

After recording return to:

Naples Community Management, Inc.
1100 Fifth Avenue, Suite 201
Naples, FL 34102
(239) 434-9300

CERTIFICATE OF AMENDMENT
SECOND AMENDED AND RESTATED DECLARATION
OF
NEIGHBORHOOD COVENANTS
FOR NORTSHORE LAKE VILLAS

This Certificate of Amendment to the Second Amended and Restated Declaration of Neighborhood Covenants for Northshore Lake Villas (the "Neighborhood") is made this 19th day of April, 2011, by Northshore Lake Villas Neighborhood Association, Inc. (the "Association").

WITNESSETH

WHEREAS, on September 17, 1996, the original Declaration of Neighborhood Covenants for Northshore Lake Villas (the "Declaration") was filed and recorded in Official Records Book 2229, Page 1775, et seq., of the Public records of Collier County, Florida; and

WHEREAS, on January 30, 1997, a replat of the previously approved and recorded plat of the land described in the Declaration was filed and recorded in Official Records Book 2277, Pages 1658, et seq., of the Public Records of Collier County, Florida; and

WHEREAS, on April 2, 1997, the Amended and Restated Declaration, including the Amended and Restated Bylaws, was filed and recorded in Official Records Book 2300, Pages 3927, et seq., of the Public Records of Collier County, Florida; and

WHEREAS, on March 30, 1998, an amendment to the Amended and Restated Declaration was filed and recorded in Official Records Book 2403, Pages 1290, et seq., of the Public Records of Collier County, Florida; and

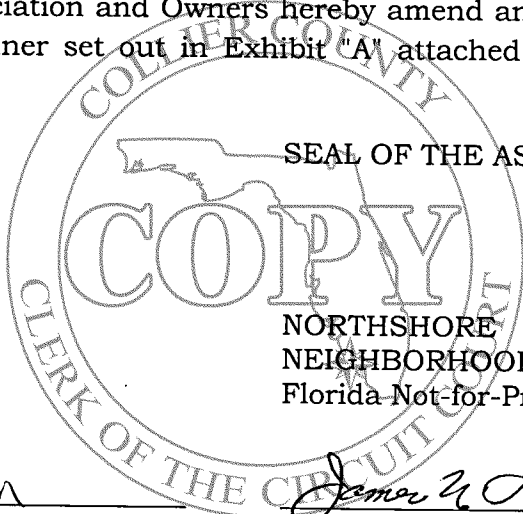
WHEREAS, on May 22, 2000, the Amended and Restated Declaration was filed and recorded in Official Records Book 2678, Pages 0601, et seq., of the Public Records of Collier County, Florida; and

WHEREAS, on February 21, 2005, the Amended and Restated Declaration was filed and recorded in Official Records Book 3737, Pages 3277, et seq., of the Public Records of Collier County, Florida; and

WHEREAS, at a duly called and convened meeting of the members of the Association, upon notice duly given, a majority of the members of the Association, present in person and by proxy, approved the amendment and restatement of the Declaration and the Bylaws in the manner set forth herein.

NOW, THEREFORE, pursuant to section 6.07 of the Declaration and Section 10 of the Bylaws, the Association and Owners hereby amend and restate the Declaration and Bylaws in the manner set out in Exhibit "A" attached hereto and incorporated herein for all purposes.

ATTEST:



SEAL OF THE ASSOCIATION:

NORTHSHORE LAKE VILLAS
NEIGHBORHOOD ASSOCIATION, INC., a
Florida Not-for-Profit Corporation

Carolyn Booth
Carolyn Booth, Secretary

James N. Lucas
James N. Lucas, President

STATE OF MINNESOTA

COUNTY OF Hennepin

On April 15th, 2011, the foregoing instrument was acknowledged before me, the undersigned authority, by James N. Lucas, president of NORTHSHORE LAKE VILLAS NEIGHBORHOOD ASSOCIATION, INC., a Florida Not-for-Profit Corporation, who is personally known to me, or who has produced _____ as identification.

Julie A. Smullen

Notary Public in and for
Collier County, Florida
My Commission Expires: _____

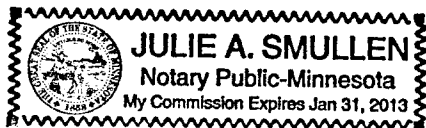


EXHIBIT "A"



**SECOND AMENDED AND RESTATED
DECLARATION OF NEIGHBORHOOD COVENANTS FOR NORTHSORE LAKE VILLAS**



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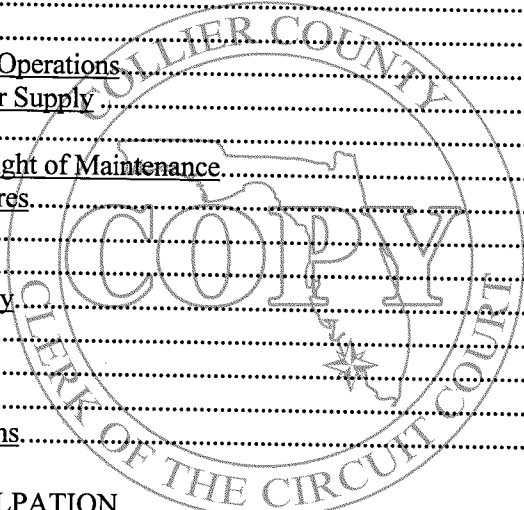
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SECOND AMENDED AND RESTATED

DECLARATION OF NEIGHBORHOOD COVENANTS FOR NORTSHORE LAKE VILLAS

That heretofore, the original Declaration of Northshore Lake Villas was recorded in Official Record Book 2229, at Page 1775, et. seq., and was further amended and restated in that certain Amended and Restated Declaration of Neighborhood Covenants for Northshore Lake Villas recorded in Official Records Book 2300, Page 3927, both of the Public Records of Collier County, Florida. That the Amended and Restated Declaration of Neighborhood Covenants for Northshore Lake Villas is hereby amended and is restated in its entirety. This Second Amended and Restated Declaration of Neighborhood Covenants for Northshore Lake Villas is made by Northshore Lake Villas Neighborhood Association, Inc., a Florida not-for-profit corporation. The land subject to this instrument is legally described in Exhibit "A" attached hereto. The covenants and restrictions contained in this instrument shall run with the land legally described in Exhibit "A" attached hereto and be binding upon and inure to the benefit of all present and future Owners of Lots in Northshore Lake Villas and third parties as described herein. The acquisition of title to a Lot or any other interest in Northshore Lake Villas or the lease, occupancy, or use of any portion of a Dwelling Unit or the Association Property, constitutes an acceptance and ratification of all provisions of this instrument as amended from time to time, and an agreement to be bound by its terms.

1. DEFINITIONS. The terms used in this Declaration and its recorded exhibits shall have the definitions set forth below:

1.1 "Act" shall mean and refer to Chapter 720, Florida Statutes (2010), as the same may be amended from time to time.

1.2 "Articles" shall mean the Articles of Incorporation of the Association as same may be amended from time to time.

1.3 "Architectural Planning Criteria" means and refers to the specifications, guidelines and regulations governing the alteration of, or addition to, the exterior of any Dwelling Unit or any Lot, and procedures for administering same established by the Board for the purpose of maintaining uniformity, consistency and quality in the Properties, as adopted, amended and rescinded from time to time by the Board.

1.4 "Assessment" shall mean the amount of money which may be assessed against a member for the payment of the member's share of common expenses, and/or any other funds which a member may be required to pay the Association as provided by this Declaration, the Articles or the By-Laws.

1.5 "Association" shall mean and refer to Northshore Lake Villas Neighborhood Association, Inc., a Florida not-for-profit corporation.

1.6 "Association Property" means and refers to the land, systems, facilities, rights and easements which may be deeded, leased, licensed, granted, reserved, assigned, dedicated or transferred to the Association, together with all improvements and personal property thereon and equipment, facilities and rights associated therewith, including real property, regardless of whether title has been conveyed to the Association, that has been dedicated to the Association or its Members by a recorded plat or committed by this Declaration or other restrictive covenants to be leased or conveyed to the Association or any property for which the Association has assumed responsibility of maintenance. The term "Association Property" shall include, without limitation, all "Common Areas" within the Properties, as

that term is defined in Section 720.301 of the Act, and includes any property, whether improved or unimproved, or any interest therein, now or hereafter maintained by the Association for the benefit, use and enjoyment of the members of the Association, and the residents of the Properties. The Common Areas also includes any other property which is declared to be a common area by this Declaration.

1.7 "Board" means and refers to the Board of Directors of the Association.

1.8 "Bylaws" means the Second Amended and Restated Bylaws of the Association, a copy of which is attached to this Declaration as Exhibit "C".

1.9 "Common Expenses" means all expenses of any kind or nature whatsoever, properly incurred by the Association, including, but not limited to, the following:

1.9.1 Expenses incurred in connection with any Common Area, including, but not limited to, guard, restricted "access" services, utilities, taxes, assessments, insurance, operation, maintenance, repairs, improvements, alterations and surface water rights.

1.9.2 Expenses of obtaining, repairing or replacing personal property in connection with any Common Area or in connection with the performance of the Association duties.

1.9.3 Expenses incurred in connection with maintaining, repairing and improving landscapings, sprinkler systems, structures and other improvements in, under or upon any Common Area for which the obligation to maintain, repair and improve has been designated to and accepted by the Board from time to time.

1.9.4 Expenses incurred in connection with the administration and management of this Declaration, or by the Articles or By-Laws.

1.9.5 Expenses declared to be Common Expenses by the provisions of this Declaration, or by the Articles or By-Laws.

1.9.6 Any expense of prosecuting or defending any action for or against the Association including attorney's fees.

1.10 "Common Surplus" means the excess of all receipts of the Association over the amount of common disbursements.

1.11 "Declaration" means and refers to this Second Amended and Restated Declaration.

1.12 "Dwelling Unit" means and refers to any or all the residences which are constructed on the Lots, each intended for use and occupancy as a residence for a Single Family.

1.13 "Family Members" shall include the grandparents, parents, children and grandchildren of an individual within a Single Family or of the Primary Occupants.

1.14 "Governing Documents" means and refers to the Declaration, the Articles, the Bylaws, the Rules and Regulations, Architectural Planning Criteria and the Resolutions of the Association and any exhibits or amendments thereto. In the event of a conflict in the interpretation of the Governing Documents, they shall be applied in the order of priority stated above.

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

1.16 "Lease" means the grant by an Owner of a temporary right to occupy the Owner's Dwelling Unit for valuable consideration.

1.17 "Lot" means any single platted lot within the Properties upon which a Dwelling Unit, including a detached single-family home, attached townhouse or villa, may be constructed. The term "Lot" includes lots improved by the construction of a Dwelling Unit and lots that have not been improved by the construction of a Dwelling Unit. Wherever herein the term "Lot" is used, it shall be interpreted as if followed by the words "and Dwelling Unit constructed thereon" except where the context clearly requires otherwise.

1.18 "Member" means and refers to persons or entities who are members of the Association as provided in the Governing Documents.

1.19 "Northshore Lake Villas" means and refers to and shall be the name of the Properties.

1.20 "Owner" means and refers to any person or persons, entity or entities, who are the record owner of the fee simple title to any Lot in the Properties.

1.21 "Plat" means the Plat of Northshore Lake Villas Replat, as recorded in Plat Book 28, Pages 7 and 8, of the Public Records of Collier County, Florida, which is a resubdivision of all Northshore Lake Villas Subdivision, as recorded in Plat Book 27, Pages 33 and 34 of the Public Records of Collier County, Florida.

1.22 "Primary Occupants" means the two (2) natural persons approved for occupancy, together with their Family Members, if any, in accordance with the provisions of this Declaration.

1.23 "Properties" means and refers to all real property which is subject to this Declaration and includes both Association Property and Lots. "Properties" shall also have the same meaning as the term "Community" as defined in the Act.

1.24 "Rules and Regulations" means and refers to the administrative rules and regulations governing use of the Association Property and procedures for administering the Association and the Properties, as adopted, amended and rescinded from time to time by the Board of Directors.

1.25 "Single Family" shall refer to one (1) natural person (as opposed to an artificial entity); or a group of two (2) or more natural persons living together each of whom is related to each of the others by blood, marriage, legal custody or adoption; or not more than two (2) persons not so related, who reside together as a single housekeeping unit, along with Family Members, if any.

1.26 "Tenant" means and refers to one who leases or rents from an Owner and holds temporary possession of a Dwelling Unit.

1.27 "Voting Interests" means the voting rights distributed to the Members.

2. ASSOCIATION: MEMBERSHIP: VOTING RIGHTS. The administration, management and ownership of the Association Property shall be by Northshore Lake Villas Neighborhood Association, Inc., a Florida not-for-profit corporation, which shall perform its functions pursuant to the following:

2.1 Articles of Incorporation. A copy of the Articles of the Association are attached as Exhibit "B".

2.2 Bylaws. A copy of the Second Amended and Restated Bylaws of the Association are attached as Exhibit "C".

2.3 Delegation of Management. The Association may contract for the management and maintenance of the Properties and authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Association Property, with funds made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties provided in the Governing Documents.

2.4 Membership. Every person or entity, who is a record Owner of a fee interest in any Lot located upon the Properties, shall be a Member, except that if a Lot is subject to an agreement for deed, the purchaser in possession shall be considered the Owner for purposes of determining voting and use rights. Membership shall be appurtenant to, run with, and shall not be separated from the real property interest upon which membership is based.

2.5 Voting Interests. The votes of the Members shall be established and exercised as provided in the Articles and Bylaws.

2.6 Approval or Disapproval of Matters. Whenever the decision or approval of the Owner of a Lot is required upon any matter, whether or not the subject of a Association meeting, such decision or approval may be expressed by any person who could cast the vote of such Lot if present in person at a Association meeting, unless the joinder of all record Owners is specifically required.

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

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

2.9 Association as Owner of Lots. The Association has the power to acquire title to a Lot by foreclosure of the Association's lien as provided for elsewhere in this Declaration or by deed in lieu of foreclosure, and to hold, lease, mortgage, encumber and convey such Lot, with the prior approval of the Board of Directors. The Association has the power to acquire title to a Lot through a voluntary transaction other than a deed in lieu of foreclosure or foreclosure sale and lease, mortgage, encumber and convey that Lot, without the prior approval of the Voting Interests.

2.10 Membership Roster. The Association shall maintain a current roster of names and mailing addresses of Owners and Primary Occupants. A copy of the up to date roster shall be available to any Owner upon request.

2.11 Limitation on Liability. Notwithstanding the duty of the Association to maintain and repair the Association Property, the Association shall not be liable to Owners for property damage caused by any latent condition of the Association Property to be maintained and repaired by the Association, or caused by the elements or Owners or other persons.

2.12 Board of Directors. Except as otherwise provided by law or by the Governing Documents, the Association shall act through its Board of Directors and its officers, and no vote of the Members shall be required. The Officers and Directors of the Association have a fiduciary relationship to the Members. An Owner does not have the authority to act for the Association by virtue of being an Owner.

2.13 Powers and Duties. The powers and duties of the Association include those set forth in the Governing Documents, Florida Statutes Chapter 720 and Florida Statutes Chapter 617, as the same may be amended from time to time. In addition, the Association shall have the power to enforce this Declaration and shall have all the powers granted to it by this Declaration.

3. COVENANT FOR ANNUAL, SPECIAL AND INDIVIDUAL ASSESSMENTS.

3.1 Lien and Personal Obligation for Assessments. Subject to the limitations on Assessment liability with respect to Institutional Mortgagees, each Owner, by acceptance of a deed for a Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(A) the Lot's share of annual assessments based on the annual budget adopted by the Association, including, without limitation, operating expenses and reserves, which annual assessments shall be collected on an annual or quarterly basis ("Annual Assessments");

(B) the Lot's share of special assessments for Association expenditures not provided for by Annual Assessments ("Special Assessments"); and

(C) amounts assessed against an individual Lot for other than Annual Assessments or Special Assessments, as provided for elsewhere in this Declaration and the Bylaws, any fines levied against a Lot (if the Act permits fines to become a lien against a Lot) and any amounts allocated to a Lot pursuant to a "bulk contract" between the Association and a telecommunications provider ("Individual Assessment").

(D) All Annual, Special, Individual and other Assessments are collectively referred to in this Declaration as "Assessments".

Assessments shall be established and collected as provided herein and in the Bylaws. The Assessments, together with interest, costs, late fees and reasonable attorney's fees shall bind such property in the hands of the Owner, his heirs, devisees, personal representatives, successors and assigns. In any conveyance, voluntary or otherwise, the transferee shall be jointly and severally liable with the transferor for all unpaid Assessments and other amounts provided herein coming due prior to the time of such conveyance, without prejudice to the rights of the transferee to recover from the transferor the amounts paid by the transferee. No Owner may be excused from the payment of Assessments unless all Owners are similarly excused.

3.2 Share of Assessments. Each of Lots 1 through 54 (and the Owner thereof) shall be liable for its pro rata share of all Annual and Special Assessments as adjusted for the contribution of Lot 55 as shown on the Plat ("Lot 55"). Lot 55 will be subject to the following assessments and expenses: (1) Lot 55 will be subject to an annual assessment of \$860.00 for the maintenance and repair of all Association Property; the amount of this annual assessment will remain at that level and will only increase or decrease proportionally to the amount Assessments increase or decrease for the remaining Members of the Association and only for those Assessments attributable to Lot 55 as provided herein; (2) any Annual and Special Assessments levied by the Association shall remain due and owing by Lot 55 and will be subject to the lien remedies provided herein, except that Lot 55 may not be assessed for landscape maintenance, power washing and/or painting the Dwelling Units and for any maintenance or expenses related to the community swimming pool. Lot 55 will have the obligation to perform its own lawn and landscape maintenance, power wash and/or paint its Dwelling Unit at least as often as similar work is performed on the other Dwelling Units in the Association. The Association will provide the owner of Lot 55 with written notice of when any power washing or painting is completed on the other Dwelling Units. Likewise, the Owner of Lot 55 will provide written notice to the Association when any power washing or painting is completed on Lot 55. If the Owner of Lot 55 fails to power wash and/or paint his Dwelling Unit within the time frame prescribed above or fails to perform reasonable landscape maintenance, then the Association may have such work performed and the expense of doing so may be specially assessed against Lot 55, with all lien rights and remedies attendant thereto. The Owner of Lot 55 grants the Association and anyone hired to perform those services a license to enter Lot 55 in order to perform said services. All Association Property and any governmental authority or public or private utility shall be exempt from payment of Assessments.

3.3 Establishment of Liens. Any and all Assessments levied by the Association or collected on behalf of the Association in accordance with the provisions of this Declaration or any of the Governing Documents, together with interest at the highest rate allowed by law, late fees and costs of collection (including, but not limited to reasonable attorney's fees) are hereby declared to be a charge and continuing lien upon the Lot against which each such Assessment is made, and shall also be the personal obligation of the Owner of Lot against which such Assessment is made. This lien is superior to any homestead rights the Owner may acquire. No Owner may exempt himself from personal liability for Assessments, or release the Lot owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Association Property, or by abandonment of his Lot or Dwelling Unit. The continuing lien may be perfected by the Association recording a Claim of Lien in the Public Records of Collier County, Florida, setting forth the description of the Lot, the name of the Owner, the name and address of the Association and the amount and due date of each unpaid Assessment as of the date the Claim of Lien is recorded. The Claim of Lien may be executed by either an officer of the Association or its legal counsel. The Association may file a Claim of Lien against a Lot for unpaid assessments after written notice or demand for past due assessments as well as any other amounts owed to the Association has been made by the Association. The written notice or demand must (i) provide the Owner with 45 days to make payment for all amounts due, including, but not limited to, any attorney's fees and actual costs associated with the preparation and delivery of the written demand; and (ii) be sent by registered or certified mail, return receipt requested, and by first-class U.S. mail to the Owner at his/her last address as reflected in the records of the Association, if the address is within the U.S., and to the address of the Lot if the Owner's address as reflected in the records of the Association is not the Lot address. If the Owner's address is outside the U.S., the Association may send the notice to that address and to the Lot address via first-class U.S. mail. The effectiveness of the Claim of Lien shall relate back to the date the original Declaration of Covenants was recorded in the Public Records of Collier County, Florida. A Claim of Lien shall secure payment of all Assessments due at the time of recording (including interest, late fees, costs and attorney's fees as provided above), as well as all Assessments, interest, late fees, costs and attorney's fees coming due subsequently, until the Claim of Lien is satisfied or a final judgment of foreclosure obtained. Upon full payment of all sums secured by that Claim of Lien, the party making payment is entitled to a

Satisfaction of Lien. Any payment received by the Association and accepted shall be applied first to any interest accrued, then to any late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent Assessment. The preceding sentence applies notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee is not subject to the provisions of Chapter 687, Fla. Stat. and is not a fine.

3.4 Priority of Liens. The foregoing notwithstanding, the Association's lien for unpaid Assessments shall be subordinate and inferior to: the lien of all municipal, county, state and federal taxes, assessments and other levies which by law would be superior thereto. The Association's lien shall be subordinate and inferior to the lien of any recorded first Institutional Mortgage but only to the extent provided under Chapter 720 Florida Statutes, the "Homeowners Act" as it now exists and as it may be amended from time to time, unless the Association's Claim of Lien was recorded prior to the first Institutional Mortgage, but except as provided for in the first sentence of this Section 3.4, shall be superior to, and take priority over any other mortgage or lien regardless of when recorded. Any lease of a Dwelling Unit shall be subordinate and inferior to any Claim of Lien of the Association, regardless of when the lease was executed. Any Mortgagee in possession, a receiver appointed on behalf of any Mortgagee, a purchaser at a foreclosure sale, or a Mortgagee that has acquired title by deed in lieu of foreclosure, and all persons claiming by, through or under such purchaser or Mortgagee shall hold title subject to the liability and lien of any Assessment coming due before or after foreclosure or deed in lieu of foreclosure. Any unpaid Assessment which cannot be collected as a lien against any Lot by reason of the provisions of this Section 3.4, shall be treated as a Special Assessment divided equally among, payable by and assessed against all Lots, including the Lot as to which the foreclosure (or deed in lieu of foreclosure) took place.

3.5 Collection of Assessments. If any Owner fails to pay any Assessment, or installment thereof, within ten (10) days after the due date, the Association shall have any or all of the following remedies, to the extent permitted by law, which remedies are cumulative and are not in lieu of, but are in addition to, all other remedies available to the Association.

(A) To charge interest on such Assessment, from the date it becomes due until paid at the highest rate allowed by law, as well as to impose a late payment fee equal to the greater of: (i) Twenty-five Dollars (\$25.00); (ii) five percent (5%) of each delinquent installment payment of the Assessment; or (iii) the maximum rate allowed by law. This late fee shall not be considered a fine as provided for in the Governing Documents, and the procedural requirements for levying fines set forth therein shall not apply.

(B) To deny Association approval of any proposed sale, transfer or lease of the Owner's Lot and Dwelling Unit.

(C) To file an action in equity to foreclose its lien. The lien may be foreclosed by an action in the name of the Association in the manner provided pursuant to Section 720.3085 of the Act, as the same may be amended from time to time. Such action may not be brought until 45 days after the Owner has been provided notice of the Association's intent to foreclose and collect the unpaid amount. The Owner may make a qualifying offer pursuant to the requirements of Section 720.3085 of the Act. The Association may purchase the Lot at the foreclosure sale or by deed in lieu of foreclosure and hold, lease, mortgage, or convey the Lot.

(D) To bring an action at law for money judgment against the Owner without waiving any lien foreclosure rights of the Association.

(E) Retaining the services of a collection agency or attorney initiating legal proceedings.

The Owner shall be liable to the Association for all costs and expenses incurred by the Association incident to the collection of any Assessment or other monies owed to it, and the enforcement and/or foreclosure of any lien for same, including reasonable attorneys' fees, and all sums paid by the Association for taxes and on account of any mortgage lien and encumbrance in order to preserve and protect the Association's lien. Further, immediately upon the failure of an Owner to pay any monetary obligation to the Association including, without limitation, any Assessment, or installment thereof, the Association shall have the right to collect the rental payments from such Owner's tenants pursuant to Florida Statute 720.3085.

3.6 Acceleration of Assessments. In addition, if any Owner is in default in the payment of any Assessment or any other monies owed as herein stated above, the Association shall have the right to accelerate and require such defaulting Owner to pay to the Assessments for common expenses for that next twelve (12) month period, based upon the then existing amount and frequency of Assessments for common expenses. In the event of such acceleration, the defaulting Owner shall continue to be liable for any increases in the amount of all Assessments of any kind, and/or all other assessments and monies payable to the Association.

3.7 Certificate. The Association shall, within fifteen (15) days of receipt of a written request for same, furnish to any Owner liable for Assessments a certificate in writing signed by an officer or agent of the Association, setting forth whether said Assessments and any other sums due the Association have been paid. Such certificate may be relied upon by all interested persons except the Owner.

4. ARCHITECTURAL AND AESTHETIC CONTROL

4.1 Necessity of Architectural Review and Approval. No Owner shall make or permit the making of any alterations or additions to his Lot or in any manner change the exterior appearance of any portion of the Dwelling Unit, without first obtaining the written approval of the Architectural Review Committee. The Architectural Review Committee shall have the authority to review and approve plans and specifications for the location, size, type and appearance of any structure or other improvement on a parcel, and to enforce the Association's Architectural Planning Criteria in a manner consistent with the same. Any glass, screen, shutter, awning, or other modifications, additions or installations which may be installed where visible from outside the Dwelling Unit, are subject to regulation by the Architectural Review Committee. The installation of hurricane shutters shall be subject to regulation by the Architectural Review Committee. No Owner may alter the Association Property in any way. Approved exterior materials are stucco, wood, natural stone, coquina or brick.

4.2 Architectural Review. The architectural review and control functions of the Association shall be administered and performed by the Architectural Review Committee, as defined herein. The Association shall be the Architectural Review Committee, whether through the Board or a committee appointed by the Board. If the Architectural Review Committee is an appointed committee, such committee shall be comprised of no less than three (3) nor more than five (5) members, at least one member of which shall be a Board member. The Board shall always retain the authority to appoint and remove the members of the Architectural Review Committee and to cause architectural review oversight to be returned to the Board if previously delegated to the Architectural Review Committee. Such oversight by the Board includes the authority to modify, vacate or review on appeal any Architectural Review Committee decision.

4.3 Powers and Duties of Architectural Review Committee. The Architectural Review Committee shall have the following powers and duties:

(A) To enact modifications and/or amendments to any Architectural Planning Criteria, which shall be considered part of the Association's Rules and Regulations. Any modification or amendment to the Architectural Planning Criteria shall be consistent with the provisions of this Declaration. Notice of any modification or amendment to the Architectural Planning Criteria, including a verbatim copy of such change or modification, shall be delivered to each Member of the Association; provided that the delivery of a copy of the modification or amendment to the Architectural Planning Criteria shall not constitute a condition precedent to the effectiveness or validity of such change or modification. In the event that the Board has appointed an Architectural Review Committee, any modifications and/or amendments to any Architectural Planning Criteria adopted by the Architectural Review Committee shall be subject to the review and approval of the Board.

(B) To require submission of one (1) complete set of all plans and specifications for any improvement or structure of any kind, including without limitation, any building, sign, site paving, grading, pool, parking and building additions, alteration, screen enclosure, sewer, drain, disposal system, decorative building, landscaping, landscape device or object or other improvement, the construction or placement of which is proposed upon any Lot or Dwelling Unit in the Properties, together with a copy of any required governmental permits. The Architectural Review Committee may also require submission of samples of building materials and colors proposed for use on any Lot or Dwelling Unit and may require such additional information as reasonably may be necessary for the Architectural Review Committee to completely evaluate the proposed structure or improvement in accordance with this Declaration and the Architectural Planning Criteria. Reviews shall be coordinated with required governmental approvals. The Architectural Planning Criteria may include a mandatory application form, if adopted by the Architectural Review Committee. The Architectural Review Committee shall have thirty (30) days to respond once a complete set of plans and specifications have been submitted. Failure to respond within said thirty (30) days shall be deemed an approval.

(C) To approve or disapprove any improvement or structure of any kind, including without limitation, any building, sign, site paving, grading, pools, parking and building additions, alterations, screen enclosure, sewer, drain, disposal system, decorative building landscaping, landscape device or object, or other improvement or change or modification thereto, the construction, erection, performance or placement of which is proposed upon any Lot or Dwelling Unit in the Properties and to approve or disapprove any exterior additions, changes, modifications or alterations (including, but not limited to, changes in exterior colors, finishes and materials) therein or thereon. All decisions of the Architectural Review Committee shall be in writing and may, but need not be made by a certificate in recordable form.

(D) To approve or disapprove any change, modification or alteration to any improvement or structure as hereinabove described, and the plans and specifications if any upon which such change modification or alteration is based, prior to commencement of construction of such change, modification or alteration. If any improvement or structure as aforesaid shall be changed, modified or altered without prior approval of the Architectural Review Committee of such change, modification or alteration, and the plans and specifications therefore, if any, then the Owner shall upon demand, cause the improvement or structure to be restored to comply with the plans and specifications, originally approved by the Architectural Review Committee and shall bear all costs and expenses of such restoration, including costs and reasonable attorney's fees of the Architectural Review Committee or the Association. The Architectural Review Committee shall be specifically empowered to grant variances from the covenants, conditions and restrictions as contained herein and as are deemed reasonable, required or necessary to meet the needs of the particular building site.

(E) To adopt a schedule of reasonable fees for processing requests for approval or proposed improvements. Such fees, if any, shall be payable to the Association at the time that plans and specifications are submitted to the Architectural Review Committee. In the event such fees, as well as

any other costs or expenses of the Architectural Review Committee pursuant to any other provisions of this Article are not paid by the Owner, they shall become a lien on the Owner's Lot.

(F) To monitor construction to verify compliance with the provisions hereof and any approvals and conditions of the Architectural Review Committee.

4.4 Variances.

4.4.1 The Architectural Review Committee may authorize variances from compliance with any of the architectural provisions or this Declaration (including, but not limited to building lines setbacks), when circumstances such as topography, natural obstructions, hardship, aesthetics or environmental considerations require. Such authorizations will be in the sole discretion of the Architectural Review Committee and shall be evidenced in writing and signed by a majority of the Architectural Review Committee.

4.4.2 If such variances are granted, no violation of the covenants, conditions, and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration for any purpose, except as to the particular Lot and particular provisions hereof covered by the variance. Nor shall such variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting his use of the Lot, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental or municipal authority.

5. PROPERTY RIGHTS: EASEMENTS.

5.1 Use of Association Property. Every Owner and his tenants, guests and invitees shall have a perpetual non-exclusive easement for use, ingress, egress and access in, to and over the Association Property for use in common with all other Owners, their tenants, guests and invitees. These easements shall be appurtenant to and shall pass with the title to every Lot subject to the following:

(A) The right and duty of the Association to levy Assessments against each Lot for the upkeep, maintenance, repair or betterment of the Association Property and improvements thereon.

(B) The right of the Association to dedicate or transfer or grant an easement covering all or any part of the Association Property to any public agency, authority, utility, or the South Florida Water Management District ("SFWMD") for such purposes and subject to such conditions as may be determined by the Board. No such easement shall materially interfere with the rights of the Owners to use the Association Property for the purposes intended.

(C) The right of an Owner to the use and enjoyment of the Association Property and facilities thereon shall extend to his Family Members, and to his tenants, guests and invitees, subject to regulation from time to time by the Association, including, without limitations.

(1) The right of the Association to charge reasonable admission and other fees for use of any of the Association Property;

(2) The right of the Association to suspend an Owner's right to use the Association Property as provided under the Act;

(3) The right of the Association to dedicate or transfer all or any part of the Association Property to any governmental agency, public authority, or utility;

(4) The right of the Association to borrow money for the purpose of improving the Association Property and, in aid thereof, to mortgage Association Property;

(5) The right to take such steps as are reasonably necessary to protect the Association Property against foreclosure; and

(6) The provisions of this Declaration, or any other applicable recorded instrument, the Articles of Incorporation and By-laws of the Association; and any rules and regulations governing use and enjoyment of the Association.

5.2 Easements. The Board shall have the right to grant such electric, telephone, gas, water, sewer, irrigation, drainage, cable television or other easements, and to relocate any existing easement in any portion of the Properties and to grant access easements and to relocate any existing access easements in any portion of the Properties as the Board shall deem necessary or desirable, for the proper operation and maintenance of the Properties, or any portion thereof, or for the general health or welfare of the Owners or for the purpose of carrying out any provisions of this Declaration. Such easements or the relocation of existing easements may not prevent or unreasonably interfere with the use of the Lots and Dwelling Units. All telephone, electric, or other wires of all kinds shall be underground and poles or transmission cables located within platted utility easements. Each Dwelling Unit and Lot shall be subject to an easement in favor of all other portions of the Properties for the location of utilities and for surface water drainage, for lateral and subjacent support, and for the use, maintenance, repair, and replacement of public utility lines and other similar or related facilities serving other Lots and portions of the Properties. The Association is granted a blanket easement over the Association Property and Lots for the purpose of carrying out its responsibilities pursuant to this Declaration. All of the Properties shall be subject to easements for encroachments, which now or hereafter exist, caused by settlement or movement of any improvements upon the Association Property or contiguous thereto or caused by inaccuracies in the building or rebuilding of such improvements or caused by changes in the building design or approved site plan provided such changes have been approved by the appropriate governmental authorities. Such easements for encroachments shall continue until the encroachments no longer exist. No structure, planting or other material shall be placed or permitted to remain by an Owner which may damage or interfere (as determined by the Association) with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction or flow of drainage facilities. An easement is granted to each Owner for the purpose of reasonable access to his electrical meter.

5.3 Dedication of Common Areas. The Association may upon acceptance and approval of the applicable governmental entity, dedicate the limited-access private streets to the perpetual use of the public.

5.4 Lakes and Waterways. All Owners acknowledge that the ponds and lakes which exist within the subdivision are for the purpose of general subdivision enhancement, and drainage. The ponds and lakes are expressly not for the purpose of swimming, wading, or other recreational activities. Any such activities are expressly prohibited and if done, shall be done at the sole and complete risk of the Owner and his Family Members, tenants, guests and invitees. All Owners of Lots with the Properties hereby hold harmless the Association from any injury resulting from such improper use of lakes and ponds within the subdivision.

5.5 Irrigation. All Owners hereby consent to the irrigation of the Association Property with treated effluent, provided that said effluent is emanated from an approved treatment plant with a current

operating permit from the State of Florida, Department of Environmental Regulation. The Owners shall be responsible for the irrigation of their respective Lots at their sole cost and expense. Subject to the provisions of any governmental regulations, the Owners shall irrigate their Lots such that the lawns and landscaping remain in a healthy and first class condition year round. Owners shall not turn off their irrigation systems when absent from their Lots. In the event that any Owner fails to irrigate his Lot, the Association shall have the right to enter upon and irrigate such Owner's Lot at the Owner's sole cost and expense utilizing the Owner's irrigation equipment. The cost of same shall constitute a lien on the Owner's Lot and be enforceable in the same manner as any Assessment as provided herein.

5.6 Surface Water Management. To facilitate the operation and maintenance of Association Property, specifically the surface water management system as per permits granted by the South Florida Water Management District within the Properties, including all lakes, retention areas, culverts and related appurtenances, the Association is specifically granted the following additional powers:

- (1) To own and convey property;
- (2) To establish such rules and regulations as it may deem appropriate or as may be required by the South Florida Water Management District;
- (3) To sue and be sued;
- (4) To assess members and enforce said assessments relating to the operation and maintenance of Association Property;
- (5) To contract for services for operation and maintenance if said corporation deems outside services appropriate and feasible; and
- (6) In the event of dissolution of said corporation, said corporation shall have the power to dedicate the operation and maintenance of the Association Property to a successor non-profit corporation or to an appropriate agency of local government for the purposes of operating and maintaining the Association Property in accordance with South Florida Water Management District requirements.

5.7 Cable T.V., Utility and Irrigation Easements. The Association shall have the right to grant reasonable easements for the installation and maintenance of temporary roads, cable television services, security system devises, guard gates, public utility and irrigation systems (including the installation of irrigation pumps), on the Properties in addition to those easements already reserved.

5.8 Easements for Governmental Health, Sanitation and Emergency Services. A non-exclusive easement is hereby granted to the appropriate governmental authorities and to the appropriate private organizations supplying health, sanitation, postal services, police services and any emergency services such as fire, ambulance and rescue services for the purposes of ingress and egress over and across the Common Area and for the enforcement of the laws of the United States of America, State of Florida and Collier County.

5.9 Driveway Easement. Every Member shall have an exclusive easement over any portion of their driveway located beyond their lot line and said driveway easement shall be appurtenant to and shall pass with the title to such Owner's Lot.

5.10 Factory Built Structures. No structure of any kind of what is commonly known as a factory built, modular or mobile home type construction shall be erected.

5.11 Partition: Separation of Interest. There shall be no judicial partition of the Association Property, except as expressly provided elsewhere herein, nor shall any Owner or any other person acquiring any interest in the Properties, or any part thereof, seek judicial partition thereof. Nothing herein shall be construed to prevent judicial partition of any Lot and Dwelling Unit owned by cotenants. The ownership of any Lot and the ownership of the Dwelling Unit constructed thereon may not be separated or separately conveyed; nor may any person who does not have an ownership interest in at least one (1) Lot and Dwelling Unit hold membership in the Association.

6. MAINTENANCE OF ASSOCIATION PROPERTY AND DWELLING UNITS.

6.1 Association. The Association is responsible for the protection, maintenance, repair and replacement of the Association Property.. The Association shall have the right, but not the obligation, to assume the obligation to operate and/or maintain any property other than the Association Property, if the Board in its sole and absolute discretion determines that the operation and/or maintenance of such property by the Association would be in the best interest of the Association. The Association shall be responsible for all drainage improvements (except those located on individual Lots) which service any of the Lots, unless such maintenance is the responsibility of a governmental body or other entity.

The Association shall not be responsible to maintain, repair or replace all or any portion of a Lot or Dwelling Unit or any other improvements constructed thereon except as specifically set forth in this Declaration. All maintenance, repair and replacement which is the responsibility of the Association shall be a Common Expense assessed to all Owners, unless the Association undertakes maintenance, repair or replacement of a Lot or Dwelling Unit due to an Owner's failure to undertake such maintenance, repair or replacement.

The Association has the right to make additions, alterations and improvements to the Association Property and purchase any personal property it deems necessary.

The Association shall specifically maintain, repair or replace the following:

- (a) Utility services to the Common Areas;
- (b) Storm drains, drainage courses, clubhouses, sprinkler systems, utilities and utility easements;
- (c) All lawn and landscaping maintenance including that of individual Lots (except for Lot 55, which shall be the responsibility of the Owner of Lot 55), unless an Owner (other than the Owner of Lot 55) advises the Association in writing that the Owner will maintain his Lot, in which case the Association shall continue to provide lawn maintenance, but not maintenance of the landscaping. If any Owner fails to maintain his Lot in accordance with the Association's standards for maintenance, the Association may elect to maintain the Lot. Any maintenance costs in excess of the general maintenance charges, which are incurred due to the Owner having failed to maintain his Lot are chargeable to the Owner and collectable as an assessment pursuant to Section 3 of this Declaration. An Owner's decision to maintain his own landscaping shall not entitle him to any financial credit or other monetary claim against the Association;
- (d) Swimming Pool Area;

(e) Landscape buffer shown on the Plat, specifically including responsibility for buffer restoration following any maintenance required to any utility contained in the landscape buffer easement on the Plat; and

(f) Power-washing and/or painting of the Dwelling Units, except for Lot 55, which shall be the responsibility of the Owner of Lot 55.

6.2 Owner Maintenance. Owners shall maintain, repair and replace their Lots, Dwelling Units and any other improvements, modifications and additions thereto in a safe, clean, orderly and attractive condition. Whenever an Owner contracts for maintenance, repair or replacement, alteration, addition or improvement of any portion of the Lot, whether with or without approval from the Architectural Review Committee, such Owner shall be deemed to have warranted to the Association and all other Owners that his contractor(s) are properly licensed and fully insured and that the Owner will be financially responsible for any resulting damage to persons or property not paid by the contractor's insurance. The Owner of fee simple title to Lot 55 shall have the sole responsibility for maintenance and control of Tracts E and F as shown on the Plat, subject, however, to any rights or obligations with respect to Tracts E and F as set forth in the Plat. Without limiting the foregoing provisions of this Section 6.2, each Owner shall be responsible for the following with regards to his Dwelling Unit and/or Lot:

(a) Complete replacement or repairs of his roof except the power washing as provided elsewhere herein;

(b) Maintenance, replacement or repairs of exterior walls;

(c) Maintenance, replacement or repairs of the driveway on his Lot;

(d) Maintenance, replacement or repairs to his lanai;

(e) Replacement of plantings on his Lot;

(f) Maintenance, replacement or repairs to his irrigation and sprinkler system, which must provide irrigation year-round in accordance with the Association's rules to the maximum extent allowed under applicable government regulations;

(g) Maintenance, replacement or repairs to the interior of his Dwelling Unit; and

(h) Maintenance, replacement or repairs of the fixtures on the exterior of his Dwelling Unit (e.g. gutters, lights).

6.3 Enforcement of Maintenance. In the event that an Owner fails or refuses to comply with his obligation to maintain, repair or replace any portion of his Lot or Dwelling Unit, after fourteen (14) days' written notice and demand from the Association and the Owner's failure to comply, the Association shall have the authority (but not the obligation) to take whatever action is reasonably necessary in its judgment to bring the Lot and Dwelling Unit into conformity and the expenses of doing so shall be an obligation of the Owner collectable as an Individual Assessment against that Lot. The Association is granted an easement upon the Lot and its improvements for these purposes. In the alternative, the Association may institute legal proceedings to compel the Owner to observe his obligations set forth in the Governing Documents. This right specifically includes the right to irrigate an Owner's Lot at the Owner's sole cost and expense utilizing the Owner's irrigation equipment.

6.4 Negligence: Damage Caused by Condition in Dwelling Unit. The Owner of each Dwelling Unit shall be liable for the expenses of any maintenance, repair or replacement of Association Property, other Dwelling Units, or personal property made necessary by his act or negligence, or by that of any Family Member, or his guests, employees, agents, invitees or tenants. Each Owner has a duty to maintain his Dwelling Unit and personal property therein, in such a manner as to prevent foreseeable and reasonably preventable damage to other Dwelling Units, the Association Property or the property of other Owners and residents. If any condition, defect or malfunction, resulting from the Owner's failure to perform this duty causes damage to other Dwelling Units, the Association Property or property within other Dwelling Units, the Owner of the offending Dwelling Unit shall be liable to the person or entity responsible for repairing the damaged property for all costs of repair or replacement not paid by insurance. The Association may, but is not obligated to repair any such damage to the Association Property and hold the responsible party liable for all costs, secured by a lien against the applicable Lot, which lien may be foreclosed in the same manner as the Association's Claim of Lien.

6.5 Party Walls. Each wall which is built as part of the original construction of a Dwelling Unit and placed on the dividing line between Units shall constitute a party wall, and to the extent not inconsistent with the provisions of this Section 6.5, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the costs of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution from the other in or under any rule of law regarding liability for neglect or willful acts or omissions. Notwithstanding any other provision of this Section, any Owner who by his/her neglect or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against the elements. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall be passed to such Owners and successors in title.

6.6 Repair and Reconstruction After Casualty.

In the event that any Dwelling Unit located on any Lot is destroyed or damaged as a result of any cause, including, but not limited to, fire, windstorm, flood, tornado or hurricane, the Owner of such Dwelling Unit shall cause repair or replacement of the Dwelling Unit to be commenced within ninety (90) days from the date that such damage or destruction occurred, and to complete the repair or replacement within six (6) months thereafter. All such repairs or replacements must restore the Dwelling Unit to its original character, design and condition, shall utilize and conform with the original foundation and boundary of the original Dwelling Unit and shall be structurally compatible with any adjoining Dwelling Unit which shares a common wall.

In the event that the Owner of any Lot fails to commence or complete construction to repair or replace any damaged or destroyed Dwelling Unit within the time periods provided for above, then, in that event, the Association shall be deemed to have been granted the right (but not the obligation) by the Owner to commence and complete the repairs sufficient to substantially restore the Dwelling Unit to its original construction, according to the plans and specifications of the original Dwelling Unit. For the purpose of performing the duties authorized by this Section, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Lot or the exterior of any Dwelling Unit at reasonable hours any day except Sunday.

In the event that the Association exercises its rights afforded to it in the preceding paragraph, the Owner of the subject Lot shall be deemed to have assigned to the Association any right the Owner may

have to insurance proceeds that may be available to the Owner arising from the damage or destruction of the Dwelling Unit. An Owner is obligated to insure his Lot and improvements thereon through an insurer acceptable to the Association or obtain security, both of which must be in an adequate amount as determined by the Board in its sole discretion. The security shall be of a type approved by the Association, and name the Association as the sole beneficiary. The Owner shall provide, within thirty (30) days of written request by the Association, proof of such insurance or security. The Owners of Lots agree to provide for the Association to be named as co-insured under any hazard and flood insurance policy relating to their Lots and the Dwelling Units constructed thereon. Further, the Association may require that all policies and security be in the amount sufficient to finance the repair or replacement of the Dwelling Units provided for above, taking into account local construction costs and property values as they may from time to time exist. In the event that an Owner refuses to increase such insurance coverage or security deemed reasonably necessary by the Association or if the Owner allows the required insurance coverage or security to lapse, or for some other reason causes the same to become null and void, the Association may purchase whatever coverage it deems reasonably necessary for the Association's benefit. The costs so incurred by the Association shall be assessed against the Owner of the damaged Dwelling Unit and shall be due and owing by such Owner upon receipt of the Assessment from the Association.

Proceeds of insurance policies received by the Association shall be placed in escrow and the funds shall be used to pay the costs of repair or replacement. All proceeds remaining after payment of all costs shall be distributed to the Dwelling Unit Owners and their mortgagees, being payable jointly to them. This is a covenant of any mortgagee of any Dwelling Unit and may be enforced by such mortgagee.

7. INSURANCE: The Association shall obtain and maintain adequate insurance for the Association Property (with provisions for deductibles) as follows:

(A) Casualty. To the extent that there is Association Property containing any improvements, the coverage shall afford protection against loss or damage by fire or other hazards covered by a standard extended coverage endorsement, and such other risks as are customarily covered with respect to improvements on the Association Property, including, but not limited to, flood (if required by law), vandalism, or malicious mischief. All or any part of such coverage may be extended to include the Association's personal property as the Board may deem desirable. The Association shall act as agent of the Owners and shall adjust all losses on their behalf.

(B) Liability. Premises and operations liability for bodily injury and property damage in the minimum amount of \$5,000,000 per incident, or in a greater amount as determined by the Board, with cross liability endorsement to cover liabilities of the Owners as a group to an Owner, if obtainable at reasonable cost.

(C) Blanket Fidelity Bonds. For anyone who handles or is responsible for funds held or administered by the Association, in an amount within the discretion of the Board.

8. USE RESTRICTIONS. The Board shall have the authority to make and enforce the Rules and Regulations governing the use of the Properties, in addition to those contained herein, and to impose reasonable user fees for use of Association Property. Such Rules and Regulations or use restrictions shall be binding upon all Owners, Family Members, tenants and occupants until and unless overruled, canceled or modified in a regular or special meeting of the Association by a majority of the Voting Interests. All provisions of the Governing Documents and of any Rules and Regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners, Family Members and tenants and which provide for sanctions against Owners, shall also apply to all occupants of any Dwelling Unit and invitees of any Owner or Family Member.

8.1 Residential Purposes. No Lot shall be used for other than single-family residential purposes. No trade or business may be conducted in or from any Dwelling Unit, except that an Owner or occupant residing in a Dwelling Unit may conduct business activities within the Dwelling Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling Unit; (b) the business activity conforms to all zoning requirements; (c) the business activity involves only telephone calls and correspondence to and from the Dwelling Unit and does not involve door-to-door solicitation of occupants of the Properties, the shipment from, or delivery to, a Dwelling Unit of goods sold in the ordinary course of the Owner's business, or traffic from vendors or customers in and out of the Properties; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other occupants of Dwelling Units. An Owner may have guests occupy the Dwelling Unit in accordance with registration and other restrictions set forth in the Rules and Regulations. However, the use of a Dwelling Unit on a "time share" or another rotating, transient basis (for example, as a "perk" for the employees, vendors or customers of an Owner or the Owner's corporation) or as a public lodging establishment shall be deemed a business or trade use and therefore prohibited. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore.

8.2 Residence Size. No building shall be erected on a lot in the Properties except one single-family private dwelling as specified in the original architectural plan, with attached garage for at least two (2) cars. No stilt homes of any type shall be permitted nor shall a structure exceed one (1) story in height, unless the Association has specifically provided for such multilevel structure in its Architectural Planning Criteria.

8.3 Signs. No sign, symbol, name, address, notice or advertisement of any kind, including, without limitation, those of realtors, contractors and subcontractors, shall be erected within the Properties without the written consent of the Architectural Review Committee. Signs which are permitted within the Properties may be restricted as to the size, color, lettering, materials and location of such signs. The Board shall have the right to erect signs on the Association Property as it deems appropriate. Under no circumstances shall signs, flags, banners or similar items advertising or providing directional information with respect to activities being conducted outside the Properties be permitted within the Properties without the express written consent of the Board. No sign shall be nailed or otherwise attached to trees. All approved signs must conform with governmental codes and regulations and with any master design plans for signs as may be established by the Association.

8.4 Nuisance. Nothing shall be done upon any part of the Properties which may be or may become an annoyance or nuisance to any person as determined by the Association. No obnoxious, unpleasant or offensive activity including, without limitation, noise shall be carried on, nor shall anything be done which can be reasonably construed to constitute a nuisance, public or private in nature. The Board, in its absolute discretion, may permit music to be played on the Association Property for the enjoyment of those attending any Association function, upon prior written request to the Board, and such request must confirm that copyright laws are complied with. All residents shall observe the vehicular speed limits posted on signs in the Association Property.

8.5 Association Property. No Owner shall make use of the Association Property in such a manner as to abridge the equal rights of the other Owners to their use and enjoyment thereof nor shall any

Owner remove, prune, cut, damage or injure any trees or other landscaping located in the Association Property.

8.6 Pets and Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, Dwelling Unit or on any portion of the Properties except that a reasonable number of dogs, cats and other usual and non-exotic household pets may be kept by an Owner only, provided they are not kept, bred or maintained for any commercial purposes. Tenants, guests, invitees, or any other persons in permanent or temporary occupancy of a Dwelling Unit may not keep any animals in any Dwelling Unit, on any Lot, or any portion of the Properties. Any permitted pet must be carried or kept on a leash when outside of a Dwelling Unit. Permitted pets shall only be kept subject to and in accordance with such Rules and Regulations as the Board of Directors may promulgate. Dogs may not be larger than forty (40) pounds at maturity and may not be one of the breeds determined by the State of Florida as "dangerous". A "dangerous dog", as described in Section 767.11, Florida Stats., means any dog that, according to the records of the appropriate authority: (1) has aggressively bitten, attacked, or endangered or has inflicted severe injury on a human being on public or private property; (2) has more than once severely injured or killed a domestic animal while off the owner's property; (3) has been used primarily or in part for the purpose of dog fighting or is a dog trained for dog fighting; or (4) has, when unprovoked, chased or approached a person upon the streets, sidewalks, or any public grounds in a menacing fashion or apparent attitude of attack, provided that such actions are attested to in a sworn statement by one or more persons and dutifully investigated by the appropriate authority. Dogs owned by Owners and Family Members which do not meet this size and weight criteria at the time of the adoption of this Declaration, and for which such Owner or Family Member has given written notice to the Board, are considered "grandfathered" and shall not be subject to this restriction.

Pets must not be an unreasonable nuisance or annoyance to other Owners. All Owners shall immediately pick up and remove any solid animal waste deposited by their pets. If any pet interferes with the Association's maintenance responsibility, the applicable Owner will be required to assume the obligations for such maintenance, without reduction in Assessments. Each Owner who determines to keep a pet thereby agrees to indemnify the Association and hold it harmless against any loss or liability of any kind whatsoever, including attorney's fees and costs, arising from his having any animal in Northshore Lake Villas. If a dog or any other animal becomes obnoxious to other Owners by barking or otherwise as determined by the Association, the Owner shall remedy the problem, or upon written notice from the Association, he or she will be required to remove such animal from the Properties. No one is permitted to feed the wildlife found anywhere on the Properties, including but not limited to, raccoons, alligators and Muscovy ducks.

8.7 Cars, Commercial Vehicles, Recreation Vehicles, Mobile Homes, Boats, Campers and Trailers. Vehicles shall be parked only in the garages or in the driveways serving the Units or in areas designated by the Board for parking, and then subject to the reasonable rules and regulations adopted by the Board. Vehicles shall not be parked overnight on roads or swales except that cul-de-sacs may be used for parking of a vehicle for one (1) forty-eight (48) hour period in any consecutive thirty (30) day period.

(A) Cars, mini-vans, pick-up trucks and sport utility vehicles shall be considered to be automobiles and may be parked on driveways if the vehicle is used for the primary purpose of transportation of passengers and their personal goods. If the vehicle is used primarily for the transportation of goods then it shall be considered to be a commercial vehicle. All other vehicles, including, without limitation, the following: inoperable automobiles, motor homes, golf carts, commercial vehicles, recreational vehicles, all-terrain vehicles, ambulances, hearses, motorcycles, motorbikes, bicycles, watercraft, aircraft, house trailers, travel trailers, camping trailers, other trailers, vehicles with commercial markings, racks or tools in the bed and tractors shall be kept within an enclosed garage. For the purpose of the foregoing sentence, the term "kept" shall mean present for a period of six (6)

consecutive hours or overnight, whichever is less. Bicycle racks are permitted on non-commercial vehicles. Any use of a motorcycle is limited to ingress/egress to a Lot over roadways. All motorcycles shall be equipped with effective sound muffling devices and must be parked in a garage when not in use. The Board may adopt Rules and Regulations from time to time with respect to the size, weight, type, place and manner of operating vehicles in Northshore Lake Villas.

(B) Any vehicle parked on Association Property or in violation of the above restrictions may be towed by the Association, at the expense of the owner, on 24 hours notice posted on the vehicle. The Association shall not be liable to the owner of such vehicle for trespass, conversion, or otherwise, nor guilty of any criminal act, by reason of such posting. Once the notice is posted, neither its removal, nor failure of the Owner to receive the notice, shall be grounds for relief of any kind.

(C) No commercial vendor vehicle of any kind shall be permitted to be parked on the driveway of a Lot except for those furnishing goods and services during daylight hours. For the purpose of this provision, the term "commercial vendor vehicle" shall include those vehicles which, for the purpose of advertising a particular business enterprise, contain lettering on the exterior and those which are used for other than strictly personal use.

(D) None of the foregoing restrictions shall apply to commercial vehicles or other vehicles of vendors furnishing goods and services to the Association.

8.8 Garages. No garage shall be used as a living area. No garage shall be altered in such a manner that the number of automobiles which may be parked therein after the alteration is less than the number of automobiles that could have been parked in the garage as originally constructed. All garage doors shall be equipped with an approved automatic closing device, which shall be kept operative at all times. All garage doors shall be of standard size and may not be oversized to accommodate any truck or recreation-type vehicle. The Board may adopt further rules for the regulation of the opening of garage doors.

8.9 Antennas and Flagpoles. Outside antennas, satellite dishes, antenna poles, antenna masts, electrical devices, antenna towers or citizens' band (CB) or amateur band (ham) antennas (collectively "Reception Device") shall not be permitted except as approved by the Architectural Review Committee in writing. Approved satellite dishes must be installed at preferred Lot locations either in the rear or side of a Dwelling Unit at a location least visible from the street and surrounding homes. If a signal cannot be obtained from a preferred Lot location, then an alternate location shall be applied for and approved by the Board if no other alternative is possible. No transmitting or receiving aerial or antenna shall be attached to or hung from any part of a Lot or the Association Property. The Architectural Review Committee may require that a Reception Device be painted or screened by landscaping in order to blend into the Dwelling Unit and to the maximum extent feasible, removed from view from the street and other Dwelling Units. A flagpole shall not be used as an antenna. The installation and display of flagpoles and flags shall be subject to regulation by the Architectural Review Committee, but no Owner shall be prevented from displaying a portable, removable United States flag or official flag of the State of Florida in a respectful manner, or on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, a portable, removable US Army, Navy, Air Force, Marine Corps or Coast Guard flag not larger than 4.5' x 6'. Notwithstanding the foregoing, no one shall be permitted to display the United States flag in a manner that violates: (i) Federal law or any rule or custom as to the proper display or use of the United States flag; or (ii) any reasonable restriction pertaining to the time, place and manner of displaying the flag. The restriction must be necessary to protect a substantial interest of the Association.

8.10 Sewage Disposal; Irrigation. No individual sewage disposal system shall be permitted on any Lot. No sprinkler or irrigation systems of any type which draw water from lakes, ponds or other

ground or surface waters within the Properties shall be installed, constructed or operated by an Owner within the Properties.

8.11 Outdoor Equipment. All garbage and trash containers, oil tanks, bottled gas tanks, air conditioning and heating units, swimming pool equipment, housing and sprinkler pumps and other such outdoor equipment must be sight-screened to the maximum extent possible so that they shall not be readily visible from any adjacent streets. All equipment, screening or landscaping as detailed in this Section shall be subject to the approval of the Architectural Review Committee as set forth in Section 4 of this Declaration. Barbecues and outdoor cooking equipment may only be used on an Owner's Lot.

8.12 Air Conditioning and Heating Equipment. Window or wall air conditioning/heat compressor units are prohibited. All air conditioning units shall be shielded and hidden so that they shall not be readily visible from any adjacent streets.

8.13 Energy Conservation Equipment. All solar heating apparatus must conform to the standards set forth in the HUD intermediate Minimum Property Standards Supplement, Solar Heating, and Domestic Water Systems. No solar energy collector attendant hardware or other energy conservation equipment shall be constructed or installed unless it is an integral and harmonious part of the architectural design of a structure, as reasonably determined by the Architectural Review Committee. No solar panels, vents, or other roof-mounted, mechanical equipment shall project more than 1.5 feet above the surface of the roof of a Unit; and all such equipment shall be painted consistent with the color scheme of the roof of the Unit. The solar panels must be installed within an orientation to the south or within 45° east or west of due south if such orientation does not impair the effective operation of the solar collectors. This provision is not intended to prohibit the use of solar energy devices but is intended to limit their type, location and visibility.

8.14 Lighting. The exterior lighting of a Lot shall be accomplished in accordance with a lighting plan approved in writing by the Architectural Review Committee, except for seasonal decorative lighting limited as set forth in the Rules and Regulations or Architectural Planning Criteria, which limitation include, but are not limited to, allowed time periods.

8.15 Clothes Drying Area/Clotheslines. No drying of clothing, towels or other articles may be hung from windows, railings or other parts of the Dwelling Units. All clotheslines shall be installed and used in locations where they are not readily visible from any other Dwelling Unit.

8.16 Pools. No above-ground pools shall be erected, constructed or installed on any Lot. The Board shall have the right to promulgate rules and regulations on the use of the community pool.

8.17 Electrical Wiring. No Owner or his agents shall cut or in any way tamper with any electrical wires or other equipment located in his Dwelling Unit or in his Lot which services the Dwelling Unit or Lot of another Owner. Any damage incurred due to a violation shall be charged to the tampering Owner as an assessment.

8.18 Further Subdivision or Replat of Lots. Owners may not subdivide or separate any Lot into smaller lots.

8.19 Noxious Vegetation No Owner shall permit the growth of noxious weeds or vegetation upon a Lot or any part of the right-of-way between the street pavement and the front Lot line of a Lot. All Lots and such right-of-way areas shall be maintained in a green and sightly manner and all grass, weeds or other vegetation shall not be permitted to exceed six (6) inches in height.

8.20 Litter, Trash, Garbage. No articles of personal property shall be hung or shaken from the doors or windows of any Dwelling Unit. No Owner shall sweep or throw onto a Lot any dirt or other materials or otherwise litter in any way a Lot. No garbage, trash, refuse or rubbish shall be deposited, dumped or kept on any Lot except in closed sanitary containers within a Dwelling Unit. Such containers shall be kept in sanitary condition in the Dwelling Unit. Such containers shall not be placed outside of a Dwelling Unit except for reasonable periods for pickup at the times and in accordance with the requirements of the franchised garbage removal utility for the Properties. In the event of any violation, the Association shall have the right, but not the responsibility, to enter upon any Lot for the purpose of having the refuse, rubbish, garbage, trash or other waste removed, and the expense therefor shall be borne by the Owner of the Lot.

8.21 Excavations. No excavation of stone, gravel, dirt or earth shall be made on any portion of a Lot, except for the construction of dwelling, walls, foundations, swimming pools, structures and other appurtenances, for which plans and specifications for such excavations have been approved by the Architectural Review Committee.

8.22 Open Burning. Open burning to reduce solid waste on any Lot is prohibited.

8.23 Oil and Mining Operations. No oil or gas drilling, oil or gas development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil or gas wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any part of the Properties. No derrick or other structure designed for use in boring of oil or natural gas shall be erected, maintained or permitted upon any part of the Properties.

8.24 Individual Water Supply. No individual water supply system shall be permitted on any Lot.

8.25 Mailboxes. All mailboxes placed upon the premises shall be approved in advance of installation by the Architectural Review Committee or shall be identical to the prior pre-approved mailboxes.

8.26 Association's Right of Maintenance. In the event an Owner fails to maintain his Lot as required, for a period of at least thirty (30) days, the Association shall have the right, exercisable in its discretion, to clear any rubbish, refuse, or unsightly debris and/or growths from any Lot deemed by the Association to be a health menace, fire hazard or a detraction from the aesthetic appearance of Northshore Lake Villas; provided, however, that at least five (5) days notice shall be given by the Association to the Owner of such Lot before such work is done by the Association. In the event the Association, after such notice, causes the subject work to be done, then, and in that event, the costs of such work, together with interest thereon at the maximum rate permitted by the usury laws of the State of Florida, shall be charged to the Owner and shall become a lien on the Lot, which lien shall be effective, have priority and be enforced pursuant to the procedures set forth in this Declaration.

8.27 Existing Structures. Existing permitted structures as of the date of adoption of this amendment that are in compliance with all governmental rules, laws and regulations shall be allowed to be "grandfathered" by registering such permitted structures with the Association within ninety (90) days of the passage of this Amendment. Any grandfathered structure may not be replaced or substituted unless the new structure complies with the limitations contained within this Declaration. No tents, temporary refuse or waste receptacles, or temporary structures of any kind shall be permitted unless their size, appearance and temporary location shall have been approved in writing by the Architectural Review Committee. The Architectural Review Committee may refuse approval of any tent or temporary structure for any reason. All doghouses must be located in the rear of the Lot within 10 feet of the Dwelling Unit.

8.28 Lake. Boats, canoes, or other like vessels or equipment shall not be permitted on any lake or pond within the Properties. Docks, piers and the lake shall not be constructed or permitted within the Properties. There shall be no swimming within the lakes or ponds within the Properties.

8.29 Firearms. No Owner, Family Member, guest, tenant, invitee or other persons in permanent or temporary occupancy of a Dwelling Unit may discharge any firearm of any kind.

8.30 Personal Property. All personal property of any Owner, Family Member, guest or tenant, including, without limitation, equipment, bicycles, tricycles, scooters, baby carriages, portable basketball goals, canoes, and other boats, and other similar vehicles or toys, shall be removed and stored overnight before sunset in the garage of the Owner, Family Member, guest, or tenant, invitee or other persons in permanent or temporary occupancy of a Dwelling Unit.

8.31 Deliveries. The Association shall not be responsible for the theft, conversion or disappearance, loss or damage to any item delivered to an Owner, Family Member, guest, tenant or other person in occupancy of a Dwelling Unit, even though such theft, conversion, disappearance, loss or damage may occur through the negligence or willful act of an Association employee or agent, and all parties delivering items to such employees or agents, and all parties intended to be the recipient of items so delivered hereby assume all risks of theft, conversion, disappearance, loss or damage to such items.

8.32 Fencing. No fencing is permitted anywhere within the Properties, except for the pool area, as determined by the Board.

8.33 Solicitation. There shall be no solicitations permitted by any person anywhere in or about the Association Property for any cause, charity or for any other purpose whatsoever.

8.34 Storm Precautions. Each Owner, Family Member, guest, tenant and any other in occupancy of a Dwelling Unit shall be required to conform to the storm precaution rules promulgated by the Association.

9. ASSOCIATION'S EXCULPATION. The Association may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without incurring liability of any nature to the Owners or any other person for any reason whatsoever. Any permission or approval granted shall be binding upon all persons.

10. ENFORCEMENT OF COVENANTS AND ABATEMENT OF VIOLATIONS. Every Owner, Family Member, tenants, guests and invitees shall at all times comply with all the covenants, conditions and restrictions of the Governing Documents. An Owner may delegate his right of use in and to the Association Properties to Family Members, to approved tenants who reside in such Owner's Dwelling Unit and to an Owner's or Family Member's guest but only to the extent and subject to conditions, limitations and restrictions as may be provided for in the Bylaws and in accordance with the Rules and Regulations. All violations of the Governing Documents shall be reported to the Association's property manager or a member of the Board. Before undertaking any remedial, disciplinary or enforcement action against a person alleged to be in violation of the Governing Documents, the Association shall give the alleged violator reasonable written notice of the alleged violation, except in emergencies. Disagreements concerning violations, including, without limitation, disagreements regarding the proper interpretation and effect of the Governing Documents, shall be presented to and determined by the Board, whose interpretation of the Governing Documents and/or whose remedial action shall control. If any person, firm or entity subject to the Governing Documents fails to abide by them, as they are interpreted by the Board, the Association shall have the ability to take any action to compel compliance as set forth below.

10.1 Legal Action. Judicial enforcement of the Governing Documents shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate the Governing Documents, to restrain violation and/or to recover damages, or against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. If such action is instituted, the Association shall, in addition, be entitled to recover its costs and attorney's fees incurred in enforcing the Governing Documents. Disputes subject to pre-suit mediation under Section 720.311 of the Act shall not include the collection of any Assessment, fine, or other financial obligation, including attorney's fees and costs, claimed to be due or any action to enforce a prior mediation settlement agreement between the parties. In any dispute subject to pre-suit mediation where emergency relief is required, a motion for temporary injunctive relief may be filed with a court without first complying with the pre-suit mediation requirements of Section 720.311 of the Act. An aggrieved party shall serve on the responding party a written demand to participate in presuit mediation pursuant to Section 720.311 of the Act.

10.2 Entry by Association. Violation of any conditions or restrictions, or breach of any covenant, herein contained or in any of the Governing Documents, shall also give the Association and/or its authorized agent, in addition to all other remedies, the right to enter upon a Lot where such violation or breach exists and in the event of an emergency, summarily abate and remove, at the expense of the Owner, any construction or other violation that may be or exist thereon. The Association and/or its authorized agents shall not thereby become liable in any manner for trespass, abatement or removal.

10.3 Fines. The Board may impose a fine or fines against an Owner for failure of the Owner, his family, guests, invitees, tenants, or agents of any of the foregoing, to comply with any covenant, restriction, rule, or regulation contained herein or promulgated pursuant to the Governing Documents. Fines shall not be secured by a lien against the Lot, unless permitted by the Act.

10.4 Suspension of Voting and Use Rights. The Board may suspend the voting rights of an Owner for the nonpayment of regular annual assessments that are delinquent in excess of ninety (90) days as provided in the Act. The Board may suspend an Owner's, their guests, tenants and invitees use of the common areas and facilities for: (i) the non-payment of monetary obligations to the Association that are delinquent in excess of ninety (90) days as provided in the Act; and/or (ii) the failure to comply with any non-monetary obligation under the Governing Documents.

11. LEASING, CONVEYANCE, DISPOSITION, OCCUPANCY. In order to maintain a community of congenial, financially responsible residents with the objectives of inhibiting transiency, protecting the value of the Lots and facilitating the development of a stable, quiet community and peace of mind for all residents, the lease, and transfer of ownership of a Lot by an Owner shall be subject to the following restrictions, which each Owner covenants to observe (except for the exceptions set forth in Section 11.5 below):

11.1 Forms of Ownership:

(A) A Lot may be owned by one (1) natural person who has qualified and been approved as elsewhere provided herein.

(B) Co-ownership. Co-ownership of Lots is be permitted. If the proposed or actual co-Owners are other than husband and wife or two (2) individuals who reside together as a single housekeeping unit, the proposed or actual co-Owners shall designate two (2) individuals as the "Primary Occupants". The use of the Lot by persons other than the Primary Occupants shall be as though the Primary Occupants were the only actual Owners. The Board shall condition its approval to the proposed

conveyance of a Lot on such designation of Primary Occupants. The intent of this provision is to permit multiple Owners, but to prohibit short term, transient use by several individuals or families. Any change in the Primary Occupants shall be treated as a transfer of ownership by sale or gift, subject to all of the provisions of this Section. No more than one (1) such change will be approved in any twelve (12) month period. Owners as of the date of adoption of this Declaration shall be required to designate Primary Occupants within thirty (30) days of the recordation of this Declaration in the Public Records of Collier County, Florida.

(C) Ownership by Corporations, Partnerships or Trusts. A Lot may be owned in trust, or by a corporation, partnership or other entity which is not a natural person, if approved in the manner provided for other transfers or title. However, the intent of this provision is to allow flexibility in estate, financial or tax planning, and not to create circumstances in which the Lot may be used as short term transient accommodations for several individuals or families. If a Lot is to be or is owned by a trustee, corporation or other entity, the proposed or actual Owner shall designate two (2) individuals as the "Primary Occupants". The use of the Lot by persons other than the Primary Occupants shall be as though the Primary Occupants were the only actual Owners. The Board shall condition its approval to the proposed conveyance of a Lot on such designation of Primary Occupants. Any change in the Primary Occupants shall be treated as a transfer of ownership by sale or gift, subject to all the provisions of this Section 11. No more than one (1) such change will be approved in any twelve (12)-month period. Owners as of the date of adoption of this Declaration shall be required to designate Primary Occupants within thirty (30) days of the recordation of this Declaration in the Public Records of Collier County, Florida.

(D) Life Estate. A Lot may be subject to a life estate, either by operation of law or by approved voluntary conveyance. In that event, the life tenant shall be the only Owner of such Lot, and occupancy of the Lot shall be as if the life tenant were the only Owner. Upon termination of the life estate, the holders of the remainder interest shall have no occupancy right unless separately approved by the Association. The life tenant and holders of the remainder interest shall be jointly and severally liable for all Assessments and charges against the Lot. The life tenant may, by signed agreement, transfer the right to vote in all Association matters to any one (1) remainderman, subject to approval by the Association of such arrangement. Except in the case where such a transfer has been made, if the consent or approval of the Owner is required for any purpose, that consent or approval of the holders of the remainder interest shall not be required.

11.2 Transfers. Prior to the lease or transfer, it is the responsibility of the Owner to provide the tenant or purchaser the complete set of Governing Documents and any other documents required by law.

11.3 Procedures.

(A) Notice to Association.

(1) Lease, Sale or gift. An Owner intending to lease his Dwelling Unit (or renew an existing lease) or sell or make a gift of his Lot or any interest therein, shall give to the Board or its designee, written notice of such intention at least twenty (20) days prior to first date of occupancy pursuant to the proposed lease or the date of closing, together with a copy of the purchase and sale agreement or lease, the name and addresses of the proposed tenant, purchaser, donee and other proposed occupants and such other information as the Board may reasonably require including, without limitation, necessary information to run a background check. The Association may charge a reasonable transfer fee for the cost of processing each application.

(2) Devise. Inheritance or Other Transfers. The transferee must notify the Association of his ownership and submit to the Association a certified copy of the instrument evidencing his ownership and such other information as the Board may reasonably require. The transferee shall have no occupancy right unless approved by the Board, but may sell or lease the Lot in accordance with the procedures provided in this Declaration.

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

(B) Within fourteen (14) days of receipt of the required notice and all information requested, the Board shall approve or disapprove the lease or transfer. If a lease or transfer is approved, the approval shall be stated in a Certificate of Approval executed by the President or Vice-President of the Association in recordable form (for transfers) and delivered to the lessor or transferee. If the Board neither approves or disapproves within the required time period, such failure to act shall be deemed the equivalent of approval, and on demand the Board shall issue a Certificate of Approval to the lessor or transferee. If the Board disapproves without good cause, upon written demand of the Owner, the Board shall supply an alternate purchaser it approves or the Association may itself elect to purchase and the Owner must sell to such alternate purchaser or to the Association upon the same terms set forth in the purchase and sale agreement, or the Owner may withdraw the proposed sale. In the event of a sale, the closing shall occur within sixty (60) days after an alternate purchaser has been furnished or the Association has elected to purchase.

(C) Disapproval.

(1) The Board may disapprove a proposed lease or transfer only if a majority of the whole Board votes to disapprove the transfer. Only the following shall be deemed to constitute good cause:

(a) The person seeking approval or any proposed occupant has been convicted of a felony involving violence to persons or property, or a felony demonstrating dishonesty or moral turpitude, including any person registered as a sexual predator or sexual offender;

(b) The person seeking approval has a record of financial irresponsibility, including without limitation prior bankruptcies or foreclosures;

(c) The application for approval on its face indicates that the person seeking approval or any proposed occupant intends to conduct himself in a manner inconsistent with the covenants and restrictions applicable to the Properties;

(d) The person seeking approval or any proposed occupant has a history of disruptive behavior or disregard for the rights and property of others as evidenced by his conduct as a tenant, Owner or occupant of a Dwelling Unit; or

(e) The person seeking approval failed to provide the information and appearance required to process the application in a timely manner.

(f) The Owner is delinquent on Assessments owed to the Association at the time of application.

(D) Occupancy by Felons. Notwithstanding anything in this Section 11 to the contrary, a Lot may not be occupied by a person who has been convicted of a felony and is required to be registered as a

sexual predator or sexual offender. A violation of this provision shall entitle the Association to commence eviction proceedings against the occupant as an agent of the owner, without the consent of such owner, in which action the Association is entitled to recover its attorneys' fees and costs against the occupant and owner, if different.

11.4 Leasing. All leases and any renewal thereof must and shall be deemed to contain the agreement of the tenant(s) to abide by all of the restrictions contained in the Governing Documents and shall be deemed to provide that a violation of the Governing Documents is grounds for the Association to seek damages, termination and eviction and that the tenant and the Owner agree that the Association may proceed against either the Owner or the tenant and that the Owner or the tenant shall be responsible for the Association's costs and expenses, including attorneys' fees and costs. No Owner shall be permitted to rent or lease out a Dwelling Unit, Lot or any portion thereof for more than four (4) times in any calendar year. There shall be no subletting of any Dwelling Unit or Lot nor may an Owner lease out less than their entire Dwelling Unit and Lot.

11.5 Unapproved Transfers. Any lease, sale or transfer which is in violation of this Section 11 shall be void unless subsequently approved in writing by the Board. The foregoing provisions of this Section 11 shall not apply to a transfer to, or purchase by, an Institutional Mortgagee which acquires title as a result of a foreclosure sale or deed in lieu of foreclosure.

11.6 Occupancy.

(A) The total number of overnight occupants of a Dwelling Unit is limited to two (2) persons per bedroom, plus two (2) persons.

(B) If the Owner is absent from the Dwelling Unit and are not occupying it, and the Dwelling Unit has not been leased, the Owner may permit his Dwelling Unit to be occupied by his Guests (as defined below) only in accordance with the following:

(i) A Guest is a person who is not the Owner, an Owner's Family Member, an approved tenant of a Dwelling Unit and their family who permanently reside with them, or the Primary Occupant of an entity that holds title to a Dwelling Unit and their Family Members.

(ii) The total number of occupants of a Dwelling Unit under this paragraph shall not exceed a maximum of eight (8) persons.

(iii) Guests are permitted for only two (2) consecutive seven (7) day periods of occupancy in any calendar year in the Owner's absence and then only with the proviso that the total number of Guests consist of no more than four (4) persons.

(iv) The Owner must notify the Association in advance of any Guests who will be occupying the Dwelling Unit in writing, specifying the names and dates of occupancy.

(v) No tenant may allow a Guest to occupy a Dwelling Unit while the tenant is absent from the Dwelling Unit.

(C) There is no restriction on the length of occupancy by guests when the Owner is present, as long as the number of occupants does not exceed the limitations stated in 11.6(B)(ii)

(D) Upon prior written application by the Owner, the Board of Directors may make such limited exceptions to the foregoing restrictions as may be deemed appropriate in the discretion of the

Board, for the sole purpose of avoiding undue hardship or inequity. The making of one exception shall not be construed as a precedent for later exceptions.

12. DURATION OF COVENANTS: AMENDMENT OF DECLARATION:

12.1 Duration of Covenants. The covenants, conditions and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and be enforceable by the Association and any Owner, their respective legal representatives, heirs, successors and assigns, for an initial period to expire on the twenty-fifth (25th) anniversary of the date of recordation of this Declaration (as amended to that date by the membership as provided elsewhere herein). Upon the expiration of the initial period, this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten (10) year renewal periods hereunder shall be unlimited, with this Declaration being renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial period, or during the last year of any subsequent ten (10) year renewal period, ninety percent (90%) of the entire membership, at a duly held meeting of Members of the Association vote in favor of terminating this Declaration at the end of its then current term. It shall be required that written notice of any meeting at which such proposal will be considered, shall be given at least forty-five (45) days in advance of said meeting. If the Members vote to terminate this Declaration, the President and Secretary of the Association shall execute a certificate which shall set forth the resolution of termination so adopted, the date of the meeting of the Association, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate shall be recorded in the Public Records of Collier County, Florida, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration. However, this Declaration may not be terminated nor the Association dissolved or otherwise liquidated unless the responsibility for the operation and maintenance of the Properties, including any property or easements and related improvements that are dedicated to the Association by the Plat or separate instrument, including any agreement or easement which imposes maintenance obligations on the Association, shall be transferred to and accepted by an entity that is acceptable to any applicable governmental authorities, prior to such termination, dissolution or liquidation.

12.2 Proposal. Amendments to this Declaration may be proposed at any time by the Board of Directors or by written petition signed by twenty-five percent (25%) of the Voting Interests. If by petition, the proposed amendments must be submitted to a vote of the Owners not later than the next annual meeting for which proper notice can be given.

12.3 Vote Required. Except as otherwise provided by law, or by specific provision of the Governing Documents, this Declaration may be amended if the proposed amendment is approved by at least a majority of the Voting Interests provided that the text of each proposed amendment has been given to the Members with notice of the meeting.

12.4 Certificate; Recording. A copy of each amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Declaration, which certificate shall identify the Book and Page of the Public Records where the Declaration is recorded, and shall be executed by the President or a Vice-President of the Association with the formalities of a deed. The amendment shall be effective when the certificate is recorded in the Public Records of Collier County, Florida.

13. GENERAL PROVISIONS.

13.1 Waiver. Any waiver by the Association of the breach of any provisions of the Governing Documents must be in writing and shall not operate or be construed as a waiver of any other provision or of any subsequent breach.

13.2 Severability. If any section, subsection sentence, clause, phrase or portion of this Declaration or any of its recorded exhibits is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and shall not affect the validity of the remaining portions.

13.3 Headings. The headings of the Sections herein are for convenience only, and shall not affect the meaning or interpretation of the contents thereof.

13.4 Notices. Any notice required to be sent to any Owner under the provisions of the Governing Documents shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing. The Owner bears the responsibility for notifying the Association of any change of address.

13.5 Interpretation. The Board of Directors is responsible for interpreting the provisions of this Declaration and its exhibits. Such interpretation shall be binding upon all parties unless wholly unreasonable.

13.6 Gender/Count. Unless otherwise so required, the use of the singular shall include the plural and the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

13.7 Attorneys' Fees. In the event that an Owner involves the Association in an arbitration or brings an action against the Association and does not prevail in such action, such Owner shall be responsible to the Association for all reasonable costs and attorneys' fees association with such dispute.

IN WITNESS WHEREOF, NORTSHORE LAKE VILLAS NEIGHBORHOOD ASSOCIATION, INC. has caused this Second Amended and Restated Declaration of Neighborhood Covenants to be signed by its President, and its corporate seal affixed hereto on this 15 day of April, 2011.

Witnessed:

Name: _____

Name: _____

NORTSHORE LAKE VILLAS NEIGHBORHOOD ASSOCIATION, INC.

By: _____

James N. Lucas, President

(CORPORATE SEAL)

STATE OF MINNESOTA

COUNTY OF Hennepin

I HEREBY CERTIFY that on the 15th day of April, 2011, before me, a Notary Public, duly authorized in the State and County aforesaid to take acknowledgements, personally appeared JAMES N. LUCAS, who is personally known to me J.S., or who provided _____ as identification, as President of NORTSHORE LAKE VILLAS NEIGHBORHOOD ASSOCIATION, INC., a Florida not-for-profit corporation, and who executed the foregoing instrument, and acknowledged that he executed it in the name of and for that corporation.

WITNESS my hand and official seal in the State and County named above.

Julie A. Smullen

Notary Public

JULIE A. SMULLEN
Notary Public-Minnesota
My Commission Expires Jan 31, 2013

Print Name: Julie Smullen

My commission expires: Jan. 31, 2013

COPY

CLERK OF THE CIRCUIT COURT

EXHIBIT "A"
NORTHSHORE LAKE VILLAS



EXHIBIT "B"
NORTHSHORE LAKE VILLAS
ARTICLES OF INCORPORATION



90 JUN 1 1980

ARTICLES OF INCORPORATION
OF
NORTHSHORE LAKE VILLAS NEIGHBORHOOD ASSOCIATION, INC.

Pursuant to Section 617.013, Florida Statutes, these Articles of Incorporation are created by Gulfshore Lake Villas, Inc., a Florida Corporation, 2065 Trade Center Way, Naples, Florida 33942, as sole incorporator, for the purposes set forth below.

ARTICLE I

NAME: The name of the corporation herein called the "Association", is Northshore Lake Villas Neighborhood Association, Inc.

ARTICLE II

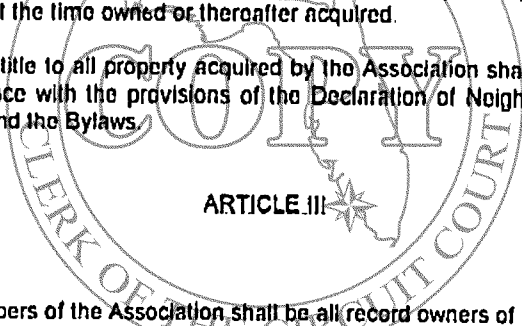
PURPOSE AND POWERS: The purpose for which the Association is organized is to provide an entity for the operation of Northshore Lake Villas, located in Collier County, Florida.

The Association is organized and shall exist on a non-stock basis as a corporation not for profit under the laws of the State of Florida, and no portion of any earnings of the Association shall be distributed or inure to the private benefit of any member, Director or officer of the Association. For the accomplishment of its purposes, the Association shall have all of the common law and statutory powers and duties of a corporation not for profit, except as limited or modified by these Articles as they may hereafter be amended from time to time, including without limitation, the following:

- A. To make and collect assessments against members of the Association to defray the costs, expenses and losses of the Association, and to use the proceeds of assessments in the exercise of its powers and duties.
- B. To protect, maintain, repair, replace and operate the Association property.
- C. To purchase insurance upon the Association property for the protection of the Association and its members.
- D. To reconstruct improvements after casualty and to make further improvements of the property.
- E. To make, amend and enforce reasonable rules and regulations governing the use of the common elements and the operation of the Association.
- F. To approve or disapprove the transfer of ownership, leasing, ownership and occupancy of units, as provided by the Declaration of Neighborhood Covenants.

- G To enforce the provisions of these Articles, and the Bylaws and any Rules and Regulations of the Association
- H To contract for the management and maintenance of the Association and to delegate any powers and duties of the Association in connection therewith
- I To employ accountants, attorneys, architects, and other professional personnel to perform the services required for proper operation of the Association
- J To enter into agreements, or acquire leaseholds, memberships, and other possessory or use interests in lands or facilities such as country clubs, golf courses, marinas, and other recreational facilities, whether or not the lands or facilities are contiguous to the lands of the Association, if they are intended to provide enjoyment, recreation, or other use or benefit to the unit owners.
- K To borrow or raise money for any of the purposes of the Association, and from time to time without limit as to amount to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable instruments and evidences of indebtedness; and to secure the payment of any thereof, and of the interest thereon, any mortgage, pledge, conveyance or assignment of trust, of the whole or any part of the rights or property of the Association, whether at the time owned or thereafter acquired.

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



ARTICLE III

MEMBERSHIP:

- A. The members of the Association shall be all record owners of a fee simple interest in one or more units in the Northshore Lake Villas, as further provided in the Bylaws. After termination of the Association the members shall consist of those who are members at the time of such termination.
- B. The share of a member in the funds and assets of the Association cannot be assigned or transferred in any manner except as an appurtenance to said member's unit.
- C. The owners of each unit, collectively, shall be entitled to the number of votes in Association matters as set forth in the Declaration of Neighborhood Covenants and the Bylaws. The manner of exercising voting rights shall be as set forth in the Bylaws.

ARTICLE IV

TERM: The term of the Association shall be perpetual.

ARTICLE V

BYLAWS: The Bylaws of the Association may be altered, amended or rescinded in the manner provided therein.

ARTICLE VI

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

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

ARTICLE VII

DIRECTORS AND OFFICERS.

- A. The affairs of the Association will be administered by a Board of Directors consisting of the number of Directors determined by the Bylaws, but not less than three (3) Directors, and in the absence of such determination, shall consist of three (3) Directors.
- B. Directors of the Association shall be elected by the members in the manner determined by the Bylaws. Directors may be removed and vacancies of the Board of Directors shall be filled in the manner provided by the Bylaws.
- C. The business of the Association shall be conducted by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the board.

ARTICLE VIII

INITIAL DIRECTORS

The initial Directors of the Association shall be:

Geno Thrushman
2065 Trade Center Way
Naples, Florida 33942

Caren Klipp
2065 Trade Center Way
Naples, Florida 33942

Mark Thrushman
2065 Trade Center Way
Naples, Florida 33942

ARTICLE IX

INITIAL REGISTERED AGENT.

The initial registered office of the Association shall be at:

2065 Trade Center Way
Naples, Florida 33942

THIS IS ALSO THE PRINCIPAL OFFICE ADDRESS OF THE CORPORATION.

The initial registered agent at said address shall be:

Geno Thrushman

ARTICLE X

INDEMNIFICATION:

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

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

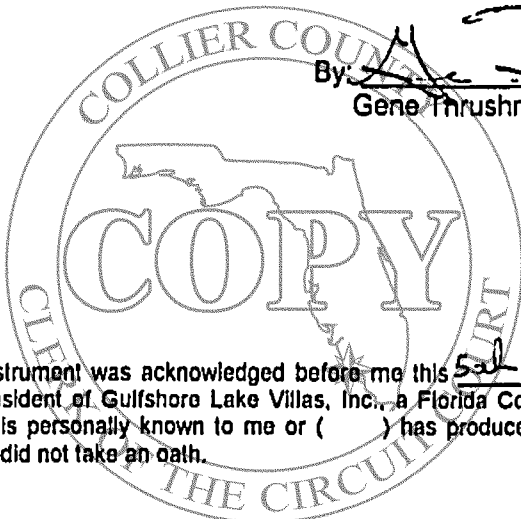
D Wrongful conduct by Directors or officers appointed by the Developer, in a proceeding brought by or on behalf of the Association.

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

WHEREFORE, the Incorporator has caused these presents to be executed this 5th day of January, 1996.

GULFSHORE LAKE VILLAS, INC.,
a Florida Corporation

By: [Signature]
Gene Thrushman, President



(Corporate Seal)

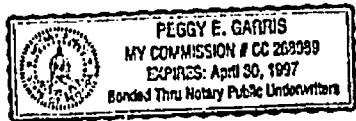
STATE OF FLORIDA
COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this 5th day of January, 1996 by Gene Thrushman, President of Gulfshore Lake Villas, Inc., a Florida Corporation, on behalf of the corporation, who () is personally known to me or () has produced the type of identification indicated below, and who did not take an oath.

Type of Identification

[Signature]
Signature of Notary Public

PEGGY E. GARRIS
Printed Name of Notary Public
My Commission Expires:



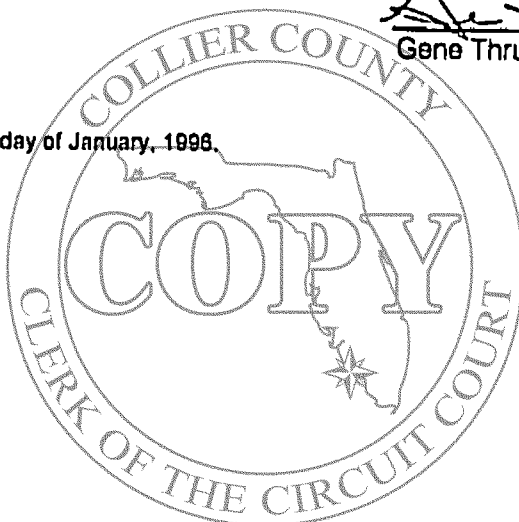
ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for Northshore Lake Villas Neighborhood Association, Inc., at the place designated in these Articles of Incorporation, I hereby accept the appointment to act in this capacity and agree to comply with the laws of the State of Florida in keeping open said office.



Gene Thrushman

Dated this 5th day of January, 1996.



96
JAN 11 11 58 AM '96

EXHIBIT "C"
NORTHSHORE LAKE VILLAS
BYLAWS



SECOND AMENDED AND RESTATED BYLAWS

FOR

NORTHSHORE LAKE VILLAS NEIGHBORHOOD ASSOCIATION, INC.

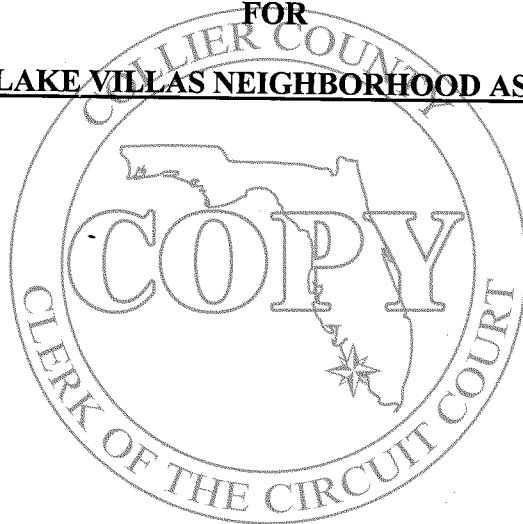
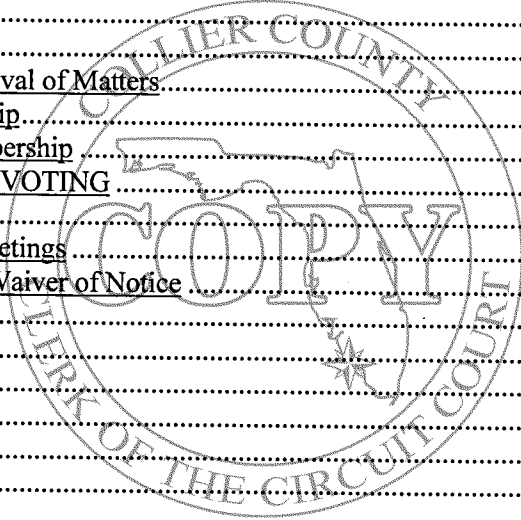


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OF
NORTHSHORE LAKE VILLAS NEIGHBORHOOD ASSOCIATION, INC.

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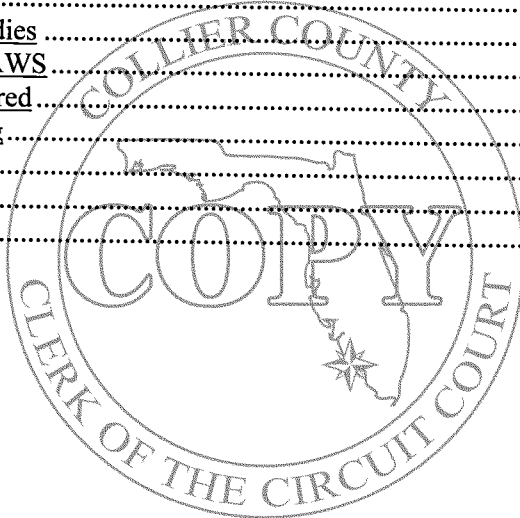
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SECOND AMENDED AND RESTATED BYLAWS

NORTHSHORE LAKE VILLAS NEIGHBORHOOD ASSOCIATION, INC.

1. **GENERAL:** These are the Second Amended and Restated Bylaws of Northshore Lake Villas Neighborhood Association, Inc., hereinafter the "Association", a not-for-profit corporation organized under the laws of Florida for the purpose of operating Northshore Lake Villas (the "Property") pursuant to the Florida Not-For-Profit Corporation Act and Florida Statute Chapter 720, as the same may be amended from time to time (the "Act").

1.1 **Principal Office.** The principal office of the Association shall be at such location as may be designated from time to time by the Board of Directors.

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

1.3 **Definitions.** The definitions set forth in the Second Amended and Restated Declaration of Neighborhood Covenants for Northshore Lake Villas (the "Declaration") shall apply to terms used in these Bylaws.

2. **MEMBERS:**

2.1 **Qualifications.** The Members of the Association shall be the record owners of legal title to the Lots in the Properties. In the case of a Lot subject to an agreement for deed, the purchaser in possession shall be deemed the Owner of the Lot for purposes of determining voting and use rights. Membership shall become effective upon the occurrence of the last to occur of the following events:

- (A) Recording in the Public Records of a Deed or other instrument evidencing legal title to the Lots.
- (B) Approval by the Board as provided for in the Declaration.
- (C) Delivery to the Association of a copy of the recorded deed or other instrument evidencing title.
- (D) Delivery to the Association, if required, of a written designation of a Primary Occupant.

2.2 **Voting Interest.** The Members of the Association are entitled to one (1) vote for each Lot owned by them. The total number of Voting Interests shall not exceed the total number of Lots subject to the Declaration, which is fifty-five (55). If a Lot is owned by one (1) natural person, his right to vote shall be established by the record title to the Lot. If a Lot is owned jointly by two (2) or more natural persons that are not acting as trustees, that Lot's vote may be cast by any one (1) of the Owners. If two (2) or more Owners of a Lot do not agree among themselves how their one (1) vote shall be cast, that vote shall not be counted for any purpose. If the Owner of a Lot is a corporation, partnership, limited liability company, trust, trustee or other entity other than a natural person, the vote of that Lot shall be cast by either of the Primary Occupants. If the Primary Occupants do not agree among themselves how their one (1) shall be cast, that vote shall not be counted for any purpose.

2.3 Approval or Disapproval of Matters. Whenever the decision or approval of the Owner of a Lot is required upon any matter, whether or not the subject of an Association meeting, such decision or approval may be expressed by any person authorized to cast the vote of such Lot at a Association meeting as stated in Section 2.2 above, unless the joinder of all Owners is specifically required.

2.4 Change of Membership. Following written approval of the Association, as elsewhere required herein, a change of membership in the Association shall be established by the new Member's membership becoming effective as provided in 2.1 above. At that time the membership of the prior Owner shall be terminated automatically.

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

3. MEMBERS' MEETINGS: VOTING:

3.1 Annual Meeting. There shall be an annual meeting of the Members in each calendar year. The annual meeting shall be held in the first quarter of each calendar year at a day, place and time designated by the Board, for the purpose of electing Directors and transacting any business duly authorized to be transacted by the Members

3.2 Special Members' Meetings. Special Members' meetings must be held whenever called by the President or by a majority of the Directors, and may also be called by Members having at least ten percent (10%) of the Voting Interests. The business at any special meeting shall be limited to the items specified in the notice of meeting and shall be held in Collier County, Florida.

3.3 Notice of Meetings; Waiver of Notice. Notice of all Members' meetings must state the time, date, and place of the meeting, and include an agenda for the meeting. The notice of meeting must be mailed to each Member at the address which appears on the books of the Association, or may be furnished by personal delivery. The Member is responsible for providing the Association with notice of any change of address. The Notice of Meeting must be mailed, delivered or electronically transmitted at least fourteen (14) days before the meeting. An affidavit of the officer or other person making such mailing shall be retained in the Association records as proof of mailing. Attendance at any meeting by a Member constitutes waiver of notice by that Member unless the Member objects to the lack of notice at the beginning of the meeting. A Member may waive notice of any meeting at any time, but only by written waiver. Notice to the Members of meetings of the Board, meetings of a committee requiring notice in the same manner as meetings of the Board, and annual and special meetings of the Members, may be electronically transmitted in the manner set forth in Section 617.0141, F.S. (except as limited by the Act and these Bylaws). Notice by electronic transmission is effective: when actually transmitted by facsimile telecommunication, if correctly directed to a number at which the Member has consented to receive notice; or when actually transmitted by electronic mail, if correctly directed to an electronic mail address at which the Member has consented to receive notice. Notice is also effective when posted on an electronic network that the Member has consented to consult, upon the later of: such correct posting; or the giving of a separate notice to the Member of the fact of such specific posting; or when correctly transmitted to the Member, if by any other form of electronic transmission consented to by the Member to whom notice is given. Consent by a Member to receive notice by electronic transmission shall be revocable by the Member by written notice to the Association. Any such consent shall be deemed revoked if: the Association is unable to deliver by electronic transmission two (2) consecutive notices given by the Association in accordance with such consent; and such inability becomes known to the Secretary, Assistant Secretary or other authorized person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation does not invalidate any meeting or other action. The Member is responsible for providing the Association with notice of any change of mailing address, facsimile number or electronic mail address. To the extent that a Member has provided the Association with a facsimile number or electronic mail address and consented to receive notices by electronic transmission, such information shall be considered an "official record" until the Member has revoked his consent. However, the Association is not liable for an erroneous disclosure of electronic mail address or facsimile number. As used in these Bylaws, the term "electronic transmission" means any form of communication, not directly involving the physical transmission or transfer of paper, which creates a record that may be retained, retrieved, and reviewed by a recipient thereof and which may be directly reproduced in a comprehensible and legible paper form by such recipient through an automated process. Examples of electronic transmission include, but are not limited to, telegrams, facsimile transmission of images, and text that is sent via electronic mail between computers. An affidavit of the Secretary, an Assistant Secretary, or other authorized agent of the Association that the notice has been given by a form of electronic transmission is, in the absence of fraud, prima facie evidence of the facts stated in the notice.

3.4 Quorum. A quorum at meetings of the Members shall be attained by the presence, either in person or by proxy, of Members entitled to cast at least thirty percent (30%) of the Voting Interests of the entire membership. After a quorum has been established at a Members' meeting, the subsequent withdrawal of any Members, so as to reduce the number of Voting Interests represented below the number required for a quorum, shall not affect the validity of any action taken at the meeting before or after such persons leave.

3.5 Vote Required. The acts approved by a majority of the votes cast at a duly called meeting of the Members at which a quorum has been attained shall be binding upon all Members for all purposes, except where a greater or different number of votes is expressly required by law or by any provision of the Governing Documents.

3.6 Proxy Voting. To the extent lawful, any Member entitled to attend and vote at a Members' meeting may establish his presence and cast his vote by proxy. A proxy shall be valid only for the specific meeting for which originally given and any lawful adjournment of that meeting, and no proxy is valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, signed by the person authorized to cast the votes, specify the date, time and place of the meeting for which it is given, and the original must be delivered to the Secretary by the appointed time of the meeting or adjournment thereof. Holders of proxies need not be Members. No proxy shall be valid if it names more than one (1) person as the holder of the proxy, but the holder shall have the right, if the proxy so provides, to substitute another person to hold the proxy. A Limited Proxy shall be used for membership votes on substantive matters, including, without limitation, amendments to the Governing Documents and election of Directors. A General Proxy may be used only when there is no substantive business to be voted on at a Members' meeting and for purposes of: establishing a quorum; correcting typographical errors with respect to matters being voted on by the Members; and voting on parliamentary matters, including without limitation, a motion to approve minutes or to adjourn the meeting. However, no general proxy shall be used in connection with a regular election of Directors occurring at the annual meeting.

3.7 Adjourned Meetings. Any duly called meeting of the Members may be adjourned to be reconvened at a specific later time by vote of the majority of the voting interests present in person or by proxy, regardless of whether a quorum has been attained. When a meeting is adjourned it shall be necessary to give notice to all Members of the time and place of its continuance regardless of whether such are announced at the meeting being adjourned. Any business which might have been conducted at the meeting as originally scheduled may instead be conducted at the continuance, provided a quorum is then present, in person or by proxy.

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

- (A) Call of the roll or determination of quorum.
- (B) Proof of Notice
- (C) Appointment by President of Inspectors of Election (Annual Meeting)
- (D) Election of Directors (Annual Meeting)
- (E) Reading or disposal of minutes of the last Members' meeting
- (F) Reports of Officers
- (G) Reports of Committees
- (H) Unfinished Business
- (I) New Business
- (J) Adjournment

The President shall preside over all membership meetings. In his absence, any Vice President shall preside, or in the absence of the President and any Vice President, the membership shall select a Chairman.

3.9 Minutes. Minutes of all meetings of Members and of the Board shall be kept in a businesslike manner and available for inspection by Members or their authorized representatives and Board members at reasonable times and for a period of seven (7) years after the meeting. Minutes must be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting on each matter voted upon for each director present at a Board meeting must be recorded in the minutes.

3.10 Parliamentary Rules. Roberts' Rules of Order (latest edition) shall guide the conduct of the Association meeting when not in conflict with the law, with the Declaration, or with these Bylaws. The presiding officer may appoint a Parliamentarian whose decision on questions of parliamentary procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

3.11 Action by Members Without Meeting. Except for the holding of the annual meeting and the election of Directors, any action required or permitted to be taken at a meeting of the members may be taken by mail without a meeting, if written consents or other instruments expressing approval of the action proposed to be taken are signed and returned by members having not less than the minimum number of votes that would be necessary to take such action at a meeting. If the requisite number of written consents is received by the Secretary within sixty (60) days after the earliest date which appears on any of the consent forms received, the proposed action so authorized shall be of full force and effect as if the action had been approved by vote of the members at a meeting held on the sixtieth (60th) day. Within ten (10) days thereafter, the Board shall meet to tabulate the votes and send written notice of action taken to all members. Nothing in this Section affects the rights of members to call a special meeting of the membership, as provided for in these Bylaws or by law. If the vote is taken by the method described in this Section, the list of Owners on record with the Secretary at the time of mailing the voting materials shall be the list of qualified voters. The written consents used to authorize an action without a meeting shall become part of the Association's official records.

4. BOARD OF DIRECTORS: The administration of the affairs of the Association shall be by a Board of Directors. All powers and duties granted to the Association by law, as modified and explained in the Governing Documents, shall be exercised by the Board, subject to approval or consent of the Owners only when such is specifically required.

4.1 Number and Terms of Service. The number of Directors which shall constitute the whole Board shall be five (5). The Directors are currently serving two (2) year staggered terms. Directors shall be elected in accordance with the Act, these Bylaws and the elections rules and process established by the Board. Not less than sixty (60) days prior to the annual meeting, the Association shall send a First Notice of Annual Meeting to all Members, specifying the date, time and location of the annual meeting, the number of Directors to be elected and the deadline by which any eligible person may place his name into nomination by responding in writing to the address specified in such First Notice, which deadline shall not be more than forty (40) days prior to the annual meeting. Any eligible person who nominates himself to be a candidate may also submit a resume by such deadline on one side of an 8 and 1/2" x 11" sheet of paper. Nominations from the floor shall be accepted only if required by the Act. Not less than fourteen (14) days prior to the annual meeting, the Association shall send a Second Notice of Annual Meeting to all Members, along with either an election ballot or a limited proxy for the election of directors, any timely submitted candidates' resumes, a proxy (Limited or General, if not used in the election) and any other documents in the Board's discretion. The election ballot or limited proxy shall contain the names of all candidates who nominated themselves in a timely manner, listed in alphabetical order by surname. If a voter checks off the names of more candidates than the number of Directors to be elected, the election ballot or limited proxy shall not be counted for the election. At the commencement of the annual meeting, any nominations from the floor shall be accepted if required, all election ballots not yet cast shall be collected and the polls shall then be closed. The remaining business of the annual meeting shall proceed while the ballots and proxies are counted. Elections shall be determined by a plurality of the votes cast. The candidates who are elected shall take office upon the adjournment of the annual meeting. The use of secret balloting provided for in Florida Statute Section 720.306(8) shall not be required.

A Director's term will end at the annual election at which his successor is to be duly elected, unless he sooner resigns, or is recalled as provided in 4.4 below.

4.2 Qualifications. Directors must be a Member or the spouse of a Member; provided, however, that if a Lot is required to designate Primary Occupants, any Primary Occupant for that Lot shall be eligible to be a Director. No two individuals from the same Lot or spouses shall be eligible to serve on the Board at the same time.

4.3 Vacancies on the Board. If the office of any Director becomes vacant for any reason, other than recall by the Members at a membership meeting, a majority of the remaining Directors or the sole remaining Director, though less than a quorum, shall promptly choose a successor to serve for the remainder of the unexpired term. If the Association fails to fill vacancies on the Board sufficient to constitute a quorum, or if no Director remains on the Board, the vacancy may be filled by the Members (via a special meeting of the Membership) or any Member may apply to the Circuit Court for the appointment of a receiver to manage the Association's affairs, in the manner provided by Florida law.

4.4 Removal of Directors. Any or all Directors may be removed with or without cause by a majority vote of the entire membership, either by a written petition, or at any meeting called for that purpose, in the manner required by Section 720.303(10) of the Act.

4.5 Organizational Meeting. The annual organizational meeting of the new Board shall be held within ten (10) days after the annual meeting. The organizational meeting may be held immediately following the annual meeting, in which case the noticing of such meeting may be effectuated by the Board existing prior to the election.

4.6 Other Meetings. Meetings of the Board may be held at such time and place, as shall be determined from time to time by the President or a majority of the Directors. Notice of meetings shall be

given to each Director, personally or by mail, telephone or electronic transmission at least forty-eight (48) hours prior to the day named for such meeting.

4.7 Notice to Owners. A meeting of the Board occurs whenever a quorum of the Board gathers to conduct Association business. All meetings of the Board shall be open to Members except for meetings between the Board and its attorney with respect to: proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege; personnel matters; or those meetings permitted to be closed by the Act. Notices of all Board meetings shall be posted conspicuously in the Property for at least forty-eight (48) continuous hours in advance of each Board meeting, except in an emergency. In the event of an emergency meeting, any action taken shall be noticed and ratified at the next regular meeting of the Board. In the alternative to the posting requirements discussed above, notice of each Board meeting must be mailed or delivered to each Member at least 7 days before the meeting, except in an emergency. An Assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that Assessments will be considered and the nature of the Assessments. Members have the right to speak, for at least three (3) minutes, on any matter that is placed on the Board meeting agenda by petition of the membership pursuant to Section 720.303(2)(d) of the Act. The Association may adopt reasonable, written Rules and Regulations expanding the rights of Members to speak and governing the frequency, duration, and other manner of Member statements, (including a sign-up sheet requirement), which Rules and Regulations must be consistent with the minimum requirements of Section 720.303(2)(b) of the Act. Any Owner may tape-record or videotape meetings of the Board and meetings of the Members. The Board may adopt reasonable rules governing the taping of meetings of the Board and the membership.

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

4.9 Quorum of Directors. A quorum at a Board meeting shall exist when at least a majority of all Directors are present at a duly called meeting. Directors may participate in any Board meeting by a conference telephone call or similar communicative arrangement whereby all persons present can hear all other persons. Participation by such means shall be deemed equivalent to presence in person at a Board meeting.

4.10 Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum exists shall constitute the acts of the Board, except when approval by a greater number of Directors is required by the Governing Documents or by applicable statutes. Directors may not vote by proxy or by secret ballot at Board meetings, except that secret ballots may be used in the election of officers. A Director who is present at a meeting of the Board shall be deemed to have voted in favor of any action taken, unless he voted against such action or abstained from voting because of an asserted conflict of interest. The vote or abstention of each Director present on each issue voted upon shall be recorded in the minutes.

4.11 Adjourned Meetings. The majority of the Directors present at any meeting of the Board, regardless of whether a quorum exists, may adjourn the meeting to be reconvened at a specific time and date. At any reconvened meeting, provided a quorum is present, any business may be transacted that might have been transacted at the meeting originally called.

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

4.13 Compensation of Directors and Officers. Neither Directors nor officers shall receive compensation for their services as such. Directors and officers may be reimbursed for all actual and appropriate out-of-pocket expenses relating to the proper discharge of their respective duties.

4.14 Committees. The Board may appoint from time to time such standing or temporary committees as the Board deem necessary and convenient for the efficient and effective operation of the Association. Any such committee shall have the powers and duties assigned to it in the resolution creating the committee. If required by the Act, as the same may be amended from time to time, committee meetings shall be open to attendance by any Member, except for such committee meetings between the committee and its attorney with respect to: proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege; personnel matters; or other meetings permitted to be closed under the Act. As of the effective date of these Bylaws, Section 4.7 also applies to the meetings of any committee or other similar body, when a final decision will be made regarding the expenditure of Association funds, and to the Architectural Review Committee, if one has been established pursuant to the Declaration.

4.15 Emergency Powers. In the event of an "emergency" as defined in Section 4.15(G) below, the Board may exercise the following emergency powers, and any other emergency powers authorized by Section 617.0207, Florida Statutes, as may be amended from time to time:

(A) The Board may name as assistant officers persons who are not Directors, which assistant officers shall have the same authority as the executive officers to whom they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Association.

(B) The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.

(C) During any emergency the Board may hold meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The Director or Directors in attendance at such meeting shall constitute a quorum.

(D) Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association shall bind the Association and shall have the rebuttable presumption of being reasonable and necessary.

(E) Any officer, Director, or employee of the Association, acting with a reasonable belief that his actions are lawful in accordance with these emergency Bylaws, shall incur no liability for doing so, except in the case of willful misconduct.

(F) These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

(G) For purposes of this Section 4.15, an "emergency" exists only while the Neighborhood, or the immediate geographic area in which the Neighborhood is located, is subjected to:

- (i) a state of emergency declared by law enforcement authorities;
- (ii) a hurricane warning;
- (iii) a partial or complete evacuation order;
- (iv) designated by federal or state government as a "disaster area"; or

(v) a catastrophic occurrence, whether natural or man-made, which seriously damages or threatens serious damage to the Neighborhood, such as an earthquake, tidal wave, fire, hurricane, tropical storm, tornado, war civil unrest, or acts of terrorism.

5. OFFICERS:

5.1 Officers and Elections. The executive officers of the Association shall be a President and one or more Vice-Presidents who must be Directors, and a Treasurer and a Secretary. All officers shall be elected annually by the Board. Any officer may be removed with or without cause by vote of a majority of all Directors at any meeting. Any person may hold two (2) or more offices as long as he qualifies for both offices, except the President. The Board may, from time to time, appoint such other officers, and designate their powers and duties, as the Board deems necessary to manage the affairs of the Association. If the Board so determines, there may be more than one (1) Vice-President.

5.2 President. The President shall be the chief executive officer of the Association; he shall preside at all meetings of the Members and Directors, shall be ex-officio a member of all standing committees, shall have general and active management of the business of the Association, and shall see that all orders and resolutions of the Board are carried into effect. He shall execute bonds, mortgages and other contracts requiring seal of the Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board to some other officer or agent of the Association.

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

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

5.5 Treasurer. The Treasurer shall be responsible for Association funds and securities, the keeping of full and accurate amounts of receipts and disbursements in books belonging to the Association, and the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board. He shall oversee the disbursement of the funds of the Association, keeping proper vouchers for such disbursements, and shall render to the President and Directors, at the meetings of the Board, or whenever they may require it, an accounting of all transactions and of the financial condition of the Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if any has been designated, or the Association's manager/management company.

5.6 Resignation of Officer. Any Director or Officer may resign his office at any time, in writing, and such resignation shall take effect from the time of its receipt by the Association, unless some later time be fixed in the resignation, and then from that date.

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

6.1 Depository. The Association shall maintain its funds in such federally insured financial institutions licensed to do business in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Association funds in any FDIC-insured investment vehicle.

6.2 Budget. The Board shall adopt a budget of common expenses for each fiscal year. A copy of the proposed budget and a notice stating the time, date and place of the meeting of the Board at which the budget will be adopted shall be mailed to each Member not less than fourteen (14) days prior to that meeting. The proposed budget shall reflect the estimated revenues and expenses for that year by categories.

6.3.1 Reserves for Capital Expenditures and Deferred Maintenance. In addition to annual operating expenses, each proposed budget may include reserve accounts for capital expenditures and deferred maintenance as provided for in Section 720.303(6) of the Act. The amount to be reserved shall be computed by a formula based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust replacement reserve Assessments annually to take into account any changes in estimates or extensions of the useful life of a reserve item caused by deferred maintenance. The reserves required by the Act shall be funded unless the Members determine by a majority vote at a duly called meeting of the Members, to fund no reserves or less reserves than required by Section 720.303(6) of the Act. Funding formulas for reserves authorized shall be based on either a separate analysis of each of the required assets or a pooled analysis of two or more of the required assets. The Board may schedule its budget meeting to occur immediately after the adjournment of a membership meeting held for purposes of voting on reserve funding for the subsequent fiscal year. Reserves funded under this Section 6.3.1, and all interest earned on such reserves, shall not be commingled with operating funds (unless combined for investment purposes), and shall be used only for the purposes for which they were reserved, unless their use for other purposes is approved in advance by a majority vote at a Members' meeting called for that purpose. Operating and reserve funds may be invested in combined accounts, but 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. Operating and reserve funds may be combined in the Assessments paid by Members, provided that the operating and reserve funds are segregated within 30 days after receipt (unless combined for investment purposes).

6.3.2 Contingency Funds. In addition to the statutory reserves provided in Section 6.3.1 above, or in place of them if the Members so vote, the Board may establish one or more "contingency funds" for contingencies and operating expenses for the Association. The purpose of these contingency funds is to provide financial stability and to avoid the need for Special Assessments on a frequent basis. The amounts proposed to be so reserved shall be shown in the proposed annual budget as a line item in the operating portion of the budget.

6.4 Assessments. Regular annual assessments based on the adopted budget shall be paid either quarterly or annually, as determined by the Board. Failure to send or receive notice of Assessments shall not excuse the obligation to pay. If an annual budget has not been adopted at the time the first installment for a fiscal year is due, it shall be presumed that the amount of such installment is the same as the last installment and shall be continued at such rate until a budget is adopted and pro rata Assessments are calculated, at which time any overage or shortage shall be added or subtracted from each unit's next due installment.

6.5 Special Assessments. Special assessments may be imposed by the Board when necessary to meet unusual, unexpected, unbudgeted, or non-recurring expenses upon approval by the vote of two-thirds (2/3) of the Directors; provided, however, that the total of all special assessments coming due in any fiscal year shall not exceed twenty-five (25%) of the total annual budget for that year, including reserves, unless a majority of the voting interests first consent. The funds collected must be spent for the stated

purpose(s) provided, however, upon completion of the stated purpose(s), any excess funds will be considered common surplus. Special assessments are due on the day specified in the resolution of the Board approving such special assessments. An assessment may not be levied at a Board meeting unless a written notice of the meeting is provided to each Member at least fourteen (14) days before the meeting, which notice includes a statement that Assessments will be considered at the meeting and the nature of the Assessments. Written notice of any meeting at which special assessments will be considered must be mailed, delivered, or electronically transmitted (to the extent permitted by law) to the Members and posted conspicuously in Northshore Lake Villas or broadcast on closed-circuit television not less than fourteen (14) days before the meeting.

6.6 Fidelity Bonds. The Treasurer, and all other officers who are authorized to sign checks, and all other persons having access to or control of Association funds, shall be bonded in such amounts as may be required by law or otherwise determined by the Board. The premiums on such bonds shall be a common expense.

6.7 Financial Reporting. Within 90 days after the end of the fiscal year, the Association shall prepare and complete, or contract with a third party for the preparation and completion of, a report of cash receipts and expenditures for the preceding fiscal year, or the statements required by law. Within 10 business days after the final report is completed by the Association or received from the third party, the Association shall mail or hand deliver to each Member a copy of such report or a written notice that a copy of the report is available upon request at no charge to the Member. The financial report shall consist of audited financial statements if required by law. However, if approved by a majority of the Voting Interests present at a properly called meeting of the Association, the Association may prepare or cause to be prepared:

(A) A report of cash receipts and expenditures in lieu of a compiled, reviewed, or audited financial statement;

(B) A report of cash receipts and expenditures or a compiled financial statement in lieu of a reviewed or audited financial statement; or

(C) A report of cash receipts and expenditures, a compiled financial statement, or a reviewed financial statement in lieu of an audited financial statement.

6.8 Fiscal Year. The fiscal year shall be the calendar year, unless modified by the Board. The fiscal year of the Association begins on the first day of January each year.

6.9 Application off Payments. All payments made to the Association on account by an Owner shall be applied as specified in the Act.

7. RULES AND REGULATIONS: USE RESTRICTIONS: The Board may, from time to time, adopt and amend Rules and Regulations subject to any limits contained in the Declaration. Written notice of any meeting at which Rules and Regulations that regulate the use of Lots may be adopted, amended, or revoked must be mailed, delivered, or electronically transmitted (to the extent permitted by law) to the Members and posted conspicuously in Northshore Lake Villas or broadcast on closed-circuit television not less than fourteen (14) days before the meeting. A written notice concerning changes to the Rules and Regulations that regulate the use of Lots must include a statement that changes to the Rules and Regulations regarding the use of Lots will be considered at the meeting. Copies of such Rules and Regulations shall be furnished to each Owner. Any Rules and Regulations created and imposed by the Board must be reasonably related to the promotion of health, happiness and peace of mind of the Owners, and, unless otherwise permitted by law, uniformly applied and enforced.

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

8.1 Obligations Of Members; Remedies At Law Or In Equity; Levy of Fines and Suspension Of Use Rights.

(A) Each Member and the Member's tenants, guests and invitees, are governed by, and must comply with the Act and the Governing Documents. Actions at law or in equity, or both, to redress alleged failure or refusal to comply with the Act and the Governing Documents may be brought by the Association or by any Members against:

- (1) The Association;
- (2) A Member;
- (3) Any Director or officer who willfully and knowingly fails to comply with the provisions of the Act and the Governing Documents; and
- (4) Any tenants, guests, or invitees occupying a Lot.

The prevailing party in any such litigation is entitled to recover reasonable attorney's fees and costs. This section does not deprive any person of any other available right or remedy. Disputes subject to presuit mediation under Section 720.311 of the Act shall not include the collection of any Assessment, fine, or other financial obligation, including attorney's fees and costs, claimed to be due or any action to enforce a prior mediation settlement agreement between the parties. In any dispute subject to presuit mediation where emergency relief is required, a motion for temporary injunctive relief may be filed with a court without first complying with the presuit mediation requirements of Section 720.311 of the Act. An aggrieved party shall serve on the responding party a written demand to participate in presuit mediation pursuant to Section 720.311 of the Act.

(B) The Association may levy reasonable fines against an Owner, in those cases in which the Owner commits violations of the Act or the provisions of the Governing Documents, or condones such violations by his family members, tenants, guests and invitees. The fines shall be in an amount deemed necessary by the Board to deter future violations, but in no event shall any fine exceed \$10,000.00. Fines shall not be secured by a lien against a Lot unless permitted by the Act. The procedure for imposing such fines shall be as follows:

(1) A fine may not be imposed without notice of at least fourteen (14) days to the person sought to be fined and opportunity for hearing before a committee of at least three (3) Members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee, and the notice shall include:

- (i) A statement of the date, time and place of the hearing;
- (ii) A statement of the provisions of Florida law and the Governing Documents which have allegedly been violated; and
- (iii) A short and plain statement of the matters asserted by the Association.

(2) The party against whom the fine may be levied shall have a reasonable opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved, and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The Owner shall be the party ultimately responsible for payment of a fine, regardless of whether the fine relates to conduct by a tenant, family member, invitee or guest.

(3) If the Committee, by majority vote, does not approve the fine, it may not be imposed.

(C) The Association may suspend the voting rights of a Member for the nonpayment of regular annual assessments that are delinquent in excess of ninety (90) days as provided in the Act.

(D) The Association may suspend a member's use of the common areas and facilities for:

- (1) the non-payment of monetary obligations to the Association that are delinquent in excess of ninety (90) days as provided in the Act; and/or
- (2) the failure to comply with any non-monetary obligation under the Governing Documents.

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

9. AMENDMENT OF BYLAWS: Amendments to these Bylaws shall be proposed and adopted in the following manner:

9.1 Procedure; Vote Required. Amendments to these Bylaws may be proposed by the Board at a duly noticed Board meeting. Alternatively, amendments to these Bylaws shall be submitted to a vote of the Owners if the Board receives a written petition to the Board signed by at least twenty-five percent (25%) of the Voting Interests. Upon receipt of such petition, the Board shall submit the amendment to a vote of the Owners no later than the next annual meeting for which notice may be properly given. Amendments to these Bylaws must receive approval from at least a majority of the Voting Interests present and voting at a meeting at which a quorum is attained, provided that the text of each proposed amendment has been given to the Members with notice of the meeting.

9.2 Certificate; Recording. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Bylaws, which certificate shall be in the form required by law and shall be executed by the President or any Vice-President with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida.

10. MISCELLANEOUS:

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

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

10.3 Conflict. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws, the Declaration of Covenants, or the Articles of Incorporation, the provisions of the Declaration and the Articles of Incorporation shall prevail over the provisions of these Bylaws.