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ALACHUA COUNTY, FLORIDA
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**EXHIBIT "A" TO PROSPECTUS OF
PRAIRIEWOOD CONDOMINIUM
DECLARATION OF CONDOMINIUM**

CAMPUS EDGE PRAIRIEWOOD, LLC, a Florida Limited Liability Company, herein called "Developer" on behalf of itself and its successors, grantees, and assigns, hereby makes this Declaration of Condominium:

1. **SUBMISSION STATEMENT.** Developer is the owner in fee simple of the real property legally described in Exhibit "E" attached hereto. Developer does hereby submit the real property described in Exhibit "E" attached hereto, the improvements thereon, and the rights and easements appurtenant thereto to condominium ownership pursuant to Chapter 718, Florida Statutes, and declares same a condominium known as Prairiewood Condominium (the "Condominium").
 - 1.1. **PURPOSE.** The purpose of this Declaration is to submit the lands and improvements herein described to condominium ownership and use in the manner prescribed by the Laws of the State of Florida.
 - 1.2. **NAME AND ADDRESS.** The name of this Condominium is as specified in the title of this document. The address shall be the name of the Condominium together with 2490 SW 14th Street, Gainesville, Florida 32608.
 - 1.3. **THE LAND.** The real property described in Exhibit "E" is the Condominium Property hereby submitted to condominium ownership. Such property is subject to such easements, restrictions, reservations, and rights of way of record, together with those contained or provided for in this instrument and exhibits attached hereto.
 - 1.4. **THE EFFECT.** All of the provisions in this Declaration of Condominium and all Exhibits attached hereto shall be binding upon all Unit Owners and shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, and shall exist in perpetuity until this Declaration is revoked and the Condominium is terminated as provided herein. 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 person, agree to be bound by the provisions hereof. Both the burdens imposed and the benefits provided herein shall run with the title to each Unit and their appurtenant interests in the Common Elements as defined herein.

2. **DEFINITIONS.** The terms used herein have the meanings stated in Florida Statutes Chapter 718 (Condominium Act) and as follows unless the context otherwise requires:
 - 2.1. **ACT:** The Condominium Act of the State of Florida in effect on the date of recordation of this Declaration of Condominium as found in Chapter 718, Florida Statutes.
 - 2.2. **ASSESSMENT:** The share of the funds required for the payment of Common Expenses that is assessed against a Unit from time to time.
 - 2.3. **ASSOCIATION:** the corporation responsible for the operation of the Condominium, which shall be Prairiewood Condominium Association, Inc., a not-for-profit Florida corporation.
 - 2.4. **ASSOCIATION PROPERTY:** All real or personal property owned or leased by the Association.
 - 2.5. **BOARD OF DIRECTORS or DIRECTORS or BOARD:** The board of directors responsible for the administration of the Association.
 - 2.6. **BYLAWS:** The Bylaws of the Association.

- 2.7. CHARGE or SPECIAL CHARGE: The obligation of a Unit Owner to pay or reimburse money to the Association that cannot be secured as an assessment under F.S. 718.116, but which will, if the charge is not paid, give rise to a cause of action against the Unit Owner under this Declaration.
- 2.8. COMMON ELEMENTS: The portions of the property submitted to condominium ownership by the Declaration and not included in the Units, including: 1) Land; 2) All parts of improvements that are not included within the Units; 3) Easements; 4) Limited Common Elements and 5) Installations for the furnishing of services to more than one Unit or to the Common Elements, such as chilled water air conditioning, electricity, water, and sewer.
- 2.9. COMMON EXPENSES: All expenses and assessments properly incurred by the Association for the Condominium and any other expenses as may be declared to be Common Expenses by this Declaration. The cost of providing basic cable television under a bulk service contract, the cost of providing electronic security, and the cost of water and sewer service to the Units shall be a Common Expense.
- 2.10. CONDOMINIUM DOCUMENTS: This Declaration and the attached exhibits setting forth the nature of the property rights in this Condominium and the covenants running with the land that govern these rights. All the other Condominium documents will be subject to the provisions of the Declaration. The order of priority of the documents will be as follows: (1) Declaration; (2) Association Articles of Incorporation; (3) Bylaws; and (4) Rules and Regulations.
- 2.11. CONDOMINIUM PARCEL: A Unit together with the undivided share in the Common Elements that is appurtenant to the Unit.
- 2.12. CONDOMINIUM PROPERTY: The real and personal property, both tangible and intangible, subject to condominium ownership, whether or not contiguous; all improvements thereon; and all easements and rights appurtenant thereto.
- 2.13. DEVELOPER: CAMPUS EDGE PRAIRIEWOOD, LLC, is the company that has established this Condominium and the successors and assigns of the company's development rights.
- 2.14. EXHIBITS: The following documents will be attached to this Declaration as Exhibits and will be referred to as such:
- 2.14.1 Exhibit A: Association Articles of Incorporation
 - 2.14.2 Exhibit B: Condominium Plot Plan
 - 2.14.3 Exhibit C: Association Bylaws
 - 2.14.4 Exhibit D: Rules and Regulations
 - 2.14.5 Exhibit E: Legal description of the Condominium property
 - 2.14.6 Exhibit F: Percentages of ownership of the Common Elements
- 2.15. INSTITUTIONAL FIRST MORTGAGEE: The mortgagee or its assignee of a first mortgage on a condominium parcel. The mortgagee may be a bank, a savings and loan association, a mortgage banker, a life insurance company, a real estate or mortgage investment trust, a pension or profit sharing trust, the Federal Housing Administration, the Department of Veterans Affairs, any agency of the United States of America, or the Developer. 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 Department of Veterans Affairs, any agency of the United States of America, or any other public or private corporation engaged in the business of guaranteeing or insuring residential first mortgage loans, and their successors and assigns.

- 2.16. **INSTITUTIONAL MORTGAGE**: A mortgage encumbering a Unit held by an Institutional Lender or by an Institutional Mortgagee.
- 2.17. **LEASE**: The grant by a Unit Owner of a temporary right of use of the owner's Unit for a valuable consideration.
- 2.18. **LIMITED COMMON ELEMENTS**: Those portions of the Common Elements that are reserved for the use of a certain Unit or Units to the exclusion of the other Units.
- 2.19. **OPERATION**: The administration and management of the Condominium property.
- 2.20. **PERSON**: An individual, corporation, trust, or other legal entity capable of holding title to real property.
- 2.21. **SINGULAR, PLURAL, GENDER**: Whenever the context permits, use of the plural includes the singular, use of the singular includes the plural, and use of any gender includes all genders.
- 2.22. **UNIT**: A part of the Condominium property that is subject to exclusive ownership as described in this Declaration.
- 2.23. **UNIT NUMBER**: The letter, number, or combination thereof that is designated on the Condominium Plot Plan and used as the identification of a Unit.
- 2.24. **UNIT OWNER**: The owner of record legal title to a condominium parcel.
- 2.25. **VOTING INTEREST**: The voting rights distributed to the Association member under F.S. 718.104(4)(j).
3. **UNITS, APPURTENANCES, POSSESSION, AND ENJOYMENT**. Each Unit and its appurtenances constitute a separate parcel of real property that may be owned in fee simple. The Unit may be conveyed, transferred, and encumbered like any other parcel of real property, independently of all other parts of the Condominium property, subject only to the provisions of the Condominium documents and applicable laws.
- 3.1. **BOUNDARIES**. Each Unit will have boundaries as defined below. The boundaries may exist now or may be created by construction, settlement, movement of the buildings, or permissible repairs, reconstruction, or alterations.
- 3.1.1. **HORIZONTAL BOUNDARIES**. The upper and lower boundaries of the Units will be:
- 3.1.1.1. **UPPER BOUNDARY**. The planes of the underside of the roof rafters of the Unit, extended to meet the perimeter boundaries.
- 3.1.1.2. **LOWER BOUNDARY**. The planes of the upperside of the finished and undecorated surface of the floors of the Unit, extended to meet the perimeter boundaries.
- 3.1.2. **PERIMETER BOUNDARIES**. The perimeter boundaries will be both the finished and undecorated interior surfaces of the perimeter walls of the Unit as shown on the Condominium Plot Plan, and the planes of the interior surfaces of the Unit's windows, doors, and other openings that abut the exterior of the building or Common Elements, including Limited Common Elements.
- 3.2. **EXCLUSIVE USE**. Each Unit Owner will have the exclusive use of such owner's Unit.
- 3.3. **OWNERSHIP**. The ownership of each Unit will carry with it, as appropriate, and whether or not separately described, all of the rights, title, and interest of a Unit Owner in the Condominium property which will include, but not be limited to:
- 3.3.1. **COMMON ELEMENTS AND COMMON SURPLUS**. An undivided share of ownership of the Common Elements and common surplus. Each owner of a Unit shall be entitled to

use the Common Elements in accordance with the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of owners of other Units. There shall be joint use of the Common Elements and a joint mutual easement for that purpose is hereby created. The ownership interest in the Common Surplus does not include the right to withdraw or require payment or distribution of said common surplus.

3.3.2. **LIMITED COMMON ELEMENTS.** Either the exclusive use or use in common with one or more other designated Units of the Limited Common Elements that may exist. Such elements include patios and all items set forth in Section 6 that are exterior to a Unit and are expressly required to be maintained by the Unit Owner.

3.3.3. **ASSOCIATION MEMBERSHIP:** Membership in the Association and voting rights.

3.4. **EASEMENTS.** The following nonexclusive easements are created by and granted from the Developer to each Unit Owner; to the Association; and its employees, agents, and hired contractors; to utility companies; to Unit Owners' families in residence, guests, and invitees; and to governmental and emergency services, as applicable.

3.4.1. **INGRESS AND EGRESS.** Easements over the Common Elements for ingress and egress to Units and public ways.

3.4.2. **MAINTENANCE, REPAIR, AND REPLACEMENT.** Easements through the Units and Common Elements for maintenance, repair, and replacement.

3.4.3. **UTILITIES.** Easements through the Common Elements and Units for conduits, ducts, plumbing, and wiring, and other facilities for the furnishing of services and utilities to other Units, the Common Elements, and other utility customers, both existing and future.

3.4.4. **PUBLIC SERVICES.** Access to both the Condominium property and the Units for lawfully performed emergency, regulatory, law enforcement, and other public services.

3.5. **UNIT NUMBERS.** Each Unit shall be individually numbered One (1) through Forty-One (41) so that no Unit bears the same designation as any other Unit

4. **RESTRAINT UPON SEPARATION OF LIMITED COMMON ELEMENTS AND COMMON ELEMENTS**

4.1. **NO SEPARATION.** The undivided share in the Limited Common Elements and in the Common Elements which is appurtenant to a Unit shall not be separated therefrom and shall pass with the title to the Unit, whether or not separately described.

4.2. **NO CONVEYANCE.** The undivided share in the Common Elements and in the Limited Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit.

4.3. **NO PARTITION.** The undivided share in the Common Elements and in the Limited Common Elements appurtenant to each Unit shall remain undivided, and no action for partition shall lie.

4.4. **ALTERATION RESTRICTED.** No Unit Owner may make any alterations, add to, or remove any part of the portions of the improvements that are to be maintained by the Association without the prior written approval of the Board of Directors. The Board has the authority to approve, disapprove, or require modifications to the proposed work. The Board's decision will be final. The owner must obtain all necessary approvals and permits from applicable government entities. The Association may require approval from engineers or other professionals as a prerequisite. The entire expense must be borne by the owner, including any subsequent maintenance and restoration. No owner will do any work that would jeopardize the safety or soundness of the building or impair any easements.

5. **COMMON ELEMENTS.** Common Elements includes within its meaning the following items:

5.1. **REAL PROPERTY.** All of the real property, other than the Units, all of which is— more particularly described and set forth in the Plot Plan, Survey, and Graphic Description attached hereto as Exhibit "B." Common Elements shall include easements through Units for all conduits,

pipes, ducts, plumbing, wiring, and all other facilities for the furnishing of utility services to Units and the Common Elements and easements of support in every portion of a Unit which contributes to the support of the improvements, and shall further include all personal property held and maintained for the joint use and enjoyment of the Unit Owners.

- 5.2. **MAINTENANCE EASEMENT.** An easement through each Unit for ducts, pipes, conduits, plumbing, wiring, or other facilities for the furnishing of utility services to more than one Unit or to the Common Elements or to a Unit other than the Unit containing the installation shall exist. Any pipes, ducts, conduits, plumbing, wiring, drains, electrical panels, or any utility service serving only one Unit are part of such Unit and are not Common Elements.
- 5.3. **EASEMENTS.** Easements for encroachments by the perimeter walls, ceilings, and floors surrounding each Unit caused by minor inaccuracies in building or rebuilding which now exist or hereafter exist and such easement shall continue until such encroachment no longer exists. Easements for overhanging troughs and gutters, down-spouts, and the discharge therefrom of rain water and the subsequent flow thereof over Units. A non-exclusive easement for ingress and egress over the walks and other rights-of-way of the Common Elements as shall be necessary to provide access to the public ways to and from the Units.
- 5.4. **PARKING.** Parking spaces shall be Common Elements. Each studio Unit shall have access to one parking space. One bedroom and two bedroom Units shall have access to two parking spaces each. The parking spaces are not exclusive and shall be available on a first come-first served basis, however each Unit shall be issued a parking decal for the allowed number of vehicles.

6. OWNERSHIP AND USE OF COMMON ELEMENTS AND SHARES OF COMMON SURPLUS.

- 6.1. **OWNERSHIP SHARE.** The Common Elements will be owned by the Unit Owners in undivided equal shares as set forth in Exhibit "F." Any common surplus of the Association in the same percentage as the Common Elements appurtenant to each Unit are owned, as set forth in Exhibit "F." This ownership, however, does not include the right to withdraw or require payment or distribution of said common surplus.
- 6.2. **USE.** Each Unit Owner and the Association will be entitled to use the Common Elements in accordance with the purposes for which the elements are intended; however, no such use may hinder or encroach upon the lawful rights of other Unit Owners.
- 6.3. **LEASING OF COMMON ELEMENTS.** The Board of Directors is authorized to lease or to grant easements or licenses for the use of the Common Elements or Association property to Unit Owners or other persons if, in the judgment of the Board, the use will benefit the members of the Association. The Association may not charge a use fee against a Unit Owner for the use of Common Elements or Association property unless by a majority vote of the Association or unless the charges relate to expenses incurred by a Unit Owner having exclusive use of the Common Elements or Association property.

7. CONDOMINIUM PROPERTY AND IDENTIFICATION OF UNITS.

- 7.1. **PROPERTY.** Attached hereto as Exhibit "B" is a survey of the real property being submitted to the condominium form of ownership, together with a plot plan and graphic description of the improvements in which Units are located.
- 7.2. **IDENTIFICATION.** The identification, location and dimensions of each Unit, the Limited Common Elements and the Common Elements, appear on the aforescribed Exhibit "B." Each Unit has been given a designation for purposes of identification so that no Unit has the same designation as any other Unit. Each Unit is described in Exhibit "B" attached hereto in such a manner that there can be determined therefrom the identification, location and approximate dimensions of each Unit and the Limited Common Elements and Common Elements appurtenant thereto. The legend and notes contained in Exhibit "B" are incorporated herein and made a part hereof by reference.

8. **AMENDMENT TO DECLARATION.** Amendments to any of the condominium documents shall be in accordance with the following:

- 8.1. REQUIREMENTS. An amendment may be proposed either by the Board of Directors or by 25% of the voting interests of the Association and may be considered at any meeting of the owners, regular or special, of which due notice has been given according to the Bylaws, which notice includes notice of the substance of the proposed amendment. Passage shall be evidenced by a certificate executed in recordable form signed by the President or Vice President of the Association that it has been enacted by the affirmative vote of the required percentage of the voting interests (which vote may include later written approval of voters not present) and the separate written joinder of mortgagees where required and shall include the recording date (identifying the location of the Declaration as originally recorded). The amendment shall become effective when the certificate is recorded in the public records of Alachua County, Florida.
- 8.2. UNIT OWNER'S SHARE. No amendment shall change the configuration of any Unit nor a Unit's proportionate share of the Common Elements, the Common Expenses or common surplus, nor the voting rights appurtenant to any Unit, unless the amendment is joined into by the record owner of the Unit and all record owners of liens encumbering the Unit and is approved by the vote of members holding not less than 51% of the total votes of the Association.
- 8.3. AMENDMENT FORM. No provision of this Declaration shall be revised or amended by reference to its title number only. Proposals to amend existing provisions of this Declaration shall contain the full text of the new provision to be amended; new words shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted but instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Declaration. See provision _____ for present text." Non-material errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.
- 8.4. CORRECTORY AMENDMENT. Whenever it shall appear that there is a defect, error, or omission in any of the Condominium documents or in order to comply with applicable laws or requirements of government entities, the amendment may be adopted by the Board of Directors alone.
- 8.5. REGULAR AMENDMENTS. Amendments may be enacted by a favorable vote of the owners of 67% of the voting interests in the Association.
- 8.6. DEVELOPER AMENDMENTS. Until relinquishment of Developer control of the Association (turnover) and except as otherwise provided by law in F.S. 718.110(2), the Developer specifically reserves the right, without the joinder of any person, to make such amendments to the Declaration and its exhibits, or to the plan of development, as may be required by any lender or governmental authority, or as may be, in the developer's judgment, necessary or desirable. This paragraph shall take precedence over any other provision of the Declaration or its exhibits.
- 8.7. MORTGAGEE APPROVAL. Amendments materially affecting the rights or interests of mortgagees must have the approval of the holders of institutional first mortgages of record representing 51% of the votes of Units subject to such mortgages who have requested the Association to notify them on any proposed action specified in this paragraph. Such prior consent of the Mortgagee shall not be unreasonably withheld. Implied approval shall be assumed when such holder fails to respond to any written request for approval within 30 days after the mortgage holder receives proper notice of the proposal, provided the notice was delivered certified or registered mail with a "Return Receipt" requested. In the event that mortgagee consent is provided other than by properly recorded joinder, such consent shall be evidenced by affidavit of the Association and recorded in the Public Records of Alachua County, Florida. A change to any of the following shall be considered as material: 1) Any change in the proportion or percentage by which the owner of the Unit shares the Common Expenses and owns the common surplus; or 2) Reallocation of interests or use rights in the Common Elements; 3) Redefinition of any Unit boundaries; or 4) Convertibility of Units into Common Elements or vice versa; or 5) Expansion or contraction of the Condominium.

- 8.8. DEVELOPER'S RIGHTS. No amendment to this Declaration or any of the Condominium documents shall change the rights and privileges of the Developer without the Developer's written approval as long as the Developer holds any Units for sale in the ordinary course of business.
- 8.9. WRITTEN AGREEMENTS. Any approval of Unit Owners on any matter called for by this Declaration, its exhibits, or any statute to be taken at a meeting of Unit Owners is hereby expressly allowed to be taken instead by written agreement, without a meeting (which agreement may be in counterparts), subject to F.S. 718.112(2)(d)4 and F.S. 617.0701.

9. **POWERS OF ASSOCIATION.**

- 9.1. ARTICLES. The Association Articles of Incorporation are attached hereto as Exhibit "A."
- 9.2. ASSOCIATION. The Association shall administer the operation and management of the Condominium Property and undertake and perform all acts and duties incident thereto in accordance with this Declaration, its exhibits, and the Act.
- 9.3. MEMBERSHIP. Each Unit Owner shall automatically become a member of the Association upon his acquisition of title to any Unit and said membership shall terminate automatically upon said Unit Owner being divested of title to such Unit, regardless of how such ownership may be divested. No person holding any lien, mortgage, or other encumbrance upon any Unit shall be entitled, by virtue thereof, to membership in the Association or to any of the rights or privileges of such membership.
- 9.4. VOTING. Each Unit shall have one full indivisible vote in all matters. The vote for each Unit, including those owned by multiple owners or entities, shall be governed by the provisions of the Bylaws.
- 9.5. ADMINISTRATION. The administration of the Condominium shall be by the Board of Directors and its powers and duties shall be as set forth herein and in the Articles of Incorporation and the Bylaws.
- 9.6. ASSOCIATION AGREEMENTS. The Association is authorized to enter into agreements to acquire leaseholds, memberships, and other possessory or use interests in lands or facilities. Such interests need not be contiguous to the lands of the Condominium if they are intended to provide enjoyment, recreation, or other use or benefit to the Unit Owners.
- 9.7. MANAGEMENT SERVICE AGREEMENTS. The Board may enter into a contract with any firm, person, or corporation in contracting for the management, maintenance, and repair of Condominium Property. However, the Association shall at all times, retain the powers and duties to be exercised by or under the authority of the Board of Directors.
- 9.2.1. EFFECT OF AGREEMENTS. The Association and each Unit Owner, and their respective heirs, successors and assigns, shall be bound by any such management agreement to the same extent as if he or she or it had executed any such management agreement and shall be deemed to have: 1) Consented to the execution of any such management agreement by the association; and 2) Covenanted and promised to perform each and every one of the covenants, promises, and undertakings to be performed by Unit Owners and the Association as provided in any such management agreement; and 3) Ratified, confirmed, and approved each and every provision of any such management agreement contained therein are fair and reasonable; and 4) Agreed that the persons acting as Directors and Officers of the Association entering into any such management agreement have not breached any of their duties or obligations to the Association.
- 9.8. ACCESS TO UNITS. The Association has an irrevocable right of access to the Units during reasonable hours when necessary for the purpose of maintenance, repair, and replacement of the Common Elements or of any portion of a Unit to be maintained by the Association pursuant to

this Declaration or for making emergency repairs that are necessary to prevent damage to the Common Elements or to another Unit or Units. The owner of a Unit has a right of access to any adjoining Unit as and if it is reasonably necessary in order to maintain, repair, or replace parts of the owner's Unit. The right of access to a Unit shall be exercised after reasonable notice to the Unit Owners unless such notice is not possible or practical under the circumstances, with due respect for the occupants' rights to privacy and freedom from unreasonable annoyance, and with reasonable precautions to protect the personal property within the Unit. The Association requires and shall retain a passkey to all Units. No Unit Owner shall install or alter any lock that prevents access while the Unit is unoccupied without providing the Association with a key.

- 9.9. **FISCAL MANAGEMENT.** The fiscal management of the Condominium, including budget, fiscal year, charges, assessments, and collection of assessments, shall be as set forth herein and in the Bylaws (Exhibit "C").
10. **MAINTENANCE, ALTERATIONS AND IMPROVEMENTS.** The responsibility for protection, maintenance, repair, and replacement of the Condominium property, and restrictions on its alteration and improvement, shall be as follows:
- 10.1. **ASSOCIATION MAINTENANCE.** The Association is responsible for the protection, maintenance, repair, and replacement of all Common Elements and Association property (other than the Limited Common Elements that are required elsewhere herein to be maintained by the Unit Owner). The cost is a Common Expense, without limitation.
- 10.1.1. **ASSOCIATION RESPONSIBILITIES.** The Association's responsibilities include: 1) All Common Elements; 2) All portions of Units (except interior wall surfaces) contributing to the support of the buildings, which portions, shall include, but not be limited to, the outside walls of the building and load bearing columns; 3) Electrical wiring up to the circuit breaker panel in each Unit; 4) Water pipes, up to the individual Unit cut-off valve within the Unit; 5) Cable television lines up to the wall outlets in the Units; 6) Air conditioning condensation drain lines, up to the point where they enter each Unit; 7) Sewer lines, up to the point where they enter the Unit; 8) All installations, fixtures, and equipment located within one Unit but serving another Unit, or located outside the Unit, for the furnishing of utilities to more than one Unit or the Common Elements. 9) The exterior surface of the main entrance doors to the Units; 10) All exterior building walls and concrete slabs, including painting, waterproofing, and caulking; 9) All parking areas of the Condominium; and 11) All property owned by the Association.
- 10.1.2. **ASSOCIATION NOT RESPONSIBLE.** The Association's responsibility does not include interior wall switches or receptacles, plumbing fixtures, or other electrical, plumbing, or mechanical installations located within a Unit and serving only that Unit.
- 10.1.3. **INCIDENTAL DAMAGE.** All incidental damage caused to a Unit or Limited Common Elements by work performed or ordered to be performed by the Association shall be repaired promptly by and at the expense of the Association, which shall restore the property as nearly as practicable to its condition before the damage, and the cost shall be a Common Expense except the Association shall not be responsible for the damage to any alteration or addition to the Common Elements made by a Unit Owner or his or her predecessor in title or for damage to paint, wallpaper, paneling, flooring, or carpet which, of necessity, must be cut or removed to gain access to work areas located behind it. This paragraph is subject to section 9.8. of this Declaration, regarding access to Units.
- 10.2. **UNIT OWNER MAINTENANCE.** Each Unit Owner is responsible, at the Owner's expense, for all maintenance, repairs, and replacements of the owner's Unit and certain Limited Common Elements.
- 10.2.1. **OWNER RESPONSIBILITIES.** The owner's responsibilities include, without limitation:

1) Maintenance, repair, and replacement of screens, windows, and window glass; 2) The main entrance door to the Unit and its interior surfaces; 3) All other doors within or affording access to the Unit; 4) The electrical, mechanical, and plumbing lines, pipes, fixtures, switches, valves, drains, and outlets (including connections) located partially or entirely within the Unit or serving only the Unit; 5) The circuit breaker panel and all electrical wiring going into the Unit from the panel; 6) Appliances, water heaters, smoke alarms, and vent fans; 7) All air conditioning and heating equipment, thermostats, ducts, and installations serving the Unit exclusively; 8) Carpeting and other floor coverings; 9) Door and window hardware and locks; 10) Shower pans; 10) The main water supply shut-off valve for the Unit, 11) Other facilities or fixtures that are located or contained entirely within the Unit and serve only that Unit; 12) All interior partition walls that do not form part of the boundary of the Unit.

10.2.2. UNIT EXTERIOR. Unit Owner agrees not to paint or otherwise decorate or change the appearance of any exterior portion of the building, including patios or any stucco portion of the Condominium.

10.3. ALTERATION OF UNIT. No Unit Owner shall make or cause to be made any structural modifications or alterations or replacements in Unit Owner's Unit, or in the exterior doors of Unit Owner's Unit, or in the water, gas, electrical, plumbing, air-conditioning equipment or utilities therein, without the consent of the Board of Directors, which consent may be withheld in the event the Board determines that such structural alteration, modification, or replacement would in any manner endanger the structural soundness of the building. If modification, alteration, or replacement desired by a Unit Owner involves the removal of any permanent interior partition, the Board may permit same if the same is not a load bearing partition and if the same does not interfere with any common utility source. A Unit Owner making or causing to be made any structural modifications, alterations, or replacement to Unit Owner's Unit agrees and shall be deemed to have agreed, to hold the Association and all other Unit Owners harmless from any liability arising therefrom. No Unit Owner shall cause any improvements of electrical wires, television antennae, or air conditioning Units which may protrude through the walls or of the roof of the building, or in any manner change the appearance of the exterior of the building or any portion of the building not totally within each Unit, without consent of the Board. No Unit Owner other than the Developer and/or agents of Developer, or any other person shall install upon the roof or exterior of the building or upon the Common Elements of the Condominium, any television antennae, radio antennae, electric, electronic, electro-mechanical or other communications device, decorative item or affixed furnishing, without the consent of the Board. Developer shall have the ability to modify Units for sales purposes.

10.3.1. USE OF LICENSED AND INSURED CONTRACTORS. Whenever a Unit Owner contracts for maintenance, repair, replacement, alteration, addition, or improvement of any portion of the Unit or Common Elements, whether with or without Association approval, such Owner shall be deemed to have warranted to the Association and its members that the Unit Owner's contractor(s) are properly licensed and fully insured, and that the Unit Owner will be financially responsible for any resulting damage to persons or property not paid by the contractor's insurance.

10.4. UNIT OWNER LIABILITY. If a Unit Owner makes any modifications, installations, or additions to the Unit or the Common Elements or neglects to maintain, repair, and replace as required by this Section, the Unit Owner, and the owner's successors in title, shall be financially responsible for the following: 1) Insurance, maintenance, repair, and replacement of the modifications, installations, or additions; and 2) The costs of repairing any damage to the Common Elements or other Units resulting from the existence of such modifications, installations, or additions; and 3) The costs of removing and replacing or reinstalling such modifications if their removal by the Association becomes necessary in order to maintain, repair, replace, or protect other parts of the Condominium property for which the Association is responsible.

10.5. ENFORCEMENT OF MAINTENANCE. Should a Unit Owner fail to maintain the Unit and the appurtenances thereto, as required above, the Association, the Developer, or any other Unit

Owner shall have the right to proceed in a court of equity to seek compliance with the foregoing provisions. In addition, the Association and the Developer shall have the right to avail itself of the remedies set forth in Section 718.303(1) and (3), Florida Statutes, which remedies include the levy of a reasonable fine, an action for damages, or an action for injunctive relief.

- 10.6. **INSURANCE PROCEEDS.** Whenever any maintenance, replacement, and repair of any items for which the Unit Owner is responsible is made necessary by any loss covered by insurance maintained by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of accomplishing such maintenance, repair, or replacement. The Unit Owner shall be required to pay all of the costs thereof that exceed the amount of the insurance proceeds.
- 10.7. **MAINTENANCE CONTRACT.** If there shall become available to the Association a program of contract maintenance for water heaters serving individual Units, and/or air conditioning compressors, and/or air handlers and related equipment and fixtures serving individual Units, that the Association determines is to the benefit of the owners to consider, then on agreement by a majority of the voting interests of the Condominium, in person or by proxy and voting at a meeting called for the purpose, or on agreement by a majority of the total voting interests of the Condominium in writing, the Association may enter into such contractual undertakings. The expenses of such contractual undertakings to the Association shall be Common Expenses. All maintenance, repairs, and replacements not covered by the contracts shall be the responsibility of the Unit Owner. If the members of the Association determine that the program may be undertaken by the Association for the benefit of only those Unit Owners who elect to be included in the program, then the Association may undertake the program without consent of the members of the Association being required as aforesaid, and the costs of such contract shall be borne exclusively by the Unit Owners electing to be in the program, and shall not be a Common Expense of the Association; but the Association may arrange for the collection of the contract costs from the individual Unit Owners elected to be included therein, may execute the contractual undertaking involved upon such terms and conditions as the Association deems proper and require from the Unit Owners electing to be included, such written undertakings as the Association shall deem proper, to evidence the said Unit Owner's obligations to the Association for their proportionate share of the costs of such programs.
- 10.8. **PEST CONTROL CONTRACTS.** The Association may supply pest control services for the inside of each Unit, with the cost thereof being part of the Common Expenses. An owner has the option to decline such service unless the Association determines that service is necessary for the protection of the balance of the Condominium, in which event the owner thereof either must permit the Association's pest control company to enter the Unit or must employ a licensed pest control company to enter the owner's Unit on a regular basis to perform pest control services and must furnish written evidence thereof to the Association. The cost of pest control provided by the Association is a Common Expense, so the election of an owner not to use the service will not reduce the owner's assessments.

- 11. **MAINTENANCE GUARANTEE.** During the period commencing with the date of the recording of this Declaration among the Public Records of Alachua County, Florida and continuing until the earlier of: i) one (1) year from the date thereof; or ii) the date on which the Board is turned over to Unit Owners other than the Developer (the "Initial Guarantee Expiration Date"), the Developer shall not be obligated to pay the share of Common Expenses attributed to Units that it owns in the Condominium, provided that such Units continue to be offered for sale by the Developer and provided that the regular monthly assessments for Common Expenses imposed on each Unit Owner other than the Developer shall not increase during such period (the "Guarantee Period") over the amounts set forth within the following schedule:

ALL UNITS

MONTHLY AMOUNT	ANNUAL AMOUNT
\$117.25	\$1,412.96

and provided further that the Developer shall be obligated to pay any amount of Common Expenses actually incurred during the Guaranteed period not produced by the assessments at the guaranteed level. For the purposes herein, only regular periodic assessments for Common Expenses as provided for within this Declaration and within the Estimated Operating Budget adopted by the Association shall be utilized for the payment of Common Expenses during any period in which the Developer is excused.

Accordingly, no funds which are receivable from purchasers of Units or from Unit Owner's and which are payable to the Association, including capital contributions or start up funds collected from purchasers of Units at each closing, may be utilized for payment of such expenses during the Initial Guarantee Period or during any Additional Guarantee Period.

11.1. **ADDITIONAL GUARANTEE PERIOD.** Prior to the Initial Guarantee Expiration Date, the Developer shall have the option of extending the Guarantee Period for one (1) or more additional periods, of one (1) year each (an "Additional Guarantee Period") as provided in Section 718.116(9), Florida Statutes. During an Additional Guarantee Period, if any, the Developer guarantees that regular monthly assessments for Common Expenses imposed on each Unit Owner other than the Developer shall not be greater than the amounts set forth above. During an Additional Guarantee Period, if any, the Developer shall be obligated to pay any amount of Common Expenses actually incurred during such Additional Guarantee Period not produced by the assessments at the guaranteed level. The Developer shall be deemed to have automatically extended the Guarantee Period, by an Additional Guarantee Period, unless the Developer notifies the Board, in writing, of its election not to extend the Guarantee Period for an Additional Guarantee Period. The Developer may also extend the Guarantee Period for a definite period of time by written agreement entered into with a majority of non-Developer Unit Owners. Notwithstanding the foregoing, if Section 718.111(11)(a), Florida Statutes, the Common Expenses incurred during the Guaranteed Period or during any Additional Guaranteed Period resulting from a natural disaster or from an Act of God, which are not covered by insurance proceeds from the insurance coverage maintained by the Association, may be assessed against all Unit Owners owning Units on the date of such natural disaster or act of God occurring during the same Guarantee Period, and their successors and assigns, including the Developer with respect to Units owned by the Developer. In the event of such assessment, all Units shall be assessed in accordance with their respective ownership interest in the Common Elements as set forth within Exhibit "F" attached hereto.

12. **COMMON EXPENSES.** Common Expenses shall include expenses of the operation, maintenance, repair, or replacement of the Common Elements, costs of carrying out the powers and duties of the Association, and any other expenses designated as Common Expenses by the Association. In addition, Common Expenses includes all costs of common area electricity, common area water (including submetering thereof), gas, trash and garbage collection, and sewage collection for the Condominium. These Common Expenses shall be shared by each Unit in accordance with each Unit's respective interests and Common Elements and in the common surplus, as set forth in Exhibit "F." The foregoing ratio of sharing Common Expenses and assessments shall remain, regardless of the purchase price of the Units or their locations.

12.1. **PERSONAL PROPERTY TAXES.** All personal property taxes levied or assessed against personal property owned by the Association shall be paid by the Association and shall be a Common Expense.

13. **ASSESSMENTS.** The Association, through its Board of Directors, shall have the power to fix and determine from time to time, a budget necessary to provide for Common Expenses of the Condominium. A Unit Owner, regardless of how title is acquired, shall be liable for all assessments coming due while such Unit Owner is the owner of the Unit. In addition, the purchaser of a Unit shall be jointly and severally liable with the Seller of each Unit for all unpaid assessments against the Unit being conveyed up to the time of such conveyance.

13.1. **BUDGET ADOPTION.** The Board shall adopt a Budget for the Association during the month preceding the fiscal year wherein the Budget will take effect, which Budget shall include a schedule of assessments to be paid by the Unit Owners.

13.2. **OWNER RESPONSIBILITY.** Each Unit Owner shall be responsible for the payment of the assessment imposed against the Unit Owner's Unit in an amount equal to the percentage of responsibility for payment of Common Expenses set forth in Exhibit "F" attached hereto.

13.3. **PAYMENT SCHEDULE.** Regular assessments shall be paid by the Unit Owners on a monthly basis on the first day of each month and shall be late on the fifth (5th) day of the month.

- 13.4. RESERVE FUND FOR CAPITAL EXPENDITURES. The Board of Directors of the Association, in assessing for Common Expenses, shall (unless waived or reduced pursuant to applicable law) include therein a sum to be collected and maintained as a reserve fund for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expenses or replacement cost and for any other item for which the deferred maintenance expenses or replacement cost exceeds \$10,000.00 All reserve funds, and any interest accruing thereon, shall remain in the reserve account for authorized reserve expenditures, unless the use of reserve funds for other purposes is approved in advance by a majority vote at a duly called meeting of the Association.
- 13.5. RESERVE FUND FOR SECURITY. The Board of Directors of the Association, in assessing for Common Expenses, may include therein a sum to be collected and maintained as a general operating reserve which shall be used to provide a measure of financial security during periods of stress. Such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by Unit Owners or as a result of emergencies.
- 13.6. SEPARATE PROPERTY. All monies collected by the Association from assessments imposed against Unit Owners in this Condominium shall, unless the same is collected for the benefit of others, be the separate property of the Association. Such monies may be applied by the Association to the payment of any expense of operating and managing the Condominium Property, or the proper undertaking of all acts and duties imposed upon it by virtue of the provisions of this Declaration. All monies received from the Assessments imposed against Unit Owners in this Condominium shall be maintained separately in the name of the Association. Reserve and operating funds of the Association shall not be commingled, unless combined for investment purposes. However, if combined, such funds shall be accounted for separately and the combined account balance may not, at any time, be less than the amount identified as reserve funds in the combined accounts. All monies received by the Association from assessments imposed against Unit Owners in this Condominium shall be held for the benefit of the Unit Owners in this Condominium and may not be expended for the benefit of any other reason. No Unit Owner shall have the right to assign, hypothecate, pledge or in any manner transfer his interest therein, except as an appurtenance to his Unit. Such funds shall not be subject to attachment or levy by a creditor or judgment creditor of a Unit Owner. When the Unit Owner shall cease to be a member of the Association, by divestment of his ownership of such Unit by whatever means, the Association shall not be required to account to such owner for any share of the funds or assets of the Association.
- 13.7. LIABILITY. Liability for assessments may not be avoided by abandonment of a Unit, or by waiver of the use of any Common Elements or other property which a Unit Owner is entitled to enjoy or use. Further, in any voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments of any nature incurred prior to the time of such voluntary conveyance.
- 13.8. LATE PENALTY. Assessments not paid within five (5) days of the due date shall bear interest from the date when due until paid at the highest lawful rate per annum. Additionally, the failure to pay a bill within five (5) days from the date due shall entitle the Association to levy an administrative late fee, in addition to interest upon the delinquent billing, in an amount not to exceed the greater of \$25.00 or five percent (5.00%) of the each installment of the delinquent assessment, said administrative late fee to be imposed against the delinquent Unit Owner for each thirty (30) day period that the assessment remains delinquent. Payments made shall be applied to interest and administrative late fees first and then to the delinquent assessment. The Association shall furnish to any Institutional Mortgagee, upon its request, written notification of any default in assessment payments of the Unit Owner whose Unit is encumbered by the Institutional Mortgage. If a check is returned to the Association for insufficient funds, the Unit Owner will be charged a returned check fee in an amount as determined by the Board. This is in addition to any late charge incurred because the Unit Owner's account is not paid in a timely fashion. In the event that the Association finds it necessary to enforce its rights under this policy, the Unit Owner agrees to pay all reasonable expenses of that enforcement, including any collection agency fees and any attorney's fees.

- 13.9. **ASSOCIATION'S LIEN.** The Association is hereby granted a lien on each Unit, which lien shall secure the payment of all assessments, interest thereon, and reasonable attorney's fees incurred as an incident to the enforcement of such lien. Notwithstanding anything to the contrary which may be contained herein, no fine shall be come a lien against a Unit. The lien shall become effective, having priority and be collected as provided by the Act.
- 13.10. **LIEN FORECLOSURE.** Liens for assessments may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property, as more fully set forth in the Act. The Association may bid at any sale and apply as a cash credit against its bid all sums due the Association covered by the lien being enforced. In any suit for the foreclosure of said lien, the Association, provided the Unit Owner has remained in possession off the Unit, shall be entitled to petition a court of competent jurisdiction for payment of a reasonable rental from the Owner of such Unit form the date on which the payment of any assessment or installment thereof became delinquent, and shall be entitled to the appointment of a receiver for said Unit.
- 13.11. **FIRST MORTGAGEE LIABILITY.** The liability of the first mortgagee or its successors or assignees who acquire title to a Unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due prior to the mortgagee's acquisition of title is limited to the lesser of:
- 13.11.1. The Unit's unpaid Common Expenses and regular periodic assessments which accrued or came due during the six (6) months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or
 - 13.11.2. One percent (1%) of the original mortgage debt. The provisions of this paragraph shall not apply unless the first mortgagee joined the Association as a defendant in the foreclosure action. Joinder of the Association is not required, if on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location which was known to or was reasonably discoverable by the mortgagee.

14. **LIMITATIONS ON LIABILITY.**

- 14.1. **LIMITED LIABILITY.** The liability of the Unit Owner for Common Expenses shall be limited to the amounts for which Unit Owner is assessed from time to time in accordance with this Declaration and the Bylaws (including any interest, penalties, costs, or fees provided for herein in the event of delinquency).
- 14.2. **INDIVIDUAL LIABILITY.** The Unit Owner may be personally liable for acts or omissions of the Association in relation to the use of the Common Elements, but only to the extent of such Unit Owner's pro rata share of that liability in the same percentage as such Units Owner's interest in the Common Elements, and then in no event shall such liability exceed the value of the Unit Owner's Unit.

15. **MECHANIC'S LIENS.**

- 15.1. **BASIS FOR LIEN.** Unless a Unit Owner has expressly requested or consented to work being performed or materials being furnished to Unit Owner's Unit, such furnishing of labor or material may not be the basis for the filing of a mechanic's lien against the Unit Owner's Unit. No labor performed or materials furnished to the Common Elements shall be the basis for the filing of a lien thereon unless authorized by the Association, in which event same may be the basis for the filing of a lien against all Units in the proportions for which Units are liable for Common Expenses.
- 15.2. **RELEASE OF LIEN.** In the event a lien against two or more Units becomes effective, each Unit Owner thereof may relieve his Unit of the lien by paying the proportionate amount attributable to Unit Owner's Unit. Upon such payment, it shall be the duty of the lienor to release the lien against the Unit.

16. **ENFORCEMENT OF ASSESSMENTS AND LIENS.** Liens for unpaid assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property and the Association may also bring an action to recover a money judgment. After a judgment of foreclosure has been entered, the Unit Owner during occupancy shall be required to pay a reasonable rental if so ordered by the Court. If the Unit is rented or leased during the pendency of a foreclosure action, the Association shall be entitled to the appointment of a receiver to collect the rent. The Association shall have all the powers provided in F.S. 718.116 and shall be entitled to collect interest at the highest lawful rate (currently 18% per annum) on unpaid assessments and reasonable attorneys' fees, including appeals, and costs incident to the collection of such assessment or enforcement of such lien, with or without suit.
- 16.1. **CREATION AND ENFORCEMENT OF CHARGES.** The Association shall have a cause of action against Unit Owners to secure payment to the Association by Unit Owners of all charges, costs, and expenses to the Association that cannot be secured as assessments, regular or special, under F.S. 718.116. The charge shall bear interest at the highest lawful rate, and shall carry with it costs and attorneys' fees, including costs and fees on appeal, incurred in collection.
17. **OBLIGATIONS OF UNIT OWNERS.** Each Unit Owner, tenant, and other invitee shall be governed by, and shall comply with, the provisions of the Condominium Act as amended from time to time, this Declaration, including its exhibits, the Association Articles of Incorporation, and the Association Bylaws.
- 17.1. **UNIT OWNER DUTIES.** Each Unit Owner shall comply with the following duties.
- 17.1.1. **PAY.** Promptly pay all assessments, regular and special, levied by the Association.
- 17.1.2. **MAINTAIN.** Maintain in good condition and repair Unit Owner's Unit and the Limited Common Elements appurtenant thereto and maintain and repair the fixtures therein and pay for any utilities which are separately metered to Unit Owner's Unit.
- 17.1.3. **NO INTERFERENCE.** Not permit or suffer anything to be done or kept in Unit Owner's Unit which will increase the insurance rates on Unit Owner's Unit, or the Common Elements, or which will obstruct or interfere with the rights of other Unit Owners or annoy them by unreasonable noises or otherwise; nor shall a Unit Owner commit or permit any nuisance or any immoral or illegal act in Unit Owner's Unit or on the Common Elements.
- 17.1.4. **CONFORM.** Conform and abide by the Bylaws and such rules and regulations which may be adopted in writing, from time to time, by the Board of Directors of the Association and see that all persons using Unit Owner's Unit by, through or under the Unit Owner do likewise.
- 17.1.5. **NO ALTERATIONS.** Make no alterations, decoration, repair, replacement or change to the Common Elements or to any outside exterior portion of the Condominium, except as set forth herein.
- 17.1.6. **NO SIGNS.** Exhibit no sign, advertisement or notice of any type on the Common Elements or on Unit Owner's Unit, except as may be approved by the Association. The prohibitions contained in this subparagraph shall not be applicable to the Developer and/or Agents of the Developer.
- 17.1.7. **LIMITATION ON PLUMBING AND ELECTRICAL REPAIRS.** Make no repairs to any plumbing or electrical wiring, except within Unit Owner's Unit. Plumbing and electrical repairs within a Unit shall be the financial obligation of the Owner of the Unit and shall be paid for forthwith. The Association shall pay for and be responsible for plumbing repairs and electrical wiring within the Common Elements.
- 17.1.8. **AD VALOREM TAXES.** Pay all *ad valorem* taxes attributable to the Unit Owner's Unit to the appropriate taxing authority having jurisdiction over the Unit Owner's Unit. For the purposes of *ad valorem* taxation, the interest of the Unit Owner in Unit Owner's Unit

and in the Common Elements appurtenant thereto shall be considered as a Unit.

- 17.2. **REMEDIES.** Failure to comply shall be grounds for relief, which relief may include, but shall not be limited to, an action to recover damages, injunctive relief, or both. Actions may be maintained by the Association or by any Unit Owner.
- 17.3. **COSTS AND FEES.** In any such proceeding, including appeals, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees.
- 17.4. **OWNER INQUIRIES.** When a Unit Owner files a written inquiry by certified mail with the Board of Directors, the Board shall respond in writing to the Unit Owner within 30 days of receipt of the inquiry. The Board's response shall either (a) give a substantive response, (b) notify the inquirer that a legal opinion has been requested, or (c) notify the inquirer that advice has been requested from the Bureau of Compliance, Division of Florida Land Sales, Condominiums, and Mobile Homes. If advice has been requested from the Bureau of Compliance, the Board shall provide a written substantive response to the inquirer within 10 days of receipt of the advice. If a legal opinion is requested, the Board shall provide a written substantive response to the inquirer within 60 days of receipt of the inquiry. The failure to provide a substantive response as set forth above precludes the Association from recovering attorneys' fees and costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the complaint. If unresolved, a dispute, as defined in F.S. 718.1255(1), must be arbitrated in mandatory non-binding arbitration proceedings prior to commencement of litigation. The Board of Directors may adopt reasonable rules and regulations governing the frequency and manner of responding to Unit owner inquiries, including a limit of one Unit owner inquiry in any thirty day period.
- 17.5. **NO WAIVER OF RIGHTS.** The failure of the Association or any owner to enforce any covenant, restriction, or other provision of the condominium documents shall not constitute a waiver of the right to do so thereafter as to subsequent or other instances.
18. **INSURANCE.** To adequately protect the Unit Owners, the Association, and all parts of the Condominium property and Association property that are required to be insured by the Association, insurance shall be carried and kept in force at all times in accordance with the following provisions.
- 18.1. **DUTY AND AUTHORITY TO OBTAIN.** The Board of Directors shall use its best efforts to obtain and maintain adequate insurance. In all insurance purchased by the Association, the name of the insured shall be the Association and the Unit Owners and their mortgagees (without naming them), as their interests shall appear, and the policy shall provide for the issuance of certificates of insurance and mortgagee endorsements to any or all of the holders of institutional first mortgages. In the event that the Prairiewood Condominium Association, Inc., requests the Association to name it as an additional insured as its interests may appear, the Association shall do so.
- 18.2. **BASIC INSURANCE.** The Board of Directors will procure insurance covering the building and improvements as well as all insurable Association property, in an amount determined annually by the Board. Pursuant to F.S. 718.111(11)(b), the word "building" does not include floor coverings, wall coverings, or ceiling coverings, nor electrical fixtures, appliances, air conditioning or heating equipment, water heaters, or built-in cabinets located within a Unit. Such insurance shall afford the following protection:
- 18.2.1. **EXTENDED COVERAGE.** The policy must include extended coverage (including windstorm) and replacement cost coverage for loss or damage by fire, vandalism and malicious mischief, and other hazards covered by the standard "All Risk" property contract.
- 18.2.2. **FLOOD.** The policy must include up to the replacement cost for each building and insurable improvements, as available.
- 18.2.3. **LIABILITY.** The policy must include premises and operations liability endorsements 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 endorsements

to cover liabilities of the Unit Owners as a group to a Unit Owner.

- 18.2.4. **AUTOMOBILE**. The policy must include automobile liability for bodily injury and property damage for all owned and non-owned motor vehicles used in Association business in such limits of protection and with such coverage as may be required by the Board of Directors of the Association.
- 18.2.5. **WORKERS' COMPENSATION**. The Association shall maintain workers' compensation insurance to meet the requirements of law.
- 18.2.6. **FIDELITY BONDING**. The Association shall obtain and maintain insurance or fidelity bonding for all persons who control or disburse funds of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the president, secretary, and treasurer of the Association. The Association shall bear the cost of bonding.
- 18.2.7. **DIRECTORS AND OFFICERS LIABILITY INSURANCE**. The Association shall obtain and maintain adequate directors and officers liability insurance using the broad form of policy coverage for all directors and officers and, if available, for committee members of the Association.
- 18.2.8. **INSURANCE ON INDIVIDUAL UNIT**. Each individual Unit Owner shall purchase at Unit Owner's expense, liability insurance to cover accidents occurring within Unit Owner's Unit, and shall purchase insurance upon Unit Owner's personal property and such insurance, where applicable, shall contain waiver of subrogation, if available.
- 18.3. **DESCRIPTION OF COVERAGE**. A detailed summary of the coverage included in the master policies shall be available for inspection by Unit Owners on request.
- 18.4. **WAIVER OF SUBROGATION**. The Board of Directors shall endeavor to obtain, if available and where applicable, insurance policies that provide that the insurer waives its rights to subrogation as to any claim against Unit Owners, the Association, or their respective servants, agents, or guests.
- 18.5. **SHARES OF INSURANCE PROCEEDS**. All proceeds of insurance policies purchased by the Association shall be payable to the Association. The duty of the Association shall be to receive such proceeds and hold and disburse them for the purposes stated herein in the following shares:
- 18.5.1. **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 the owner's share in the Common Elements.
- 18.5.2. **UNITS**. Proceeds on account of damage to Units shall be held in as many undivided shares as there are damaged Units, the share of each owner being in proportion to the cost of restoring the damage suffered by each such Unit.
- 18.5.3. **MORTGAGEES**. 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 may appear. In no event shall any mortgagee have the right to demand application of insurance proceeds to any mortgage or mortgages that it may hold against Units except to the extent that insurance proceeds exceed the actual costs of repair or restoration of the damaged improvements, and no mortgagee shall have any right to participate in determining whether improvements will be restored after casualty. The Association shall pay all policy deductible amounts on Association policies.
- 18.6. **DISTRIBUTION OF INSURANCE PROCEEDS**. Proceeds of insurance policies received by the Association shall be distributed for the benefit of the Unit Owners in the following manner:

- 18.6.1. **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 first be paid to defray the costs thereof. Any proceeds remaining after defraying costs shall be retained by the Association.
- 18.6.2. **FAILURE TO RECONSTRUCT OR REPAIR.** 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 after expenses shall be distributed to the beneficial owners. The remittances to Unit Owners and their mortgagees shall be payable jointly to them. This is a covenant for the benefit of mortgagees and may be enforced by them.
- 18.7. **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.
19. **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:
- 19.1. **DAMAGE TO UNITS.** Where loss or damage is only to those parts of a Unit for which the responsibility of maintenance and repair is that of the Unit Owner, any Association insurance proceeds on account of the damage, less the deductible, shall be distributed to such contractors, suppliers, and personnel for work done, materials supplied, or services required for reconstruction or repair. Payments shall be in such amounts and at such times as the Unit Owners may direct. The owners of damaged Units shall be responsible for reconstruction and repair and shall bear the cost thereof, if any, in excess of the insurance proceeds.
- 19.2. **DAMAGE TO COMMON ELEMENTS—LESS THAN “VERY SUBSTANTIAL.”** When 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, or rebuild the damage caused by the loss, and the following procedures shall apply:
- 19.2.1. **ESTIMATES.** The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of reconstruction and repair, and shall negotiate and contract for the work.
- 19.2.2. **INSURANCE INSUFFICIENT.** If the net proceeds of insurance plus available reserves are insufficient to pay for the cost of reconstruction and repair of the Common Elements, the Association shall promptly, on determination of the deficiency, levy a special assessment against all Unit Owners. The Unit Owners need not approve such special assessments. The special assessment shall be added to the proceeds for reconstruction and repair of the property.
- 19.3. **DAMAGE TO COMMON ELEMENTS—MORE THAN “VERY SUBSTANTIAL” DAMAGE.** As used in this Declaration, the term “very substantial” damage shall mean loss or damage whereby three-fourths or more of the total Units are rendered uninhabitable. Should such “very substantial” damage occur, then:
- 19.3.1. **OWNERS’ MEETING.** A meeting of the Association shall be called by the Board of Directors to be held within a reasonable time after the casualty. A determination by the Board of Directors as to what is a reasonable time shall be conclusive. The purpose of the meeting shall be to determine the wishes of the membership with reference to reconstruction or termination of the Condominium, subject to the following:
- 19.3.1.1. **INSURANCE SUFFICIENT.** If the insurance proceeds and reserves available for reconstruction and repair are sufficient to cover the cost thereof, so that no special assessment is required, the Condominium property shall be reconstructed or repaired unless the then applicable zoning or other regulatory laws will not allow reconstruction of the same number and general

type of Units, in which case the Condominium shall be terminated pursuant to Paragraph 22.2.

19.3.1.2. INSURANCE INSUFFICIENT. If the insurance proceeds and reserves available for reconstruction and repair are not sufficient to cover the cost thereof so that a special assessment will be required, then unless at least 67% of the voting interests of the Association vote in favor of such special assessment and against termination of the Condominium, it shall be terminated pursuant to Paragraph 22.2. If 67% of the voting interests of the Association approve the special assessment, the Association, through its Board, shall levy such assessment and shall proceed to negotiate and contract for such reconstruction and repairs. The special assessment shall be added to the proceeds of insurance and reserves available for reconstruction and repair of the property.

19.3.1.3. DISPUTES. If any dispute shall arise as to whether "very substantial" damage has occurred, a determination by the Board of Directors shall be binding on all Unit Owners.

19.4. APPLICATION OF INSURANCE PROCEEDS. It shall be presumed that the first funds disbursed for reconstruction and repair shall be from the insurance proceeds and they shall first be applied to reconstruction of the Common Elements and Association property and then to the Units; if there is a balance in the funds held by the Association after the payment of all costs of reconstruction and repair, such balance shall be retained by the Association. However, if special assessments were made pursuant to Paragraph 19.2.2. hereof, then all or a part of the remaining money shall be returned to the Unit Owners paying those assessments pro rata, according to the amount each paid, up to the full amount each paid, and then to the Association.

19.5. EQUITABLE RELIEF. In the event of substantial damage to the Condominium property, and if the property is not reconstructed or repaired 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 reconstruction or repair has occurred within a reasonable period of time if substantial work is commenced within such time following the damage or destruction as is determined by the Board of Directors to be reasonable and the work proceeds without intentional and unwarranted delay to completion.

19.6. PLANS AND SPECIFICATIONS. Any reconstruction or repairs must be substantially in accordance with the plans and specifications for the original buildings, or in lieu thereof, according to plans and specifications approved by the Board of Directors and by the owners of 67% of the voting interests of the Association.

20. EMINENT DOMAIN.

20.1. 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 a defaulting Unit Owner in the amount of his or her award, or the amount of that award shall be set off against any sums payable to that owner.

20.2. DETERMINATION WHETHER TO CONTINUE CONDOMINIUM. Whether the Condominium will be continued after condemnation will be determined in the manner provided in Section 19 above for determining whether damaged property will be reconstructed and repaired after a casualty.

20.3. DISBURSEMENT OF FUNDS. If the Condominium is terminated after condemnation, the proceeds of all awards and special assessments will be deemed to be Condominium 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 charges shall be used for these purposes and shall be disbursed in the manner provided for disbursements of funds after a casualty.

- 20.4. 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.
- 20.5. UNITS REDUCED BUT TENANTABLE. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made tenantable, 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:
- 20.5.1. RESTORATION OF UNIT. The Unit shall be made tenantable. 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;
- 20.5.2. 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.
- 20.6. UNIT MADE UNTENANTABLE. If the taking is of any entire Unit or so reduces the size of a Unit that it cannot be made tenantable, 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:
- 20.6.1. PAYMENT OF AWARD. The fair market value of the Unit immediately prior to the taking, as determined by agreement between the Unit Owner and the Association or by arbitration in accordance with Paragraph 20.6.4., 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 the mortgagee(s).
- 20.6.2. 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 all Unit Owners in the manner approved by the Board of Directors.
- 20.6.3. 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 Unit Owners. This shall be done by restating the shares of continuing Unit Owners in the Common Elements as percentages of the total remaining square footage of Units calculated as provided in Exhibit "F" to this Declaration.
- 20.6.4. 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 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. A judgment of specific performance on the value arrived at by the appraisers may be entered in any court of competent jurisdiction. The cost of appraisals shall be paid by the party selecting the appraiser.
- 20.7. 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 Unit Owner and mortgagee(s) of the Unit.

- 20.8. **AMENDMENT OF DECLARATION.** Changes in the Units, in the Common Elements, and in the ownership of the Common Elements that are necessitated by condemnation shall be evidenced by an amendment of the Declaration of Condominium as ordered by a court or approved by a majority of Unit Owners (voting interests) of this Condominium, without the consent of any mortgagee being required for any such amendment.
21. **USE.** The use of the property of the Condominium shall be in accordance with the rules and regulations attached hereto and incorporated herein as Exhibit "D" and the following provisions:
- 21.1. **LAWFUL USE.** All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies that require maintenance, modification, or repair on Condominium property shall be the same as the responsibility for the repair and maintenance of the property as expressed earlier in this Declaration.
- 21.2. **RULES AND REGULATIONS.** The rules and regulations attached hereto as Exhibit "D" and made a part hereof by reference concerning the use of the Condominium property including the Units may be amended from time to time by the Board of Directors. All rules and regulations adopted by the Board shall be deemed in effect until amended and shall apply to and be binding upon all Unit Owners. The Unit Owners shall, at all times, obey said rules and regulations and shall use their best efforts to see that the rules and regulations are faithfully observed by their families, guests, invitees, servants, or lessees. In order to change, amend, or vary old or present rules and regulations and/or adopt new rules and regulations, the same shall be duly passed by at least a 67% vote or consent of the Board; however, no vote of the membership shall be required. A change, amendment, or adoption of a rule and regulation shall not require an amendment to the Declaration or the Bylaws, unless such change, amendment or adoption of a rule and regulation would conflict, in any manner with any provision of this Declaration and/or Bylaws. Copies of the regulations and amendments shall be furnished by the Association to all Unit Owners. No new or amended regulation may be enforced prior to distribution to the owners. Changes in the rules and regulations must be recorded in the public records.
- 21.3. **USE OF THE UNITS.** Each Unit shall be utilized only for residential purposes. No person shall use the Condominium Property, or any parts thereof, in any manner contrary to the Condominium Documents or Condominium Act.
- 21.4. **PETS.** Pets shall be as allowed and regulated in the rules and regulations (Exhibit "D").
- 21.5. **NUISANCES PROHIBITED.** No person shall engage in any practice, exhibit any behavior, nor permit any condition to exist that will constitute a nuisance or become a reasonable source of annoyance or disturbance to any occupant of the Condominium.
22. **TERMINATION OF CONDOMINIUM.** The termination of the Condominium shall be carried out in accordance with the following:
- 22.1 **BY AGREEMENT.** As provided in Section 718.117 of the Act, the Condominium may be terminated at any time by the approval in writing of all Unit Owners and all record owners of mortgages encumbering Units; provided however the Division of Florida Land Sales, Condominium and Mobile Homes (the "Division") must be notified by the Association of the intention to terminate the Condominium, prior to any action being undertaken to terminate the Condominium.

If the proposed termination is submitted to a special meeting of the members of the Association and if the approval of the members holding not less than 75% of the total votes of the Association and their mortgagees is obtained, in writing, then not later than sixty (60) days from the date of such special meeting, the approving unit owners (through the Association) shall have an option to buy all of the Units of the disapproving Unit Owners for the period of 120 days from the date of

such special meeting. The vote of those Unit Owners approving the termination shall be irrevocable until the expiration of the option. Any Unit Owner voting against the termination, or not voting, may within fifteen (15) days from the date the vote was taken change or cast his vote in favor of termination by delivering written notification thereof to the Secretary of the Association. The option shall be exercised upon the following terms:

- 22.1.1. Exercise of Option. The option shall be exercised by delivery, or the mailing by registered mail, of an agreement to purchase, signed by the President or Vice President of the Association, to each of the Unit Owners. The agreement shall be conditioned upon the purchase of all Units owned by Unit Owners not approving the termination.
 - 22.1.2. Price. The sales price for each Unit shall be the fair market value as determined between the Seller and the Association. In absence of such agreement on the sales price of any Unit, the sales price shall be determined by an appraiser appointed by the Chairman of the Gainesville-Alachua County Board of Realtors (or its equivalent). A judgment of specific performance of the sale, at the sales price determined by the appraiser, may be entered in any court of competent jurisdiction.
 - 22.1.3. Payment. The purchase price shall be paid in cash.
 - 22.1.4. Form. The contract shall be in the form of the Standard Deposit Receipt and Contract for Sale and Purchase then in use in Alachua County, Florida.
 - 22.1.5. Closing. The sale of all Units shall be closed simultaneously and within thirty (30) days following the determination of the sales price of the last Unit to be purchased.
- 22.2. WITHOUT AGREEMENT, ON ACCOUNT OF VERY SUBSTANTIAL DAMAGE. If the Condominium suffers "very substantial damage" to the extent defined above in Paragraph 19.3. and it is not decided as therein provided that the Condominium will be reconstructed or repaired, the condominium form of ownership of the property in this Condominium will be terminated.
- 22.3. PROCESS OF TERMINATION. Termination of the Condominium occurs when a Certificate of Termination meeting the requirements of this paragraph is recorded in the Public Records of Alachua County, Florida.
- 22.3.1. CERTIFICATE OF TERMINATION. The termination of the Condominium by either of the foregoing methods shall be evidenced by a Certificate of Termination, executed by the President or Vice President with the formalities of a deed, and certifying as to the facts effecting the termination. The Certificate also shall include the name and address of a Florida financial institution with trust powers or a licensed Florida attorney who is designated by the Association to act as Termination Trustee, and shall be signed by the Trustee indicating willingness to serve in that capacity.
 - 22.3.2. EFFECT OF RECORDING. The recording of that Certificate of Termination automatically divests the Association of title to all Association property, and divests all Unit Owners of legal title to their respective Condominium parcels, and vests legal title in the Termination Trustee named in the Certificate of Termination, to all real and personal property that was formerly the Condominium property or Association property, without need for further conveyance. Beneficial title to the former Condominium and Association property shall be transferred to the former Unit Owners as tenants in common, in undivided shares as determined in 22.3.5 below, without further conveyance. Each lien encumbering a Condominium parcel shall be automatically transferred to the equitable interest in the former Condominium property and Association property attributable to the Unit encumbered by the lien, with the same priority.

- 22.3.3. NOTIFICATION. Within thirty (30) business days from the date the Termination Certificate is recorded among the Public Records of Alachua County, Florida, the Association shall:
- 22.3.3.1. Notify the Division of the date the Termination Certificate was recorded among the Public Records of Alachua County, Florida;
 - 22.3.3.2. Provide the Division with the official records book and page number information for the Termination Certificate; Provide the Division with a certified copy of the recorded Termination Certificate.
- 22.3.4. BENEFICIAL INTEREST. The beneficial interest of the former owner shall be a fraction, the numerator of which is the assessed value for *ad valorem* taxation of the former owner's parcel immediately prior to the termination without reduction for homestead exemption or any other exemptions personal to the Unit Owner (if any) and the denominator of which shall be the total assessed value of all the parcels, likewise without exemptions.
- 22.3.5. Shares of Owners after Termination. After termination of the Condominium, the Unit Owners shall own the Condominium Property and all assets of the Association applicable to this Condominium as tenants in common of undivided shares that shall be equal to the sum of the undivided shares in the Common Elements appurtenant to the Units prior to termination, so that the sum total of the ownership shall equal 100%.
- 22.4. WINDING UP OF ASSOCIATION AFFAIRS. The termination of the Condominium does not, by itself, terminate the Association. The former Unit Owners and their successors and assigns shall continue to be members of the Association, and the members of the Board of Directors and the officers of the Association shall continue to have the powers granted in this Declaration, the Articles of Incorporation, and the Bylaws, to the extent necessary for, and for the sole purpose of, winding up the affairs of the Association in accordance with this paragraph.
- 22.5. TRUSTEE'S POWERS AND DUTIES. The Termination Trustee shall hold legal title to the property for the benefit of the former Unit Owners and their successors, assigns, heirs, devisees, mortgagees, and other lienholders, as their interests shall appear. If the former Unit Owners approve a sale of the property as provided in this paragraph, the Termination Trustee shall have the power and authority to convey title to the purchaser and to distribute the proceeds in accordance with the provisions of this paragraph. The Termination Trustee may charge a reasonable fee for acting in such capacity, and that fee, as well as all costs and expenses incurred by the Termination Trustee in the performance of its duties, shall be paid by the Association or taken from the proceeds of the sale of the former Condominium and Association property and shall constitute a lien on the property superior to any other lien. The Trustee shall be entitled to indemnification by the Association from any and all liabilities and costs incurred by virtue of acting as Termination Trustee unless such liabilities are the result of gross negligence or malfeasance. The Termination Trustee may rely on the written instructions and information provided to it by the officers, directors, and agents of the Association and shall not be required to inquire beyond such information and instructions.
- 22.6. PARTITION; SALE. Following termination, the former Condominium property and Association property may be partitioned and sold on the application of any Unit Owner. If following a termination at least 75% of the voting interests agree to accept an offer for the sale of the property, the Board of Directors shall notify the Termination Trustee, and the Trustee shall complete the transaction. In that event, any action for partition of the property shall be held in abeyance pending the sale, and on the consummation of the sale shall be discontinued by all parties thereto. If the Unit Owners have not authorized a sale of the former Condominium and Association property within one year after the recording of the Certificate of Termination, the Trustee may proceed to sell the property without agreement by the Association or the former Unit Owners. The net proceeds of the sale of any of the property or assets of the Association shall be distributed by the Termination Trustee to the beneficial owners thereof, as their interests shall appear.

- 22.7. **NEW CONDOMINIUM.** The termination of the Condominium does not bar creation of another Condominium including all or any portion of the property.
- 22.8. **PROVISIONS SURVIVE TERMINATION.** The provisions of this Section 22 are covenants running with the land and shall survive the termination of the Condominium until all matters covered by those provisions have been completed. The Board of Directors shall continue to function in accordance with the Bylaws and Articles of Incorporation and shall have the power to levy assessments to pay the costs and expenses of the Termination Trustee and of maintaining the property until it is sold. The costs of termination, the fees and expenses of the Termination Trustee, and post-termination costs of maintaining the former Condominium Property are Common Expenses, the payment of which shall be secured by a lien on the beneficial interest owned by each former Unit Owner, which to the maximum extent permitted by law shall be superior to, and take priority over, all other liens.
23. **ASSIGNABILITY RIGHTS OF DEVELOPER.** The rights and privileges reserved in this Declaration and in the Exhibits attached hereto in favor of the Developer are freely assignable, in whole or in part and without the necessity for any consideration being paid to the Association or to any of the other Unit Owners in this Condominium, by the Developer to any party who may be hereafter designated by the Developer to have and exercise such rights, and such rights may be exercised by the nominee, assignee, or designee, of the Developer and/or may be exercised by the successor or successors-in-interest of the Developer and/or by the successor or successors-in-interest of the nominees, assignees, or designees of the Developer and/or by grantees from the Developer (including mortgagees accepting deeds from the Developer in lieu of foreclosure) and/or by successors in title to the Developer through mortgage foreclosure.
24. **RIGHTS OF MORTGAGEE.**
- 24.1. **PARTIAL RELEASE FROM PRIOR ASSESSMENTS.** A first mortgagee who acquires title to a Unit by purchase at a foreclosure sale or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the deed, but in no event shall the mortgagee be liable for more than six months of the Unit's unpaid Common Expenses or assessments accrued before the acquisition of the title to the Unit by the mortgagee or 1% of the original mortgage debt, whichever amount is less. This provision shall not apply unless the first mortgagee joined the Association as a defendant in the foreclosure action. Such mortgagee may obtain title, own, occupy, lease, sell, or otherwise dispose of such Unit without the approval of the Association.
- 24.2. **RIGHTS TO INFORMATION.** On receipt by the Association from any institutional mortgagee, guarantor, or insurer of a copy of the mortgage held by such mortgagee, guarantor, or insurer on a Unit, together with a written request from such mortgagee or an insurer or guarantor of such mortgagee specifying the address to which the following items are to be sent, the Association shall timely send to such mortgagee, insurer, or guarantor the following, for which the Association may charge a reasonable fee:
- 24.2.1. **FINANCIAL STATEMENTS.** A copy of a financial statement of the Association for the immediately preceding fiscal year; and
- 24.2.2. **INSURANCE CANCELLATION.** Written notice of the cancellation or termination by the Association of any policies of insurance covering the Condominium or Association property or any improvements thereon, or any fidelity bonds of the Association except when the reason for the termination or cancellation of the insurance policy or bond is to change insurance companies or because the policy or bond is not needed or is not available.
- 24.2.3. **DAMAGE TO CONDOMINIUM.** Written notice of any damage or destruction to the improvements located on the Common Elements or Association property that affects a material portion of the Common Elements or Association property or the Unit securing its mortgage; and

- 24.2.4. **EMINENT DOMAIN.** Written notice of a condemnation or eminent domain proceeding affecting a material portion of the Condominium property or the Unit securing its mortgage; and
- 24.2.5. **DELINQUENT ASSESSMENTS.** Written notice of failure by the owner of a Unit encumbered by a first mortgage held by such institutional mortgagee, guarantor, or insurer to pay any assessments when such failure or delinquency has continued for a period of 60 days or longer.
- 24.2.6. **FAILURE TO NOTIFY.** The failure of the Association to send any such notice to any such mortgagee, guarantor, or insurer shall have no effect on any meeting, action, or thing that was to have been the subject of such notice nor affect the validity thereof and shall not be the basis for liability on the part of the Association.
25. **EXECUTION OF DOCUMENTS FOR LOCAL GOVERNMENT.** The Developer's plan for the development of this Condominium may require, from time to time, the execution of certain documents required by the City of Gainesville and/or by the County of Alachua and/or by the State of Florida including, but not limited to, easements and restrictive covenants affecting the Condominium Property. To the extent that said documents require the joinder of any or all of the Unit Owners in this Condominium, each of said owners does hereby irrevocably give and grant to the Developer, or any of its officers or assigns, individually, full power of attorney to execute such documents as such Unit Owner's agent and in his place. The Association, as agent of each Unit Owner in this Condominium, by acceptance of the deed of conveyance transferring title to his Unit, shall be deemed to have assumed each and every one of the obligations of the Developer affecting the maintenance of the Condominium Property, if any, arising by virtue of the execution of documents required by the City of Gainesville, and/or by the Alachua County, and/or by the State of Florida.
26. **PROVISIONS PERTAINING TO DEVELOPER.**
- 26.1. **RIGHT TO USE FACILITIES.** Notwithstanding any provisions of this Declaration to the contrary, the Developer shall have the right to use and occupy any unsold Unit, the Common Elements, and any of the Limited Common Elements, the exclusive use of which have not been assigned, for the purpose of a Sales Office or for any other purpose.
- 26.2. **FUTURE DEVELOPMENT EASEMENTS.** The Developer, for itself and its successors and assigns, reserves easements over the Condominium property as necessary to complete future development, if any, including construction access and utilities.
- 26.3. **NO ACTION ALLOWED.** As 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:
- 26.3.1. **ASSESSMENT.** Assessment of the Developer as a Unit Owner for capital improvements.
- 26.3.2. **ASSOCIATION ACTION.** Any action by the Association that would be detrimental to the sale of Units or the completion of the project by the Developer, including such use of unsold Units and Common Elements and Association property as may facilitate completion, sale, maintenance of a sales office, showing of the property, and display of signs.
27. **CONDOMINIUM WORKING CAPITAL FUND.** At the time the Developer closes upon the sale of a Unit to a purchaser (purchaser thereby becoming a Unit Owner in the Condominium), the purchaser shall deposit with the Association an amount equal to two (2) monthly installments of the Common Expenses assessed to the purchaser's Unit. This sum shall be deposited into working capital account (Condominium Working Capital Fund") for the purpose of having funds available for initial and non-recurring items, capital expenses, permit fees, licenses, utility deposits and advance premiums for insurance policies and coverage pursuant to this Declaration and the Exhibits attached hereto. The Condominium Working Capital Fund shall not be commingled by the Association with any of its other funds. In no event shall the Developer receive reimbursement from the Condominium Working Capital

Fund for those expenses which it is obligated to pay pursuant to the provisions of Article 12 herein above and Section 718.116(9)(a) of the Act.

28. **LEASING OF UNITS.** There are no restrictions upon the leasing of Units in this Condominium, except that all leases must be written and must be in accordance with this Declaration and the Bylaws for this Condominium.
29. **REMEDIES.**
- 29.1. **RELIEF.** Each Unit Owner and the Association shall be governed by and shall comply with the provisions of this Declaration as they may exist from time to time. A violation thereof shall entitle the appropriate party to institute an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, or any other action available pursuant to the Act or law. Suit may be brought by the Association or if appropriate, by one or more Unit Owners and the prevailing party shall be entitled to recover reasonable attorney's fees. Each Unit Owner acknowledges that the failure to comply with any of the provisions of this Declaration shall or may constitute an injury to the Association or to other Unit Owners and that such injury may be irreparable.
- 29.2. **COSTS AND ATTORNEY'S FEES.** In any proceeding arising because of an alleged default, act, failure to act, or violation by the Unit Owner or the Association, including the enforcement of any lien granted pursuant to this Declaration or its Exhibits, the prevailing party shall be entitled to recover the costs of the proceedings, including reasonable attorney's fees.
- 29.3. **NO WAIVER.** The failure of the Association, the Developer, or Unit Owners to enforce any right, provision, covenant, or condition created or granted by this Declaration, the Act, the Articles of Incorporation, the Bylaws, and/or any rules and regulations adopted with respect to any portion of the Condominium Property, shall not constitute a waiver of the right of said party to enforce such right provision, covenant, or condition in the future.
- 29.4. **RIGHTS CUMULATIVE.** All rights, remedies, and privileges, granted to the Association, the Developer, and the Unit Owners pursuant to the provisions of this Declaration 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 thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity. Each Unit Owner agrees in any proceeding brought pursuant to the provisions hereof not to plead or defend the same on the theory of "election of remedies."
- 29.5. **VENUE.** Every Unit Owner and all persons claiming any interest in a Unit do hereby agree that in any suit or proceeding brought pursuant to the provisions of this Declaration, such suit shall be brought in the Eighth Circuit Court of the Judicial Circuit, in and for Alachua County, Florida, or in the United District Court, Northern District of Florida, as the same is not constituted or in any court in the future that may be the successor to the courts contemplated herein.
- 29.6. **APPOINTMENT OF AGENT.** Should suit be instituted, each Unit Owner does hereby irrevocably appoint the Secretary of State of the State of Florida as Unit Owner's agent for the acceptance of service of process should, at the time of such service of process, when any such person shall not be residing in the County of Alachua, State of Florida. The provisions of this subparagraph shall not be applicable to the Developer.
30. **ADDITIONAL PROVISIONS.**
- 30.1. **NOTICES.**
- 30.1.1. **UNIT OWNERS.** Whenever notices are required to be sent hereunder, the same be delivered to Unit Owners, either personally or by mail, at their place of residence in the Condominium, or in accordance with aforementioned section 29.6.

30.1.2. ASSOCIATION. Notices to the Association shall be delivered or mailed to the Secretary of the Association, or in the case of the Secretary's absence, then to the President of the Association.

30.1.3. DEVELOPER. Notices to the Developer shall be made to the Developer at CAMPUS EDGE PRAIRIEWOOD, LLC, 5668 Bear Stone Run, Oviedo, FL 32765-5030.

30.2. CONSTRUCTION. All of the provisions of this Declaration shall be construed in accordance with the Laws of the State of Florida. This construction shall govern in all matters, including matters of substantive and procedural law.

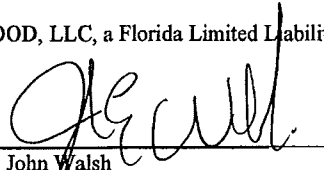
30.3. SEVERABILITY AND NON-WAIVER. If any provision of this Declaration or its exhibits as now constituted or as later amended or any section, paragraph, sentence, clause, phrase, or word, or the application thereof in any circumstances, is held invalid, the validity of the remainder and of the application of any such paragraph, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby. The failure of the Association in any instance to enforce any covenant or provision of this Declaration or any of the Condominium documents shall not constitute a waiver of its right to do so thereafter in other instances.

THIS DECLARATION OF CONDOMINIUM and exhibits hereto made and entered into on July 29, 2005.

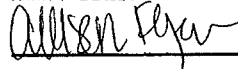
CAMPUS EDGE PRAIRIEWOOD, LLC, a Florida Limited Liability Company, Developer

(CORPORATE SEAL)

BY: (Sign)


John Walsh
Managing Member

WITNESSES:


WITNESS

Allison Flynn
Printed Name of Witness


WITNESS

Kim Bosshardt
Printed Name of Witness

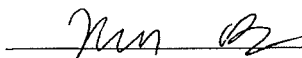
ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF ALACHUA

The foregoing instrument was acknowledged before me on July 29, 2005, by John Walsh, as Managing Member of CAMPUS EDGE PRAIRIEWOOD, LLC, a Florida Limited Liability Company, on behalf of said corporation. He is personally known to me or has produced a Florida driver's license as identification.



Sworn to before me on July 29, 2005.



STATE OF FLORIDA (SEAL)

Prairiewood Condominium
Declaration



FOR GOOD AND VALUABLE CONSIDERATION, the receipt whereof is hereby acknowledged, PRAIRIEWOOD CONDOMINIUM ASSOCIATION, INC., a Florida corporation hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations, and burdens imposed upon it by the provisions of this Declaration of Condominium and Exhibits attached hereto.

IN WITNESS WHEREOF, the above named Condominium Association, a Florida corporation, has caused these presents to be signed in its name by its President, this 29th day of July, 2005.
PRAIRIEWOOD CONDOMINIUM ASSOCIATION, INC.

BY: [Signature]
John Walsh, President

Signed, sealed, and delivered in the presence of:

[Signature] WITNESS

[Signature] WITNESS

Allison Plunn
Printed Name of Witness

Kim Bosshardt
Printed Name of Witness



CONSENT OF MORTGAGEE

The undersigned, SunTrust Bank, a corporation organized and existing under the laws of the United States of America, hereby consents to the recording of the Declaration of Condominium of PRAIRIEWOOD CONDOMINIUM, this 3rd day of August, 2005.

IN WITNESS WHEREOF, the said corporation has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officer hereunto duly authorized, this 3rd day of August, 2005.

Signed, Sealed, and Delivered
in the Presence of:

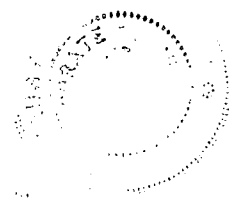
SunTrust Bank

[Signature]
Witness Glanne A. Comley

BY: Frank DiLorenzo, SVP
Frank DiLorenzo

[Signature]
Witness DARlene Ross

Executed on Aug. 3rd, 2005
(Corporate Seal)



ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me on Aug. 3rd 2005, by Frank DiLorenzo, as SVP (title) of SunTrust Bank, a corporation organized and existing under the laws of the United States of America, on behalf of said corporation. He is personally known to me or has produced a Florida driver's license as identification.

Sworn to before me on Aug. 3rd, 2005.

SEAL

Rosemarie C. Perry
Notary Public Rosemarie C. Perry

My Commission Expires: 1/5/08



Rosemarie C Perry
My Commission DD278877
Expires January 05, 2008