

DECLARATION OF CONDOMINIUM

FOR

CHATEAUMERE, A CONDOMINIUM

If this condominium is located in a master association or other common property ownership community, the governing documents for the master or other common property ownership community are not included.

The attached documents cover only the specific condominium in which your unit is located and do not include any master or other common property ownership community's governing documents.

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RECORDED
OFFICE OF PUBLIC RECORDS
COLLIER COUNTY, FLORIDA

Dec 9 8 19 AM '80

DECLARATION OF CONDOMINIUM

OF

O.R. 895 PG 0409

CHATEAUMERE,

A CONDOMINIUM

SUBMISSION STATEMENT

Southern Gulf Properties, Inc. (hereinafter referred to as "Developer") a Florida corporation, being the owner of fee simple title of record to those certain lands located and situated in Collier County, Florida, being more particularly described hereinafter, does hereby submit the said lands and improvements thereon in Phase One to condominium ownership, pursuant to Chapter 718 of the Florida Statutes, (hereinafter referred to as the "Condominium Act"), subject to the restrictions and reservations hereinafter set forth.

Notwithstanding the fact that this Declaration of Condominium (hereinafter referred to as "Declaration") may be filed with the Division of Florida Land Sales and Condominium prior to November 1, 1979, Developer does not intend to offer any units in said Condominium for sale until after November 1, 1979, and therefore this Declaration and other documents attached hereto have been prepared in accordance with Chapter 718 of the Florida Statutes. This Declaration is not effective until it is recorded in the Public Records of Collier County, Florida.

ARTICLE I.

1. The name by which this Condominium is to be identified is Chateaumere, a condominium (hereinafter referred to as "Condominium").

2. The terms used in this Declaration and in the exhibits attached hereto, including the Articles of Incorporation and By-Laws of Chateaumere Condominium Association, Inc., shall be

defined in accordance with the provisions of the Condominium Act, unless otherwise stated or unless otherwise required by the context.

3. Development Plan. The condominium shall be developed in phases as more fully set forth hereinafter and shall consist of the land, buildings and improvements as more fully set forth hereinafter.

In accordance with the provisions of Article IV hereof, Developer shall have the right but not the obligation, to develop Phase Two and Phase Three at later dates and to make Phase Two and Phase Three part of the condominium.

ARTICLE II.

1. The Land. Developer is owner in fee simple of the following described land lying in Collier County, Florida:

Phase One: A parcel of land in Section 9, Township 49 South, Range 25 East, Collier County, Florida, being a portion of Parcel H of Pelican Bay, Unit One according to the plat thereof as recorded in Plat Book 12 at Pages 47 thru 52 of the Public Records of Collier County, Florida, more particularly described as follows:

COMMENCE at the Northwest corner of the Northeast one-quarter of said Section 9; thence $SO^{\circ}30'31''$ E along the West line of said Northeast one-quarter for 1603.66 feet to an intersection with the northeasterly line of said parcel H and the point of beginning of the herein described parcel of land; thence $N34^{\circ}03'25''$ W for 70.00 feet; thence $S87^{\circ}31'26''$ W for 176.63 feet; thence $S22^{\circ}10'15''$ W for 148.00 feet; thence $S82^{\circ}10'15''$ W for 326.00 feet; thence $S12^{\circ}34'45''$ E for 197.00 feet to the point of curvature of a circular curve concave to the northeast; thence southeasterly along the arc of said curve having for its elements a radius of 1140.00 feet and a central angle of $7^{\circ}44'03''$ for 153.89 feet; thence $N54^{\circ}10'16''$ E for 684.91 feet; thence $N34^{\circ}03'25''$ W for 84.40 feet to the point of beginning, containing 3.45 acres more or less.

Phase Two: A parcel of land in Section 9, Township 49 South, Range 25 East, Collier County, Florida, being a portion of Parcel H of Pelican Bay, Unit One according to the Plat thereof as recorded in Plat Book 12 at Pages 47 thru 52 of the Public Records of Collier County, Florida, more particularly described as follows:

COMMENCE at the Northwest corner of the Northeast one-quarter of said Section 9; thence $SO^{\circ}30'31''$ E along the West line of said Northeast one-quarter for 1603.66 feet to an intersection with the northeasterly line of said parcel H; thence $N34^{\circ}03'25''W$ for 245.25 to the point of beginning of the herein described parcel of land; thence continue $N34^{\circ}03'25''W$ for 146.00 feet; thence $N40^{\circ}27'25''W$ for 204.44 feet; thence $N74^{\circ}48'57''W$ for 320.00 feet to an intersection with the arc of a circular curve concave to the Southeast, said point bearing $N80^{\circ}04'56''W$ from the radius point of said curve; thence Southwesterly along the arc of said curve having for its elements a radius of 1140.00 feet and a central angle of $18^{\circ}58'43''$ for 377.61 feet; thence $N84^{\circ}10'15''E$ for 170.00 feet; thence $N5^{\circ}49'45''W$ for 12.00 feet; thence $N44^{\circ}32'36''E$ for 16.13 feet; thence $S58^{\circ}03'25''E$ for 225.00 feet; thence $N58^{\circ}56'35''E$ for 182.00 feet to the point of beginning, containing 3.42 acres more or less.

Phase Three: A parcel of land in Section 9, Township 49 South, Range 25 East, Collier County, Florida, being a portion of Parcel H of Pelican Bay Unit One according to the Plat thereof as recorded in Plat Book 12 at Pages 47 thru 52 of the Public Records of Collier County, Florida, more particularly described as follows:

COMMENCE at the Northwest corner of the Northeast one-quarter of said Section 9; thence $SO^{\circ}30'31''E$ along the West line of said Northeast one-quarter for 1603.66 feet to an intersection with the northeasterly line of said parcel H; thence $N34^{\circ}03'25''W$ for 70.00 feet to the point of beginning of

the herein described parcel of land; thence continue N34°03'25"W for 175.25 feet; thence S58°56'35"W for 182.00 feet; thence N58°03'25"W for 225.00 feet; thence S44°32'36"W for 16.13 feet; thence S5°49'45"E for 12.00 feet; thence S84°10'15"W for 170.00 feet to an intersection with the arc of a circular curve concave to the northeast, said point bearing S80°56'20"W from the radius point of said curve; thence southeasterly along the arc of said curve having for its elements a radius of 1140.00 feet and a central angle of 3°31'05; for 70.00 feet to the point of tangency; thence S12°34'45" E for 256.14 feet; thence N82°10'15"E for 326.00 feet; thence N22°10'15"E for 148.00 feet; thence N87°31'26"E for 176.63 feet to the point of beginning, containing 2.98 acres more or less.

2. Survey. A survey of the land and a graphic description of the improvements in which units of Phase One are located and the plot plan is attached hereto as Exhibit VII.

The survey of the lands, graphic descriptions and plot plan were prepared and certified by Walter L. Keller, a registered Florida architect.

3. Amendment of Plans. Developer reserves the right to change the interior design and arrangement of all units so long as Developer owns the units so changed and altered, provided such change shall be reflected by an amendment of this Declaration. An amendment for such purpose need be signed and acknowledged only by the Developer and shall not require the approval of Unit Owners or the Association, notwithstanding anything to the contrary contained herein.

4. Alteration of boundaries and apartment dimensions. Developer reserves the right to alter the boundaries between units so long as Developer owns the units so altered; to increase or decrease the number of units and to alter the boundaries of the common elements so long as Developer owns the units abutting the common elements where the boundaries are being altered, provided no such change shall be made without

amendment of this Declaration. An amendment for such purpose need be signed and acknowledged only by Developer and such amendment shall not require the approval of Unit Owners or the Association, notwithstanding anything to the contrary contained herein.

ARTICLE III.

1. Identification of Building and Units Phase One.

There will be forty (40) units. Forty (40) of the sixty (60) parking spaces shall be assigned to the individual units. These units are described generally below.

Phase One shall consist of two (2) buildings. These shall be identified as Building D and Building E. Each building shall consist of four (4) stories, containing the following units:

Building D

First Floor: D-101, D-102, D-103, D-104, D-105
Second Floor: D-201, D-202, D-203, D-204, D-205
Third Floor: D-301, D-302, D-303, D-304, D-305
Fourth Floor: D-401, D-402, D-403, D-404, D-405

Building E

First Floor: E-101, E-102, E-103, E-104, E-105
Second Floor: E-201, E-202, E-203, E-204, E-205
Third Floor: E-301, E-302, E-303, E-304, E-305
Fourth Floor: E-401, E-402, E-403, E-404, E-405

All -01 and -05 units shall have three (3) bedrooms, three (3) bathrooms, living-dining room, kitchen, laundry room, two (2) walk-in closets, one (1) dressing room, a terrace and a balcony.

All -02 and -04 units shall have two (2) bedrooms, two (2) bathrooms, living-dining room, breakfast room/kitchen, storage/laundry room, two (2) walk-in closets, and a terrace.

All -03 units shall have two (2) bedrooms, two and one-half (2 1/2) bathrooms, living-dining room, kitchen, laundry room, one (1) walk-in closet, and a terrace.

2. Identification of Building and Proposed Units in Phase

Two.

There will be forty (40) units. Forty (40) of the sixty (60) parking spaces shall be assigned to the individual units. These units are described generally below.

Phase Two shall consist of two (2) buildings. These shall be identified as Building A and Building B. Each building shall consist of four (4) stories.

3. Identification of Building and Proposed Units in Phase Three.

There will be sixty (60) units. Sixty (60) of the ninety (90) parking spaces shall be assigned to the individual units. These units are described generally below.

Phase Three shall consist of one (1) building. This building shall be identified as Building C. The building shall consist of sixteen (16) stories, with fifteen (15) stories designated as living floors.

The respective units shall not be deemed to include the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceiling surrounding each unit or any pipes, wires, conduits or other utility lines running through each unit which are utilized for or serve more than one (1) unit, the same being the Common Elements as hereinafter provided. Each unit shall be deemed to include the interior walls and partitions, the inner decorated or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, etc., which are contained in said unit. Ceiling height of each unit shall be eight (8') feet.

2. Easements.

Each unit shall have and be subject to and have appurtenant thereto non-exclusive easements in the common elements designated for such purposes as ingress to, egress from, utilities services for, and support, maintenance and repair of each unit, and in the other common elements for use according to their respective purposes. If any part of the common elements encroaches upon any unit or parking stall, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall and does exist. The Association shall have the right, to be exercised by its Board of Directors or the Managing

Agent, to enter into each unit from time to time during reasonable hours as may be necessary for the operation of the Condominium or for making emergency repairs therein necessary to prevent damage to any unit or common elements.

3. Common Elements.

a. The Common Elements of Phase One shall include the land comprising Phase One and all other parts of the condominium located within Phase One and which are not within the above described units, and tangible personal property required for the maintenance and operation of Phase One of the condominium

The Common Elements of Proposed Phase Two shall include the land comprising Phase Two and all other parts of the condominium located within Phase Two and which are not within the forty (40) units proposed for Phase Two, and tangible personal property required for the maintenance and operation of Phase Two of the condominium.

The Common Elements of Proposed Phase Three shall include the land comprising Phase Three and all other parts of the condominium located within Phase Three and which are not within the sixty (60) units proposed for Phase Three, and tangible personal property required for the maintenance and operation of Phase Three of the condominium.

b. Parking spaces in the parking areas located within Phase One of the Condominium Property as aforesaid shall be assigned by the Board of Directors of the Association to each unit. Such facilities constitute Limited Common Elements and, as such, are reserved for the use of the unit appurtenant thereto, to the exclusion of other units, and there shall pass with each unit as appurtenant thereto the exclusive right to use the Limited Common Elements so appurtenant. Notwithstanding the designation of the parking spaces as Limited Common Elements, expenses of maintenance and repair of the parking area shall be assessed in the same proportion as for the maintenance and repair of Common Elements as provided hereinafter.

c. Each Unit shall have appurtenant thereto an undivided interest as hereinafter set forth, in the Common Elements and the Limited Common Elements. The fee title to each unit shall include both the unit and the undivided interest in the Common Elements and the Limited Common Elements; and said undivided interest shall be deemed to be conveyed or encumbered with its respective unit even though the description in the instrument of conveyance or encumbrances may refer only to the fee title of that unit. Any attempt to separate the fee title to a unit from the undivided interest in the Common Elements and the Limited Common Elements appurtenant to such unit shall be null and void.

d. The Common Elements and Limited Common Elements shall remain undivided and no Owner shall bring any action for partition, so long as the structure(s) in question shall be utilized as residential non-profit condominium building(s).

e. The owners of the respective units agree that if any portion of the Unit or Common Element or Limited Common Element encroaches upon another, a valid easement for the encroachment and the maintenance of same so long as it stands, shall and does exist. In the event the multi-family structure is partially or totally destroyed, and then rebuilt, the owners of the Condominium Units agree that encroachments of parts of the Common Elements or Limited Common Elements or Units, as aforescribed, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

ARTICLE IV.

The Condominium shall consist of the property described in Phase One and all improvements thereon and therein contained. The owner or owners of each unit in Phase One shall have an undivided 1/40th interest in and to the Common Elements and Common Property of the Condominium.

Should the Developer decide to develop Phase Two of the

condominium, each unit owner will then have an undivided 1/80th interest in and to the Common Elements and Common Property of the Condominium.

Should the developer decide to develop Phase Three, the owner or owners of each unit shall have an undivided 1/140th interest in and to the Common Elements and Common Property of the Condominium.

As each Phase develops, the Common Elements of the condominium shall merge and form a single entity as noted by the interest of each of the unit owners. This merging of Common Elements and Common Properties into the condominium is necessary to provide access to Phase Two and Phase Three by owners of units in each of those Phases. Developer reserves the right to develop the condominium in phases pursuant to Section 718.403 of the Florida Statutes of 1978.

Developer hereby obligates itself to develop Phase One of the condominium as previously described and reserves the absolute right, but not the obligation, to develop Phase Two, as previously described at a later date as hereinafter set forth. Developer shall, on or before such date as hereinafter set forth, notify all unit owners by certified mail of Developer's election to develop, or not to develop Phase Two. Developer shall, on or before such date as hereinafter set forth, notify all unit owners by certified mail of Developer's election to develop or not to develop Phase Three.

The condominium shall consist of the property described as Phase One and all the improvements thereon and therein contained. The owner or owners of each unit shall own an undivided 1/40th interest in and to the common elements. Should the Developer elect to develop Phase Two of the condominium as previously described, he shall notify the Board of Directors of the Association within thirty (30) days after the date of his decision, but no later than November 30, 1981. The Board of Directors shall call and give notice of a special meeting of

Unit Owners, which meeting shall be held not less than thirty (30) days nor more than forty (40) days after the date of the notice. At such meeting, the land comprising Phase Two, with all the improvements thereon, shall become part of the condominium and as of that date, the individual interests of the Unit Owners shall be readjusted so that the owner or owners of each unit shall own an undivided 1/80th interest in and to the common elements of the condominium. Should the Developer elect to develop Phase Three of the condominium as previously described, he shall notify the Board of Directors of the Association within thirty (30) days after the date of his decision, but no later than November 30, 1983. The Board of Directors shall call and give notice of a special meeting of the Unit Owners, which meeting shall be held not less than thirty (30) days nor more than forty (40) days after the day of the notice. At such meeting, the land comprising Phase Three, with all the improvements thereon, shall become part of the condominium and as of that date, the individual interests of the Units Owners shall be readjusted so that the owner or owners of each unit shall own an undivided 1/140th interest in and to the common elements of the condominium.

Should Developer elect not to develop Phase Two, then the undivided interest of the unit owners shall remain as 1/40th and the property of the condominium as herein described as Phase One and the condominium association, shall have no right to or interest in any property described as Phase Two, and the property described as Phase Two shall remain the property of the Developer. Should Developer elect not to develop Phase Three, then the undivided interest of the unit owners shall remain as 1/80th and the property of the condominium shall be that described as Phase One and Phase Two and the condominium and its association shall have no right to or interest in any property described herein as being part of Phase Three and the property described as Phase Three shall remain the property of the

Developer. Developer shall exercise its right to develop or not to develop Phase Two on or before October 31, 1981 by sending notice of its decision to unit owners of existing units by certified mail addressed to each owner at the address of his unit or at his last known address. Developer shall exercise its right to elect to develop or not to develop Phase Three on or before October 31, 1983 by sending notice of its decision to unit owners of existing units by certified mail, addressed to each owner at the address of his unit or at his last known address. Should Developer elect to develop Phase Two or Phase Three, said Phase will be completed within thirty-six (36) months from the date of the first unit therein is contracted to be sold.

ARTICLE V.

A. Maintenance, Alteration and Improvement.

Responsibility for the maintenance of the Condominium Property, and restrictions upon the alteration and improvement thereof, shall be as follows:

1. Apartment Units.

(a) The Association shall maintain, repair and replace at the Association's expense:

1) all portions of a unit, except interior surfaces, contributing to the support of the condominium building which portions shall include, but not be limited to, the outside walls of the condominium building and all fixtures on its exterior, boundary walls of units, floor and ceiling slabs, load-bearing columns and load-bearing walls;

2) all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in the portions of a unit that service part or parts of the Condominium other than the unit within which contained; and

3) all incidental damage caused to a Unit by such work specified in 1) and 2) of this subsection.

(b) The responsibility of the Unit Owner shall be as follows:

1) to maintain, repair and replace at his expense all portions of his unit, except the portions to be maintained, repaired and replaced by the Association. The portions of a unit to be maintained, repaired and replaced by the Unit Owner at his expense shall include but not be limited to the following items: major appliances such as dishwasher, laundry, refrigerator, oven, stove, water heater, whether or not such items are built-in equipment; floor coverings, except floor slabs; interior fixtures such as electrical and plumbing fixtures; inside paint and other inside wall finishes. Mechanical equipment and installation of such equipment shall be such that its operation will not cause annoyance to the residents of other Units;

2) not to make or cause to be made any structural addition or alteration, decoration, repair, replacement or change to the Common Elements and/or the Limited Common Elements or to any outside or exterior portion of the building, whether part of a Unit, the Common Elements and/or Limited Common Elements;

2. Common Elements.

(a) The maintenance of the Common Elements and the Limited Common Elements shall be the responsibility of the Association; and there shall be no material alteration or substantial additions to the Common Elements and the Limited Common Elements, except in the manner provided in this Declaration or in the By-Laws of the Association.

(b) The Board of Directors of the Association may enter into a contract with any firm, person or corporation for the maintenance and repair of the Condominium Property and may join with other Condominium Associations in contracting with the same firm, person or corporation for maintenance and repair.

(c) No Unit Owner shall make any alterations in the

portions of the improvements of the Condominium which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do any work which would jeopardize the safety or soundness of the Condominium Building containing his Unit, or impair any easements.

(d) The Association shall determine the exterior scheme of the building and all exterior surfaces and shall be responsible for the maintenance thereof, and no Unit Owner shall paint an exterior wall, door, window or any exterior surface without the written consent of the Board of Directors.

B. In the event the Unit Owner fails to maintain his Unit as herein required, or makes any structural addition or alteration, or change without the required consent, or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to proceed in a court of competent jurisdiction for an injunction to seek compliance with the provisions hereof. In lieu thereof, and in addition thereto, the Board of Directors shall have the right to levy an assessment against the Unit and its Owner for such necessary sums to remove any unauthorized structural additions or alteration and to restore the property to good conditions and repair. The association shall have the further right to have its employees and agents, or any subcontractors appointed by it, enter the Unit at all reasonable times to do such work as is deemed necessary by the Board of Directors of the Association to enforce compliance with the provisions hereof.

ARTICLE VI.

1. Common Expenses and Common Surplus.

The Common Expenses of the Condominium shall be assessed against Unit Owners as set forth in the By-Laws. Should there be a surplus, such surplus shall be shared by Unit Owners, subject to the provisions of the Certificate of Incorporation. Both Common Expenses and Common Surplus shall be shared by Owners of each Unit according to their undivided interest in the

Common Elements as set forth in Article III of this Declaration.

2. Assessments.

A. Each Unit Owner shall pay an amount as specified in the Estimated Budget attached as Exhibit V, to the Association for the operation, maintenance, repairs, replacement and restoration of the Condominium, its Common Elements and Limited Common Elements. Said sum or sums are hereinafter referred to as the "Assessments." No Unit Owner shall be assessed any sums in excess of the amount so specified during the period when Developer has designated a majority of the members of the Board of Directors.

B. Each Unit Owner shall be responsible for a share of the Common Expenses equal to his undivided interest in the Common Elements of the Condominium as set forth in Article III of this Declaration. Said share shall be paid to the Association in the manner provided in the By-Laws.

C. The determination and collection of assessments against Unit Owners for Common Expenses shall be pursuant to Article V of the By-Laws subject to the following provisions:

1. Assessments that are unpaid for over 10 days after due date shall bear interest at the highest legal rate; all payments on account shall be first applied to interest and then to the assessment payment first due.
2. The Association shall have the right to place a lien on each Unit for any unpaid assessments, with interest thereon. Said lien shall also secure reasonable attorneys' fees incurred by the Association incident to the collection of such assessment or enforcement of such lien. Said lien shall be effective from and after the date of its recording in the manner provided in the Condominium Act, and shall have the priorities established by said Act.
3. Liens for assessments may be foreclosed in the manner provided in the Condominium Act. In any

foreclosure of a lien for assessments, the Owner of the Unit subject to the lien may be required to pay a reasonable rental for the Unit, and the lienor may be entitled to the appointment of a receiver to collect the same. The Association shall have the power to bid on the Condominium Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey same. Nothing herein, however, shall be construed to prevent maintenance of a suit to recover a money judgment for unpaid assessments, the maintenance of such suit shall not be deemed a waiver of the lien securing same.

4. When the first mortgagee of a mortgage of record to a purchaser of a Condominium Unit obtains title to the Unit as a result of foreclosure, or as a result of a deed given in lieu of foreclosure, such acquirer of title, his successors and assigns, shall not be liable for the share of Common Expenses or assessments by the Association pertaining to such unit which became due prior to aquisition of title as a result of such foreclosure, unless such share is secured by a claim of lien for assessments that is recorded prior to the recording of the foreclosure. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the Unit Owners including such acquirer, his successors and assigns a first mortgagee acquiring title to a Unit as a result of foreclosure or a deed in lieu of foreclosure, may not during the period of its ownership of such Unit, whether or not such Unit is unoccupied, be excused from the payment of some or all of the Common Expenses coming due during the period of such ownership.

5. Except as provided in (4) above and in this subsection, no Unit Owner may be excused from the payment of his proportionate share of the Common

Expenses unless all Unit Owners are likewise proportionately excused from such payment. The developer shall, however, be excused from the payment of its share of Common Expenses for those Units owned by it during the time that it shall have guaranteed to each purchaser that the assessment for Common Expenses would not increase over a stated dollar amount and shall have obligated itself to pay any amount of Common Expenses above those sums paid by the Unit Owners.

D. No Unit Owner may exempt himself from liability for his contribution towards the Common Expenses by waiver of the use and enjoyment of any of the Common Elements or by the abandonment of his Unit.

E. The Association shall also collect from each individual Unit Owner a special assessment annually to be paid over to The Pelican Bay of Naples Foundation, Inc.

ARTICLE VII.

Association. The operation of the Condominium shall be by Chateaumere Condominium Association, Inc., a corporation not for profit incorporated under the laws of the State of Florida (hereinafter referred to as the "Association"). The Association shall operate pursuant to the provisions of the Declaration, the Articles of Incorporation and the By-Laws of the Condominium.

ARTICLE VIII.

Insurance

A. The Board of Directors of the Association shall obtain and maintain at all times the following insurance listed below. The named insured in all insurance policies upon the Condominium Property shall be the Association individually and as agent for the Unit Owners, without naming them, and first mortgagees, and to other mortgagees upon request.

1. Liability Insurance. Public liability insurance covering all of the Common Elements and insuring the Association and the Unit Owners as it and 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 \$300,000. Premiums for such insurance shall be chargeable as a Common Expense to be assessed against and paid by each of the Unit Owners in the proportions set forth above in Article VI. The Association shall not be responsible for purchasing liability insurance to cover accidents occurring within the individual Units.

2. Casualty Insurance. Casualty insurance insuring against vandalism, malicious mischief, fire, windstorm and extended coverage insurance, insuring all of the insurable improvements upon the land and all personal property included in the Common Elements and Limited Common Elements for a minimum of eighty percent (80%) of the full replacement value, together with such other insurance as the Association deems necessary. Premiums for such insurance shall be chargeable as a Common Expense to be assessed against and paid by each of the Unit Owners in the proportion set forth above in Article VI. The Association shall annually make an analysis to determine replacement costs for insurance purposes for all of the then existing improvements for the ensuing year.

3. Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable.

B. Premiums for such insurance shall be chargeable as a Common Expense to be assessed against and paid by each of the Unit Owners in the proportions set forth above in Article VI.

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

1. To the officers and/or employees of the Association responsible for the conduct of the condominium's financial affairs. Said officers and employees shall be bonded at the Association'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 check payable to the Association.

2. If the damage for which the proceeds are paid is to be repaired or reconstructed, the Association shall pay the proceeds to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Owners, each Owner's share being the same as the undivided interest to his Unit. Such proceeds shall be paid to Unit Owners and their mortgagees jointly.

3. 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 beneficial Owners by the Association, each Owner's share being equal to the undivided interest in the Common Elements and the Limited Common Elements appurtenant to his Unit. Remittances shall be paid to Unit Owners and their mortgagees jointly.

D. The Association is irrevocably appointed agent for each Unit Owner and for each holder of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

E. Unit Owners may obtain insurance coverage at their own expense upon their own property and for their personal liability and living expense.

(a) All casualty policies issued to protect condominium buildings shall provide that the word "building" wherever used in the policy shall include, but shall not necessarily be limited to fixtures, installations or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of

the individual units initially installed or replacements thereof, in accordance with the original plans and specifications. With respect to the coverage provided for by this paragraph, the unit owners shall be considered additional insureds under the policy.

(b) All other property contained within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual units shall be insured by the individual unit owner.

ARTICLE IX.

A. Reconstruction or Repair After Casualty. If any part of the Condominium Property shall be damaged by casualty, a decision as to whether or not it shall be reconstructed or repaired shall be determined in the following manner:

1. Lesser damage. If Units to which at least fifty percent (50%) of the Common Elements are appurtenant are found by the Board of Directors of the Association to be tenantable after the casualty, the damaged property shall be reconstructed or repaired by the Association.

2. Major damage. If Units to which more than fifty percent (50%) of the Common Elements and the Limited Common Elements are appurtenant are found by the Board of Directors to be not tenantable after the casualty, a decision as to whether the damaged property will be reconstructed and repaired or the condominium terminated shall be determined in the following manner:

(a) Immediately after the casualty the Association shall obtain reliable and detailed estimates of the cost to rebuild and repair.

(b) Immediately after the determination of the amount of insurance proceeds the Association shall give notice to all Unit Owners of the casualty, the extent of the damage, the estimated cost to rebuild or repair, the amount of insurance proceeds and the estimated amount of assessments

required to pay the excess of the cost of reconstruction or repair over the amount of insurance proceeds. Such notice shall announce a meeting of Unit Owners to be held within thirty (30) days from the mailing of such notice. If the reconstruction and repair is approved at such meeting by the Owners of seventy-five percent (75%) of the Common Elements and Limited Common Elements, the damaged property shall be reconstructed or repaired; or if not so approved, the Condominium shall be terminated without agreement and any proceeds from insurance or sale of Condominium Property shall be distributed as provided in Article XIII of this Declaration. Such approval may be expressed by vote or in writing filed with the Association at/or prior to the meeting. The expense of such determination shall be assessed against all Unit Owners in proportion to their shares of the Common Elements and the Limited Common Elements.

B. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements, portions of which are attached hereto as exhibits; or if not, then according to plans and specifications approved by the Board of Directors of the Association and by the owners of not less than seventy-five percent (75%) of the Common Elements, including Institutional First Mortgagees, the owners of damaged Units and owners of Units whose plans are intended to be altered, which approvals shall not be unreasonably withheld.

C. If the damage is only to those parts of an individual Unit or Units for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair after casualty.

D. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the

costs thereof are insufficient, notwithstanding anything to the contrary contained herein, assessments shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such assessments shall be in proportion to the Owners's share in the Common Elements and the Limited Common Elements.

ARTICLE X.

1. Condemnation. In case at any time or times the Condominium Property or any part thereof shall be taken or condemned by any authority having the power of eminent domain, all proceeds paid for or on account of such taking shall be payable to the Association as trustee for all Unit Owners and mortgagees according to the loss or damage to their respective interests in the Condominium Property, as follows:

A. If such taking does not reduce or make untenable any of the Units, said proceeds shall be used promptly to replace or restore improvements taken upon the affirmative vote of seventy-five percent (75%) of the Unit Owners. In the event seventy-five percent (75%) in number and in common interest of the Unit Owners do not approve the replacement and restoration of the property so taken, the proceeds shall be distributed to the Unit Owners in proportion to the impairment of their respective interests.

B. If such taking reduces or makes untenable any of the Units, the proceeds shall be distributed to the Unit Owners and mortgagees affected by such taking jointly and in proportion to the impairment of their respective interests. The shares in the Common Elements appurtenant to the Units which continue as part of the Condominium shall be equitably adjusted to distribute the ownership of the Common Elements among the reduced number of Owners.

C. If such taking reduces or makes untenable all of the Units, the proceeds shall be distributed by the Association

in the same manner as insurance proceeds as provided above, unless seventy-five percent (75%) in number and in common interest of the Unit Owners vote to restore or replace the portions of the Condominium Property so taken. In the event said Unit Owners approve the restoration and replacement of said property, the Association shall disburse the award to contractors engaged in such replacement and restoration in appropriate progress payments; provided however, any such replacement or restoration must be according to plans and specifications approved by the Board of Directors of the Association and by the owners of not less than seventy-five percent (75%) in number and in common interest of the Unit Owners. If the award is not sufficient to pay the cost of such replacement and restoration, then additional assessments may be made against Unit Owners as provided in the By-Laws.

ARTICLE XI.

A. Use Restrictions. A residential unit shall only be used for one family and their guests, and as provided in Article VII of the By-Laws, and for no other purposes. The Unit Owner shall not permit or suffer anything to be done or kept in his Unit which will increase the rate of insurance on the Condominium Property or which will obstruct or interfere with the rights of the other Unit Owners or annoy them by unreasonable noise or otherwise; nor shall the Unit Owner commit or permit any nuisances, immoral or illegal acts in or about the Condominium Property. No clothes lines or similar devices shall be allowed on any portion of the Condominium Property by any person, firm or corporation without the written consent of the Board of Directors.

B. Reasonable regulations concerning the use of the Condominium Property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-Laws. Copies of such regulations and

amendments thereto shall be furnished by the Association to all Unit Owners and residents of the Condominium upon request.

ARTICLE XII.

Maintenance of Community Interest. In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the Units, the transfer of Units by any Owner shall be subject to the following provisions so long as the Condominium exists and the Condominium Building exists in useful condition upon the land, which provisions each Unit Owner covenants to observe:

A. No Unit Owner may effectively dispose of his Unit unless to another Unit Owner, except as follows:

1. A Unit Owner intending to make a bona fide sale of his Condominium Unit shall give the Board of Directors of the Association notice of such intention, together with the name and address of the intended purchaser and such other information (to be requested within five (5) days from receipt of such notice) as may be required by the Board of Directors, except that no Unit Owner shall be permitted to dispose of his Unit unless and until all sums, charges and assessments have been paid and the intended purchaser agrees to be bound by the Declaration of Condominium, By-Laws, Articles of Incorporation and all other rules, regulations and restrictions set forth by the Condominium Association as well as the Condominium Act.
2. Within ten (10) days after receipt of the notice described in Paragraph (A)(1) of this article, the Board of Directors must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the President and Secretary in recordable form, which certificate shall be delivered to the purchaser.
3. If the Board of Directors disapproves a proposed sale, it shall deliver a written notice to the Unit Owner (or

mail to the place designated by the Unit Owner in his notice) designating the Association, one or more persons who are then Unit Owners, or any person or persons satisfactory to the Board of Directors who is willing to purchase upon the same terms as those specified in the Unit Owner's notice. The stated designee of the Board of Directors shall have fourteen (14) days from the date of the notice sent by the Board of Directors to make a binding offer to purchase upon the same terms specified in the Unit Owner's notice. Thereupon, the Unit Owner shall accept such offer. Failure of the Board of Directors to designate such person or persons within the said ten (10) day period, shall be deemed a consent by the Board of Directors to the transaction specified in the Unit Owner's notice, and the Unit Owner shall be free to make or accept the offer specified in his notice, and sell said interest pursuant thereto to the prospective purchaser named therein within ninety (90) days after his notice was given.

4. If the Board of Directors shall fail to provide a purchaser or such purchaser shall fail to make an offer as stated in Paragraph (3) above, then notwithstanding the disapproval, the sale shall be deemed to have been approved and the Board of Directors shall furnish a certificate of approval as provided in Paragraph (3) above. Further, in the event a purchaser designated by the Board of Directors takes title to the Condominium Unit, he too shall be given such a certificate.

5. The consent by the Board of Directors to a sale of a Unit by a Unit Owner shall not constitute a waiver of the Board's rights provided for in this Article. Nor shall the consent of the Board of Directors to an individual Unit Owner in one transaction covered in this Article constitute a waiver of the Board's rights in any other transaction by the individual Unit Owner.

6. The provisions of this section shall in no way be construed as affecting the rights of a prior first mortgagee with a recorded first mortgage on any Unit and the redemption rights hereinabove set forth shall remain subordinate to any such prior first mortgage. Further, the provisions of this Article shall not be applicable to purchasers at foreclosure or other judicial sales, nor to transfers to first mortgagees, the Developer, or a corporate grantee of all of the Condominium Property.

7. No fee shall be charged in connection with the transfer sale or approval in excess of expenditures reasonably required for transfer or sale, and this expense shall not exceed \$50.00. Furthermore, the Association shall make no charge in connection with an extension or renewal of a lease.

8. Notwithstanding any of the provisions hereinabove contained, the provisions of this section shall not be applicable to Developer, and said corporation is irrevocably authorized, permitted and empowered to sell, lease, sublease or assign leases in Condominium Units to any purchaser, lessee, sublessee, or assignee approved by it. Developer shall have the right to transact any business necessary to consummate sales of Condominium Units, including, but not limited to, the right to maintain models, erect signs identifying the Condominium Property and advertising the sale of Condominium Units, maintain employees in the offices, use the Common Elements, and show Units for sale. The sales office, the furniture and furnishings in the model Units, signs and all items pertaining to sales shall not be considered Common Elements and shall remain the property of the Developer. So long as there are unsold Condominium Units, Developer retains the right to be the Owner of said unsold units under the same terms and conditions as all other Unit Owners, excepting

that the Developer will not be subject to the provisions of Paragraphs (1) through (6) hereof and any persons occupying a Unit owned by Developer with the consent of Developer shall, for the purposes of determining their rights and obligations, be treated as the Owner of the Unit so occupied. Developer, as a Unit Owner, shall contribute to the Common Expenses in the manner provided in Article VI, and shall have one vote in the Association for each unsold Condominium Unit. No amendment of this section shall be effective without the prior written consent of the Developer to any such amendment.

9. The provisions (1) through (6) hereof shall not apply to a transfer by an individual Unit Owner to his wife or husband, as the case may be, except as hereinafter provided.

10. All notices required by Section A of this Article shall be deemed received three (3) days after the date of mailing.

B. Except in the case of transfers made to a spouse, child, children or parents of the donor or deceased Unit Owner, all transfers by gift, devise or inheritance shall be subject to the following provisions:

1. Any Unit Owner, other than those excepted above, who has obtained his title by gift, devise or inheritance shall within ninety (90) days of the acquisition of title, give notice to the Board of Directors of the Association of the acquiring of his title together with such personal information as the Board of Directors may reasonably require, including a certified copy of the instrument evidencing his title.

2. Within thirty (30) day of receipt of such notice and information, the Association must either approve or disapprove the continuance of the Unit Owner's ownership of his Unit. If approved, the approval shall be in a

certificate executed by the President and Secretary in recordable form and shall be delivered to the Unit Owner.

3. If the Board of Directors disapproves of the person or persons who receive title by gift, devise, or inheritance, then within thirty (30) days after receipt from the Unit Owner of the notice and information required to be furnished, the Association shall deliver an agreement to purchase by a purchaser approved by the Association who will purchase and to whom the Unit Owner must sell the Unit upon the following terms:

(a) The sale price shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association, who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

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

(c) The sale shall be closed within thirty (30) days following the determination of the sales price.

(d) If the Association shall fail to provide a purchaser as herein required, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, such ownership shall be deemed to have been approved, and the Association shall furnish a

certificate of approval as elsewhere provided.

4. The provisions of this section shall in no way be construed as affecting the rights of a prior first mortgagee with a recorded first mortgage on any Unit and the redemption rights hereinabove set forth shall remain subordinate to any such prior first mortgage. Further, the provisions of this Article shall not be applicable to purchasers at foreclosure sales or other judicial sales, nor to transfers to first mortgagees, the Developer, or a corporate grantee of all of the Condominium Property.

5. Notwithstanding any provisions herein contained, the provisions of this section shall not be applicable to Developer, and said corporation is irrevocably authorized, permitted and empowered to convey by gift Condominium Units to any donee.

6. All notices required by Section B of this Article shall be deemed received three (3) days after the date of mailing.

C. Any sale, mortgage, lease or other transfer not authorized pursuant to the terms of this Article, shall be void unless subsequently approved by the Association.

D. Notwithstanding the foregoing, the Association may not purchase any Unit without prior written approval of seventy-five percent (75%) of the Unit Owners eligible to vote.

ARTICLE XIII.

Termination

A. If it is determined in the manner provided in Article IX, that the Condominium shall not be reconstructed because of major damage, the Condominium plan of ownership will be thereby terminated without further agreement.

B. Otherwise, the Condominium may be terminated in the manner provided in the Condominium Act, as the result of the affirmative vote of one hundred percent (100%) of the Unit Owners and further provided that the holders of all liens

affecting any of the Condominium Units consent thereto. The proposed termination shall be submitted to a vote at a meeting of the Unit Owners. Notice of the proposed termination shall be stated in the notice of the meeting.

C. If less than one hundred percent (100%), but more than eighty-five percent (85%) of the Unit Owners consent to termination, then the approving Owners shall have the option to buy all of the Units of the Owners not approving of termination, said option to continue for a period ending on the sixtieth (60th) day from the date of the meeting at which the proposed termination was properly considered. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The options shall be on the following terms:

1. The option shall be exercised by the personal delivery or mailing by registered mail to each of the record owners of the Units to be purchased, the following instruments:

(a) a certificate executed by the President and Secretary of the Association certifying that the option to purchase Units owned by Owners not approving termination has been exercised as to all of such Units. Such certificate shall state the names of the Unit Owners exercising the option, the Units owned by them and the Units being purchased by each of them.

(b) an agreement to purchase, upon the terms herein stated, the Unit of the Owner receiving the notice, which agreement shall be signed by the purchasing Unit Owner.

2. The sale price for each Unit shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the personal delivery or mailing of such agreement. In the absence of such agreement, the price shall be determined by arbitration in accordance with the then existing rules of

the American Arbitration Association, except that the arbitrators shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expenses of the arbitration shall be shared equally by the purchaser and seller.

3. Payment. The purchase price shall be paid in cash or upon terms approved by the seller and the Association.

4. Closing. The sale shall be closed within thirty (30) days following the determination of the sale price.

D. Immediately after unanimous consent has been obtained, or immediately after the completion of the purchase of all Units from all Owners dissenting from said proposed termination, every Unit Owner shall immediately convey by Warranty Deed to the Association, all of said Unit Owner's right, title and interest to his Condominium Unit, provided the appropriate Association officers and employees have been adequately bonded. The Association or any member shall have a right to enforce such conveyance by seeking specific performance in a civil court.

E. The Board of Directors shall then sell all of the property, upon terms provided in writing by all of the Unit Owners and first mortgagess, at public or private sale. Upon the sale of said property, the costs, fees and charges for effecting said sale, the cost of liquidation and dissolution of the Association, and all obligations incurred by the Association in connection with the management and operation of the property up to and including the time when distribution is made to the Unit Owners, shall be paid out of the proceeds of said sale, and the remaining balance (hereinafter referred to as "net proceeds of sale"), shall be distributed to the Unit Owners in the manner set forth below.

F. The distributive share of each Unit Owner in the net proceeds of sale, though subject to the provisions hereinafter contained, shall be determined by multiplying the net proceeds of the sale by a fraction in which the numerator will be the amount paid by the original Unit owner to the Developer for his Condominium Unit, and the denominator will be the aggregate of the amounts originally paid to the Developer for all of the Condominium Units. Developer will file a schedule with the Association showing the fractional portion allocable to each Unit Owner as provided for by the provisions of this paragraph. The provisions hereinabove and hereinafter contained for determining the distributive share of each Unit Owner will prevail over the provisions of Article VI.

G. Upon the determination of each Unit Owner's share, as above provided for, the Association shall pay out of each Unit Owner's share all mortgages and other liens encumbering said Unit in accordance with their priority. Upon such payments being made, all mortgagees and lienors shall execute and record satisfactions or releases of their liens against said Condominium Unit or Units, regardless of whether the same are paid in full. Any lien remaining unpaid shall be transferred to the undivided share in the Condominium Property attributable to the Unit originally encumbered by the lien in its same priority. Thereupon, the Board of Directors shall proceed to liquidate and dissolve the Association and distribute the remaining portion of each distributive share, if any, to the Unit Owner or Owners entitled thereto or lienors to such Units. If more than one person has any interest in a Condominium Unit, the Association shall pay the remaining distributive share allocable to said Condominium Unit to the various owners of such Unit, excepting that if there is a dispute as to the validity, priority or amount of mortgages or liens encumbering a Condominium Unit, then payment shall be made jointly to the Owner and/or Owners of such Unit and the Owners and holders of the mortgages and liens

encumbering said Unit.

H. As evidence of the Unit Owners' resolution to abandon, passed by the required vote or written consent of the Unit Owners, the President and Secretary of the Association shall effect and place in the Public Records of Collier County, Florida, an affidavit stating that such resolution was properly passed or approved by the members and also shall record the written consents, if any, of first mortgagees to such abandonment.

I. After such an affidavit has been recorded and all Owners have conveyed their interest in the Condominium Units to the Association and the Association to the purchaser, the title to said property thereafter shall be free and clear from all restrictions, reservations, covenants, conditions and easements set forth in this Declaration and the purchaser and subsequent grantees of any of said property shall receive title to said lands free and clear thereof.

J. This section concerning termination cannot be amended without consent of all Unit Owners and of all record owners of first mortgages upon the Units.

ARTICLE XIV.

Voting Rights.

Subject to the provisions and restrictions set forth in the Articles of Incorporation and By-Laws of the Association, each Unit Owner is entitled to one (1) vote for each Unit owned by him.

The Unit Owners in each Phase shall elect one (1) representative from each Phase to cast votes for all of the Unit Owners in that Phase on any subject submitted to the Association by The Pelican Bay of Naples Foundation, Inc. The vote cast by the elected representative shall be cast in the same manner as each individual Unit Owner submits his vote on such subject to the elected representative.

Method of Amendment of Declaration.

A. This Declaration may be amended at any regular or special meeting of the Unit Owners of this Condominium called and convened in accordance with the By-Laws of the Association in the following manner:

1. Notice of the subject matter of the proposed amendment shall be included in the notice, if any, of the meeting at which the proposed amendment is considered.

2. An amendment shall be approved by affirmative vote of three-fourth (3/4) of all Unit Owners present in person or by proxy and casting votes at such meeting.

Provided however, that no amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Units, unless the Unit Owners so affected shall consent and no amendment shall change any Unit nor share of the Common Expenses, unless the record owner of the Unit concerned and all record owners of first mortgages on such Units shall join in the execution of the amendment. Neither shall an amendment make any change in the section entitled "Insurance" nor in the section entitled "Reconstruction of Repair After Casualty" unless the record owners of all first mortgages upon the Condominium shall join in the execution of the amendment. No amendment shall be made affecting the rights, as expressed in the Declaration or any documents attached hereto, of the Developer, as a Unit Owner or otherwise, unless the prior written consent of the Developer is given for such amendment.

B. An amendment properly adopted shall be evidenced by attaching a copy of the amendment to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida.

ARTICLE XVI.

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By-Laws.

The operation of the Condominium property shall be governed by the By-Laws of the Condominium Association, a copy of which is attached to this Declaration and made a part hereof as Exhibit IV. The By-Laws may be amended in the manner provided for therein, but no amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering or encumbering any Condominium Unit or Units. No modification or amendments to the By-Laws of said Association shall be valid unless evidenced by attaching a copy of the amendment to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida.

ARTICLE XVII.

Miscellaneous Provisions.

A. All restrictions, reservations, covenants, conditions and easements contained in this Declaration shall constitute covenants running with the land and shall run perpetually unless terminated as provided herein and shall be binding upon all Unit Owners as defined in the Condominium Act and in consideration of receiving and by acceptance of a grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the provisions hereof, and by the Articles of Incorporation and By-Laws of the Condominium Association.

B. The Unit Owners shall return the Unit for the purpose of ad valorem taxes to the Property Appraiser of Collier County, Florida, or such other future legally authorized governmental officer of authority having jurisdiction over the same. Nothing herein contained shall be construed, however, as giving to any