

DECLARATION OF CONDOMINIUM
GRENELEFE LAKE LOFT CONDOMINIUM UNIT NO. 2
A Condominium

This Declaration of Condominium made this 15th day of April, 1985, by THE GRENELEFE CORPORATION, a Florida corporation, d/b/a GRENELEFE, herein called "Developer" for itself, its successors, grantees and assigns.

WHEREIN the developer makes the following declarations:

1. Purpose: The purpose of this Declaration is to submit the lands herein described and the improvements thereon to the condominium form of ownership and use in the manner provided for by Chapter 718, Florida Statutes, herein called the Condominium Act.

- 1.2 Phase Development: It is the intention of the developer that this condominium shall be developed in two phases known as Phase I and Phase II. Phase I will be submitted to the condominium form of ownership by this Declaration, and it is anticipated that Phase II will be added by an amendment or amendments to this Declaration. Phase II will add additional lands as hereinafter described and additional condominium units as hereinafter described and will have the effect of changing the percentage of ownership in the common elements so that when Phase II is added, owners in Phase I will have a lesser percentage of ownership in the common elements. However, the common elements will encompass more property than included in Phase I. The addition of Phase II will not increase available recreational facilities but will increase the available parking in other common areas. No additional personal property will be provided in Phase II. Should Phase II not be added, except for loss of available parking in the common areas located on the lands contemplated by such phase, there shall be no diminution of recreational or other facilities to owners in Phase I. It is anticipated that if Phase II is added it will be added on or before January 1, 1990 and in no event later than January 1, 1995.

- 1.3 The Lands: The lands owned by the Developer which are hereby submitted to the condominium form of ownership in Phase I are located in Section 5, Township 28 South, Range 28 East, Polk County, Florida as fully described on Exhibit A attached hereto and by reference incorporated herein.

Condominium Plats pertaining thereto are filed in Condominium Plat Book 8, pages 6 and 7, which lands are herein called "the land".

Phase II, which may become a part of the condominium consists of land lying in Section 5, Township 28 South, Range 28 East, Polk County, Florida, as fully described on Exhibit A attached hereto and by reference incorporated herein.

Developer reserves the right to add only a portion of the land, described as included in Phase II. There are presently five foundations in place on the land described for Phase II and Developer may add only a portion of the lands described in Phase II in which case an appropriate amendment to this Declaration showing the revised legal description will be made. Such an amendment as to the size and configuration of Phase II may be made in the sole discretion of Developer and no other unit owner or the holder of a mortgage on a unit previously conveyed need consent to such amendment as to the amended size and configuration of Phase II.

2. Definitions: The terms used herein and in the By-laws shall have the meanings stated in the Condominium Act, Florida Statutes, Chapter 718 unless otherwise defined or the context otherwise requires:
 - 2.1 Apartment means unit as defined by the Condominium Act.
 - 2.2 Apartment owner means unit owner as defined by the Condominium Act.
 - 2.3 Association means GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC. and its successors.
 - 2.4 Common elements shall include the tangible personal property required for the maintenance and operation of the condominium even though owned by the Association, as well as the items stated in the Condominium Act.
 - 2.5 Limited Common elements means and includes those elements which are reserved for the use of a certain apartment or apartments to the exclusion of other apartments.
 - 2.6 Common expenses include
 - (a) expenses of administration; expenses of maintenance, operation, repair or replacement of the common elements, and of the portions of apartments to be maintained by the Association.
 - (b) expenses declared common expenses by provisions of this declaration or the By-laws.
 - (c) any valid charge against the condominiums as a whole.
 - 2.7 Condominium means all of the condominium property as a whole when the context so permits, as well as the meaning stated in the Condominium Act.
 - 2.8 Singular, plural, gender: Whenever the context so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.
 - 2.9 Utility services as used in the Condominium Act and construed with reference to this condominium, and as used in the Declaration and By-laws, shall include, but not

be limited to, electric power, gas, hot and cold water, heating, refrigeration, air conditioning, garbage and sewage disposal.

2.10 The Developer is THE GRENELEFE CORPORATION, a Florida corporation, d/b/a GRENELEFE.

3. Development Plan: This condominium is one of a series which may be constructed under a common plan known as GRENELEFE CONDOMINIUMS and is a part of GRENELEFE CONOMINIUM DEVELOPMENT STAGE I. Each building or buildings submitted to condominiums shall constitute a separate condominium property, but all of the condominiums in STAGE 1 DEVELOPMENT shall be operated and governed by the same Association which is known as GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC. The maximum number of apartments shall never exceed 1141 in the aggregate. All of the buildings constructed under the common plan may be referred to collectively as GRENELEFE CONDOMINIUMS but each building shall be a part of GRENELEFE CONDOMINIUM NO. 1, 2, 3, etc., or such other distinctive designation selected by Developer. The Developer has determined that in order to maintain privacy and assure the exclusive nature of this development the roads, other than state roads, should remain private, and therefore the Developer may retain title to all roads and will grant non-exclusive easements to all condominium apartment owners for ingress and egress to the GRENELEFE development and their condominiums. The developer reserves the right to revise and amend the development plan from time to time including the right to dedicate the private roads to the public. The condominium in Phase 1 consists of three (3) residential apartment buildings described and identified hereinafter. If Phase 2 is added in its entirety as contemplated, five (5) additional residential apartment buildings will be added although Developer retains the right to add only a portion of the lands contemplated by Phase 2 and build a lesser number than five (5) additional units. Such additional buildings are also hereinafter described.

3.1 Survey and Plans: A survey of the land showing the improvements therein is attached as Exhibit B; the improvements upon the land are constructed substantially in accordance with the plans and specifications therefore prepared by Tanglewood Manufacturing, Inc, and designated as "Topsider," a portion of which plans and a certificate of surveyor are attached hereto as the following exhibits:

Exhibit B	Survey of Phase 1, Phase 2, other adjoining properties, Site Plan (Phase1) and roadway easements for ingress and egress (Phase 1)
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Typical Apartment Layouts:

(The above Exhibit C is applicable to all phases.)

3.2 Amendment to Plans:

- (a) Alteration of Apartment Plans: Developer reserves the right to change the interior design and arrangement of all units, and to alter the boundaries between units, so long as Developer owns the units so altered. Except as contemplated by the addition of Phase 2 as the same is described in this Declaration or as may be subsequently amended by Developer, no such change shall increase the number of apartments nor alter the boundaries of the common elements without amendment of this Declaration by approval of the Association, apartment owners and owners of mortgages in the manner elsewhere prohibited. If Developer shall make any changes in units so authorized, such changes shall be reflected by an amendment to the Declaration. If more than one unit is concerned, the Developer shall apportion between the units the shares in the common elements which are appurtenant to the units concerned.
- (b) Amendment of Declaration: Amendment of this Declaration to add Phase 2 as the same is presently described or as the same may be altered by Developer, or an amendment reflecting a permissible alteration of apartment plans as set forth in 3.2(a) hereof, need be signed and acknowledged only by the Developer and need not be approved by the Association, apartment owners or lienors or mortgagees of apartments whether or not elsewhere or otherwise required for an amendment. Developer also retains the unilateral right to make amendments without consent of apartment owners, lienors or mortgagees of apartments as to matters which are clerical or scrivener's errors.

3.3 Easements: The following easements are covenants running with the land of the condominium:

- (a) Utility Easements are reserved through the condominium property as may be required for utility services in order to adequately serve the condominium; provided, however, such easements through an apartment shall be only according to the plans and specifications for the apartment building, or as the building is constructed, unless approved in writing by the apartment owner.
- (b) Ingress and Egress is reserved for pedestrian traffic over, through and across sidewalks, paths, walks and lanes as the same from time to time may exist upon the common elements and for vehicular traffic over, through and across such portions of the common elements and limited common elements as from time to time may be paved and intended for such purposes.

- (c) Easements in Parking Areas: Easements are reserved to the owners of units in GRENELEFE CONDOMINIUMS for pedestrian and vehicular traffic over, through and across such driveways and parking areas as from time to time may be paved and intended for such purposes; and for the construction and maintenance of water, sewer and other utilities.
- (d) Easements of Unintentional and Non-Negligent Encroachments: If an apartment shall encroach upon any common element or limited common element, by reason of original construction or by the non-purposeful or non-negligent act of the apartment owner, then an easement appurtenant to such encroaching apartment, to the extent of such encroachment, shall exist so long as such encroachment shall exist. If a common element or limited common element shall encroach upon any apartment by reason of original construction or the non-purposeful or non-negligent act of the Association, then an easement appurtenant to such common element or limited common element, to the extent of such encroachment shall exist so long as such encroachment shall exist.
- (e) Easements Reserved in Common Elements or Limited Common Elements for use in connection with other condominiums: The undersigned hereby reserves unto itself the right to grant easements over any of the common elements or limited common elements of this condominium to be used for, by or in connection with any other condominiums which may hereafter be erected on property owned by undersigned in the vicinity of the property covered hereby, to the same extent as if said common elements or limited common elements were common elements or limited common elements of said condominium or as may become necessary for the purpose of the undersigned, its grantee, lessee, successors, or assigns, servicing its adjacent property with utility services, drainage and easements for ingress and egress.

3.4 Improvements – general description:

- (a) Phase 1 of this condominium consists of three (3) residential apartment buildings containing a total of three (3) apartment units with adjacent lands as more particularly described in this Declaration. Phase 2, if added, will consist of five (5) residential apartment buildings containing a total of five (5) apartment units except that Developer retains the right as heretofore described to alter the plan and configuration for Phase 2. The buildings in Phases 1 and 2 have been or will be equipped with all appurtenant electrical, plumbing, air conditioning and heating facilities as provided for in the plans and specifications described in paragraph 3.1 hereof.
- (b) Other improvements: The condominium in Phase 1 includes grounds and landscaping, easements for ingress and egress and utilities and automobile parking areas, all of which are located on lands described in paragraph 1.3. The contemplated Phase 2 or as the same may be altered, if added, will include additional grounds, landscaping, easements for ingress and egress

and utilities and automobile parking areas, all of which will be located on the lands described in paragraph 1.3

3.5 Apartment boundaries: Each apartment shall include that part of the building containing the apartment that lies within the boundaries of said apartment, which boundaries are as follows:

- (a) Upper and lower boundaries: The upper and lower boundaries of the apartment shall be the following boundaries of the apartment extended to an intersection with the perimetrical boundaries:
 - (i) Upper boundaries – The diagonal plane or planes of the interior vaulted ceiling.
 - (ii) Lower boundaries – The horizontal plane of the undecorated finished floor.
- (b) Perimetrical Boundaries: The perimetrical boundaries of the apartment shall be the vertical planes of the undecorated finished interior of the walls bounding the apartment extended to intersections with each other and with the upper and lower boundaries.

3.6 Limited Common Elements: All outside stairways and balconies as they relate to the apartments they serve; utility rooms which are not part of an apartment as they relate to the apartments they serve; and exterior concrete pads, if any, upon which air conditioning equipment or other equipment is placed as said pads relate to the apartments they serve.

3.7 Common Elements: The common elements include the land and all other parts of the condominium not within the individual apartments. All common elements shall be available for use by all apartment owners without discrimination. Such use shall be without charge except where specifically authorized by this Declaration.

4. The Apartments

4.1 Condominium Parcel: The condominium property is declared to contain three (3) units in Phase I, each of which, together with its appurtenances constitutes a condominium parcel. Phase 2, if added, may consist of an additional five (5) units or a lesser number, each of which, together with its appurtenances, will constitute a condominium parcel. Each condominium will be a separate parcel of real property, the ownership of which may be in fee simple, or any other estate in real property recognized by law. Each parcel, whether in Phase 1 or Phase 2 shall be comprised of a condominium unit together with the following appurtenances:

- (a) An undivided share in the common elements and limited common elements as the same may exist in Phase 1 or as may be modified if Phase 2 is added.
- (b) An exclusive easement for the use of the air space occupied by the unit as it exists at any particular time and as the unit may lawfully be altered or

reconstructed from time to time which easement shall be terminated automatically in any air space which is vacated from time to time.

- (c) Membership in the Association and an undivided share in the common surplus of the Association.
- (d) The right to use, occupy and enjoy community facilities subject to the provisions of this Declaration, the By-Laws and Rules and Regulations.
- (e) A copy of this Declaration of Condominium, together with the schedule and exhibits referred to herein.
- (f) The easements described in paragraph 3.3.

4.2 Identification of Apartments: There are three (3) buildings in Phase 1, each building consisting of one (1) apartment. The buildings are as follows: 2911, 2912, 2913. The proposed Phase 2 may add five (5) buildings, each of which will consist of one (1) apartment. The buildings are as follows: 2940, 2941, 2942, 2943 and 2944. As heretofore set forth, the Developer retains the right to add a lesser number of buildings and lands in Phase 2.

Pursuant to law, the Developer reserves the right to file an amended condominium plat and other amendments to this Declaration reflecting Phase 2 as it is completed without necessity of joinder by unit owners or mortgagee on individual units.

4.3 Typical apartments: There is one (1) typical floor plan in Phase 1 of the condominium which is designated by capital letters as "LL". The apartments to be included in Phase 2 will be "LL". The apartments are generally described below but reference should be made to the plans thereof which is Exhibit C.

LL – Lake/Loft – Living-dining room, kitchen, two bedrooms or one bedroom and convertible den, two baths and deck.

4.4 Appurtenances to Apartments: The owner of each apartment shall own a share and certain interests in the condominium property which are appurtenant to his apartment, including, but not limited to the following items which are appurtenant to the several apartments as indicated:

- (a) Limited Common Elements, Common elements and common surplus: The undivided share in the land and other common elements, and in the common surplus which is appurtenant to each apartment is set forth on Exhibit D-1 attached hereto which exhibit shows the undivided share as exists in Phase 1. Exhibit D-2 attached hereto shows the undivided share in the land and the other common elements, limited common elements and the common surplus which is appurtenant to each apartment as the same would be if Phase 2 was added as presently planned if this Declaration of Condominium is amended to include Phase 2. In the event the Developer pursuant to rights reserved as heretofore set forth were to alter Phase 2 from as herein set for, an amended Exhibit D-2 would be filed. In any and all events, each unit in the condominium would have the same percentage of common elements, such percentage to be determined by taking the total

number of units in the condominium after Phase 2 is added and dividing such total into 100.

- (b) Parking spaces: Parking spaces are located in the condominium clusters and are not identified by numbers. These parking spaces are available for owners, their tenants, or guests without reservation or restriction. Upon request, the condominium association is empowered but not required to assign to an individual apartment owner a specific parking space which would thereafter be numbered or otherwise identified. Thereafter such parking space would constitute a limited common element as defined hereunder and related to such apartment. *Vehicles are to be parked on the asphalt within the parking spaces provided. Under no circumstances are vehicles allowed to park or travel on grass. The landscaped areas have irrigation heads which will break under the weight of vehicles. Campers, trailers, motorhomes or boats may not be parked on Association property. Motorcycles, cars or trucks rated Class 1, Class 2 (with the exception of step vans) or Class 3 heavy-duty pickup trucks may be parked on Association property. Any other vehicles are not allowed to be parked on Association property. No unregistered vehicles, vehicles with expired tags or off-road vehicles may be parked on Association property. Moving trucks and delivery trucks may be parked temporarily for a period not to exceed 24 hours for loading and unloading. Vehicles in violation of this section may be towed at the owner's expense.*

4.5 Liability for Common Expenses or Limited Common Expenses: Each apartment owner shall be liable for a proportionate share of the common expenses or limited common expenses, such share being the same as the undivided share in the common elements or limited common elements which are appurtenant to his apartment.

5 Maintenance, Alteration and Improvements: Responsibility for the maintenance of the condominium property and restrictions upon the alteration and improvement thereof, shall be as follows:

5.1 Apartments

- (a) By the Association: The Association shall maintain repair and replace at the Association's expense:
- (i) All portions of an apartment, except interior surfaces not contributing to the support of the apartment building, which portions shall include but not be limited to the outside walls of the apartment building and all fixtures on the exterior thereof, boundary walls of apartments, floor and ceiling joists and slabs, load-bearing columns and load-bearing walls.
 - (ii) Patios and decks and the painting thereof.
 - (iii) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in the portions of an apartment maintained by the Association.

- (iv) All incidental damage caused to an apartment by such work shall be promptly repaired at the expense of the Association.
- (b) By the apartment owner: The responsibility of the apartment owner shall be as follows:
 - (i) To maintain, repair and replace at his expense all portions of his apartment except the portions to be maintained, repaired and replaced by the Association. Such shall be done without disturbing the rights of other apartment owners.
 - (ii) To maintain, repair and replace at his expense the air conditioning and heating equipment serving his apartment, including the portion located outside of the unit, and all appliances and fixtures located in his apartment.
 - (iii) Not to paint or otherwise decorate or change the appearance of the exterior of the apartment building.
 - (iv) To promptly report to the Association any defect or need for repairs, the responsibility for the remedying of which is that of the Association.
- (c) Alteration and Improvements: Except as elsewhere reserved to Developer *or as otherwise provided in this section*, neither an apartment owner nor the Association shall make any alterations in the portions of an apartment or apartment building which are to be maintained by the Association, or remove any portion thereof, or make any additions thereto, or do anything which would jeopardize the safety or soundness of the apartment building, or impair any easement, without first obtaining approval in writing of owners of all apartments in which such work is to be done and the approval of the Board of Directors of the Association. A copy of plans for all of such work prepared by an architect licensed to practice in this state shall be filed with the Association prior to the starting of the work.
- (d) Installation of washers and/or dryers. *Notwithstanding paragraph (c) above, upon approval by the Board of Directors of detailed written plans prepared by a Florida licensed contractor, apartment owners may install a washer and/or dryer within their apartment. In order to effectuate such installation, said apartment owners, after approval of the Board of Directors of detailed written plans prepared by a licensed contractor, may perform the following alterations to Common Elements to the extent such alterations are necessary to the installation of the washer and/or dryer within the apartment: (i) cut through the apartment wall to access plumbing and electrical utilities and to construct a dryer vent; and (ii) tie into common plumbing and electrical utilities. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done.*
- (e) Replacement of front door and installation of screen door. *Notwithstanding paragraph (c) above, upon approval by the Board of Directors of detailed written plans, apartment owners may replace the front door of their apartment and/or install a screen door on the front door of the apartment, subject to the design requirements of the Board of*

Directors. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done.

- (f) Installation of French doors. Notwithstanding paragraph (c) above, upon approval by the Board of Directors of detailed written plans, apartment owners may install French doors leading to patios and porches of their apartments, subject to the design requirements of the Board of Directors. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done.*
- (g) Removal and sealing of "B" and "C" unit doors. Notwithstanding paragraph (c) above, upon approval by the Board of Directors of detailed written plans, apartment owners may remove and seal the bedroom door of "B" and "C" units, subject to the design requirements of the Board of Directors. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done.*
- (h) Sealing rear hall window in "C" units. Notwithstanding paragraph (c) above, upon approval by the Board of Directors of detailed written plans, apartment owners may seal the rear hall window in "C" units, subject to the design requirements of the Board of Directors. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done.*
- (i) Enclosure of porches and patios. Notwithstanding paragraph (c) above, upon approval by the Board of Directors of detailed written plans, apartment owners may enclose porches and patios with screens, subject to the design requirements of the Board of Directors. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done.*
- (j) Replacement of exterior lighting. Notwithstanding paragraph (c) above, upon approval by the Board of Directors of detailed written plans, apartment owners may replace existing exterior lighting with decorative lighting fixtures, subject to the design requirements of the Board of Directors. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done.*
- (k) Installation of Security Cameras. Notwithstanding paragraph (c) above, upon approval of the Board of Directors of detailed written plans, apartment owners may install up to two security cameras on the frame surrounding condominium entrance doors, subject to the design requirements of the Board of Directors. Said apartment owners shall not be required to obtain the approval in writing of all owners of all apartments in which such work is to be done.*

5.2 Limited Common Elements and Common Elements:

- (a) By the Association: The maintenance and operation of the limited common elements and the common elements shall be the responsibility and expense of the Association.
 - (b) Alteration and Improvement: After the completion of the improvements included in the limited common elements and the common elements which are contemplated by this Declaration, there shall be no alteration nor further improvement of the limited common elements and/or the common elements without prior approval in writing of the record owners of the apartments; provided, however, that any alteration or improvement of the common elements bearing the approval in writing of the record owners of not less than 75% of the common elements, and which does not interfere with the rights of any owners without their consent, may be done if the owners who do not approve are relieved from the initial cost thereof. The share of any cost not so assessed shall be assessed to the other apartment owners in the proportion which their shares in the common elements bear to each other. There shall be no change in the shares and rights of an apartment owner in the common elements which are altered or further improved, whether or not the apartment owner contributes to the cost thereof.
- 6 Assessments: The making and collection of assessments against apartment owners for common expenses shall be pursuant to the By-laws and subject to the following provisions:
- 6.1 Share of common expenses: Each apartment owner shall be liable for the proportionate share of the common expenses, and shall share in the common surplus, such shares being the same as the undivided share in the common elements appurtenant to the apartments owned by him.
 - 6.2 Interest; application of payments: Assessments and installments on such assessments paid on or before ten days after the day when due shall not bear interest, but all sums not paid on or before ten days after the date when due shall bear interest at the rate of 10% per annum from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due. Assessments not paid within thirty days may be declared by the Association to be a lien on the unit.
 - 6.3 Lien for Assessments: The lien for unpaid assessments shall also secure reasonable attorneys' fees incurred by the Association incident to the collection of such assessment or enforcement of such lien.
 - 6.4 Rental Pending Foreclosure: In any foreclosure of a lien for assessments the owner of the apartment subject to the lien shall be required to pay a reasonable rental for the apartment, and the Association shall be entitled to the appointment of a receiver to collect the same.

- 6.5 In order to promote and maintain GRENELEFE CONDOMINIUM DEVELOPMENT STAGE I as an exclusive resort utilizing a rental pool concept whereby all condominium apartment owners have the right to dedicate their apartments to the said rental pool, all owners have the privilege of joining and maintaining a membership in GRENELEFE GOLF AND RACQUET CLUB, all owners participating in the rental pool must maintain a regular membership in said club.
- 7 Association: The operation of the condominium shall be by GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC., a corporation not for profit under the laws of Florida, which shall fulfill its functions pursuant to the following provisions.
- 7.1 Articles of Incorporation: A copy of the Certificate of Incorporation and a copy of the Articles of Incorporation and amendments thereto are attached as composite Exhibit E.
- 7.2 The By-laws of the Association shall be the By-laws of the condominium, a copy of which is attached as Exhibit F. Current rules and regulations are attached as Exhibit G.
- 7.3 Limitation upon Liability of Association: Notwithstanding the duty of the Association to maintain and repair parts of the condominium property, the Association shall not be liable to apartment owners for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.
- 7.4 Restraint Upon Separation:
- (a) The undivided share in the common elements and/or limited common elements which are appurtenant to a unit shall not be separated there-from and shall pass with the title to the unit whether or not separately described.
 - (b) A share in the common elements or limited common elements appurtenant to a unit cannot be conveyed or encumbered except together with a unit.
 - (c) The shares in the common elements or limited common elements appurtenant to units shall remain undivided and no action for partition of the common elements or limited common elements shall lie.
- 7.5 Approval or disapproval of matters: Whenever the decision of an apartment owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such owner if in an Association meeting, unless the joinder of all record owners is specifically required by this Declaration.

7.6 The Articles of Incorporation of the Association, as amended, provide that the members of the Association shall be record owners of condominium apartments in Grenelefe Condominium Development Stage I, and the fact that this condominium is being developed in phases will have no effect on the membership in the Association of any owners in Phase I.

7.7 Hold Harmless: *All Apartment Owners agree to hold the Association harmless from any liability arising from the actions of their children, tenants, guests, pets, employees, agents, invitees or licensees.*

8. Insurance: The insurance, other than title insurance, that shall be carried upon the condominium property and the property of the apartment owners shall be governed by the following provisions:

8.1 Authority to purchase; named insured: All insurance policies upon the condominium property shall be purchased by the Association. The named insured shall be the Association individually and as agent for the apartment owners, without naming them, and as agent for their mortgagees. Provision shall be made for the issuance of mortgagee endorsements and memoranda of insurance to the mortgagees of apartment owners. Apartment owners may obtain coverage at their own expense for their personal property and other risks.

8.2 Coverage:

- (a) Casualty: All buildings and improvements upon the land shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, all personal property included in the common elements shall be insured for its value, all as determined annually by the Board of Directors for the Association. Such coverage shall afford protection against the following:
 - (i) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and
 - (ii) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including but not limited to vandalism and malicious mischief.
- (b) Public Liability: In such amounts and with such coverage as shall be required by the Board of Directors of the Association and with cross liability endorsement to cover liabilities of the apartment owners jointly and severally and the Association.
- (c) Workmen's Compensation policy to meet the requirements of Florida law.
- (d) Such other insurance as the Board of Directors of the Association shall determine from time to time to be desired.

8.3 Premiums: Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense.

8.4 Insurance policies; shares of proceeds: All insurance policies purchased by the Association shall be for the benefit of the Association and the apartment owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses, other than personal property of an apartment owner, shall be paid into a separately maintained bank account used solely for insurance proceeds, or if the Board of Directors should decide to use an Insurance Trustee, to such bank in Florida with trust powers as may be designated as Insurance Trustee by the Board of Directors of the Association, which trustee is referred to in this instrument as the Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums nor for the renewal or sufficiency of policies nor for the failure to collect any insurance proceeds. In the event the Board of Directors has appointed an Insurance Trustee, the duty of such Insurance Trustee shall be to receive such proceeds as are paid and hold the proceeds in trust for the purposes elsewhere stated in this instrument and for the benefit of the apartment owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

- (a) Common elements: Proceeds on account of damage to common elements – an undivided share for each apartment owner, such share being the same as the undivided share in the common elements appurtenant to his apartment.
- (b) Limited Common Elements: Proceeds on account of damage to limited common elements – an undivided share for each apartment owner, such share being the same as the undivided share in the limited common elements appurtenant to his apartment.
- (c) Apartments: Proceeds on account of damage to apartments shall be held in the following undivided shares:
 - (i) When the building is to be restored – For the owners of damaged apartments in proportion to the cost of repairing the damage suffered by each apartment owner, which cost shall be determined by the Association.
 - (ii) When the building is not to be restored – An undivided share for each apartment owner in such building, such share being proportionate to his undivided share in the common elements appurtenant to his apartment as such share relates to the said building and as determined in accordance with such proportions by the Association.
- (d) Mortgagees: In the event a mortgagee endorsement has been issued as to an apartment, the share of the apartment owner shall be held in trust for the mortgagee and the apartment owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such proceeds made to the apartment owner and mortgagee pursuant to the provisions of this Declaration; provided that the provisions of

this sub-paragraph 8.4(d) shall not be applicable to Marine Midland Realty Credit Corporation, Mortgagee under the terms of a certain mortgage fully described in the Consent of Mortgagee to this Declaration of Condominium.

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

- (a) Expense of any trust: All expenses of any Insurance Trustee appointed by the Board of Directors shall be paid first or provision made for such payment.
- (b) Reconstruction or repair: If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost of such as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of an apartment and may be enforced by such mortgagee.
- (c) Failure to reconstruct or repair: If it is determined in the manner elsewhere provided that the damage for which proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of an apartment and may be enforced by such mortgagee.
- (d) Certificates: In making distribution to apartment owners and their mortgagees, any holder of insurance proceeds may rely upon a certificate of the Association made by its president and secretary as to the names of the apartment owners and their respective shares of the distribution.

8.6 Association as Agent: The Association is irrevocably appointed agent for each apartment owner and for each owner of a mortgage or other lien upon an apartment and for each owner of any other interest in the condominium property to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims; provided that this paragraph 8.6 shall not be applicable to Marine Midland Realty Credit Corporation, Mortgagee under that certain mortgage described in Consent of Mortgagee attached to this Declaration of Condominium.

9. Reconstruction or Repair after Casualty:

9.1 Determination to Reconstruct or Repair: If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

- (a) Common element and limited common element: If the damaged improvement is a common element or a limited common element, the damaged property shall

be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the condominium shall be terminated.

(b) Apartment Building:

(i) Lesser damage: If the damaged improvement is one of the apartment buildings, and if fifty percent of said building is found by the board of directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired unless within 60 days after the casualty it is determined by agreement in the manner elsewhere provided that the condominium shall be terminated.

(ii) Major damage: If the damaged improvement is one of the apartment buildings and if 50% of said building is found by the board of directors to be not tenantable, then the damaged property will not be reconstructed or repaired and the condominium ownership of such owners will be terminated without agreement upon payment of insurance proceeds as elsewhere provided, unless within 60 days after the casualty the owners of 75% of the apartment units in the said building so affected agree in writing to such reconstruction or repair. In the event of such termination, the owners so affected shall, at the election of the Association, convey their remaining interest in the condominium either to the Association or to the remaining owners in the condominium.

(c) Certificate: An Insurance Trustee may rely upon a certificate of the Association made by its president and secretary to determine whether or not the damaged property is to be reconstructed or repaired.

9.2 Plans and Specifications: Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original building, portions of which are attached as exhibits; or if not, then according to plans and specifications approved by the board of directors of the Association, and if the damaged property is an apartment building, by the owners of not less than 75% of the owners of all damaged apartments, which approval shall not be unreasonably withheld.

9.3 Responsibility: If the damage is only to those parts of one apartment for which the responsibility of maintenance and repair is that of the apartment owner, then the apartment owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

9.4 Estimates of Costs: Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

9.5 Assessments: If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair said proceeds are insufficient, assessments shall be made against the apartment owners

in the case of damage to limited common elements and common element, in sufficient amount to provide funds for the payment of such costs. Such assessment against apartment owners for damage to apartments shall be in proportion to the cost of reconstruction and repair of their respective apartments. Such assessments on account of damage to limited common elements and common elements shall be in proportion to the owner's share in the common elements.

9.6 Construction Funds: The funds for payment of costs of reconstruction and repair after casualty, which shall consist of all proceeds of insurance and funds collected by the Association from assessments against apartment owners, shall be disbursed in payment of such costs in the following manner:

- (a) Association: The Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.
- (b) Construction Fund: The proceeds of insurance collected on account of a casualty, and any sums deposited with an Insurance Trustee by the Association from collections of assessments against apartment owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of construction and repair in the following manner and order:
 - (i) Association – lesser damage: If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is less than \$50,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Association by a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided for the reconstruction and repair of major damage.
 - (ii) Association – major damage: If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than \$50,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the board of directors of the Association and upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.
 - (iii) Apartment owner: The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with an apartment owner, or if there is a mortgagee endorsement as to the apartment, then to the apartment owner and the mortgagee, jointly, who may use such proceeds as they may be advised.
 - (iv) Surplus: It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; provided, however, that the part of a distribution to a

beneficial owner that represents assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

- (v) Certificate: Notwithstanding the provisions of this instrument, an Insurance Trustee shall not be required to determine whether or not sums paid by the apartment owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. Instead, an Insurance Trustee may rely upon a certificate of the Association made by its president and secretary as to any and all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is required in this instrument to be named as payee, the Insurance Trustee shall also name the mortgagee as a payee of any distribution of insurance proceeds to a unit owner; and further provided that when the Association, or a mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association prior to disbursements in payment of costs of reconstruction and repair.

10. Use Restriction: The use of the condominium property shall be in accordance with the following provisions so long as the condominium exists and the apartment buildings in useful condition exist upon the land and these restrictions shall be covenants running with the land of the condominium.

10.1 Apartments: Each of the apartments that are a part of the condominium shall be occupied only by one family, its servants and guests, as a residence and for no other purpose. Except as reserved to Developer, no apartment may be divided or subdivided into a smaller unit nor any portion sold or otherwise transferred without first amending this declaration to show the changes in the apartments to be affected.

10.2 Common Elements and Limited Common Elements: The common elements and limited common elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the apartments.

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

the common elements that will increase the cost of insurance upon the condominium property. *No unit owner or resident will permit anything to be done or kept in the common or limited common elements which may result in the cancellation of insurance coverage on any of the buildings or the contents thereof, or which would be in violation of any law.*

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

10.5 Leasing:

- (a) After approval by the Association elsewhere required, entire apartments may be rented provided the occupancy is only by the lessee and his family, its servants and guests. No rooms may be rented except as a part of an apartment or to another apartment owner, unless such rooms were designated for separate rental.
- (b) An owner may enter into a written agreement with GRENELEFE as his agent to lease or rent his apartment for a period of three years or less without the approval of the Association.

10.6 Regulations: Reasonable regulations concerning the use of condominium property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-laws. Copies of such regulations and amendments shall be furnished by the Association to all apartment owners and residents of the condominium upon request.

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

11. Maintenance of Community Interest: In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the apartment, the transfer of apartments by any owner other than the Developer or by an owner to the Developer, shall be subject to the following provisions so long as the condominium exists and the apartment buildings in useful condition exist upon the land, which provisions each apartment owner covenants to observe:

11.1 Transfer subject to Approval:

- (a) Sale: No apartment owner may dispose of an apartment or any interest in an apartment by sale without approval of the Association except to another apartment owner whose unit is governed by the Association.
- (b) Lease: No apartment owner may dispose of an apartment or any interest in an apartment by lease without approval of the Association except to another apartment owner whose unit is governed by the Association. An apartment owner may enter into a written lease with GRENELEFE as his agent to lease or rent his apartment for a period of three years or less without approval of the Association.
- (c) Gift: If any apartment owner shall acquire his title by gift, the continuance of his ownership of the apartment shall be subject to the approval of the Association.
- (d) Devise or inheritance: If any apartment owner shall acquire his title by devise or inheritance, the continuance of his ownership of his apartment shall be subject to the approval of the Association.
- (e) Other transfers: If any apartment owner shall acquire his title by any manner not considered in the foregoing subsections, the continuance of his ownership of his apartment shall be subject to the approval of the Association.

11.2 Approval by the Association: The approval of the Association that is required for the transfer of ownership of apartments shall be obtained in the following manner:

- (a) Notice to Association
 - (i) Sale: An apartment owner intending to make a bona fide sale of his apartment or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. Such notice at the apartment owner's option may include a demand by the apartment owner that the Association furnish a purchaser for the apartment if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell.
 - (ii) Lease: An apartment owner intending to make a bona fide lease of his apartment or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended lessee, and such other information concerning the intended lessee as the Association may reasonably require and an executed copy of the proposed lease.
 - (iii) Gift, devise or inheritance; other transfers: An apartment owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously considered shall give to the Association notice of the acquiring of his title, together with such

information concerning the apartment owners as the Association may reasonably require and a certified copy of the instrument evidencing the owner's title.

- (iv) Failure to give notice: If the above required notice to the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of an apartment, the Association at its election and without notice may approve or disapprove the transaction or ownership. If the Association disapproves the transaction or ownership, the Association shall proceed as if it has received the required notice on the date of such disapproval.
- (b) Certificate of approval
 - (i) Sale: If the proposed transaction is a sale, then within 30 days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the president and secretary of the Association which shall be recorded in the public records of Polk County, Florida, at the expense of the purchaser.
 - (ii) Lease: If the proposed transaction is a lease, then within 30 days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the president and secretary of the Association in recordable form, which, at the election of the Association, shall be delivered to the lessee or shall be recorded in the public records of Polk County, Florida, at the expense of the lessee.
 - (iii) Gift, devise or inheritance; other transfers: If the apartment owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within 30 days after receipt of such notice and information the Association must either approve or disapprove the continuance of the apartment owner's ownership of his apartment. If approved, the approval shall be stated in a certificate executed by the president and secretary of the Association, which shall be recorded in the public records of Polk County, Florida, at the expense of the apartment owner.
- (c) Approval of corporate owner or purchaser: Inasmuch as the condominium may be used only for residential purposes and a corporation cannot occupy an apartment for such use, if the apartment owner or purchaser of an apartment is a corporation, the approval of ownership by the corporation may be conditioned by requiring that all persons occupying the apartment be approved by the Association.

11.3 Disapproval by Association: If the Association shall disapprove a transfer or ownership of an apartment, the matter shall be disposed in the following manner:

- (a) Sale: If the proposed transaction is a sale and if the notice of sale given by the apartment owner shall so demand, then within 30 days after receipt of such notice and information the Association shall deliver or mail by registered mail to the apartment owner an agreement to purchase the apartment concerned by a purchaser approved by the Association who will purchase and to whom the apartment owner must sell the apartment upon the following terms:
- (i) At the option of the purchaser to be stated in the agreement, the price to be paid shall be that stated in the disapproved contract to sell or shall be the fair market value determined by the arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the apartment; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expenses of the arbitration shall be paid by the purchaser.
 - (ii) The purchase price shall be paid in cash.
 - (iii) The sale shall be closed within 30 days after the delivery or mailing of the agreement to purchase or within 10 days after the determination of the sale price if such is by arbitration, whichever is the later.
 - (iv) A certificate of the Association executed by its president and secretary and approving the purchaser shall be recorded in the public records of Polk County, Florida, at the expense of the purchaser.
 - (v) If the Association shall fail to provide a purchaser upon the demand of the apartment owner in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval of the proposed transaction, it shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the public records of Polk County, Florida, at the expense of the purchaser.
- (b) Lease: If the proposed transaction is a lease, the apartment owner shall be advised of the disapproval in writing, and the lease shall not be made.
- (c) Gifts, devise or inheritance; other transfers: If the apartment owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within 30 days after receipt from the apartment owner of the notice and information required to be furnished, the Association shall deliver or mail by registered mail to the apartment owner an agreement to purchase the apartment concerned by a purchaser approved by the Association upon the following terms:
- (i) The sale price shall be the fair market value determined by agreement between the seller and purchaser within 30 days from

the delivery or mailing of such agreement. In the absence of agreement as to price, the price shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the apartment; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expenses of the arbitration shall be paid by the purchaser.

- (ii) The purchase price shall be paid in cash.
- (iii) The sale shall be closed within 10 days following the determination of the sale price.
- (iv) A certificate of the Association executed by its president and secretary and approving the purchaser shall be recorded in the public records of Polk County, Florida, at the expense of the purchaser.
- (v) If the Association shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the public records of Polk County, Florida, at the expense of the apartment owner.

11.4 Mortgage: No apartment owner may mortgage his apartment nor any interest in it without the approval of the Association except to a bank, life insurance company or a savings and loan association or to the vendor to secure a portion or all of the purchase price. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld.

11.5 Mortgagees - Liabilities for Common Expenses: Where the mortgagee of the first mortgage of record, or the purchaser or purchasers of a condominium unit obtains title to the condominium parcel or unit as a result of foreclosure of the first mortgage, or by voluntary conveyance in lieu of such foreclosure, said mortgagee shall not be liable for the shares of common expenses or assessments by the Association pertaining to such condominium unit or chargeable to former owner of such condominium unit which became due prior to acquisition of title by said mortgagee or purchaser as a result of the foreclosure or voluntary conveyance in lieu of said foreclosure. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the owners of condominium units, including a successor or assign of the mortgagee. The waiver of liability granted herein for the payment of past due common expenses and assessments shall not apply to an owner who takes back a purchase money mortgage.

11.6 Exceptions: The foregoing provisions of the section entitled “Maintenance of Community Interests” shall not apply to a transfer or purchase by a bank, life insurance company or savings and loan association that acquires its title as the result of owning a mortgage upon the apartment concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a bank, life insurance company or savings and loan association that so acquires its title. Neither shall such provision require the approval of a purchaser who acquires the title to an apartment at a duly advertised public sale with open bidding provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale.

11.7 Unauthorized Transactions: Any sale, mortgage or lease not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

12. Compliance and Default: Each apartment owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation and By-laws and the Regulations adopted pursuant to those documents, and all of such as they may be amended from time to time. Failure of an apartment owner to comply with such documents and regulations shall entitle the Association or other apartment owners to the following relief in addition to the remedies provided by the Condominium Act.

12.1 Negligence: An apartment owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guest, employee, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. An apartment owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of an apartment or its appurtenances, or of the limited common elements and common elements by the apartment owners.

12.2 Costs and attorneys’ fees: In any proceeding arising because of an alleged failure of an apartment owner or the Association to comply with the terms of the Declaration, Articles of Incorporation of the Association, the By-laws, or the Regulations adopted pursuant to them, and the documents and Regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys’ fees as may be awarded by the court.

12.3 No Waiver of Rights: The failure of the Association or any apartment owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the By-laws or the regulations shall not constitute a waiver of the right to do so thereafter.

13. Amendments: Except as elsewhere provided otherwise, this Declaration of Condominium may be amended in the following manner:

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

13.2 A resolution for the adoption of a proposed amendment may be proposed by either the board of directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Such approvals must be by one of the following:

- (a) Not less than 66-2/3% of the entire membership of the board of directors and by not less than 66-2/3% of the votes of the entire membership of the Association;
- (b) Not less than 80% OF THE VOES OF THE ENTIRE MEMBERSHIP OF THE Association.

13.3 Proviso: Provided, however, that no amendment shall discriminate against any apartment owner nor against any apartment or class or group of apartments, unless the apartment owners so affected shall consent; and no amendment shall change any apartment or the share in the common elements appurtenant to it, nor increase the owner's share of the common expenses unless the record owner of the apartment concerned and all record owners of mortgages on such apartment shall join in the execution of the amendment. Neither shall an amendment make any change in the section entitled "Insurance" nor in the section entitled "Reconstruction or repair after casualty" or Section 11.4, 11.5, 11.6 and 11.7 unless the record owners of all mortgages upon the condominium shall join in the execution of the amendment. The provisions of this paragraph 13.3 shall not apply to an amendment adding additional phases as heretofore provided.

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

14. Termination: The condominium may be terminated in the following manner in addition to the manner provided by the Condominium Act.

14.1 Destruction: If it is determined in the manner elsewhere provided that an apartment building shall not be reconstructed because of major damage, the condominium plan of ownership as to such building will be terminated without agreement.

14.2 Agreement: The condominium may be terminated at any time by approval in writing of all record owners of apartments and all record owners of mortgages on apartments. If the proposed termination is submitted to a meeting of the members of the Association, the notice of the meeting shall give notice of the proposed termination, and if the approval of the owners of not less than 75% of the common elements, and of the record owners of all mortgages upon the apartments, is obtained in writing not later than 30 days from the date of such meeting, then the approving owners shall have an option to buy all of the apartments of the other owners for the period ending on the 60th day from the date of such meeting. Such approvals shall be irrevocable until the expiration of the option, and if the option is exercised, the approvals shall be irrevocable. The option shall be upon the following terms:

- (a) Exercise of option: The option shall be exercised by delivery or mailing by registered mail to each of the record owners of the apartments to be purchased an agreement to purchase signed by the record owners of apartments who will participate in the purchase. Such agreement shall indicate which apartments will be purchased by each participating owner and shall require the purchase of all apartments owned by owners not approving the termination, but the agreement shall affect a separate contract between each seller and his purchaser.
- (b) Price: The sale price for each apartment shall be the fair market value determined by agreement between the seller and purchaser within 30 days from the delivery or mailing of such agreement, and in the absence of agreement as to price it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisal of the apartment; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.
- (c) Payment: The purchase price shall be paid in cash.
- (d) Closing: The sale shall be closed within 10 days following the determination of the sale price.

14.3 Certificate: The termination of the condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its president and secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Polk County, Florida.

14.4 Shares of Owners after Termination: After termination of the condominium the apartment owners shall own the condominium property and all assets of the Association as tenants in common in undivided shares that shall be the same as the

undivided shares in the common elements and limited common elements appurtenant to the owners' apartments prior to the termination.

14.5 Amendment: This action concerning termination cannot be amended without consent of all apartment owners and of all record owners of mortgages upon the apartments.

15. Severability: The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word or other provision of this Declaration of Condominium and Articles of Incorporation, Bylaws and regulations of the Association shall not affect the validity of the remaining portions.

16. *Satellite Dishes and Antennae:* *Satellite dishes larger than 1 meter (39.37 inches) in diameter, measured across the widest part of the dish, are prohibited. No satellite dish may be installed on or in any common area, including, but not limited to, roofs, building sides, fronts of buildings and building fascias. Satellite dishes or antennae may only be installed on or in an owner's exclusive use area in a location acceptable to the Association and may not extend more than 36 inches beyond the owner's exclusive use area.*

16.1 *Maintenance of Satellite Dishes and Antenna:* *The Owner shall be solely responsible for the maintenance of any satellite dish or antenna installed pursuant to this section. Necessary maintenance and repairs shall include but not be limited to:*

- (a) Reattachment or removal within 72 hours of dislodgment from the satellite dish or antenna's original point of installation;*
- (b) Repainting or replacement of the satellite dish or antenna if for any reason the exterior surface becomes worn, disfigured, or deteriorated, provided that any repainting will not interfere with an acceptable quality signal;*
- (c) Repair or replacement if for any reason the dish or antenna no longer retains its original condition; and*
- (d) Repair or replacement to prevent a dish or antenna from becoming a safety hazard.*

16.2 *Responsibility for Costs:* *The Owner shall be solely responsible for all costs associated with the satellite dish or antenna, including, but not limited to, all costs to:*

- (a) Repair, maintain, remove or replace the dish or antenna;*
- (b) Repair damages to the common element, the unit, or other units and other property caused by the installation, existence, or use of the dish or antenna;*
- (c) Pay for medical expenses incurred by persons injured by the installations, existence, or use of the dish or antenna; and*
- (d) Reimburse residents or the Association for damages caused by the installation, existence, or use of the dish or antenna.*

16.3 Enforcement: Except in the case of an emergency, if any satellite dish or antenna is not maintained pursuant to this section, the Board or its designated representative shall notify the Owner in writing that the satellite dish or antenna requires maintenance, repair or replacement and that such maintenance, repair or replacement must be completed within 30 days of said notification, unless extended by the Board. If any required work is not completed within the time allowed for maintenance, repair or replacement, or if any satellite dish or antenna is installed contrary to this section, the Association may remove the satellite dish or antenna at the expense of the owner. Any costs or expenses incurred by the Association as a result of an Owner's failure to comply with this section shall be charged to the Owner as an additional assessment. In addition, in the event any Owner fails to comply with the provisions of this section, the Association may take any further actions provided for by this Declaration and Florida Law to bring the property into compliance.

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

THE GRENELEFE CORPORATION

By John F. Coffay, Jr.

President

Attest:

T. Rasmussen

Secretary

EXHIBIT D-1

GRENELEFE LAKE LOFT CONDOMINIUM UNIT NO. 2
PHASE 1

Interest in Common Elements

<u>Apartment Numbers</u> (Each apartment is contained in a single building, which single building consists of the apartment unit, limited common elements and common elements)	<u>Per Unit</u>	<u>Per Group</u>
2911, 2912	33.33%	66.66%
2913	33.34%	<u>33.34%</u>
		<u>100.00%</u>

EXHIBIT D-2

GRENELEFE LAKE LOFT CONDOMINIUM UNIT NO. 2
PHASE 2

Interest in Common Elements

<u>Apartment Numbers</u> (Each apartment is contained in a single building, which single building consists of the apartment unit, limited common elements and common elements)	<u>Per Unit</u>	<u>Per Group</u>
2911, 2912, 2913, 2940, 2941, 2942, 2943, 2944	12.50%	100.00%

NOTE: The Developer has reserved the right to add a lesser amount of land and a lesser number of units in Phase 2. If the Developer adds a lesser number of units, the above percentages will be appropriately adjusted as set forth in the Declaration of Condominium.

EXHIBIT A

LAND DESCRIPTION, UNIT 2, PHASE 1: That part of the South 660 feet of U.S. Government Lot 1 in Section 5, Township 28 South, Range 28 East, Polk County, Florida, being more particularly described as follows: Starting at the Southwest corner of U.S. Government Lot 1 in said Section 5, same being the Southwest corner of the Northwest Quarter of Section 5, Township 28 South, Range 28 East, run thence North $00^{\circ}13'05''$ West, along the West boundary of said U.S. Government Lot 1, and said Northwest quarter of Section 5, a distance of 627.03 feet, for the Point of Beginning; thence continue North $00^{\circ}13'05''$ West a distance of 32.97 feet, thence run North $89^{\circ}41'32''$ East, a distance of 720.00 feet, thence run South $00^{\circ}13'05''$ East a distance of 184.28 feet; thence run North $71^{\circ}15'48''$ West, a distance of 212.77 feet to the P.C. of a curve concave to the Southerly having a radius of 311.72 feet; thence run Westerly along said curve on a chord-bearing of North $74^{\circ}56'04''$ West, for a chord-distance of 39.92 feet to the end of said curve; thence run North $78^{\circ}36'20''$ West, a distance of 367.52 feet to the P.C. of a curve concave to the Southerly having a radius of 170.75 feet; thence run Westerly along said curve on a chord-bearing of North $86^{\circ}56'08''$ West, for a chord-distance of 49.47 feet, thence run South $84^{\circ}44'05''$ West, a distance of 71.15 feet to the Point of Beginning. Subject to rights-of-way as of record and/or in use. Containing 1.5 acres, more or less.

LAND DESCRIPTION, UNIT 2, PHASE 2: That part of the South 660.00 feet of U.S. Government Lot 1 in Section 5, Township 28 South, Range 28 East, Polk County, Florida, being more particularly described as follows: Starting at the Southwest corner of U.S. Government Lot 1 in said Section 5, same being the Southwest corner of the Northwest quarter of Section 5, Township 28 South, Range 28 East; run thence North $00^{\circ}13'05''$ West, along the West boundary of said U.S. Government Lot 1 and said Northwest quarter of Section 5, a distance of 476.92 feet for the Point of Beginning; thence continue North $00^{\circ}13'05''$ West, a distance of 150.11 feet, thence run North $84^{\circ}44'05''$ East, a distance of 71.15 feet to the P.C. of a curve concave to the Southerly having a radius of 170.75 feet; thence run Easterly along said curve for a chord-bearing of South $86^{\circ}56'08''$ East, a chord-distance of 49.47 feet; thence run South $78^{\circ}36'20''$ East, a distance of 211.56 feet; thence run South $00^{\circ}13'05''$ East, a distance of 228.57 feet; thence run North $70^{\circ}27'44''$ West, a distance of 347.98 feet to the Point of Beginning. Subject to rights-of-way as of record and/or in use. Containing 1.42 acres, more or less.