

# No2000000873

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February 5, 2002

FILED  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS

Florida Department of State  
Division of Corporations  
P.O. Box 6327  
Tallahassee, Florida 32314  
Attn: Bobbi Cox

Re: La Costa Villas of Orlando, Inc.; Reinstatement/Reincorporation

Dear Ms. Cox:

Enclosed please find the Reinstatement/Reincorporation package for the corporation named above.

Enclosed also please find a check for said purpose in the amount of \$743.75.

Please accept my sincere thanks for your cooperation, professionalism, and assistance in this matter.

If you or the Division have any questions, or if I can be of further assistance, please so advise me.

Sincerely,



Peter R. McGrath

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cc: La Costa Villas of Orlando, Inc.

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TALLAHASSEE, FLORIDA

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**APPLICATION FOR REINSTATEMENT AND REINCORPORATION OF  
LEGISLATIVELY OR JUDICIALLY CHARTERED NOT FOR PROFIT  
CORPORATION**

IN COMPLIANCE WITH s. 617.1623(1)(d), FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REINSTATE AND REINCORPORATE A NOT FOR PROFIT LEGISLATIVELY OR JUDICIALLY CHARTERED CORPORATION WHICH WAS DISSOLVED ON JULY 2, 1992, PURSUANT TO s. 617.1623(1)(c):

1. LA COSTA VILLAS OF ORLANDO, INC.  
Name of corporation exactly as it appears in legislative or judicial charter.
2. 4840 Edmee Circle Orlando, Florida 32822  
Street address of the principal office of the corporation.  
(This address will be used for the mailing of corporation annual reports)
3. October 26, 1981  
Date of legislative or judicial incorporation
- ☐ FEI Number applied for
4. FEI Number 5 9 - 3 6 9 6 7 1 5 ☐ FEI Number not required
5. Name, address and title of current officers and/or directors:  
(use additional page if necessary)

Title	Name	Street Address	City/State/Zip
Pres./D	John Smith	4840 Edmee Cir	Orlando, FL 32822
VP/Treas./D	Marcia Smith	4840 Edmee Cir	Orlando, FL 32822
Sec./D	Carole Cooley	5863 La Costa Drive	Orlando, FL 32822

6. Attached is a copy of the judicial charter and all amendments thereto certified by the Circuit Court of the county wherein recorded or a copy of the chartering law certified by the Department of State, Division of Elections as to legislative charters and completed Certificate of Reincorporation.

Marcia Smith

Authorized Signature

Marcia Smith, Vice President/Treasurer

Name and capacity of person signing application  
(see S. 617.10201(6))

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DECLARATION OF CONDOMINIUM

OF

LA COSTA VILLAS OF ORLANDO

A CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM made by JO-TIL, INC., a Florida corporation, hereinafter referred to as the "DEVELOPER" for itself, its successors, grantees and assigns.

ARTICLE I

SUBMISSION STATEMENT AND DEFINITIONS

Jo-Til, Inc., a Florida corporation, joined by LA COSTA VILLAS OF ORLANDO, INC. a non-profit corporation, being the owners of record of the fee simple title to the real property described in Exhibit A, (which encompasses all phases of this Condominium), situate, lying and being in Orange County, Florida, hereby state and declare that fee simple title to the real property described in Exhibit A, page 27, is submitted to condominium form of ownership, pursuant to Chapter 718, Florida Statutes as presently constituted and in effect (hereinafter referred to as the "Condominium Act"), and does herewith file for record this Declaration of Condominium. La Costa Villas of Orlando, Inc. ("Association") has joined in the execution of this Declaration to submit to condominium form of ownership certain parcels of land described in Exhibit A, page 27, of which it is fee simple owner by virtue of certain dedications contained upon the Plat of La Costa Villas, recorded in Condominium Book 6, Pages 134 through 137, inclusive, of the Public Records of Orange County, Florida. Said parcels of land are part of the common elements of this Condominium and are being reserved as provided herein, for ingress, egress and construction purposes, drainage and for furnishing utility and municipal services.

DEFINITIONS: As used in this Declaration of Condominium and By-Laws and Exhibits attached hereto, and all Amendments thereof, unless the context otherwise requires, the following definitions shall prevail:

1. Assessment: Means a share of the funds required for the payment of common expenses, which from time to time is assessed against the unit owner.
2. Association: Means La Costa Villas of Orlando, Inc., a non-profit corporation (hereinafter referred to as ("Association"), said Association being the entity responsible for the operation of the condominium.
3. By-Laws and Articles: Means the By-Laws and Articles of the Association as they exist from time to time.
4. Condominium: Means that form of ownership of real property which is created pursuant to the provisions of Chapter 718, Florida Statutes and which is comprised of units that may be owned by one or more persons, and there is appurtenant to each unit an undivided share of the common elements.
5. Condominium Act: Means and refers to the Condominium Act of the State of Florida (F.S. 718, et seq.) as presently constituted and in effect.
6. Condominium documents: Means this Declaration, the Articles of Incorporation and By-Laws of the Association and all other exhibits attached hereto as amended.

This instrument prepared by: Burton L. Bruggeman  
Rowland, Thomas & Bruggeman  
308 N. Magnolia Avenue - Orlando, Florida 32801

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7. Condominium Parcel or Parcel: Means a Unit, together with the undivided share in the common elements which is appurtenant to the Unit.
8. Condominium Property: Means and includes the lands and personal property that are subject to condominium form of ownership, whether or not contiguous, and all improvements thereon, and all easements and rights appurtenant thereto intended for use in connection with the condominium, and thereto intended for use in connection with the Condominium Parcel.
9. Common Elements: Means the portions of the Condominium property not included in the Units.
10. Common Expenses: Means all expenses and assessments properly incurred by the Association for the Condominium.
11. Common Surplus: Means the excess of all receipts of the Association, including, but not limited to, assessments, rents, profits and revenues on account of the Common elements over the common expenses.
12. Declaration or Declaration of Condominium: Means this instrument or instruments by which the condominium is created and any amendments thereto that may be recorded from time to time.
13. Developer: Means JO-TIL, INC., a Florida corporation, its successors and assigns, but does not include an owner or lessee of a unit who has acquired his unit for his own occupancy.
14. Institutional Mortgagee: Means a bank, savings and loan association, insurance company or union pension fund authorized to do business in the United States of America, an Agency of the United States Government, a real estate or mortgage investment trust, or a lender generally recognized in the community as an institutional type lender. An individual mortgage on a unit may be placed through an institutional mortgagee or title company.
15. Limited common elements: Means and includes those common elements which are reserved for the use of a certain Unit or Units, to the exclusion of other Units as specified in this Declaration.
16. Occupant: Means the person or persons in possession of a Unit, including the Unit Owner.
17. Unit or Condominium Unit: Is a Unit as defined in the Condominium Act, referring herein to each of the separate and identified parcels of land delineated in the Survey attached to the Declaration as Exhibit A, and when the context requires or permits, the Unit or Units include its share of the common elements appurtenant thereto. The physical boundaries of each Unit are as delineated in the material aforescribed and are as more particularly described in Article III of this Declaration.
18. Unit Owner or Owner of a Unit: Means the owner or group of owners of a Condominium parcel.
19. Regulations: Means the rules or regulations respecting the use of the Condominium property that have been adopted by the Association from time to time in accordance with its Articles of Incorporation and By-Laws.
20. Singular, Plural, Gender: Whenever the context so permits, the use of the plural shall include the singular, the use of the singular shall include the plural, and the use of any gender shall be deemed to include all genders.

Unless the context otherwise requires, all other terms used in this Declaration shall be assumed to have the meaning attributed to said term by Florida Statutes 718.103 of the Condominium Act.

ARTICLE II

CONDOMINIUM NAME

The name by which this Condominium is to be identified shall be LA COSTA VILLAS OF ORLANDO, a condominium.

ARTICLE III

SURVEY, PLOT PLAN, GRAPHIC DESCRIPTION AND IDENTIFICATION OF UNITS

A. Survey Exhibits: The Survey Exhibits, annexed hereto and made a part of this Declaration, are the following exhibits, to-wit:

Exhibit A:	Plot Plan and Legal Description of all phases
Exhibit A:	Phase I
Page 33:	Legal description and certification
Page 33:	Plot Plan
Page 33:	Coordinates
Exhibit A:	Plat of La Costa Villas of Orlando

The above exhibits are hereinafter referred to collectively as the "Survey Exhibits".

At the time of the execution of this Declaration, the lands described in Exhibit A have been submitted to condominium form of ownership. Accordingly, the Survey Exhibits representing Phase one have been certified by a Florida Registered Land Surveyor, indicating statutory compliance with Section 718.104(4)(e), Florida Statutes. An overall plot plan of Phases One and Two annexed to this Declaration as Exhibit A and the same reflects in detail Phase I and the area of future development of the anticipated phase. Annexed hereto and made a part hereof as Exhibit A is a copy of the Plot Plan of LA COSTA VILLAS OF ORLANDO, recorded in Condominium Exhibit Book 6, Pages 134 through 137, inclusive of the Public Records of Orange County, Florida, which delineates the land upon which each phase is to be located, together with the legal descriptions of the land for each phase, and when viewed with Exhibit A, constitutes a plot plan and survey, overall and of each phase. Upon the submission of the additional phase, amendments will be made to this Declaration in accordance with procedures hereinafter provided, at which time, the final Survey Exhibits as to each phase submitted to condominium form of ownership will be provided in the same manner as Phase one.

B. Unit Identification: For purposes of identification, all Units are given identifying numbers and the same are set forth in the Survey Exhibits. No Unit bears the same identifying number as does any other unit. The aforesaid numbers as to the Unit are also the identifying numbers as to the Parcel. Each Unit, together with all appurtenances thereto shall, for all purposes, constitute a separate parcel of land which may be owned in fee simple and which may be conveyed, transferred or encumbered in the same manner as any other parcel of real property, subject only to the provisions of the condominium documents and easements, restrictions and limitations of record.

C. Unit Boundaries: The boundaries of each Unit shall be determined in the following manner:

1. Upper and Lower Boundaries: The upper and lower boundaries of each Unit shall be determined in the same manner and under the same laws which establish the upper and lower boundaries of a parcel of real property, title to which is held in fee simple.

2. Perimetrical Boundaries: The perimetrical boundaries of each Unit is as shown on Exhibit "B" wherein each Unit is identified and the perimetrical boundaries indicated by the intersecting straight lines surrounding the number designating that Unit.

D. Ingress and Egress Easements: It is contemplated that when this Declaration of Condominium is recorded, all of the ingress and egress easements may not

have been located on the Survey Exhibits. Accordingly, this Declaration may be amended by the Developer by the filing of amendments incorporating such additional surveys as may be required to adequately show the location of the ingress and egress easements for each unit for driveway and other purposes. Said amendments, when signed and acknowledged by the Developer, shall constitute an amendment to this Declaration and there is no necessity for approval by the Association, Unit Owners, lienors, or mortgagees of units, whether or not their approval is elsewhere required for amendment.

Each of the following easements is reserved through the condominium property and is a covenant running with the land of the condominium, and notwithstanding any of the other provisions of this Declaration, may not be amended or revoked and shall survive the termination of the condominium and the exclusion of any of the lands of the condominium from the condominium.

(a) Utilities: Easements are reserved to the Association or such utility companies to which the Association may assign its easements as may be required for the entrance upon, construction, maintenance and operation of utility services to adequately serve the condominium project, including, but not limited to, the installation of Cable Television System lines, mains and such other equipment as may be required throughout the condominium project, it being expressly agreed that developer or the utility company making the entry shall restore the property as nearly as practicable to the condition which existed prior to commencement of construction of such utility, provided, however, easements herein reserved which necessitate entry through an apartment, shall only be according to the plans and specifications for the building containing the apartment or as the building is actually constructed, unless approved in writing by the apartment owner.

In addition, easements are reserved to the Association or such utility companies to which the Association may assign its easements for such further utility easements over and across the condominium property as may be required from time to time to service the condominium property. Provided, however, such further utility easements, which shall be identified and located as the occasion shall arise, shall not be over or through any part of the condominium property occupied by a condominium building.

(b) Encroachments: In the event that any apartment shall encroach upon any of the common elements or upon any other apartment for any reason other than the intentional or negligent act of the apartment owner, or in the event any common element shall encroach upon any apartment, then an easement shall exist to the extent of that encroachment for so long as the encroachment shall exist.

(c) Pedestrian and Vehicular Traffic: An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, lanes and other portions of the common elements as may be from time to time intended and designated for such purposes and use; and for the vehicular traffic over, through and across such portions of the common elements as may be from time to time paved and intended for such purposes, and such easement shall be for the use and benefit of the apartment unit owners and those claiming by, through or under the aforesaid; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the condominium property except to the extent that space may be specifically designated and assigned for parking purposes.

(d) Developer: Until such time as the Developer has completed all of the contemplated improvements and sold all of the units contained within the condominium property, easements, including, but not limited to, ingress and egress, are hereby reserved and shall exist through and over the condominium property as may be required by Developer for the completion of the contemplated improvements and sale of said units. Neither the unit owners nor the Association, nor the use of the condominium property shall interfere in anyway with such completion and sale.

#### ARTICLE IV

##### VOTING RIGHTS

Each unit owner shall automatically acquire an ownership interest in the

Association, and each condominium unit is assigned one vote.

In the event of multiple ownership of a Unit, or corporate ownership of a Unit, only one owner shall be entitled to vote at any meeting. Such person shall be known (and is hereinafter referred to) as a "Voting Member". The owners of such Unit shall designate one of them as the Voting member, or in the case of a corporate Unit owner, an officer or an employee thereof shall be the Voting member. The designation of the Voting Member shall be made as provided by and subject to the provisions and restrictions set forth in the By-Laws of the Association. The total number of votes shall be equal to the total number of Units in the Condominium, from time to time, as additional phases are added, and each Condominium unit shall have no more and no less than one (1) vote in the Association.

#### ARTICLE V

##### OWNERSHIP OF COMMON ELEMENTS

Each of the Condominium unit owners shall own an undivided fractional interest in the Common elements and Limited common elements based upon a fraction, the numerator of which shall be one (1), and the denominator of which shall be the number of Unit submitted to condominium form of ownership from time to time, as the additional phase is added. The numerator, having a value of one (1), shall also be known as an ownership and common surplus and expense Unit. Each Condominium unit is assigned one such unit, and the total number of units which can be assigned in the event all phases are submitted to condominium form of ownership is thirty-two (32).

Each amendment to this Declaration of Condominium, executed and signed of record by the Developer in order to submit an additional phase to condominium form of ownership, shall contain the assignment of one (1) ownership and common surplus and expense unit to each Condominium unit covered by said amendment, together with the assignment of an ownership interest in the Association and one (1) vote per Unit.

In the event that the Developer should not complete Phase Two, or any portion thereof, then the fractional share of ownership in the Common elements and the participation in the common expenses and common surplus shall be based upon the total number of ownership and common surplus and expense units assigned as each assigned as each additional phase is completed and submitted to condominium form of ownership.

The fee title to each Condominium parcel shall include both the Condominium unit and the above respective undivided interest in the Common elements, said undivided interest in the Common elements to be deemed to be conveyed with and encumbered with its respective Condominium unit. Any attempt to separate the fee title to a Condominium Unit from the undivided interest in the Common elements appurtenant to each Unit shall be null and void. The term "Common elements" when used throughout this Declaration, shall mean both Common elements and Limited common elements, unless the context otherwise specifically requires.

Any Common surplus of the Association shall be owned by each of the Unit Owners in the same proportion as their percentage ownership interest in the Common elements, any common surplus being the excess of all receipts of the Association from this Condominium, including, but not limited to, assessments, rent, profits and revenues on account of the Common elements of this Condominium over the amount of the Common expenses of this Condominium.

#### ARTICLE VI

##### METHOD OF AMENDMENT OF DECLARATION

This Declaration may be amended at any regular or special meeting of the Unit owners of this Condominium called or convened in accordance with the By-Laws, by the affirmative vote of Voting Members casting not less than three-fourths (3/4ths) of the total vote of the members of the Association.

All Amendments shall be recorded and certified and is effective upon recording, as required by the Condominium Act. Except as otherwise provided for in this Article VI, no Amendment shall change any Condominium parcel, nor a Condominium unit's proportionate share of the Common expenses or common surplus, nor the voting rights, appurtenant to any Unit, unless the record owner or owners thereof, and all record

owners of mortgages or other voluntarily placed liens thereon, shall join in the execution of the Amendment. No Amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgagees, or change the provisions of this Declaration with respect to institutional mortgagees, without the written approval of all institutional mortgagees of record, nor shall the provisions of Article XI of this Declaration be changed without the written approval of all institutional mortgagees of record. No Amendment shall change the rights and privileges of the Developer without the Developer's prior written approval.

Notwithstanding the foregoing paragraphs of this Article VI, the Developer reserves the right to change the arrangement of all Units and later the boundaries between Units, as long as the Developer owns the Units so altered; however, no such change shall increase the number of Units, nor alter the boundaries of the Common elements, except the party wall between any Condominium Units, without Amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in Units, as provided in this paragraph, such changes shall be reflected by the Amendment of this Declaration with a survey attached, reflecting such authorized alteration of Units, and said Amendment need only be executed and acknowledged by the Developer and any holders of institutional mortgages encumbering the said altered Units. The survey shall be certified in the manner required by the Condominium Act. If more than one Unit is concerned, the Developer shall apportion between the Units the shares in the common elements appurtenant to the Units concerned, together with apportioning the Common expenses and Common surplus of the Units concerned, and such shares of Common elements, Common expenses, and Common surplus of the Units concerned shall be duly noted in the Amendment of the Declaration.

Notwithstanding the other paragraphs of this Article VI, the Developer expressly reserves the right to amend this Declaration for one or any combination of the following:

- A. To conform to the requirements of any prospective institutional mortgagee; or
- B. To conform this Declaration to the requirements of any valid statute or rule or regulation affecting the subject matter hereof.

Said Amendments may be made and executed solely by the Developer and without any requirement for securing the consent of any Unit owners or any others, and with regard to any other provision herein contained regarding Amendments, and said Amendment shall be duly filed in the Public Records of Orange County, Florida.

Notwithstanding the provisions of this Article VI, the Declaration and exhibits thereto, where applicable, may be amended for the purposes set forth and pursuant to Florida Statutes 718.110(5) and the Declaration and exhibits thereto, where applicable, may be amended for the purposes set forth and pursuant to the provisions of Florida Statutes 718.304(1), in the event there is unanimous approval of the full Board of Directors.

Notwithstanding the foregoing paragraphs of this Article VI, the Developer, joined by the Association, if necessary, reserves the right to amend the Declaration of Condominium and exhibits attached thereto to add additional phases to this Condominium pursuant to Article XX of this Declaration and Florida Statutes 718.403. The aforesaid Amendment shall not require the execution of such Amendment or consents thereto by Unit owners, the Association, nor the members thereof, nor the owner and holder of any lien encumbering a Condominium parcel in this Condominium and said Amendment shall only be required to be executed by the Developer and recorded in the Public Records of Orange County, Florida.

#### ARTICLE VII

##### ASSOCIATION

The operating entity of the Condominium shall be LA COSTA VILLAS OF ORLANDO, INC., a Florida non-profit corporation, which is responsible for the operation of the Condominium. The Association shall have all of the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration, the By-Laws of the Association and its Articles of Incorporation, a copy of said Articles of Incorporation being attached hereto, marked Exhibit "D", and made a part hereof, and all of the powers and duties necessary to operate the Condominium, as set forth in this Declaration and the By-Laws and as they may be



amended from time to time.

Every owner of a Condominium parcel, whether he has acquired his ownership by purchase, by gift, by conveyance or transfer by operation of law, or otherwise, shall be bound by the By-Laws and Articles of Incorporation of the Association, the provisions of this Declaration and all Exhibits attached hereto. Membership in the Association shall terminate upon the termination of ownership of a Condominium parcel in this Condominium.

At the time of the creation of this condominium, there are no existing professional management contracts between the developer and any third party. In the event that the developer elected to enter into such a professional management agreement, the developer expressly warrants that the agreement would not exceed three years, and that it would specifically provide for termination by either the developer or the professional manager without cause and without payment of a termination fee on 90 days or less written notice.

The Association shall maintain accounting records for each condominium it manages in the County where the condominium is located, according to good accounting practices. The records shall be open to inspection by unit owners or their authorized representatives at reasonable times, and written summaries of them shall be supplied at least annually to unit owners or their authorized representatives. Failure to permit inspection of the Association's accounting records by unit owners or their authorized representatives entitles any person prevailing in an enforcement action to recover reasonable attorneys' fees from the person in control of the books and records who directly or indirectly, knowingly denies access to the books and records for inspection.

Within sixty (60) days following the fiscal or calendar year or annually on such date as otherwise provided in the By-Laws of the Association, the Board of Directors of the Association shall mail or furnish by personal delivery to each unit owner a complete financial report of actual receipts and expenditures for the previous twelve months. The report shall show the amounts of receipts by account and receipt classification and shall show the amounts of expenses by accounts and expense classifications including, applicable, but not limited to the following:

1. Cost for security;
2. Professional management fees and expenses;
3. Tax;
4. Costs for recreational facilities;
5. Expenses for refuse collection and utility services;
6. Expenses for lawn care;
7. Cost for building maintenance and repair;
8. Insurance costs;
9. Administrative and salary expenses;
10. General reserves, maintenance reserves, and depreciation reserves.

#### ARTICLE VIII

##### BY-LAWS

The operation of the Condominium property shall be governed by the By-Laws of the Association, which are set forth in a document which is annexed to this Declaration, marked Exhibit "E" and made a part hereof.

No modification of or amendment to the By-Laws of said Association shall be valid unless set forth in or attached to a duly recorded amendment to this Declaration. The By-Laws may be amended in the manner provided for therein, but no amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium parcel or which would change the provisions of the By-Laws with respect to institutional mortgagees of record. No amendment shall change the rights and privileges of the Developer without the Developer's written consent.

#### ARTICLE IX

##### ASSESSMENTS

The Association, through its Board of Directors, shall have the power to fix and determine from time to time the sum or sums necessary and adequate to provide for

the Common expenses of the Condominium property and such other assessments as are specifically provided for in this Declaration and exhibits attached hereto. The procedure for the determination of all such assessments shall be as set forth in the By-Laws of the Association, this Declaration and the exhibits attached hereto.

The Common expenses shall be assessed against each Condominium parcel owner as provided for in Article V of this Declaration. Assessments and installments that are unpaid for over ten (10) days after due date shall bear interest at the rate of ten (10%) per cent per annum from due date until paid, and at the sole discretion of the Board of Directors a late charge of Twenty-Five and no/100 (\$25.00) Dollars shall be due and payable.

Assessments shall be made for the calendar year annually, in advance, on December 1st preceding the year for which assessments are made, and such assessments shall constitute a lien for the total amount of all such annual assessments against the Unit for which assessment is made. Such assessment shall be due in twelve (12) monthly installments on January 1st, and the first day of each month thereafter for the balance of the year, for which the assessments are made. Upon default by any Unit owner in the payment of such quarterly installments, within thirty (30) days after the due date thereof, then the Association, at its option and without notice, shall be entitled to accelerate the payment of the balance of the quarterly installments for the then current assessment year. In the event that such annual assessment proves to be insufficient, it may be amended at any time, in writing, by resolution of the Board of Directors of the Association, and the unpaid assessment for the remaining portion of the year shall be apportioned over the remaining quarterly installments for that year. If an annual assessment is not made as required, a payment in the amount required by the last prior assessment shall be due upon each assessment payment date until changed by a new assessment.

The Association shall have a lien on each Condominium parcel for unpaid assessments, together with interest thereon, against the Unit owner of such Condominium parcel, together with a lien on all tangible personal property located within the improvements upon said Unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees, including fees on appeal, incurred by the Association incident to the collection of such assessments or the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, shall be payable by the Unit owner and secured by such lien. The aforesaid lien shall also include those sums advanced on behalf of a Unit owner in payment of his obligation under any Management Agreement, and the Board of Directors may take such action as they deem necessary to collect assessments by personal action or by enforcing said lien and may settle and compromise same if deemed in its best interests. Said lien shall be effective as and in the manner provided for by the Condominium Act and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit of foreclosure of an assessment lien, and to apply as a cash credit against its bid all sums due, as provided herein, covered by the enforced lien. In case of such foreclosure, the Unit owner shall be required to pay a reasonable rental for the Condominium parcel for the period of time said parcel is occupied by the Unit owner or anyone by, through, or under said Unit owner, and Plaintiff in such foreclosure shall be entitled to appointment of a Receiver to collect same from the Unit owner and/or occupant.

Where the institutional mortgagee of a first mortgage of record, or other purchaser of a Condominium parcel, obtains title to the parcel as a result of foreclosure or by the institutional first mortgagee of record accepting a deed to said Condominium parcel in lieu of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for the share of Common expenses or assessments owed to the Association pertaining to such Condominium parcel, or chargeable to the former Unit owner of such Parcel, which became due prior to such acquisition of title, unless such share is secured by a Claim of Lien (for the expenses or assessments) that is recorded prior to the recording of the mortgage sought to be foreclosed. Such unpaid share of Common expenses or assessments shall be deemed to be Common expenses collectible from all other unit owners.

Any person who acquires an interest in a Unit, (except through foreclosure of an institutional first mortgage of record or by virtue of an institutional first mortgage accepting a deed to a Condominium Parcel in lieu of foreclosure), including, without limitation, persons acquiring title by operation of law and purchasers at judicial sales,

shall not be entitled to occupancy of the Unit or enjoyment of the Common elements until such time as all unpaid assessments due and owing by the former Unit owners have been paid. The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to the Developer, or to any Unit Owner or group of Unit Owners, or to any third party.

Notwithstanding anything herein to the contrary, any lien provided herein shall be subordinate and inferior to the lien of a valid institutional first mortgage.

All liens, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual condominium units and not to the condominium project as a whole.

Any unit owner has the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to his condominium partial. The holder of a mortgage or other lien of record has the same right as to any condominium partial upon which he has a lien.

#### ARTICLE X

#### SALE, RENTAL, MORTGAGING, OR OTHER ALIENATION OF CONDOMINIUM PARCELS

A. Sale or Rental of Units: In the event any Unit owner wishes to sell, rent, transfer, or lease his parcel, the Association shall have the option to purchase, rent or lease said Unit upon the same conditions as are offered by the Unit owner to a third person. Any attempt to sell, rent or lease said parcel without prior offer to the Association shall be deemed a breach of this Declaration and shall be wholly null and void and shall confer no title or interest whatsoever upon the intended purchaser, tenant or lessee.

Should a Unit owner wish to sell, lease, transfer or rent his parcel, he shall, before accepting any offer to purchaser, sell, lease, transfer or rent his parcel, deliver to the Board of Directors of the Association a written Notice containing the terms of the offer he has received or which he wishes to accept, the name and address of the person to whom the proposed sale, rental, lease or transfer is to be made, two (2) bank references and three (3) individual references (local, if possible), and such other information, to be requested within five (5) days from receipt of such Notice, as may reasonably be required by the Board of Directors of the Association. The Board of Directors of the Association is authorized to waive any or all of the requirements aforementioned.

The Board of Directors of the Association, within ten (10) days after receiving such Notice and such supplemental information as is required by the Board of Directors, shall either: consent to the transaction specified in said Notice; or by written notice to be delivered to the Unit owner's Unit, or mailed to the place designated by the Unit Owner in his Notice, designate the Association or one or more persons, Unit owners or any other person(s) satisfactory to the Board of Directors of the Association, who are willing to purchase, lease or rent upon the same terms as those specified in the Unit owner's Notice.

The stated designee of the Board of Directors shall have fourteen (14) days from the date of the Notice sent by the Board of Directors within which to make a binding offer to buy, lease or rent upon the same terms and conditions specified in the Unit owner's Notice. Thereupon, the Unit owner shall either accept or reject such offer or withdraw the offer specified in his Notice at the Board of Directors. Upon the failure of the Board of Directors to designate such person or upon the failure of such person to make such offer within the said fourteen (14) day period, the Unit owner shall then be free to make or accept the offer specified in his Notice and sell, lease or rent said interest pursuant thereto to the prospective purchaser or tenant named therein within ninety (90) days after his Notice was given.

The consent of the Board of Directors of the Association shall be in recordable form, signed by two (2) officers of the Association and shall be delivered to the purchaser or lessee. Should the Board of Directors of the Association fail to act or object to the sale within the time provided herein, the Board of Directors of the Association shall nevertheless thereafter prepare and deliver its written approval in recordable form as aforesaid. Should the Board of Directors of the Association fail to act or object within thirty (30) days thereafter, the said sale shall be deemed to have been approved by the Association, and the Board of Directors shall have no right whatsoever to challenge any sale or transfer having waived this right by its own inaction.

The subleasing or subrenting of a Unit owner's interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The Association shall have the right to require that a substantially uniform form of lease or sublease be used or in the alternative, the Board of Directors must approve the lease or sublease form to be used by the Unit Owner. After approval, as herein set forth, entire Units may be rented, provided the occupancy is only by the lessee, his family and guests. No individual rooms may be rented and no transient tenants may be accommodated.

Where a corporate entity is the owner of a Unit, it may designate the occupants of the Units as it desires and for such periods of time as it desires without compliance with the provisions of Section "A" of this Article X. The foregoing shall be deemed to be in compliance with the provisions of Section A of Article X of this Declaration.

**B. Mortgage and Other Alienation of Units:**

1. A Unit Owner may not mortgage his Condominium parcel or any interest therein without the approval of the Association except to an Institutional Mortgagee as hereinbefore defined. The approval of any other mortgagee may be upon conditions determined by the Board of Directors of the Association and said approval, if granted, shall be in recordable form, executed by two (2) officers of the Association. Where a Unit owner sells his Unit and takes back a mortgage, the approval of the Association shall not be required.

2. No judicial sale of a Unit or any interest therein shall be valid unless:

(a) The sale is to a purchaser approved by the Association which approval shall be in recordable form, executed by two (2) officers of the Association and delivered to the purchaser; or

(b) The sale is a result of a public sale with open bidding.

3. Any sale, mortgage or lease which is not authorized pursuant to the terms of the Declaration shall be void unless subsequently approved by the Board of Directors of the Association and said approval shall have the same effect as though it had been given and filed of record simultaneously with the instrument it approved.

4. The foregoing provisions of this Article X shall not apply to transfers by a Unit owner to any member of his immediate family, to-wit: spouse, children or parents.

The phrase "sell, rent or lease", in addition to its general definition, shall be defined as including the transferring of a Unit owner's interest by gift, devise or involuntary or judicial sale.

In the event a Unit owner dies and his Unit is conveyed or bequeathed to some person other than his spouse, children or parents or if some other person is designated by the decedent's legal representative to receive the ownership of the Condominium unit, or if under the laws of descent and distribution of the State of Florida, the Condominium unit descends to some person or persons other than the decedent's spouse, children or parents, the Board of Directors of the Association may within thirty (30) days of proper evidence of rightful designation served upon the President or any other officer of the Association or within thirty (30) days from the date the Association is placed on actual notice of the said devisee or decedent, express its refusal or acceptance of the individual or individuals so designated as the owner of the Condominium parcel.

If the Board of Directors of the Association shall consent, ownership of the Condominium parcel may be transferred to the person or persons so designated who shall, thereupon, become the owner of the Condominium parcel, subject to

the provisions of this Declaration and exhibits attached thereto.

If, however, the Board of Directors of the Association shall refuse to give consent, then the members of the Association shall be given an opportunity, during thirty (30) days next after said last above-mentioned thirty (30) days, within which to purchase or to furnish a purchaser for cash the said Condominium parcel at the then fair market value thereof. Should the parties fail to agree on the value of such Condominium parcel, the same shall be determined by an appraiser appointed by the Senior Judge of the Circuit Court in and for the area wherein the Condominium is located upon ten (10) days notice on the Petition of any party in interest. The expense of appraisal shall be paid by the said designated person or persons or the legal representative of the deceased owner out of the amount realized from the sale of such Condominium parcel. In the event the members of the Association do not exercise the privilege of purchasing or furnishing a purchaser for said Condominium parcel within such period and upon such terms, the person or persons so designated may then, and only in such event, take title to the Condominium parcel or such person or persons, or the legal representative of the deceased owner, may sell said Condominium parcel and such sale shall be subject in all other respects to the provisions of this Declaration and exhibits attached hereto.

5. The liability of the Unit owner under this covenants shall continue, notwithstanding the fact that he may have leased, rented or sublet said interest as provided herein. Every purchaser, tenant or lessee shall take possession subject to this Declaration, and exhibits hereto, as well as the provisions of the Condominium Act.

6. Special Provisions regarding Sale, Leasing, Mortgaging or Other Alienation by Certain Mortgagees and the Developer.

(a) An Institutional first mortgagee holding a mortgage on a Condominium parcel, upon becoming the owner of a Condominium parcel through foreclosure or by deed in lieu of foreclosure, shall have the unqualified right to sell, lease or otherwise transfer said parcel, including the fee ownership thereof and/or to mortgage the Parcel without the prior approval of the Board of Directors. The provisions of Sections A and B, Numbers 1-5 of this Article X shall be inapplicable to such Institutional first mortgagee or acquirer of title as aforescribed in this paragraph.

(b) The provisions of Sections A and B, numbers 1 - 5 of this Article X shall be inapplicable to the Developer. The Developer is irrevocably empowered to sell, and/or mortgage Condominium parcels or Units and portions thereof to any purchaser, lessee or mortgagee approved by it. Developer shall have the right to transact any business upon the Condominium property as provided in Article XIX hereof.

# ARTICLE XI

## INSURANCE

The insurance, other than title insurance, that shall be carried upon the Condominium property and the property of the Unit Owners shall be governed by the provisions set forth as follows:

A. Authority to Purchase; Named Insured: All insurance policies upon the condominium property (other than betterments and improvements made by Unit owners) shall be purchased by the Association. The named insured shall be the Association of Owners of La Costa Villas Condominiums for the use and benefit of the individual owners and their respective mortgagees as their interest may appear. Provision shall be made in casualty insurance policies for the issuance of mortgagee endorsements and memoranda of insurance to the Unit owners and their respective mortgagees. All casualty insurance policies shall provide that payments by the insurer for losses shall be made to an Insurance Trustee and all policies and their endorsements shall be deposited with the Insurance Trustee. Unit owners may obtain coverage at their own expense upon their personal property, upon improvements and betterments to their Units, and for their personal liability and living expense. A copy of each policy of insurance in effect shall be made available for inspection by unit owners at reasonable times.

B. Coverage:

1. Casualty and Flood: All buildings and improvements upon the Condominium property, including the portion thereof included within the improvements

upon Units other than Unit owner improvements and betterments, shall be insured against casualty, other than flood, in an amount equal to the maximum insurable replacement value thereof, including the value of excavations and foundations, and all personal property owned by the Association located upon the common elements and upon the common recreational facilities shall be insured against casualty for the fair market value thereof, all as determined annually by the Board of Directors of the Association. Casualty coverage shall afford protection against:

(a) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and

(b) Such other risks as from time to time shall be customarily covered with respect to buildings and improvements similar in construction, location and use as the buildings and improvements to be insured, including, but not limited to, vandalism and malicious mischief.

In addition to the aforesaid casualty insurance, the Association shall purchase flood insurance on said improvements in the maximum amount obtainable if the Condominium property is located in an area designated by the Department of Housing and Urban Development as being in a flood zone or flood hazards area. The said casualty insurance and flood insurance, if any, shall meet the following requirements:

(a) Insurance Policies may be issued separately to the individual Condominium properties. All such policies shall be written with a company licensed to do business in the State of Florida and holding a rating of "AAA" or better by Best's Insurance Reports;

(b) All insurance policies shall provide that the amount which the Association, individually and as agent for the Unit owners and their mortgagees, may realize under any insurance policy in force at any particular time shall not be decreased because of the existence of a policy purchased by any Unit owner at his own expense to provide coverage for improvements and betterments, personal property or living expenses; each Unit owner who purchases insurance coverage on the improvements and betterments to his Unit shall furnish a memorandum copy of the policy to the Board of Directors within thirty (30) days after purchase of such insurance;

(c) Each policy must be written in the name of the Association of Owners of La Costa Villas Condominiums for the use and benefit of the individual owners. Further, each such policy must contain the standard mortgage clause which must be endorsed to provide that any proceeds shall be paid to the Association of Owners of La Costa Villas Condominium for the use and benefit of mortgagees as their interest may appear.

(d) Each policy must include a schedule of the Units, the name of the Unit owners, and their mortgagees, if any, provided, however, that it shall be the duty of each Unit owner and mortgagee to advise the Association of his or its interest in such Unit in order that such Unit owner or mortgagee may derive the protection intended to be afforded by this requirement, and failure to advise the Association of a Mortgagees' intent shall not affect that Mortgagees' intent or rights in any way; and

(e) Each policy must provide that the insurer will not cancel, reduce or substitute coverage without first giving the Association and all mortgagees named in mortgagee endorsements, thirty (30) days prior written notice thereof.

2. Public Liability: The Condominium Association, shall secure a comprehensive policy of public liability insurance covering all of the common elements, commercial spaces and public ways of the condominium. Said policy shall contain a "severability of interest" endorsement which shall preclude the insurer for denying the claim of condominium unit owner because of negligent acts of the Condominium Association of Owners or other unit owners. The scope of coverage must include all other coverage and the kinds and amounts required by private institutional mortgage investors of projects similar in construction and location use. Liability coverage shall be for at least \$1,000,000. per occurrence, per personal injury and/or property damage, and shall include provisions for owned automobile and non-owned automobile coverage with cross liability endorsement to cover the liabilities of the unit owners as a group to a unit owner. The minimum amount of \$500,000. for any injury to any one person and \$1,000,000. for

injuries to persons in one accident and \$50,000. for damage to property.

3. Workmen's Compensation: Policy to meet the requirements of law.

4. Fidelity Bonds: The fidelity bonds shall be maintained providing coverage against dishonest acts by the Association, Officers, Directors, Trustees and employees, and all others who are responsible for handling funds of the Association. These fidelity bonds must name the Condominium Association Owners as the named insured and shall be written in an amounts sufficient to provide protection which is in no event less than one and one half times the Condominium's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any persons who serve without compensation shall be added to the policy which would not otherwise cover volunteers.

5. Such Other Insurance: As the Board of Directors of the Association shall determine from time to time to be desirable.

C. Premiums:

1. The premium cost for casualty, liability, and flood insurance, if necessary, on the buildings and improvements on the Condominium property, shall be equally allocated to all Units in the Condominium as a common expense.

2. The premiums on all other insurance carried by the Association, including casualty and flood insurance, if necessary, on the common recreational facilities, shall be deemed to be expenses of the Association which shall be subject to apportionment and allocation as herein provided.

D. Insurance Trustee; Shares of Proceeds: All casualty and flood insurance policies by the Association shall be for the benefit of the Association, the Unit owners and their mortgagees as their interests may appear, and shall provide that all proceeds, covering property losses, shall be paid to the Insurance Trustee which shall then be serving under the Insurance Trust. The fees and expenses of the Insurance Trustee shall be paid by the Association. The Insurance Trustee shall not be liable for the purchase or renewal of any casualty or flood insurance policies or for the payment of premiums thereon or for the sufficiency of such policies or for any failure to collect any insurance proceeds properly payable thereunder. The duty of the Insurance Trustee shall be to receive such insurance proceeds and damage assessments as are paid to it, and to hold and pay over the same, as provided in the said Insurance Trust Agreement.

E. Association As Agent: The Association is irrevocably appointed agent for each Unit owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium property or the common recreational facilities to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of any claim.

F. Owner's Insurance: Each individual Unit owner shall be responsible for purchasing, at his own expense, liability insurance to cover accidents occurring within the improvements constructed upon his own Unit and for purchasing insurance upon his own personal property.

ARTICLE XII

RECONSTRUCTION OR REPAIR AFTER CASUALTY

If any part of the Condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

A. If the damaged improvement is a Common element, then the damaged property shall be reconstructed or repaired by the Association unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.

B. If the only damage to the Condominium property consists of damage to improvements and betterments located on a single Unit which were made by the Unit owner thereof, other than the Developer, then such damage shall be reconstructed or repaired by the owner at the owner's expense.

C. If the damage is to the improvements located on numerous Units, the following shall apply:

(a) If the damaged improvements consist of two or more units, and if the Units to which fifty percent (50%) of the Common elements are appurtenant are found by the Board of Directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired by the Association, unless, within sixty (60) days after the casualty, it is determined by agreement in the manner elsewhere provided that the Condominium shall be terminated; it being understood that the fifty per cent (50%) figure applies to all of the Units in the Condominium, notwithstanding the fact that there are multiple buildings.

(b) If the damaged improvements consist of two or more units, and if the Units to which more than fifty percent (50%) of the Common elements are appurtenant are found by the Board of Directors to be not tenantable, then the damaged property will be reconstructed or repaired, unless within sixty (60) days after the casualty the record owners of seventy-five (75%) percent of the Common elements and all mortgagees consent in writing to terminate the Condominium; it being understood that the fifty percent (50%) figure applies to all of the Units in the condominium, notwithstanding the fact that there are multiple buildings.

D. The Association shall issue a certificate, signed by its president and secretary, to the Insurance Trustee stating whether or not the damaged property is to be reconstructed or repaired.

Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements. If such original plans and specifications are not available, then plans and specifications shall be prepared to permit the reconstructed improvements to be as similar to the improvements prior to such damage or destruction as possible; provided, however, that alterations may be made as hereinafter provided.

E. Immediately after a determination is made to reconstruction or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain bids for, or negotiate, a fixed price contract or contracts for the necessary reconstruction or repairs.

F. If the proceeds of insurance are not sufficient to defray the full cost of reconstruction and repair by the Association, then prior to executing contracts for the reconstruction and repair, the following assessments shall be made:

(a) If the damage is to the Common Elements, assessment shall be made against all Unit owners on account of damage to the buildings and improvements on the Common elements in an aggregate amount, which, when added to the insurance proceeds available for such purpose, will be sufficient to pay the full cost of the reconstruction and repair of the same; such aggregate amount shall be apportioned among the owners of Units in proportion to each Unit owner's appurtenant undivided share in the common elements.

(b) If the damage is to the units and improvements on the Units, other than damage to improvements and betterments of a single Unit which were made by the Unit owner thereof, other than a developer, assessments shall be made against all affected Unit owners on account of damage to the units and improvements on the Units in an aggregate amount, which when added to the insurance proceeds available for such purpose will be sufficient to pay the full cost of the reconstruction and repair of the same; such aggregate amount shall be apportioned among the owners of affected units.



All amounts so assessed against the Unit owners shall be collected by the Association and deposited with the Insurance Trustee, unless the Association shall have advanced from reserves on hand, against collection of such assessments, and deposited with the Insurance Trustee the required amounts, prior to the execution of any contract for such reconstruction and repair. All such contracts shall be fixed price contracts and the contractor shall be required to furnish to the Association a performance and payment bond in the full amount of the contract unless such requirement is waived in writing by the mortgagee holding the greatest number of recorded mortgages on the Units in the Condominium. Notwithstanding the foregoing, the Association shall not be prohibited from entering into contracts for repairs having an aggregate cost of less than \$5,000.00, nor from entering into contracts providing for work which is essential to preserve the property from further deterioration or damage pending collection of assessments.

G. The funds held by the Insurance Trustee for payment of the costs of reconstruction and repair after casualty, shall be disbursed in accordance with the following:

(a) The proceeds received by the Insurance Trustee shall be utilized and disbursed only for reconstructing and repairing the specific property with respect to which such proceeds or funds were collected and a separate accounting with respect to receipts and disbursements shall be maintained.

(b) If there is a surplus of insurance proceeds after payment of all costs of said reconstruction and repair, such surplus shall be distributed to the Association for allocation as provided in Article V of the Declaration.

(c) If the total cost of reconstruction and repair that is the responsibility of the Association is less than \$5,000.00, then the Insurance Trustee shall pay such cost to the Association, and the Association shall hold such sum and disburse the same in payment of the costs of reconstruction and repair.

(d) If the total cost of reconstruction and repair that is the responsibility of the Association is \$5,000.00 or more, but less than \$10,000.00, then the Insurance Trustee shall pay the cost thereof upon the order of the Association.

(e) If the cost of reconstruction and repair that is the responsibility of the Association is more than \$10,000.00, then the Insurance Trustee shall pay the costs thereof upon order of the Association with the approval of an architect, qualified to practice in Florida, who has been employed by the Association to supervise the work.

(e) The Association shall keep records of all construction costs and the amount thereof for each reconstruction and repair.

(f) Notwithstanding the provisions of this instrument, the Insurance Trustee shall neither be required to determine whether a disbursement is to be made from a particular construction fund, nor to determine the payee or the amount to be paid. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to any or all such matters and stating the name of the payee or payees, the amount to be paid and the particular construction funds or funds against which such payment is to be charged, provided that when the Association has certified that a disbursement is required hereunder to be made upon an order of the Association approved by an architect, no payment shall be made with respect to such order of the Association without such architect's approval.

(g) Notwithstanding any matters set forth above, nor implied in any fashion in these documents, no condominium unit owner, or any other party, shall have priority over the rights of the first mortgagee of a condominium unit pursuant to its mortgage in the case of distribution to such unit owner of insurance proceeds or condemnation awards for losses to or a taking of condominium unit and/or common elements.

## ARTICLE XIII

MAINTENANCE, ALTERATION AND IMPROVEMENTA. By the Unit Owner:

1. The owner of each Unit must keep and maintain the improvement upon his Unit, its equipment and appurtenances, in good order and condition and must do repair work within the improvement upon his Unit which, if omitted, would adversely affect the Condominium, the other Unit owners or the Association and its members. The Owner of each Unit shall be responsible for any damages caused by a failure to so maintain such Unit. The Unit owners' responsibility for maintenance, repair and replacement shall include, but not be limited to, the following: slab, floor, roof, patios, ceiling and walls (exterior and interior), air conditioning and heating equipment, including those portions of the equipment which might be located on the Common elements; all windows and sliding glass doors, including operating mechanisms, screening and glass; service equipment, such as dishwasher, refrigerator, stoves, ovens, hot water heaters, disposals and all other appliances; plumbing fixtures and connections, sinks, drains and all pipes, as well as electrical fixtures, outlets, wiring and panels all located within the improvements upon the Unit or on the Common elements, but servicing only the Unit; exterior doors, excluding the painting of the exterior which shall be a Common expense of the Association; and inside paint and other inside wall and ceiling finishes.

The owner of a Unit further agrees to pay for all utilities, such as telephones, electric, etc., that may be separately billed or charged to each unit. The owner or owners of each Unit shall be responsible for insect and pest control within the improvements upon the same and within any Limited common elements appurtenant thereto. Wherever the maintenance, repair and replacement of any items, for which the owner of a Unit is obligated to maintain, repair or replace at his own expense, is occasioned by any loss or damage which may be covered by any insurance maintained in force by Association, the proceeds of the insurance received by the Association, or the Insurance Trustee, hereinafter designated, shall be used for the purpose of making such maintenance, repair, or replacement, except that the owner of such Unit shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance or otherwise, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement. The interior and the interior surfaces of any porch located upon the Unit must be maintained by the Owner of such Unit and kept in a neat, clean and trim condition, provided, however, that if any portion of the interior of such porch is visible from outside the Unit, the the Unit owner shall first obtain the consent of the Association before altering the appearance thereof.

2. In order to preserve the architectural appearance of the Condominium as the same was originally designed and constructed, no Unit owner shall change, modify or alter the Common elements in anyway or manner whatsoever. No Unit owner shall change, modify or alter the design and appearance of any of the exterior surfaces, facades and elevations of the improvements on his Unit, landscaping and planting, windows, screening, or exterior doors, nor shall any Unit owner change the design or color of any exterior lights or doors, nor install, erect or attach to any part of the exterior of the improvements on his Unit any sign of any kind whatsoever. A Unit owner shall not install, erect or attach to any part of the exterior or roof of the improvements on his Unit or any part of the Common elements any type of radio or television aerial, whether for sending or receiving; nor shall any owner erect or construct any original construction. However, upon request, the Board of Directors of the Association may find that any of the above changes or any other alterations are not detrimental to the interests of the Association and its members, and it may authorize a Unit owner to make such change, modification or alteration, provided that: (a) the alteration does not adversely affect the Association, any member thereof, or the Developer; (b) a copy of plans for any such alteration is prepared by a licensed architect and a copy of the construction contract is filed with the Association and approved by its Board of Directors prior to commencement of the work; (c) the full cost of the same is first placed in escrow with the Association; (d) the contract provides for a performance and payment bond in the full amount thereof.

B. By the Association.

1. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all of the Common elements. Should any incidental damage be caused to any Unit by virtue of the Association's failure to maintain the Common elements as herein required or by virtue of any work which may be done or caused to be done by Association in the maintenance, repair or replacement of any Common elements the Association shall, at its expense, repair such incidental damage.

2. The exterior of all improvements located on the Units shall be maintained on a periodic basis by the Association, and there is hereby reserved in favor of the Board of Directors of the Association or any designees thereof the right to enter upon all of the Units and improvements located thereon for the purpose of conducting a periodic program of exterior maintenance, which maintenance shall include, but shall not be limited to, repainting of exterior walls, shutters, trim, eaves, roofs, or any portion of the foregoing. The Association shall determine the time when such maintenance shall be effective, together with the extent thereof. The Association shall not be responsible for maintenance beyond the exterior, unpainted surfaces of the improvements located on the Units, all such maintenance and any repairs being the responsibility of the Unit owner.

3. The Association, by action of its Board of Directors, may make minor and insubstantial alterations and improvements to the Common elements, having a cost not in excess of Five Thousand (\$5,000.00) Dollars. All other alterations and improvements must first be approved by the owners of 75% of the Units and by the mortgagee holding the greatest number of mortgages on the mortgaged Units. No alteration or improvement may be made to the Common elements which adversely affects the rights of the owner of any Unit to the enjoyment of his Unit or the Common elements unless the owner and all mortgagees holding recorded mortgages on such Unit consent thereto in writing.

4. All expenses incurred by the Association in performing the services and maintenance described in this ¶B are Common expenses, payable by each Unit owner under the provisions of this Declaration concerning assessments. Should the maintenance, repair or replacement provided for in this ¶B be caused by the negligence or misuse by a Unit owner, his family, guests, servants or invitees, he shall be responsible therefor, and the Association shall have the right to levy a Special Assessment against the owner of such Unit, and said Assessment shall constitute a lien upon the applicable Condominium unit with the same force and effect as liens for Common expenses.

#### ARTICLE XIV

##### USE RESTRICTIONS

The use of the Condominium property shall be in accordance with the following provisions as long as the Condominium exists. A Unit has been previously defined herein as a parcel of land. However, solely for the purposes of this Article XIV dealing with Use Restrictions, the term "unit" shall relate to the parcel of land, together with the improvements constructed thereupon.

A. Units shall be used for single-family residential purposes only and no business or commercial activity of any nature shall be maintained or conducted therein. Except as otherwise provided herein, Units may be occupied only as follows:

1. If the owner is an individual or individuals, other than individuals constituting a business partnership, limited partnership or joint venture, the Unit may be occupied by such owner's family, servants and guests.

2. If the owner is a corporation, partnership, limited partnership, joint venture or other business entity, the Unit may be occupied by its partners, joint venturers, employees, officers, and directors, and by members of the families, servants and guests of the foregoing.

3. No more than one single family may reside in a Unit at any one time.

4. If a Unit has been leased, as hereafter provided, the Lessee shall be deemed to be the owner for purposes of this section during the term of said lease.

B. The Common elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the benefit and enjoyment of the residents of the Units in the Condominium.

C. No immoral, improper, offensive or unlawful use shall be made of the Units, the Condominium property nor any part of it; and all valid laws, zoning ordinances and regulations of all governmental bodies for maintenance, modification or repair of the Condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

D. No Unit owner shall make or permit any use of his Unit or the common elements which will increase the cost of insurance on the Condominium property.

E. No nuisances shall be allowed within the Units or upon the Condominium property, nor any use or practice that is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the Condominium property by its residents.

F. Only entire units may be leased (no rooms may be rented separately from the Unit) for periods of not less than ninety consecutive days. Units which are leased may be occupied only by the lessee and his family, servants and guests.

G. Reasonable rules and regulations concerning the use of Condominium property may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-Laws. Copies of such regulations and amendments shall be furnished by the Association to all Unit owners and residents of the Condominium upon request. Any such regulations shall not be required to be incorporated in an amendment to this Declaration or otherwise filed of record.

H. The original Unit owner, i.e., the first purchaser of a Unit from the Developer, shall, at the option of the Developer, be permitted to have one domestic pet, not to exceed twenty (20) pounds, excluding birds and fish, kept in his Unit, provided that the Unit owner is the owner of the pet at the time he executed the Purchase Agreement for his Unit, and the pet is alive at the time purchaser takes title to his unit, provided that the pet shall always be kept on a leash when outside of the Unit. The pet shall only be permitted to relieve itself in areas specified by the Board of Directors by the Association, and all pets at all times shall be kept under such Rules and Regulations as adopted by the Board of Directors. In the event a pet causes or creates a nuisance or disturbance, the pet shall be permanently removed from the Unit owner's Unit and the Condominium property within three (3) days after receipt of notice from the Board of Directors of the Association. The foregoing provisions relating to pets shall apply to the applicable living pet of the Unit owner and upon the pet's demise, the pet may be replaced only with the prior written approval of the Association. A Unit owner may not lease his Unit to a party who is the owner of a pet, including fish and birds.

I. Unless prior approval, in writing, is secured from the Board of Directors of the Association, a Unit owner shall not cause anything to be affixed or attached to, hung, displayed or placed on the exterior of the Units, including awnings and/or storm shutters, doors or windows, nor shall he grow any type of plant, shrubbery, flower or vines on the Common elements. Additionally, a Unit owner shall not place any furniture or equipment outside the Unit or on the Common elements appurtenant thereto.

J. No fences, hedges, clothes lines or similar device shall be allowed on any portion of the Condominium property except in areas that may be designated by the Association. An antenna may not be installed or affixed to any exterior part of a Unit or the Common elements of the Condominium.

K. The overnight parking of vehicles of any kind upon any of the Condominium property used for roadway purposes is prohibited. In addition, the overnight parking of automobiles without a current license tag and inspection certificate and the overnight parking of any truck, trailer, motor home, camper or boat is prohibited.

L. No Unit owner shall cause any improvement or change to be made on the exterior of his Unit, including painting or other decorations, or the installation of electrical wiring, machinery or air conditioning units, which may protrude through the walls or roof of the structure, without first obtaining the prior written consent of the Association. Any such modification to a Unit might be subject to additional maintenance assessments and management costs by the Unit owner if the same is found to be

warranted by the Association.

M. A Unit owner may not modify or enclose any porch on his unit except with the prior written approval of the Board of Directors of the Association, and said Board may, in their sole discretion, designate a type of design of modification or enclosure that they will approve, or they may refuse to approve any type of modification or enclosure.

N. A Unit owner is prohibited from affixing to the interior or exterior surface of a window any aluminum foil or similar type of reflective material.

#### ARTICLE XV

##### PARTY WALLS

A. Each wall that is built as a part of the original construction of the improvements upon the Units and placed on the center parametrical boundary line between the Units shall constitute a Party Wall, and to the extent not inconsistent with the provisions of this Declaration, the general rules of law regarding Party Walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

B. Either Unit owner, his successors or assigns, shall have the right at all times to cause to be made any repairs necessary to maintain the wall in a safe and useable condition. The cost of all necessary repairs on the wall shall be shared by the Unit owners in equal shares.

C. The Unit owner causing the repairs to be made shall have the right to enter, at reasonable times and upon reasonable notice, upon the property of the other Unit owner to the extent reasonably necessary in performance of the work, provided that he shall take due precaution not to damage the property of the other Unit owner.

D. Notwithstanding any other provision of this Article, the Unit owner who, by his negligent or willful act causes the party wall to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements.

E. Neither Unit owner shall make or provide openings in the Party Wall of any nature whatsoever without the consent of the other Unit owner. In the event such consent is given, and such openings are made, the openings shall be subject to the right of consenting Unit owner, his heirs, or assigns, to close up such openings at any time that he may desire to use any portion of the wall and no easement shall be created by reason of such openings.

F. Any controversy that may arise between the Unit owners with respect to the necessity for, or cost of, repairs or with respect to any other rights or liabilities of the Unit owners under this Article shall be submitted to the decision of three arbitrators, one to be chosen by each of the Unit owners hereto, and the third by the two so chosen. The award of a majority of such arbitrators shall be final and conclusive on the Unit owners.

#### ARTICLE XVI

##### EASEMENTS

A. The Common elements shall be, and the same are hereby declared to be, subject to a perpetual, non-exclusive, easement, which easement is hereby created in favor of all the Unit owners in this Condominium and in favor of all the Unit Owners in subsequent phases of this Condominium for their use and for the use of their immediate families, guests, invitees or licensees for all proper and normal purposes, and for the furnishings of services and facilities for which the same are reasonably intended. The Association shall have the right to establish rules and regulations governing the use and enjoyment of the just-described easements.

B. All of the Condominium property shall be subject to easements for encroachments which now exist or hereafter exist, caused by settlement or movement of the improvements constructed on the Units, or caused by minor inaccuracies in building or re-building said improvements, which encroachments shall be permitted to remain undisturbed, and such easements shall continue until such encroachments no longer exist.

C. If there shall be located within the boundaries of any Unit, any conduits, plumbing, wiring or other facilities for the furnishing of utility services to their Units, or to the Common elements, an easement in favor of the Association and the other Unit owners shall exist therefor, and an easement of access to and through such Unit for the repair and maintenance of the foregoing shall exist in favor of the Association. Said access to the Unit shall only be during reasonable hours, except that access may be had at any time in case of emergency.

D. Easements are reserved by the Developer and the Association through the Condominium property as may be required for ingress and egress, construction purposes, drainage, and for furnishing municipal and utility services to serve this Condominium and any subsequent phase or phases adequately. As used herein, the term "Utility Services" shall include, but not be limited to, water, sewer, telephone, power, electric, natural gas, cable television, irrigation, and other utility services. Developer and/or the Association, for itself and its assigns, reserve the right to impose upon the Common elements henceforth, and from time to time, such easements and cross-easements for any of the foregoing purposes as it deems to be in the best interest of, and necessary and proper for, the development of the lands of the Condominium, as more particularly described in Exhibits \_\_\_\_\_ through \_\_\_\_\_.

E. If a subsequent phase of this Condominium is developed as provided for in Article XX, the owners and lessees of Units in said phase and the members of their families and servants residing thereon and the guests and invitees of the foregoing shall be entitled to enjoy the easements described herein and enjoy similar rights with respect to the Common elements, other than Limited Common elements added to this Condominium.

## ARTICLE XVII

### TERMINATION

A. The Condominium may be terminated in the manner provided by the Condominium Act; it may also be terminated as hereafter set forth.

B. In the event of major damage to the Condominium property as defined in Article XII, the Condominium may be terminated as provided in and subject to the provisions of Article XVII.

C. The Condominium may be terminated at any time with the written consent of (i) the record owners of Units having appurtenant thereto not less than a 75% undivided interest in the common elements and (ii) all of the institutional first mortgagees holding the recorded mortgages on the Units in the Condominium, provided, however, that within thirty (30) days following the obtaining of such consents, all consenting owners, or a lesser number of them, shall agree in writing to purchase all Units owned by non-consenting record owners upon the terms hereinafter set forth, and notice of such agreement is sent to the non-consenting record owners of each Unit that the option to purchase such Unit, set forth in ¶1 below, is being exercised. Such consents shall be irrevocable until the expiration of the said thirty (30) day period, and, if all such options are exercised, the consents shall be irrevocable. The option to purchase each Unit belonging to non-consenting owners shall be exercised and the purchase thereof shall be consummated as follows:

1. Exercise of Option: The option shall be exercised by delivery or mailing by certified mail to the record owners of each Unit to be purchased an Agreement to Purchase signed by the persons who will participate in the purchase of such particular Unit, together with a notice which shall state that all units owned by owners not approving the termination are to be purchased and which shall set forth all units to be purchased and the names of all persons participating in each such purchase. The Agreement shall effect a separate contract between the sellers and the purchasers of each particular Unit.

2. Price: The sales price for each Unit shall be the fair market value determined by agreement between the seller and purchaser within 30

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

3. Payment: The purchase price shall be paid in cash.

4. Closing: The sale shall be closed within ten (10) days following the determination of the sale price.

5. Failure to Close: If any sale shall fail to close, the Association may procure another purchaser to purchase the Unit at the said sales price; the closing of the latter sale to take place within sixty (60) days following the closing date of the sale which failed to close.

At such time as all such purchases have been closed, the Condominium shall terminate.

D. The termination of the Condominium in any manner shall be evidenced by a certificate of the Association executed by its president and secretary certifying under oath as to facts effecting the termination, which certificate shall become effective upon being recorded in the Public Records of Orange County, Florida.

E. In the event the Condominium shall be terminated, then upon termination:

1. The sixteen (16) Unit owners shall own all of the Condominium property as tenants in common in undivided shares that shall be the same as the undivided shares in the Common elements appurtenant to the owners' Units immediately prior to the termination.

2. If the subsequent phase or phases shall not have been developed pursuant to Article XX, and if the right of the Developer and its successors in title to develop shall have terminated, then all assets of the Association shall be distributed to the Unit owners in the same manner as set forth in 11 of this Paragraph E.

3. If the subsequent phase or phases shall not have been developed pursuant to Article XX, and if the right of the Developer and its successors on title to develop said phase or phases shall not have terminated, then the Association shall, prior to the termination of this Condominium, assign or convey to the Developer, its successors or assigns, all rights or claims which the Association may have concerning any of the lands not developed, as described on Exhibits A and C. This conveyance shall be without charge or expense to the Developer.

F. This Article concerning termination cannot be amended without the consent of all Unit owners, and of all record owners of mortgages upon the Units; no amendment may be made to this Article which impairs the rights of owners of Units in the subsequent phase or phases.

#### ARTICLE XVIII

##### COMPLIANCE AND ENFORCEMENT

Each Unit owner shall be governed by and shall comply with the terms of this Declaration of Condominium, and the Articles of Incorporation, By-Laws, Regulations and Rules of the Association. Failure of Unit owner so to comply shall entitle the Association and/or the other Unit owners to the relief set forth in the following sections of this Article in addition to the remedies provided by the Condominium Act.

A Unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or willful act or that of any member of his family, guest, employee, agent, lessee, invitee or pet, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. A Unit owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of an improvement constructed upon a unit or its appurtenances, or of the Common elements, by the Unit owner.

In any proceeding arising because of an alleged failure of a Unit owner or the Association to comply with the terms of this Declaration, the Articles of Incorporation, By-Laws, Regulations or Rules of the Association, or in the event there is any dispute in connection with the terms and conditions of the foregoing documents resulting in the institution of litigation by the Association or any member thereof, the Developer, if successful in said proceeding, shall be entitled to recover the costs sustained therein and such reasonable attorneys' fees, including fees and costs on appeal, as may be awarded by the court.

The Board of Directors of the Association may upon notice and hearing before said Board, fine, assess and charge any offending member a sum not to exceed \$150.00 for each infraction of the provisions of this Declaration, the Articles, By-Laws or rules and regulations of the Association. Any such fines shall constitute a lien against the apartment owned or occupied by the violator unless paid within ten (10) days of the date assessed. The lien resulting from this paragraph shall be inferior to any recorded mortgage on the unit.

The failure of the Association, the Developer or any Unit owner to enforce any covenant, restriction, or other provision of the Condominium Act, this Declaration, the Articles of Incorporation, By-Laws, or the Regulations or the Rules of the Association, shall not constitute a waiver of the right to do so thereafter.

#### ARTICLE XIX

##### RIGHTS OF DEVELOPER

So long as Developer shall own any Unit, the Developer shall have an absolute right to lease, sell, transfer, and/or convey any Unit to any person, firm, or corporation, upon any terms and conditions as it shall deem to be in its own best interest and in connection herewith the right the Association has, or may hereafter acquire to approve or disapprove purchasers, lessees and other transferees shall not be operative or effective in any manner as to Developer. The Developer shall have the right to transact on the Condominium property any business necessary to consummate the sale, lease or rental of Units and improvements constructed thereon, including, but not limited to, the right to maintain models, have signs, use employees in the models or offices, and permit the use of Common elements to show Units. A sale or rental office, signs, and all items pertaining to sales or rentals shall not be considered Common elements, and shall remain the property of the Developer. The Developer may use any improvement constructed upon a Unit or Units as a sales office and/or model throughout all phases as they may be added to this Condominium. In the event there are unsold Units, the Developer retains the right to be and remain the owner thereof, under the same terms and conditions as other owners, save for this right to sell, rent or lease as contained in this paragraph.

The Developer shall have the right to retain control of the Association and to elect members of the Board of Directors of the Association in accordance with, and pursuant to, the provisions of Florida Statute 718.301(1), as it is in effect as of the date of the recordation of this Declaration, based upon the total number of units in all phases proposed to be ultimately operated by the Association.

Whenever Developer shall be entitled to designate any person (s) to serve on the Board of Directors of the Association, such designation shall be made in writing, and Developer shall have the right to remove said person(s) and to replace him or her or them with another designee(s) to act and serve for the remainder of the unexpired term of any Director(s) so removed. Written instruments designating or removing Directors shall be executed by or on behalf of the Developer and shall become effective upon delivery to the Secretary of the Association.

Any person(s) designated by the Developer serving on the Board of Directors of the Association shall not be required to disqualify himself upon any vote upon any management contract or other matter as to which the Developer or the Director may



have a pecuniary or other interest. Similarly, Developer, as a member of the Association, shall not be required to disqualify itself in any vote which may come before the membership of the Association upon any management contract or other matter between Developer and the Association where the Developer may have a pecuniary or other interest.

The initial monthly assessment for each Unit owner shall be as set forth in the Estimated Operating Budget. The Developer shall be excused from payment of its share of the common expenses as to the Units it owns until the occurrence of the first of the following: (A) the first day of April, 19 82. (b) three (3) months after Developer gives notice pursuant to Florida Statutes 718.403 that it is not going to add Phase Two to this Condominium, or (c) the date when the majority of the Board of Directors of the Condominium Association is elected by the Unit owners in the Condominium, rather than by the Developer. During the period of time when the Developer is excused from paying its share of the Common expenses, the Developer shall be obligated to pay either the difference between the Association's Common expenses and the sums collected as the assessment for Common expenses from Unit owners other than the Developer, or the amount of the assessment for Common expenses on the Units owned by the Developer which would be due but for this provision, whichever is less. During the period of this undertaking, the Developer shall have the right where it deems it necessary to require that the Board of Directors of the Condominium Association increase said monthly assessments in an amount as determined by the Developer which shall not exceed fifteen (15%) percent in total for each one year period over the stated monthly assessment for each Unit as specified in the preceeding year's operating budget.

Nothing herein contained shall be construed as giving this condominium or the Association the exclusive right to use the name "LA COSTA VILLAS OF ORLANDO, A CONDOMINIUM", and the Developer reserves the right to use said name in future "LA COSTA VILLAS OF ORLANDO", projects, changing only the number designation of the project. Further, nothing herein contained shall be construed as allowing this Association to manage future "LA COSTA VILLAS OF ORLANDO", projects.

All rights in favor of Developer reserved in this Declaration of Condominium and the exhibits attached hereto are freely assignable in whole or in part by Developer and may be exercised by the nominee of Developer and/or exercised by the successor or successors in interest of Developer.

The Developer and its designees shall have the right in its sole discretion, and at such time as it desires, to enter on, over and across the Condominium property, and the further right to use such portions of the Condominium property for construction purposes. Any such construction by the Developer on the Condominium property or units shall in no event constitute a nuisance or be deemed to be in interference with the use or enjoyment of owners of units, the improvements upon which may be occupied by Unit owners other than the Developer.

The Developer reserves the right to change the arrangement and location of any or all Units in the phase not yet added to this Condominium. The Developer further reserves the right to change the exterior design of the improvements to be constructed on any of the Units in this Condominium or in the subsequent phase to be added to this Condominium, so long as the Developer owns the Units so altered. Even though the plan of the Developer is to sell units and to transfer fee simple title thereto, the Developer hereby reserves the right to lease any unsold units.

#### ARTICLE XX

##### PHASE CONDOMINIUM

This Condominium may be developed in phases, pursuant to Section 718.403, Florida Statutes.

The first phase, (i.e., "Phase I") has been submitted to condominium form of ownership, and Phase I consists of the land and improvements described and delineated on Exhibit "A".

Phase two, if added, will consist of the land and improvements described and delineated on Exhibit "A", the number and general size of the Units depicted on Exhibit "C".

As Phase Two is added, the fractional interest of the Unit owners in the Common elements and participation in the Common surplus and Common expense, as well as the vote and ownership in the Association attributable to each Unit in each phase, shall be controlled as set forth in Articles IV and V of the Declaration.

Should the Developer, in its sole discretion, decide to add Phase Two and all or any of the subsequent phases to this Condominium, the Developer shall cause a Registered Florida Land Surveyor to prepare a survey of the phase to be added and certify said survey as required by and pursuant to the applicable provisions of Section 718.104(A)(e), Florida Statutes. This survey shall be attached to an amendment or amendments to this Declaration.

Nothing herein contained in this Article XX shall be construed as requiring the Developer to add any or all of the additional Phase or Units to this Condominium, but if an additional phase is added to this Condominium in one or more subsequent Amendments, such phase or phases will be added to this Condominium by June 1, 1982. There shall be no change in the percentage interest in the common element as a result of phasing, or the add on of any plans, more than seven years after the Declaration of Condominium becomes effective.

## ARTICLE XXI

### MISCELLANEOUS

A first mortgagee, upon request, will be entitled to written notification from the homeowners association of any default in the performance by the individual unit Borrower of any obligation under the condominium constituent documents which is not cured within sixty (60) days. Whenever notice is required under the terms of this Declaration, such shall be given in writing to the Association, to the Unit owner, or to any mortgagee, as the case may be, by personal delivery to such party, or by depositing with postage prepaid in the the United States Mail, registered or certified with return receipt requested, addressed as follows:

ASSOCIATION As the Association's address appears on record at the office of the Secretary of State of Florida.

UNIT OWNER As the address of the Unit owner appears on the books of the Association.

MORTGAGEE As the address of the mortgagee appears on the books of the Association, in the public records or in the office of the Secretary of State of the State of Florida.

Notice served on the Secretary of the Association in the aforesaid manner shall constitute notice to the Association. Until the election of the officers of the Association, Developer shall be authorized to act as agent on behalf of the Association with respect to the giving of notice as hereinbefore provided. Notice to Developer shall be as aforesaid and addressed as follows:

Burton L. Bruggeman  
Rowland, Thomas & Bruggeman  
Post Office Box 305  
Orlando, Florida 32802

or to such other address as Developer shall, in writing, advise the person giving such notice to utilize for such purposes.

All the provisions of this Declaration and the exhibits attached hereto shall be construed as covenants running with the land and with every part thereof, and every interest therein, and every Unit owner and every claimant of the land or any part thereof or interest therein and their heirs, executors, administrators, successors and assigns shall be bound by all of the provisions of said documents.

The invalidity in whole or in part of any covenant or restriction, or any section, paragraph, subparagraph, sentence, clause, phrase, word or other provision of this

Declaration or any exhibit thereto, shall not effect the validity of the remaining portions thereof.

The terms and provisions, covenants and conditions of this Declaration shall be binding upon and inure to the benefit of the parties hereto.

The headings of the sections, subsections, paragraphs and subparagraphs of this Declaration are for the purpose of convenience only and shall not be deemed to expand or limit the provisions contained in such sections and subsections.

The interpretation, construction, and effect of this Declaration shall be in accordance with and be governed by the laws of the State of Florida.

Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural, and the plural shall include the singular.

IN WITNESS WHEREOF, the Developer, by its appropriate officers, has executed this Declaration this 26th day of Oct. 1981, and caused its seal to be affixed.

Signed, sealed and delivered in the presence of:

Lesz Brumkowski  
Cydney A. Stott

Jo-Til, Inc., a Florida corporation

BY: Neil Stubbers, Pres.

(Corporate Seal)

Lesz Brumkowski  
Cydney A. Stott

LA COSTA VILLAS OF ORLANDO, INC.

By: Neil Stubbers, Pres.

STATE OF FLORIDA  
COUNTY OF ORANGE

I HEREBY CERTIFY that on this 26th day of October, 1981, personally appeared before me Neil Stubbers to me known to be the President of Jo-Til, Inc., a Florida corporation; that then and there the said individual acknowledged the seal affixed to the foregoing instrument to be the seal of said corporation, that their names are officially subscribed thereto and that the foregoing is the free act and deed of said corporation.

Lesz Brumkowski  
Notary Public

My commission expires: Notary Public, State of Florida at large  
My Commission Expires Nov. 25, 1982  
Bonded By American Fire & Casualty Company

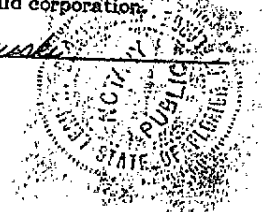
STATE OF FLORIDA  
COUNTY OF ORANGE

I HEREBY CERTIFY that on this October day of  
1981, personally Neil Stubbers appeared before me  
President to me known to be the  
of LA COSTA VILLAS OF ORLANDO, INC., a non-  
profit corporation; that then and there the said individual acknowledge the seal affixed to  
the foregoing instrument to be the seal of said corporation, that their names are officially  
subscribed thereto and that the foregoing is the free act and deed of said corporation.

Shirley R. Cunningham  
Notary Public

My commission expires

Notary Public, State of Florida at Large  
My Commission Expires Nov. 25, 1983  
Bonded By American Fidelity Guaranty Company





CONDO. BOOK 6 PAGE 135

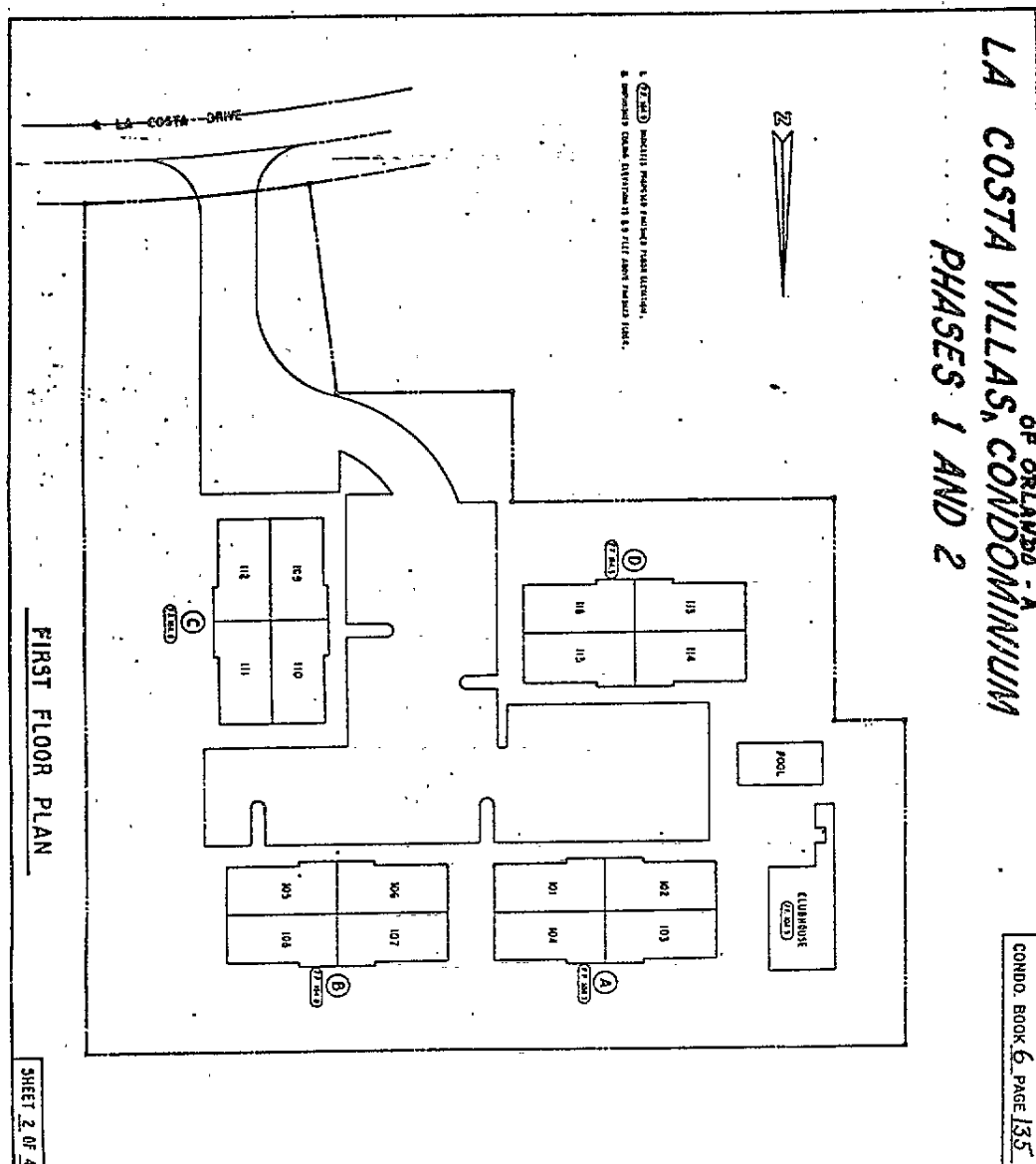


EXHIBIT "B" E

OF ORLANDO - A  
LA COSTA VILLAS CONDOMINIUM  
PHASES 1 AND 2

CONDO. BOOK 6, PAGE 136.

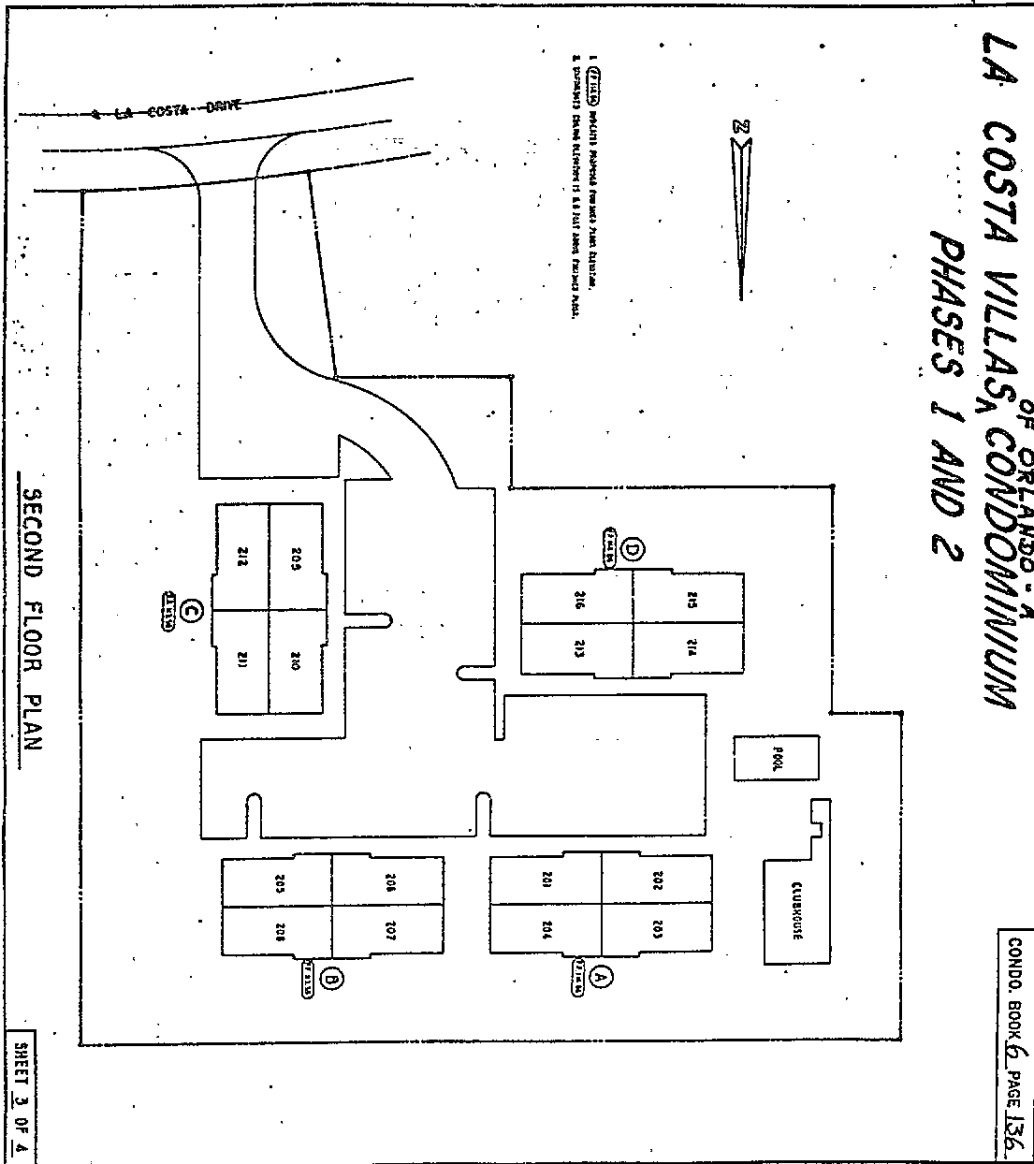
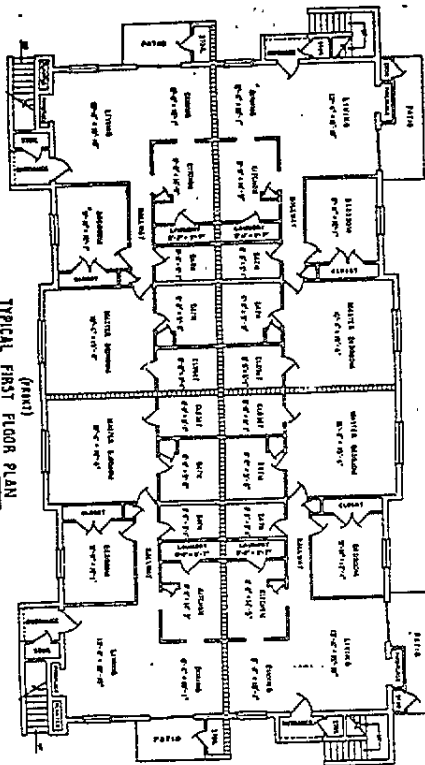
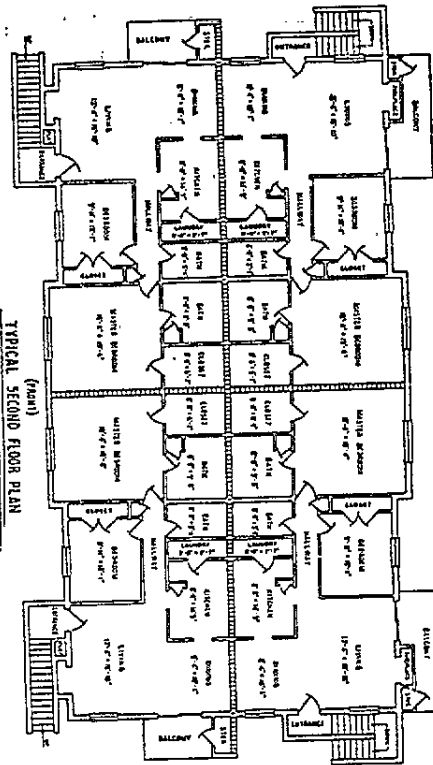
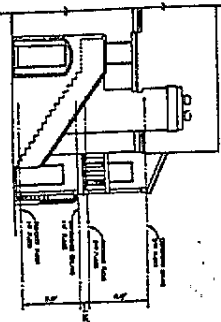
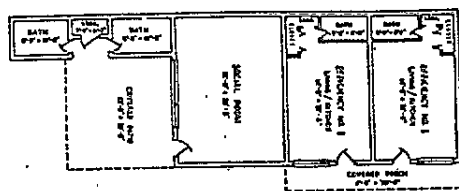


EXHIBIT C

OF ORLANDO - A  
LA COSTA VILLAS CONDOMINIUM PHASES 1 & 2

CONDO. BOOK 6, PAGE 137





O.R. 3241 PG 2314

ARTICLES OF INCORPORATION  
OF  
LA COSTA VILLAS OF ORLANDO, INC.

1. NAME:

The name of the corporation is LA COSTA VILLAS OF ORLANDO, INC.

2. PURPOSE:

The corporation is organized as a corporation not for profit under the provisions of Chapter 617 of the Florida Statutes and is a Condominium Association as referred to and authorized by Section 718.111 of the Florida Statutes. The purpose for which the corporation is organized is to provide an entity responsible for the operation of a Condominium in Orange County, Florida, known as LA COSTA VILLAS OF ORLANDO. Said condominium is herein called "CONDOMINIUM" and the Declaration of Condominium whereby the same has or will be created is herein called "DECLARATION". A description of the lands of the Condominium is set forth in the Declaration.

3. QUALIFICATION OF MEMBERS AND MANNER OF THEIR ADMISSION:

The members of this corporation shall constitute all of the record owners of condominium parcels of the Condominium. Change of membership in this corporation shall be established by recording in the Public Records of Orange County, Florida a deed or other instrument establishing record title to a condominium parcel and the delivery to the corporation of a certified copy of such instrument, the owner designated by such instrument thereby becoming a member of the corporation. The membership of the prior owner of such condominium parcel shall be thereby terminated. Where any one unit or parcel of condominium property is owned by more than one person, firm, individual or corporation or other legal entity, the composite title holder shall be and constitute one member of membership. Any person, firm, individual, corporation or legal entity owning more than one unit or parcel shall be as many members as the number of Units owned.

4. TERM:

The existence of the corporation shall be perpetual unless the condominium is terminated pursuant to the provisions of its Declaration and in the event of such termination, the corporation shall be dissolved in accordance with law.

5. NAMES AND RESIDENCES OF SUBSCRIBERS:

The names of the Subscribers to these Articles of Incorporation are:

Neil Stubbers

Burton L. Bruggeman

6. DIRECTORS AND OFFICERS:

The affairs of the Association shall be managed by its Officers. The officers of the corporation shall be a President, Vice-President, Treasurer and Secretary, which officers shall be elected annually by the Board of Directors. The Directors and Officers may lawfully and properly exercise the powers set forth in ¶11 hereof, notwithstanding the fact that some or all of them who may be directly or indirectly involved in the exercise of such powers and in the negotiation and/or consummation of the Agreements executed pursuant to such powers are some or all of the persons with whom the corporation enters into such Agreement or who are employed by or own some or all of the proprietary interests in the entity or entities with whom the corporation enters into such Agreements. Disclosure of such Agreements by setting forth the same in the Declaration, as initially declared or subsequently redeclared or amended, shall stand as an absolute confirmation of such Agreements and the valid exercise by the Directors and Officers of this corporation of the powers pertinent thereto.

7. NAMES OF OFFICERS:

The names of the officers who are to serve until the first election or appointment are as follows:

NEIL STUBBERS                      President  
308 N. Magnolia Avenue,  
Orlando, Florida 32801

BURTON L. BRUGGEMAN      Vice-President  
308 N. Magnolia Avenue  
Orlando, Florida 32801

LEAH BARWIKOWSKI              Secretary  
308 N. Magnolia Avenue  
Orlando, Florida 32801

8. BOARD OF DIRECTORS:

The Board of Directors shall consist of not less than three (3), nor more than seven (7) persons initially; the names and addresses of the persons who are to serve as such until the first election thereof are as follows:

NEIL STUBBERS  
308 N. Magnolia Avenue  
Orlando, Florida 32801

BURTON L. BRUGGEMAN  
308 N. Magnolia Avenue  
Orlando, Florida 32801

LEAH BARWIKOWSKI  
308 N. Magnolia Avenue  
Orlando, Florida 32801

9. BY-LAWS:

The original By-Laws are to be made by the Board of Directors and/or declared under such Declaration. The same may thereafter be amended only with the approval of sixty (60%) percent of all the Directors and not less than seventy-five (75%) per cent of the members of the Association.

10. AMENDMENT OF ARTICLES:

These Articles of Incorporation may be amended only with the approval of sixty (60%) percent of all the Directors and not less than seventy-five percent (75%) of the members of the Association. An amendment to these ARTICLES may be proposed by 10% of the members of the Association or 50% of the Board of Directors.

11. POWERS:

The corporation shall have all the following powers:

a. Section 617.021. All of the powers set forth and described in Section 617.021 of the Florida Statutes not repugnant to any of the provisions of Chapter 710 of the Florida Statutes.

b. Chapter 718. All of the powers of an Association as set forth in Chapter 718 of the Florida Statutes.

c. Leaseholds. To acquire and enter into agreements whereby it acquires leaseholds, memberships or other possessory or use interests in lands or facilities including, but not limited to country clubs, golf courses, marinas, and other recreational facilities, whether or not contiguous to the lands of the Condominium intended to provide for the enjoyment, recreation, or other use or benefit of the Unit owners.

d. Management: To contract with a third party for the management of the condominium and to delegate to the contractor all powers and duties of this corporation except such as are specifically required by the Declaration and/or the By-Laws to have the approval of the Board of Directors or the membership of the corporation.

e. Acquisition of Condominium Parcels. To acquire by purchase, or otherwise, parcels of the Condominium, subject nevertheless to the provisions of the Declaration and/or By-Laws relative thereto.

f. Operations: To operate and manage the Condominium in

accordance with the sense, meaning, direction, purpose and intent of the Declaration as the same may from time to time be amended and to otherwise perform, fulfill and exercise the powers, privileges, options, rights, duties, obligations and responsibilities entrusted to or delegated to it by the Declaration and/or By-Laws.

12. INDEMNIFICATION:

Every Director and Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party, or in which he may become involved by reason of his being or having been a Director or Officer at the time said expenses are incurred. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

13. INITIAL REGISTERED OFFICE AND AGENT:

The street address of the initial registered office of this corporation is 308 North Magnolia Avenue, Orlando, Florida 32801, and the name of the initial registered agent of this corporation is Burton L. Bruggeman.

We, the undersigned, being each of the subscribers hereto, do hereby subscribe to these Articles of Incorporation and in witness whereof, we have hereunto set our hands and seals this 26 day of October, 1981.

Neil Stubbers (SEAL)  
Neil Stubbers  
Burton L. Bruggeman (SEAL)  
Burton L. Bruggeman  
Leah Barwikowski (SEAL)  
Leah Barwikowski

STATE OF FLORIDA  
COUNTY OF ORANGE

BEFORE ME, personally appeared Neil Stubbers, Burton L. Bruggeman, and Leah Barwikowski, who after first being duly sworn, depose and say that they executed the foregoing Articles of Incorporation for the purposes therein contained this 26th day of October, 1981.

WITNESS my official hand and seal.

Notary Public  
Notary Public

My commission expires: 10/10/82

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN FLORIDA, NAMING AGENT UPON WHOM SERVICE OF PROCESS MAY BE SERVED.

IN COMPLIANCE WITH SECTION 48.091, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED:

FIRST— THAT LA COSTA VILLAS OF ORLANDO, INC., desiring to organize or qualify under the laws of the State of Florida, with its PRINCIPAL PLACE OF BUSINESS AT Orlando, Florida, has named Burton L. Bruggeman, located at 308 North Magnolia Avenue, Orlando, Florida 32801, as its AGENT to accept service of process within Florida.

LA COSTA VILLAS OF ORLANDO, INC.

BY: Neil Stubbers  
Neil Stubbers, President

Dated this 26th day of Oct. 1981

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY AGREE TO ACT IN THIS CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES.

Burton L. Bruggeman  
Burton L. Bruggeman  
Registered Agent

Dated this 26th day of Oct. 1981

CONSENT AND JOINDER

The undersigned, FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SEMINOLE COUNTY, the owner and holder of that certain Mortgage given by A. NEIL STUBBERS and WILLIAM J. GERDING, on the 10th day of July, 1981, which Mortgage was filed for record on July 14, 1981, in Official Records Book 3207, page 2606, of the public records of Orange County, Florida, hereby evidences its Consent and Joinder in and to the annexed Declaration of Condominium of:

LA COSTA VILLAS OF ORLANDO, A Condominium.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Joinder this 5th day of November, 1981. (Corporate Seal)

WITNESS:

FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SEMINOLE COUNTY

By: G. T. Edmonds  
Its President

Attest: Judith M. Sellers

STATE OF FLORIDA  
COUNTY OF SEMINOLE

The foregoing Consent and Joinder was acknowledged before me by G. T. Edmonds and Judith M. Sellers, respectively, as President and Asst. Corporate Secretary of FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF SEMINOLE COUNTY, this 5th day of November, 1981.

(Notarial Seal)

Daniel Hykers  
Notary Public  
State of Florida at Large  
My Commission Expires July 2, 1984

BY-LAWS  
OF  
LA COSTA VILLAS OF ORLANDO, INC.

A corporation not for profit under the laws of the State of Florida.

I. IDENTITY:

These are the By-Laws of LA COSTA VILLAS OF ORLANDO, INC., a corporation not for profit under the laws of the State of Florida (The "Corporation"), the Articles of Incorporation of which were filed in the office of the Secretary of State on the \_\_\_\_\_ day of \_\_\_\_\_, 1981, and subject to the Charter granted by the Secretary of State and the Declaration affecting the land and all improvements thereon known as LA COSTA VILLAS OF ORLANDO, A CONDOMINIUM. The corporation has been organized for the purpose of administering a condominium upon that certain parcel of land lying and being situate in Orange County, Florida, and particularly described in Exhibit "A" of the Declaration of Condominium of LA COSTA VILLAS OF ORLANDO, A CONDOMINIUM, hereinafter referred to as the "Declaration".

- (a) The office of the corporation shall be located at

\_\_\_\_\_  
or such other address as the Board of Directors, from time to time, may designate.

- (b) The fiscal year of the corporation shall be the calendar year.

- (c) The seal of the corporation shall bear the name of the corporation, the word "FLORIDA", the words "CORPORATION NOT FOR PROFIT" and the year of incorporation.

II. MEMBERS

- (a) The annual members' meeting shall be held at the offices of the corporation at 11:00 A.M., Eastern Standard Time on the \_\_\_\_\_ day of \_\_\_\_\_ of each year for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, that if that day is a legal holiday, the meeting shall be held on the next succeeding day at the same hour.

- (b) Special members' meetings shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors. Additionally, a special members' meeting shall be called upon receipt, by any officer of written requests from one-third (1/3rd) of the entire membership.

(c) Notice of all members' meeting stating the time and place and the objects for which the meeting is called shall be given by the President or Vice-President or Secretary, unless waived in writing. Such notice shall be in writing, sent by mail, to each member at his address as it appears on the books of the corporation and shall be mailed not less than fourteen (14) days, nor more than sixty (60) days prior to the date of the meeting. Written notice shall also be posted in a conspicuous place on the condominium property at least two (2) days prior to the annual meeting. Notice of any meeting may be waived by a majority of the Unit owners before or after said meetings. The place at which said meeting is to be held shall be determined by the Board of Directors and shall be set forth in the notice to each member.

(d) A quorum at a members' meeting shall consist of persons entitled to cast a majority of the votes of the entire membership. Each member shall be entitled to the number of votes in the affairs of the corporation as he shall be entitled by the Declaration. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum.

(e) The votes of the owners of a Unit owned by more than one person or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the unit and filed with the Secretary of the corporation. Such certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file, the votes of such owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

(f) Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

(g) Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the unit owner executing it.

(h) Approval or disapproval of a unit owner upon any matter, whether or not the subject of a corporation meeting, shall be by the same person who would cast the votes of such owner if in a corporation meeting.



(i) If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

(j) The order of business at annual members' meetings and, as far as practical at all other members' meetings, shall be:

- (1) Election of chairman of the meeting;
- (2) Calling of the roll and certifying of proxies;
- (3) Proof of notice of meeting or waiver of notice;
- (4) Reading and disposal of any unapproved minutes;
- (5) Reports of officers;
- (6) Reports of committees;
- (7) Election of inspectors or election;
- (8) Election of Directors;
- (9) Unfinished Business;
- (10) New Business;
- (11) Adjournment.

3. DIRECTORS:

(a) The Board of Directors (The "Board") shall consist of not less than three (3) persons, nor more than seven (7) persons. Each member of the Board shall either be the owner of a unit, have an interest therein or in the event of corporate ownership, any officer or designated agent thereof.

(b) Election of the Board shall be conducted in the following manner:

1. Members of the Board shall be elected by a plurality of the votes cast at the annual meeting of the members of the Association.

2. Vacancies in the Board may be filled until the date of the next annual meeting by the remaining directors.

3. Anything herein contained to the contrary notwithstanding, Jo-Til, Inc., its successors or assigns, shall appoint the Board of Directors for the period contemplated in Article XIX of the Declaration.

(c) The term of each Director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and

qualified, or until he is removed in the manner elsewhere provided.

(d) The organizational meeting of a newly-elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary providing a quorum shall be present.

(e) Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph at least three (3) days prior to the date named for such meeting unless such notice is waived.

(f) Meetings of the Board of Administration shall be open to all unit owners. Adequate notice of all meetings shall be posted conspicuously on the condominium property at least 48 hours in advance, except in an emergency. Notice of any meeting where assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

(g) 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.

(h) A quorum at the Board's meetings shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of votes present at a meeting at which a quorum is present shall constitute the acts of the Entire Board, except as specifically otherwise provided in the Declaration of Condominium. If at any meeting of the Board of Directors there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At an adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

(i) The presiding officer of Directors' meetings shall be the Chairman of the Board, if such an Officer has been elected, and if none, then the President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

(j) Directors' fees, if any, shall be determined by the members.

(k) A director may be removed from office with or without cause and, specifically, for the failure to be either the owner of a unit, have an

interest therein, or in the event of corporate ownership, to be an officer or designated agent thereof, except that this provision shall not apply to those Directors elected by Jo-Til, Inc., its successors or assigns, as herein elsewhere provided for.

The removal of a Director pursuant to this paragraph shall be by the majority vote of the remaining Board members at a special meeting called for that purpose.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS:

All of the powers and duties of the corporation shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation and the documents establishing the Condominium. Such powers and duties of the directors shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the land, and shall include, but shall not be limited to, the following:

- (a) To make and collect assessments against members to defray the costs of the Condominium.
- (b) To use the proceeds of assessments in the exercise of its powers and duties.
- (c) To maintain, repair, replace and operate the Condominium property.
- (d) To make and amend regulations with respect to the use of the property of the Condominium
- (e) To approve or disapprove proposed purchasers, lessees, mortgagees of units in the manner provided by the Condominium documents.
- (f) To enforce by legal means the provisions of the Condominium documents, the Articles of Incorporation, the By-Laws of the corporation, and the regulations for the use of the property in the condominium.
- (g) To contract for management of the Condominium and to delegate to such contractor all powers and duties of the corporation except such as are specifically required by the Condominium Documents to have approval of the Board of Directors or the membership of the Corporation.
- (h) To pay taxes and assessments which are liens against any part of the Condominium other than individual units and the appurtenances thereto, and to assess the same against the Units subject to such liens.
- (i) To carry insurance for the protection of Unit owners and the corporation against casualty and liabilities.
- (j) To pay the cost of all power, water, sewer and other utility services rendered to the Condominium and not billed to owners of individual Units.
- (k) To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the corporation.

5. OFFICERS:

(a) The executive offices of the corporation shall be a President, who shall be a director, a Vice-President, who shall be a director, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the president shall not also be the Secretary or an Assistant Secretary. The Board of Directors shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the corporation.

(b) The President shall be the chief executive officer of the corporation. He shall have all of the powers and duties which are usually vested in the office of President of a corporation, including but not limited to, the power to appoint committees from among the members from time to time, as he may, in his discretion, determine appropriate, to assist in the conduct of the affairs of the corporation.

(c) The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

(d) The Secretary or other designee of the President shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall have custody of the seal of the corporation and affix the same to instruments requiring a seal of the corporation and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Corporation, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of the Corporation and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

(e) The Treasurer shall have custody of all property of the corporation, including all funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the corporation in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

(f) The compensation of all officers and employees of the corporation shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a director as an employee of the corporation or preclude the contracting with a director for the management of the condominium.

6. FISCAL MANAGEMENT:

The provisions for fiscal management of the corporation set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

(a) Assessment Roll: The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each unit. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which the assessments came due, the amounts paid upon the account and the balance due upon assessments.

(b) Budget: The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the corporation. The annual budget shall contain yearly reserves for repair or replacement of the condominium property that are not expected to be incurred on a regular or annual basis. Copies of the budget and proposed assessments shall be transmitted to each member on or before thirty (30) days preceding the year for which the budget is made and not less than

thirty (30) days prior to the meeting at which the budget will be considered. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished to each member concerned.

(c) If an adopted Budget requires assessment against the unit owners in any fiscal or calendar year exceeding 115 percent of the assessments for the preceding year, the Board, upon written application of 10 percent of the unit owners to the Board, shall call a special meeting of the unit owners within thirty (30) days, upon not less than 10 days' written notice to each unit owner. At the special meeting, unit owners shall consider and enact a budget. The adoption of the budget shall require a vote of not less than a majority of all unit owners. The Board of Directors may propose a budget to the unit owners at a meeting of members or in writing, and if the budget or proposed budget is approved by the unit owners at the meeting or by a majority of all unit owners in writing, the budget shall be adopted. In determining whether assessments exceed 115 percent of a similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium property, anticipated expense by the condominium association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the condominium property shall be excluded from the computation.

(d) The depository of the corporation shall be such bank or banks as shall be designated from time to time by the Directors and in which the monies of the corporation shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the directors.

(e) An audit of the accounts of the corporation shall be made annually by an accountant to be selected by the Board of Directors, and a copy of the report shall be furnished to each member not later than four months after the end of the year for which the report is made.

(f) Fidelity bonds may be required by the Board of Directors from all officers and employees of the corporation and from any contractor handling or responsible for corporation funds. The amount

of such bonds shall be determined by the Directors, but shall be at least one and one-half times the amount of the yearly estimate of operating expenses and reserves as required by Article XI B. 4, of the Declaration of Condominium. The premiums on such bonds shall be paid by the corporation.

8. ASSESSMENTS:

The common expenses shall be assessed against each Condominium parcel owner. Assessments and installments that are unpaid for over ten (10) days after due date shall bear interest at the rate of 10 percent (10%) per annum from due date until paid, and at the sole discretion of the Board a late charge of Twenty-five (\$25.00) dollars shall be due and payable.

Assessments shall be made for the calendar year annually, in advance, on December 1st preceding the year for which assessments are made, and such assessments shall constitute a lien for the total amount of all such annual assessments against the unit for which assessment is made. Such assessments shall be due in twelve monthly installments on January 1st, and on the first day of each month of the year for which the assessments are made. Upon default by any unit owner in the payment of such monthly installments, within thirty (30) days after the due date thereof, then the Association, at its option and without notice, shall be entitled to accelerate the payment of the balance of the monthly installments for the then-current assessment year. In the event that such annual assessment provides to be insufficient, it may be amended after notice, in writing, by resolution of the Board, and the unpaid assessment for the remaining portion of the year shall be apportioned over the remaining monthly installments for the year. If an annual assessment is not made as required, a payment in the amount required by the last prior assessment shall be due upon each assessment payment date until changed by a new assessment.

The Association shall have a lien on each Condominium parcel for unpaid assessments, together with interest thereon, against the Unit owner of such Condominium parcel, together with a lien on all tangible personal property located within the improvements upon said Unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees, including fees on appeal, incurred by the Association incident to the collection of such assessments or the enforcement of such lien, together with all sums advanced and paid by the Association for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be

advanced by the Association in order to preserve and protect its lien, shall be payable by the Unit owner and secured by such lien. The aforesaid lien shall also include those sums advanced on behalf of a Unit owner in payment of his obligation under any Management Agreement, and the Board may take such action as they deem necessary to collect assessments by personal action or by enforcing said lien and may settle and compromise same if deemed in its best interests. Said lien shall be effective as and in the manner provided for by the Condominium Act and shall have the priorities established by said Act. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid all sums due, as provided herein, covered by the lien enforced. In case of such foreclosure, the Unit owner shall be required to pay a reasonable rental for the Condominium parcel for the period of time said Parcel is occupied by the Unit owner or anyone by, through, or under said Unit owner, and Plaintiff in such foreclosure shall be entitled to the appointment of a Receiver to collect same from the Unit owner and/or occupant.

Notwithstanding anything herein to the contrary, any lien provided by the Declaration of Condominium or the By-Laws, shall be subordinate and inferior to the lien of a valid institutional first mortgage.

9. ASSESSMENTS FOR EMERGENCIES:

Assessments for common expenses or emergencies that cannot be paid from the annual assessments or common expenses shall be due only after thirty (30) days notice is given to all unit owners and shall be paid in such manner as the Board of Directors may required in the notice of assessment.

10. PARLIAMENTARY RULES:

Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and By-Laws of the corporation or with the Statutes of the State of Florida.

11. AMENDMENTS:

Amendments to the corporate charter and/or By-Laws shall be proposed and adopted in the following manner:

(a) Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is attached.

(b) A resolution adopting a proposed amendment must receive approval of sixty (60) percent of the votes of the entire membership of the



Board, and seventy-five (75%) percent of the votes of the entire membership of the corporation. Directors and members not present at the meetings considering the amendment may express their approval in writing.

(c) An amendment may be proposed by either the Board of Directors or by the membership of the Corporation, and after being proposed and approved by one of such bodies, it must be approved by the other.

(d) An amendment when adopted and in the case of Charter amendments, filed with the Secretary of State of the State of Florida, shall become effective only after being recorded in the Public Records of Orange County, Florida.

No modification of or amendment to the By-Laws of said Association shall be valid unless set forth in or attached to a duly recorded amendment to the Declaration. The By-Laws may be amended in the manner provided for herein, but no amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium parcel or which would change the provisions of the By-Laws with respect to institutional mortgages of record. No amendment shall change the rights and privileges of the Developer without the Developer's written consent.

The foregoing were adopted as the By-Laws of LA COSTA VILLAS OF ORLANDO, INC. a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the \_\_\_\_\_ day of \_\_\_\_\_, 1981.

\_\_\_\_\_  
Secretary

RECORDED & RECORD VERIFIED

*Thomas H. Miller*  
County Comptroller, Orange Co., Fla.

STATE OF FLORIDA - COUNTY OF ORANGE  
I HEREBY CERTIFY that this is a copy of  
the document as recorded in this office.  
MARTHA O. HAYNIE, COUNTY COMPTROLLER

By: *Heidi L. Storer, D.C.*

DATED: 2/1/02



# CERTIFICATE OF REINCORPORATION

Pursuant to s. 617.0901, Florida Statutes, this certificate of reincorporation was duly authorized by a meeting of its members regularly called or by a meeting of its board of directors if there were no members entitled to vote on the reincorporation:

## ARTICLE I NAME

The name of the corporation shall be: La Costa Villas of Orlando, Inc.

## ARTICLE II PRINCIPAL OFFICE

The principal place of business and the mailing address of this corporation shall be:

4840 Edmee Circle  
Orlando, Florida 32822

## ARTICLE III PURPOSE

The specific purpose for which the corporation is organized:

Operation and maintenance of La Costa Villas of Orlando, Inc.,  
a Condominium

## ARTICLE IV MANNER OF ELECTION

The manner in which the directors are elected or appointed:

Plurality of votes cast at annual meetings of the members.

## ARTICLE V INITIAL REGISTERED AGENT AND STREET ADDRESS

The name and Florida street address of the registered agent is:

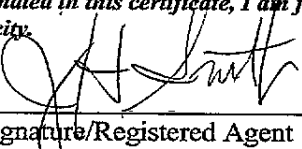
John Smith  
4840 Edmee Circle  
Orlando, Florida 32822

## ARTICLE VI INCORPORATOR

The name and address of the Incorporator is:

Marcia Smith  
4840 Edmee Circle  
Orlando, Florida 32822

\*\*\*\*\*  
Having been named as registered agent to accept service of process for the above stated corporation at the place designated in this certificate, I am familiar with and accept the appointment as registered agent and agree to act in this capacity.

  
\_\_\_\_\_  
Signature/Registered Agent

1/31/02  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Signature/Incorporator

1/31/02  
\_\_\_\_\_  
Date

FILED  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS

FILED

2002 FEB -6 PM 2:07

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA