judgment in its favor.
- B. A violation of criminal law, unless the Director or officer had no reasonable cause to believe his action was unlawful or had reasonable cause to believe his action was lawful.
- C. A transaction from which the Director or officer derived an improper personal benefit.
- D. Wrongful conduct by Directors or officers appointed by the Developer, in a proceeding brought by or on behalf of the Association.

In the event of a settlement, the right to indemnification shall not apply unless the Board of Directors approves such settlement as being in the best interest of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which a Director or officer may be entitled.

WHEREFORE the incorporator has caused these presents to be executed this 30th day of August, 1981

CHARDONNAY JOINT VENTURE, a Florida
General Partnership

Jeffrey Miller, President
of AMERICAN VENTURE ASSOCIATES CORPORATION,
a Florida Corporation, Managing Partner
of CHARDONNAY JOINT VENTURE

SEAL

STATE OF FLORIDA
COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this 30th day of August, 1981, by Jeffrey Miller.

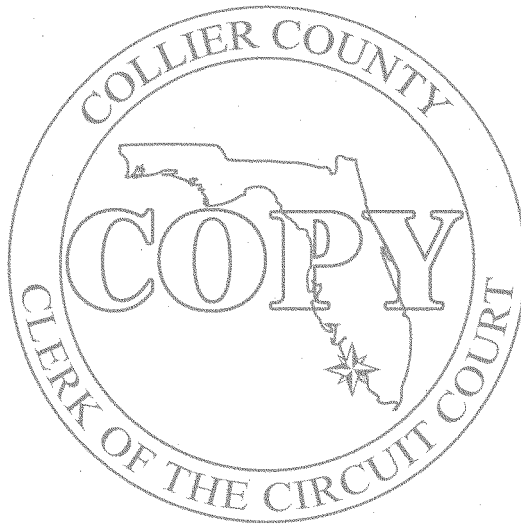
Shelly Beth Mandell
Notary Public (Seal)
My Commission Expires:



SHELLY BETH MANDELL

MY COMMISSION EXPIRES
July 17, 1993

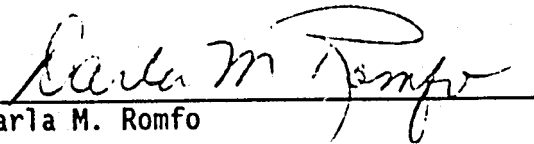
BONDED THRU NOTARY PUBLIC UNDERWRITERS

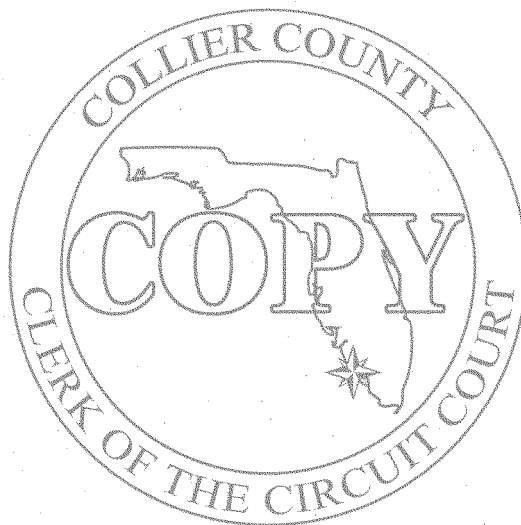


Recreation Association - Articles of Incorporation Exhibit "E"
Page 6

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for CHARDONNAY RECREATION ASSOCIATION, INC., at the place designated in these Articles of Incorporation, I hereby accept the appointment to act in this capacity and agree to comply with the laws of the State of Florida in keeping open said office.


Darla M. Romfo



Recreation Association - Articles of Incorporation Exhibit "E"
Page 7

BY-LAWS

OF

CHARDONNAY RECREATION ASSOCIATION, INC.

1. GENERAL. These are the By-Laws of Chardonnay Recreation Association, Inc., hereinafter the "Corporation", a corporation not for profit organized under the laws of Florida. THIS IS NOT A CONDOMINIUM ASSOCIATION.

1.1 Principal Office The principal office of the Corporation shall be 600 Fifth Avenue South, Suite 210, Naples, Florida 33940.

1.2 Seal. The seal of the Corporation shall be inscribed with the name of the Corporation, the year of its organization, and the words "Florida" and "not for profit." The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document or writing of the Corporation where a seal may be required.

2. DEFINITIONS. The following definitions shall apply to the terms used in the Articles of Incorporation and these By-Laws:

2.1 "Chardonnay at the Vineyards" shall mean and refer to that land described in Exhibit "E-2" of this Corporation's Articles of Incorporation.

2.2 "Association" shall mean and refer to any one or more of the members.

2.3 "Board" shall mean and refer to the Board of Directors of this Corporation.

2.4 "Common Area" means the real property owned or to be owned by the Recreation Association, as legally described on page 2 of Exhibit "A", and all improvements thereon.

2.5 "Condominium" shall mean and refer to any residential condominium within the Chardonnay at the Vineyards.

2.6 "Corporation" shall mean and refer to Chardonnay Recreation Association, Inc.

2.7 "Corporation Property" shall mean and refer to all lands owned by the Corporation, together with all buildings, improvements and amenities located thereon, sometimes called the "Common Area" and/or "Limited Common Area", as well as all personal property of the Corporation.

2.8 "Developer" shall mean and refer to Chardonnay Joint Venture, a Florida general partnership, its successors and assigns.

2.9 "Member" shall mean and refer to any or all of the associations referred to in Article III of the Articles of Incorporation, and as stated in Section 3 below.

2.10 "Unit" or "Dwelling Unit" shall mean and refer to any single family residence located in Chardonay at the Vineyards, including condominium units, villas, townhomes, or any other form of residence.

3. MEMBERSHIP.

3.1 Qualifications. Every Association, whether a condominium association or other form of mandatory membership homeowners association, which operates a condominium or other multi-unit residential development located in Chardonay at the Vineyards, shall automatically be a member of this Corporation. The unit owners who are members of those Associations are not members of this Corporation.

3.2 Voting Interests When a vote of the members is required herein or by law, each member shall be entitled to one (1) vote in the affairs of the Corporation for each dwelling unit which it represents. Such votes shall be cast by the members of the Board of Directors of this Corporation who are designated by each Board of Directors of the respective members. The term "a majority of the voting interests", in cases of membership votes shall mean the number of votes equal to one-half of the total number of dwelling units in Chardonay at the Vineyards, plus one vote.

3.3 Meetings of Members. Inasmuch as the affairs of the Corporation shall largely be governed and managed by the Board of Directors of the Corporation, there shall be no separate meetings of the members related to the activity of this Corporation. The members shall exercise their voting rights, when a vote of the members is required, through their representatives on the Board of Directors, which shall hold annual organizational meetings, regular meetings, and special meetings, in the manner prescribed in Section 4 of these By-Laws.

4. BOARD OF DIRECTORS.

4.1 Number of Directors. The Corporation shall be governed by a Board of Directors initially consisting of three (3) Directors. The Directors of the Corporation shall have a fiduciary relationship to the members.

4.2 Selection of Directors. Except as otherwise provided in 11.1 below, the Board of Directors of each member Association if there are three (3) or more member associations shall designate in writing one (1) individual who shall serve as a Director of this Corporation from the first annual organizational meeting of the Board of Directors until the following annual organizational meeting, or until their earlier death, resignation or removal. If there are two member associations, each association shall designate three

(3) directors. If there is only one member association, that association shall designate three (3) directors. The designation shall be made in the time and manner as set forth in the By-laws of the member Associations. Each such designee shall be a unit owner or spouse of a unit owner of the member Association he represents and may be an officer or director thereof. However, at any given time at least one member of the Board of Directors must not be an officer or director of any member association.

4.3 Organizational Meeting of Directors. The annual organizational meeting of the Board of Directors shall be held during February or March, but not later than March 15, of each year, at which time the newly-designated Directors shall elect officers and conduct such other business as they may deem appropriate. At the organizational meeting the Board may adopt a resolution authorizing the President or other executive officer to spend Corporation funds during the summer months and shall place reasonable limitations on that authority. Written notice of the annual organizational meeting shall be sent to each member at least fifteen (15) days in advance of the annual organizational meeting.

4.4 Regular Meetings. Regular meetings of the Board may be held according to a prearranged schedule at such time and place in Collier County, Florida, as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least ten (10) days prior to the day named for such meeting.

4.5 Special Meetings. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of at least two (2) Directors. Not less than two (2) days notice of a special meeting shall be given to each Director, personally or by telephone or telegram, which notice shall state the time, date, place and purpose of the meeting. Business conducted at special meetings shall be limited to matters stated in the notice of the meeting.

4.6 Notice to Members. All meetings of the Board of Directors shall be open to attendance by any Directors of the member Associations, and notices of all Board meetings shall be provided to each Association at least forty-eight (48) hours in advance, except in an emergency. Notice shall include a general outline of the agenda for the meeting. Notice of any Board meeting where assessments are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of the assessments. The right to attend does not include the right to participate unless permitted by the Board.

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

4.8 Quorum of Directors. A quorum at a Board meeting shall be attained by the presence in person of at least a majority of the Directors. Directors may participate in any meeting of the Board, or meeting of an executive or other committee, by means of a conference telephone call or similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting.

4.9 Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum has been attained shall constitute the acts of the Board of Directors, except as otherwise provided in below. Directors may not vote by proxy at Board meetings.

4.10 Presumption of Assent. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of any action taken, unless he voted against such action or abstained from voting because of an asserted conflict of interest.

4.11 Adjourned Meetings. The majority of the Directors present at any meeting of the Board, regardless of whether a quorum has been attained, may adjourn the meeting from time to time. At any adjourned meeting, provided a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

4.12 Removal, Filling of Vacancies. Any Director (except those appointed by the Developer) may be removed with or without cause by the Board of Directors of the member Association that appointed him. Such removal shall be evidenced by presentation of a duly adopted resolution of the Board of Directors of said Association; all vacancies shall be filled by the Board of Directors of said Association.

4.13 Resignation. Any Director may resign by written notice to the Corporation, which resignation shall take effect upon receipt, unless another date is specified in the notice. Any Director who is absent from three (3) consecutive meetings of the Board shall be deemed to have tendered his resignation as of the date of the third meeting, and the member Association which appointed such Director shall be notified in writing and requested to appoint a replacement. The replacement shall not be the same person who was just removed.

4.14 Powers. The property and business of the Corporation shall be managed by the Board of Directors, which may exercise all corporate powers not prohibited by law, the Articles of Incorporation, or these By-Laws. The powers of the Board of Directors shall specifically include, but not be limited to, the following:

- A. To levy and collect fees and assessments in accordance with the provisions of the Articles of Incorporation and these By-Laws, and to establish the time and manner within which payment of same are due;

- B. To use and expend the fees and assessments collected for those purposes set forth in the Articles of Incorporation and as may be permitted by law;
- C. To perform all functions set forth in the Articles of Incorporation and as may be permitted by law, and in conjunction with the foregoing, to purchase the necessary equipment, furnishings, fixtures, accessories and tools necessary or incidental to the maintenance of the Corporation Property;
- D. To collect delinquent fees and assessments by suit or otherwise;
- E. To employ such personnel as may be necessary or incidental in order to carry out the purposes and functions of the Corporation;
- F. To enter into such contracts and bind the Corporation thereby as the Board of Directors may deem reasonable in order to carry out the powers and functions of the Board of Directors, including the power to borrow money.
- G. To make reasonable rules and regulations for the use of Corporation Property and for the operation of the Corporation; and
- H. To assign the exclusive use of parking spaces located on Corporation property to individual unit owners who do not have the exclusive use of a parking space in their own development.

4.15 Limitation on Powers. The Board of Directors may not purchase any land, nor make any material alterations of or substantial additions to the Corporation Property or the facilities located thereon costing more than \$5,000 in the aggregate in any twelve month period, without the prior written approval of the Boards of Directors of all of the member Associations in the Cobblestone Court Complex. However, if work necessary to insure, protect, maintain, repair or replace the Corporation Property or facilities also constitutes a material alteration or substantial addition, the foregoing limitation shall not apply.

4.16 Compensation. Directors and officers shall not receive compensation for their services as such, but may, at the discretion of the Board of Directors, receive reimbursement for so-called "out-of-pocket" expenses incurred in the actual performance of their duties.

4.17 Order of Business. The order of business at all meetings of the Board shall be substantially as follows:

- A. Roll call;
- B. Reading of minutes of last meeting;
- C. Resignations and Elections;
- D. Consideration of Communications;

- E. Reports of officers and employees;
- F. Reports of committees;
- G. Unfinished business;
- H. Original resolutions and new business.

4.18 Committees. The Board of Directors may, by resolution, designate such standing or temporary committees as it may deem advisable or as may be required herein, provided that the composition of every committee shall include at least one unit owner or spouse of a unit owner from each of the member Associations. Each such committee shall have such authority as shall be specified in the resolution designating such committee. The Board of Directors shall have the power at any time to remove any individual serving on any such committee or committees, with or without cause, and to fill vacancies in and to dissolve such committee or committees. Each committee designated by the Board of Directors shall keep regular minutes of its meetings and shall report the same to the Board when required. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual executive Director of any responsibilities imposed by law.

5. OFFICERS. The officers of the Corporation shall be a President, and one or more Vice Presidents, all of whom must be Directors of the Corporation a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. All officers must be unit owners or spouses of unit owners. Any two of said offices may be held by one person, except that the President shall not hold any other office. The Board of Directors may appoint such other officers as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. The officers of the Corporation have a fiduciary duty to the members.

5.1 Tenure of Officers. All officers of the Corporation shall hold office until their successors are elected and qualified. Any officer elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the affirmative vote of the majority of the Directors. Any officer may resign at any time by giving written notice to the Corporation and unless otherwise specified therein, the resignation shall become effective upon receipt. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors of the corporation.

5.2 The President.

- A. The President shall preside at all meetings of the Directors; he shall have general and active management of the business of the Corporation; he shall see that all orders and resolutions of the Board of Directors are carried into effect; he shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by statute to be otherwise signed and

executed, and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation;

- B. He shall have general superintendency and direction of all the other officers of the Corporation and shall see to the best of his ability that their duties are performed properly;
- C. He shall submit a report of the operations of the Corporation for the fiscal year to the Board of Directors whenever called for by the Board; and from time to time shall report to the Board all matters within his knowledge which the best interest of the Corporation may require to be brought to their notice;
- D. He shall hold an ex-officio position on all committees, and shall have the general powers and duties of supervision and management usually vested in the office of the president of a corporation.

5.3 The Vice-President. The Vice-President, or if there be more than one, the Vice-Presidents, according to the order of their election appointment, shall be vested with all powers and duties required to perform the duties of the President in his absence, and such other duties as may be prescribed by the Board of Directors.

5.4 The Secretary.

- A. The Secretary shall be responsible for the keeping of the minutes of the meetings of the Board of Directors in one or more books provided for that purpose;
- B. He shall see that all notices are duly given in accordance with these By-Laws, or as required by statute;
- C. He shall be the custodian of the corporate records and of the seal of the Corporation and shall see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-Laws or as required by statute;
- D. He shall keep a register of the post office address of each member;
- E. In general, he shall perform all duties incident to the office of secretary and such other duties as from time to time may be prescribed by the President or the Board of Directors.

5.5 The Treasurer.

- A. The Treasurer shall be responsible for keeping full and accurate accounts of receipts and disbursements in books belonging to the

Corporation and shall cause all monies and other valuable effects to be deposited or kept in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

- B. He shall oversee the disbursement of funds of the Corporation, take proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all transactions and of the financial condition of the Corporation.
- C. He shall be the chairman of the Budget Committee, if any.
- D. He may be required to give the Corporation a bond in a sum and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and the restoration of the Corporation in case of his death, resignation or removal from office, of all books, papers, vouchers, money or other property of whatever kind in his possession belonging to the Corporation. The Corporation shall pay all premiums for issuance of the bond.
- E. In general, he shall perform all duties incident to the office of Treasurer and such other duties as from time to time may be prescribed by the President or the Board of Directors.

6. ASSESSMENTS AND FEES.

6.1 Method of Establishing Assessments. In accordance with Section 10.5 below, before the first day of December of each year, the Board of Directors shall consider and adopt an annual operating budget in amounts believed to be sufficient to enable the Corporation to perform its functions for the ensuing year. Based upon the amount of monies determined to be needed for the operation of the Corporation, the Board of Directors shall assess against each member its proportionate share of the budget, such proportionate share being determined by the ratio which the number of dwelling units contained in the particular member bears to the total number of dwelling units in Chardonnay at the Vineyards. Provided, however, that during the period of Developer control, the total number of dwelling units in the if Phase 1 is developed shall be 24, if Phase 2 is developed shall be 60, and if Phase 3 is developed shall be 120. Each member shall, as provided for in the Declaration of Condominium or other governing documents pertaining to such member, apportion such annual assessments among its unit owners in the shares provided in said Declaration or governing documents.

6.2 Payment of Annual Assessments. Annual assessments shall be billed in quarterly installments payable in advance on the first day of January, April, July and October of each year.

6.3 Limitation on Change in Assessments. The Board of Directors of the Corporation shall not increase a member's annual assessment by more than twenty percent (20%) over and above the respective member's annual assessments for the preceding year without the unanimous approval of the Board Directors of the Corporation.

6.4 Collection of Assessments. The Board of Directors of the Corporation shall be authorized to adopt and promulgate rules and regulations for the collection of all assessments, and the determination and collection of assessments against the members shall be subject to the following provisions:

- A. Assessments or installments thereof remaining unpaid longer than ten (10) days after the due date shall bear interest from the due date at the highest rate allowed by law; all payments on account shall be first applied to interest and then to the assessment payment first due.
- B. No member may exempt itself from liability for its assessment hereunder by waiver of the use and enjoyment of any of the Corporation property.

7. USE RESTRICTIONS.

7.1 Promulgation of Rules. Reasonable regulations concerning the use of Corporation Property may be made and amended from time to time by the Board of Directors. Copies of such regulations and amendments thereto shall be made available to all unit owners in Chardonnay at the Vineyards.

7.2 Restrictions. The following restrictions, in addition to the rules and regulations hereafter promulgated by the Board of Directors, shall govern the use of the Corporation Property and the conduct of the members of the Corporation and, their respective unit owners, occupants and/or guests.

- A. Each member and their respective unit owners and occupants shall not use or permit the use of the Corporation Property in any manner which would be disturbing or be a nuisance to unit owners and occupants, or in such a way as to be injurious to the reputation of the property.
- B. The use of Corporation Property shall be consistent with existing law, these By-Laws, and the governing documents of the member Associations, and shall not constitute a general nuisance.
- C. No tents or camping facilities shall be permitted on any Corporation Property.
- D. Corporation Property shall not be obstructed, littered, defaced or misused in any manner.

- E. No animals or pets shall be allowed on Corporation Property except to the extent permitted by the respective Declaration of Condominium or other governing documents of each member; further, cats and canines shall be allowed only if carried or on a leash while on Corporation Property. No pets are permitted in the pool area.
- F. No member or their respective unit owners or occupants shall post any advertisements or posters of any kind in or on the Corporation Property except as authorized, in writing, by the Board of Directors.
- G. All garbage and trash shall be deposited in the disposal installations provided for such purpose.
- H. No members or their respective unit owners or occupants shall make any alteration or improvement of Corporation Property, except as authorized, in writing, by the majority of the Board of Directors.
- I. No barbecuing or outdoor cooking of any type shall be permitted on Corporation Property except where the Corporation designates a place or provides facilities for such type of cooking, and then such activity may be undertaken only in conformity with the rules established for the use of such facilities.
- J. Each member, their respective unit owners and occupants shall be entitled to utilize tennis facilities only if attired in appropriate apparel which conforms to the rules and regulations pertaining to the use of such facilities, as same may from time to time exist.
- K. No motorcycles, motor scooters, motorized bicycles commonly known as "mopeds", or other like vehicles shall be allowed on any Corporation Property.

8. INSURANCE.

8.1 Required Coverage. The Board of Directors of the Corporation shall obtain and maintain at all times the insurance listed below. The named insured on all insurance policies upon the Corporation Property shall be the Corporation individually and as agent for each member and their respective unit owners, without naming them.

- A. Liability Insurance: Public liability insurance covering all of the Corporation Property and insuring the Corporation, the members, and their respective unit owners as their interests appear, in such amounts as the Board of Directors may determine from time to time, provided that the minimum amount of coverage shall be one million dollars. Premiums for such insurance shall be chargeable as an expense of the Corporation and shall be assessed against and paid by each of the members as provided for in Section 6 hereof. The

Corporation shall not be responsible for purchasing liability insurance to cover accidents occurring outside the Corporation Property.

- B. Property Insurance: Insurance against vandalism, malicious mischief, fire, windstorm and other perils normally covered by a standard "all-risk" property contract, insuring all of the insurable improvements upon the land owned and to be owned by the Corporation and all personal property included as Corporation Property, for a minimum of eighty percent (80%) of the full replacement value, together with such other insurance as the Corporation may deem necessary. Premiums for such insurance shall be chargeable as an expense of the Corporation and shall be assessed against and paid by each of the members as provided for in Section 6 hereof. The Corporation shall annually make an analysis to determine replacement costs for insurance purposes for all of the then existing improvements for the ensuing year. Said insurance shall not insure against damage to property other than Corporation Property.
- C. Such other insurance as the Board of Directors of the Corporation shall determine from time to time to be desirable. Premiums for such insurance shall be an expense of the Corporation and shall be assessed against and paid by each of the members as provided for in Section 6 hereof.

8.2 Distribution of Proceeds. If a loss occurs for which the proceeds of insurance policies are received, payments under the policies shall be disbursed and expended in the following manner:

- A. To the officers of the Corporation responsible for the conduct of the Corporation's financial affairs. Said officers shall be bonded at the Corporation's expense, at least to the full extent of the insurance proceeds and other funds on hand, and all such payees shall endorse the insurance company's check payable to the Corporation.
- B. If the damage for which the proceeds are paid is to be repaired or reconstructed, the Corporation shall pay the proceeds to defray the costs thereof as elsewhere provided. Any proceeds remaining after the defraying of such costs shall be distributed to the Corporation to be used for the benefit of the members.
- C. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the members.

8.3 Corporation as Agent. The Corporation is irrevocably appointed agent for each member, the respective unit owners, and for each holder of a mortgage or other lien upon a dwelling unit, and for each owner of any other interest in the Corporation property to adjust all claims arising under insurance policies

purchased by the Corporation and to execute and deliver releases for payment of claims.

8.4 Condominium Property. Each member and their respective unit owners shall obtain insurance coverage at their own expense upon their own property and for their own personal liability and living expense.

8.5 Reconstruction or Repair After Casualty. If any part of the Corporation Property shall be damaged by casualty, a decision as to whether or not it shall be reconstructed or repaired shall be made by the Board of Directors of the Corporation. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair, and if the Board of Directors has determined to proceed to reconstruct and repair, the Board may make a special assessment against each member in order to obtain the funds sufficient for the payment of such costs. Such special assessments shall be assessed against each member based upon the ratio which the number of dwelling units contained in the particular member bears to the total number of dwelling units in the Cobblestone Court Complex, and as provided for in Section 6.1 above.

9. NOTICES.

9.1 Method. Except as otherwise required, notices to Directors and each member shall be in writing and delivered personally or mailed to the Directors and each member at their addresses appearing on the records of the Corporation. Notice by mail shall be deemed to be given at the time when the same shall be deposited properly addressed with sufficient first class postage in the U.S. mails. Notice to Directors may also be given by telegram, telephone, or in person.

9.2 Waiver. Whenever any notice is required to be given a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent hereto. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except when the person attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

10. FINANCES.

10.1 Fiscal Year. The Corporation shall operate on a fiscal year beginning on the first day of January and ending on the 31st day of December of each year. The Board of Directors is expressly authorized to change to a different fiscal year basis whenever deemed expedient for the best interest of the Corporation.

10.2 Checks. All checks or demands for money and notes of the Corporation shall bear two signatures, and may be signed by any of the following officers: President, Vice President, Secretary or Treasurer or by such officer or such other person or persons as the Board of Directors may from time to time designate.

10.3 Annual Financial Statement. The Board shall provide a written financial statement prepared by an independent certified public accountant to the Board of Directors of each member within ninety (90) days after the end of each fiscal or calendar year as to the total fees and assessments and other income as to the method of disbursement of said funds. The minimum report required shall be a compilation, as defined by the Florida Board of Accountancy.

10.4 Depository. The Corporation shall maintain its accounts in such financial institutions in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Corporation funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities, and other similar investment vehicles.

10.5 Budget. The Treasurer shall prepare or cause to be submitted to the Board, not later than November 1 of each year, a proposed budget for the next year. The proposed budget shall be detailed and shall show the amounts budgeted for income and expense by accounts. The Board of Directors shall, not later than November 30 of each year, adopt an annual budget for the next fiscal year. A copy of the proposed budget and a notice stating the time, date and place of the meeting at which the budget will be considered shall be mailed to or served on each Director not less than fourteen (14) days prior to that meeting.

10.6 Reserves. In addition to the operating expenses provided in the budget, the Board may establish one or more reserve accounts for contingencies, operating expenses, repairs, improvements or deferred maintenance. The purpose of the reserves is to provide financial stability and to minimize the need for special assessments. The amounts proposed to be so reserved shall be shown in the annual budget. These funds may be spent for any purpose approved by the board.

10.7 Special Assessments. Special assessments may be imposed by the Board of Directors when necessary to meet unusual, unexpected, emergency, or non-recurring expenses, or for such other purposes as are authorized by the Articles of Incorporation or these By-Laws. Special assessments are due on the day specified in the resolution of the Board approving such assessment. The notice of any special assessment must contain a statement of the purpose(s) of the assessment, and the funds collected must be spent for the stated purpose(s) or credited to the members.

11. PROVISIONS RELATED TO DEVELOPER.

11.1 Appointment of Directors. As the Developer of Chardonnay at the Vineyards, Chardonnay Joint Venture shall have the right to appoint all of the Directors of the Corporation until control of all Associations in Chardonnay at the Vineyards has been turned over to unit owners other than the Developer. At that time, each Association shall designate one or more directors to serve until their successors are designated and the next annual organizational meeting is held, as provided in Sections 4.2 and 4.3 above.

11.2 Subsidy of Corporation Expenses. During the period of Developer control, the Developer will fund the difference, if any, between Corporation income from members and the actual expenses incurred. The foregoing shall not obligate the Developer to contribute to the funding of any reserve accounts for capital expenditures or deferred maintenance.

11.3 Title to Common Areas. Developer will initially retain the legal title to the Common Areas. On or before the date when owners other than the Developer first select a majority of the Board of Directors as provided in 11.1 above, Developer shall convey the title to the Common Areas to the Corporation and the Corporation shall accept such conveyance, subject to taxes for the year of conveyance and to restrictions, limitations, conditions, reservations and easements of record. Commencing with the date the Declaration of Condominium for CHARDONNAY AT THE VINEYARDS, A CONDOMINIUM is recorded, the Corporation shall be responsible for the maintenance and administration of the Corporation Property, and for the payment of any taxes assessed against the Corporation Property and any improvements and personal property thereon accruing from and after the date of such recordation. Developer shall have the right from time to time to enter upon the Corporation Property during periods of construction upon adjacent properties and for the purpose of construction of any facilities on the Corporation Property that Developer elects to build.

12. AMENDMENT OF BY-LAWS. Amendments to these By-Laws shall be proposed and adopted in the following manner:

12.1 Proposal. Amendments to these By-Laws may be proposed by the President or by any two (2) Directors.

12.2 Procedure. Upon any amendment or amendments to these By-Laws being proposed, the appropriate notices and copies of the text of the proposed amendments shall be mailed to all Directors with notice of a meeting at which the amendments will be voted on.

12.3 Vote Required. Except as otherwise provided, these By-Laws may be amended by concurrence of at least two-thirds (2/3rds) of the Directors at any meeting called for that purpose. The text of any proposed amendment shall be contained in the notice of such meeting.

12.4 Certificate; Recording. A copy of each amendment shall be attached to a certificate that the amendment was duly adopted, which certificate shall be executed by officers of the Corporation with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida. The certificate must identify the book and page of the Public Records where the Declaration of Condominium or other governing documents for each development in the Cobblestone Court complex are recorded.

13. COMPLIANCE AND DEFAULT; REMEDIES. In addition to any other remedies provided by law, the following provisions shall apply:

13.1 Fines. Pursuant to Section 617.10(3), Florida Statutes, the Board of Directors may levy reasonable fines against members whose unit owners commit violations of the rules and regulations, or condone such violations by their family members, guests or lessees. The fines shall be in an amount deemed necessary by the Board to deter future violations, but in no event shall any fine exceed \$500.

13.2 Suspension of Use Rights. The Board of Directors may suspend the right of any unit owner, or his guest, tenants, and family members, to use Corporation Property for the period of time the owner shall have failed to pay any fine levied under 13.1 above, or for a reasonable time as punishment for infractions of Corporation rules and regulations by the unit owner, his family, guests or tenants.

14. MISCELLANEOUS

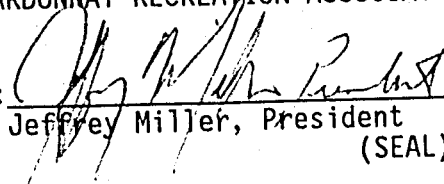
14.1 Gender. Whenever the masculine or singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

14.2 Severability. Should any portion hereof be void or become unenforceable, the remaining provisions of the instrument shall remain in full force and effect.


14.3 Conflict. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these By-Laws and the Articles of Incorporation, the provisions of the Articles of Incorporation shall prevail over the provisions of the By-Laws.

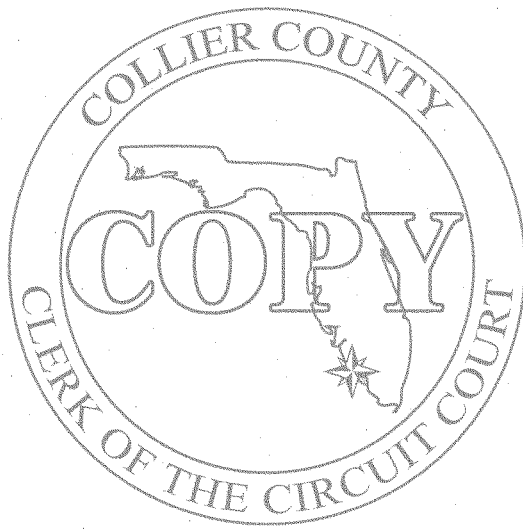
he foregoing constitute the first By-Laws of Chardonay Recreation Association, Inc., and were adopted by the Board of Directors at its initial organizational meeting held August 02, 1989.

CHARDONAY RECREATION ASSOCIATION, INC.

By: 
Jeffrey Miller, President
(SEAL)

Attest:


Raymond Shane, Secretary



Recorded and Verified
in Official Records of
COLLIER COUNTY, FLORIDA
JAMES C. GILES, CLERK

Commons Association - By-Laws
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Exhibit "E-3"

FORSYTH, SWALM & BRUGGER, P.A., Attorneys at Law, 600 Fifth Avenue South, Suite 210, Naples, Florida 33940

