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AMENDED AND RESTATED SUPPLEMENTARY DECLARATION OF RESTRICTIONS AFFECTING LOTS IN THE FIFTY-SECOND ADDITION TO PORT CHARLOTTE SUBDIVISION

ALSO KNOWN AS THE JOCKEY CLUB

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS AND RESTRICTIONS is made this _____ day of _____, 20__, by the Jockey Club of North Port Property Owners' Association, Inc. (the "Association"), a Florida not-for-profit corporation.

THIS IS A SUBSTANTIAL REWORDING OF THE DECLARATION. PLEASE SEE THE PREVIOUS DECLARATION FOR THE PROVISIONS BEING AMENDED BY THIS DOCUMENT

WITNESSETH:

WHEREAS the Original Declaration of Restrictions (the "Original Declaration") was recorded by the Developer (General Development Corporation, a Delaware corporation) in Official Record Book 950, Page 389, in the Public Records of Sarasota County, Florida, as amended, submitting certain property, as further described herein, to the terms and conditions of the Original Declaration and any amendments thereto; and

WHEREAS the Supplementary Declaration of Covenants and Restrictions (the "Supplementary Declaration" or "Declaration") was recorded in Official Record Book 1199, Page 299, in the Public Records of Sarasota County, Florida, as amended; and

WHEREAS the Original Declaration and Supplemental Declaration were preserved pursuant to Chapter 712, Florida Statutes, through Association action as described in the Notice of Preservation of Declaration of Restrictions recorded as Instrument #2005049215 in the Public Records of Sarasota County, Florida; and

WHEREAS, the members of the Jockey Club of North Port Property Owners' Association, Inc. (the "Association") have voted to amend and restate the above-referenced Declaration for the purpose of incorporating all amendments into the body of the Declaration, to update the documents to be consistent with Florida law, and to otherwise make amendments in the interests of the members of the Association as provided herein.

NOW, THEREFORE, the Association declares that the real property described in Article II is and shall be held, transferred, sold, conveyed, leased, occupied and used subject to the following covenants, restrictions, conditions, easements, charges and liens contained herein.

ARTICLE I Definitions

The following terms when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

Section 1. "Articles of Incorporation" shall mean the Articles of Incorporation, and any recorded amendments thereto, of the Association, which are attached hereto as Exhibit "B" and incorporated herein by reference.

Section 2. "Association" shall mean and refer to Jockey Club of North Port Property Owners' Association, Inc., a Florida non-profit corporation, its successors and assigns.

Section 3. "Board" shall mean the Board of Directors of the Association.

Section 4. "Bylaws" shall mean the Bylaws, and any amendments thereto, of the Association, which are attached hereto as Exhibit "C" and are incorporated herein by reference.

Section 5. "Common Properties" or "Common Area" shall mean any and refer to those areas of land shown on any recorded subdivision plat of the Properties and intended to be devoted to the common use and enjoyment of the owners of The Properties, as more fully described in Article II hereof.

Section 6. "Developer" shall mean and refer to General Development Corporation, a Delaware corporation, as the developer of the subdivision.

Section 7. "Declaration" or "Amended and Restated Declaration" shall mean and refer to this AMENDED AND RESTATED SUPPLEMENTARY DECLARATION OF RESTRICTIONS AFFECTING LOTS IN THE FIFTY-SECOND ADDITION TO PORT CHARLOTTE SUBDIVISION ALSO KNOWN AS THE JOCKEY CLUB, as it is amended from time to time.

Section 8. "Living Unit" shall mean and refer to any portion of a building situated on the Properties designed and intended for use and occupancy as a residence by a single family.

Section 9. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of The Properties with the exception of Common Properties as defined herein.

Section 10. "Member(s)" or "Owner(s)" shall mean and refer to those persons or entities entitled to membership as provided in this Declaration, the Articles of Incorporation and the Bylaws, through record ownership of a fee simple title to any Lot or Living Unit in the Properties, but shall not mean or refer to the holder of any mortgage interest until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

Section 11. "Plat" shall mean and refer to the recorded Plat of the Fifty-Second Addition to Port Charlotte Subdivision, a subdivision in Sarasota County, Florida according to the plat thereof, recorded in Plat Book 21 at Pages 13 through 13A-13NN, of the Public Records of Sarasota County, Florida.

Section 12. "The Properties" or "The Property" shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration, any Supplemental Declaration, and any amendments thereto.

ARTICLE II Property Subject to this Declaration: Additions Thereto

Section 1. <u>Existing Property</u>. The real property which is, and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Sarasota County, Florida, and is more particularly described in Exhibit A attached hereto and incorporated herein by reference, all of which shall hereinafter be referred to as "The Properties".

Section 2. <u>Common Properties</u>. The property described as Common Property in Exhibit A attached hereto and incorporated herein by reference as it appears on the Plat of the Fifty-Second Addition to Port Charlotte Subdivision, a subdivision in Sarasota County, Florida, according to the plat thereof, recorded in Plat Book 21 at Page 13 through 13A-13NN of the Public Records of Sarasota County, Florida, shall be referred to as "Common Properties", and are dedicated as recreational and/or park areas and that the use of said Common Properties is restricted and devoted to the common use and enjoyment of the Owners of The Properties as herein defined.

Section 3. <u>Additions to Existing Property</u>. Additional lands may become subject to this Declaration in the following manner:

(a) <u>Additions</u>. Upon approval in writing of the Association pursuant to the approval of two-thirds (2/3) of its members, the Association may record a Supplementary Declaration, joined in and consented to the owner of the proposed addition and all holders of liens on the parcel, adding the parcel to the jurisdiction of the Declaration and the Association.

(b) <u>Mergers</u>. Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Existing Property except as hereinafter provided.

ARTICLE III Membership and Voting Rights in the Association

Section 1. <u>Membership</u>. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot or Living Unit which is subject to this Declaration shall be a member of the Association, provided that any such person or entity who holds an interest merely as a security for the performance of an obligation shall not be a member.

Section 2. <u>Quorum</u>. The quorum for Association meetings shall be as set forth in the Association's Bylaws.

Section 3. <u>Voting Interests.</u> There shall be one (1) vote for each Lot, to be cast in the manner set forth in the Bylaws.

ARTICLE IV Property Rights in the Common Properties

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3

of this Article, every Member subject to assessments as provided in Article V shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Lot or Living Unit.

Section 2. <u>Title to Common Properties</u>. The Association is the owner of the Common Properties described in Exhibit A.

Section 3. <u>Use of Common Properties for Drainage</u>. The Common Properties may be used for drainage and the temporary retention of storm water run-off from The Properties and other contiguous property, as well as for open space, recreation, and other related activities. No structure, planting or other material shall be placed or permitted to remain in the Common Properties which might impair or interfere with the drainage or temporary retention of storm water run-off of The Properties or other contiguous property.

Section 4. <u>Extent of Members' Easements</u>. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) the right of the Association to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties. In the event of a default upon any such mortgage, the lenders' rights hereunder shall be limited to a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored; and

(b) the right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and

(c) the right of the Association to suspend the enjoyment rights of any Member for any period during which any monetary amount owed to the Association remains unpaid, or for violations of the Association's governing documents, to the fullest extent permitted by law; and

(d) the right of the Association to charge reasonable admission and other fees for the use of the Common Properties; and

(e) the right of individual Members to the exclusive use of parking spaces as provided in Section 5 of this Article; and

(f) the drainage and temporary retention of storm water run-off uses of the Common Properties referred to in Section 3 of this Article; and

(g) the right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer or determination as to the purposes or as to the conditions hereof, shall be effective unless an instrument signed by the President and Secretary of the Association be recorded, certifying that at a special or regular meeting of Members called for such purpose, of which thirty (30) days written notice was sent to each Member, a two-thirds (2/3) vote of all members was obtained, either in person or by proxy, agreeing to such dedication or transfer.

Section 5. <u>Parking Rights</u>. The Association may designate and maintain upon the Common Properties certain parking spaces for exclusive use of the Members, their families and guests. The use of any such parking space by any other person may be enjoined by the Association or the Members entitled thereto.

ARTICLE V Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot by acceptance of a deed thereto, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant, and agrees to pay the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, unexpected expenses, or budget shortfalls as determined by the Board (collectively referred to as "assessments"). The annual and special assessments, together with interest thereon and costs of collection of same, including attorneys' fees, shall be a charge on each Lot and shall be a continuing lien upon the Lot for the assessments and the costs of collection of the same, including reasonable attorneys' fees, and shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The lien is effective from and shall relate back to the date on which the original declaration was recorded, except as may be limited by law. The lien shall secure payment of all interest, late fees, attorney fees, and costs, up to the fullest extent allowed by law. All assessments, whether annual, special or other imposed by the Association, shall be against all Lots subject to its jurisdiction, fixed at a uniform rate per Lot. An owner, regardless of how his or her title to the property has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessment and other amounts associated with the property that come due while he or she is the owner of the property. An owner is jointly and severally liable with the previous owner(s) for all unpaid assessments and other monetary amounts associated with the property that came due up to the time of transfer of title, except as otherwise may be limited by law. The priority of the Association's lien on any Lot shall be determined in accordance with Florida law, as it may be amended from time to time.

Section 2. <u>Purpose of Assessment</u>. The assessments levied by the Association shall be used exclusively to (i) fund the operations of the Association as elsewhere provided in this Declaration or by Florida law, (ii) promote the recreation, health, safety and welfare of the residents in The Properties, (iii) for the improvement, repair, replacement and maintenance of the Common Properties including, but not limited to, payment for operation and maintenance of improvements to the Common Properties, the costs of taxes, insurance, labor, equipment, materials, management, maintenance and supervision thereof, and (iv) for such other purposes as are permissible activities of the Association and undertaken by it as set forth in this Declaration or Florida law.

Section 3. <u>Assessment Due Dates</u>. The annual assessments provided for herein shall be due and payable on the first day of March of each year. The due date for any Special Assessment shall be set by the Board of Directors, which may be required to be paid in a lump sum payment or in installments as set forth by the Board.

Section 4. <u>Special Assessments</u>. In addition to the annual assessment, the Board may levy, in any assessment year, a special assessment for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, or for any other purpose necessary for the Board to fulfill its obligations

and fiduciary duty under this Declaration and applicable law associated with Capital Improvements. Special Assessments for capital improvements that are not related to the maintenance, repair, or replacement of existing capital improvements for which the Association has a fiduciary obligation to perform, shall require the approval of a majority of the voting interests present and voting at a duly noticed members' meeting at which a quorum is present. Special Assessments for unexpected expenses or budget shortfalls shall not require membership approval.

Section 5. <u>Duties of the Board of Directors</u>. The Board of Directors shall fix the amount of assessment against each Lot subject to the Association's jurisdiction at least thirty (30) days in advance of the due date, and shall, at that time, prepare a roster of the property and assessments, applicable thereto, which shall be kept on file in the office of the Association and shall be open to inspection by any owner in accordance with Florida law and the Association's governing documents. Written notice of the assessment shall thereafter be sent to every Lot Owner subject thereto.

Section 6. <u>Share of Monthly Assessments</u>. The amount of each individual Lot assessment for Members shall be uniform throughout the Properties and shall be an amount equal to a fraction of the total assessment budget, where the numerator is one and the denominator is the total number of Lots in the Properties subject to this Declaration.

Section 7. Effect of Nonpayment Assessment; Remedies of Association. Assessments and installments on assessments not paid within ten (10) days after the date when they are due shall bear interest at a rate of up to eighteen percent (18%) per annum, unless a higher rate is allowed by law and approved by the Board, from the due date until paid in full. The Board may charge a late fee in the amount of up to the greater of \$25.00 per delinquent installment or 5% of the amount of the delinquent installment, as determined by the Board, unless a higher amount is permitted by law and approved by the Board. There shall be added to the amount of such assessment, and recoverable by the Association, all interest and late fees, as well as the costs of collection of same, including, but not limited to, reasonable attorneys' fees and costs of collection. The Association may bring an action at law against the Owner personally obligated to pay the same or may record a claim of lien against the Lot or may foreclose the lien against the Lot, and may foreclose said lien in accordance with applicable law. The prevailing party in an action to enforce a claim of lien is entitled to recover reasonable attorney's fees and costs, including appellate fees, paralegal fees, and costs from the other party.

No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Properties or by abandonment of his Lot. In addition to the rights of collection of assessments stated in this Section, the Association may suspend the right of the owner and any tenants or guests to utilize the Common Properties during the period of delinquency.

All payments on accounts shall be first applied to interest accrued by Association, then to any administrative late fee, then to costs and attorneys' fees, and then to the delinquent assessment payment first due. The allocation of payment shall apply notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

Section 8. <u>Subordination of the Lien to Mortgages and Tax Liens</u>. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage encumbering any Lot, provided such mortgage was recorded prior to the recording of the

Association's lien. A mortgage holder's liability for delinquent assessments and other amounts related to the property shall be limited only to the extent provided by law.

Section 9. <u>Acceleration of Assessments</u>. If any owner is in default in the payment of any assessment owed to the Association for more than (30) days after written demand by the Association, the Association upon written notice to the defaulting owner shall have the right to accelerate and require such defaulting owner to pay the Association assessments for common expenses for the next twelve (12) month period, based upon the then existing amount and frequency of assessments for common expenses. In the event of such acceleration, the defaulting owner shall continue to be liable for any increases in the regular assessment for common expenses, for all special assessments for common expenses, and/or for all other assessments and monetary amounts due and payable to the Association.

Section 10. Demand for Tenant to Make Rent Payments to the Association. In addition to any lien authority provided by Florida law, in order to ensure a timely and complete payment of assessments, any owner that leases a Lot to a tenant is hereby deemed to assign to the Association the right to collect rent payments from any tenant as further provided herein, until all monies owed the Association are paid in full. In the event that a Lot owner is delinquent in paying any monetary obligation due to the Association, the Association may demand that the tenant pay to the Association all rents due to the Owner until the Association releases the tenant or the tenant discontinues tenancy in the parcel, to the fullest extent permitted by law. Upon written notice to Owner and tenant that all future rents shall be paid to the Association until further notice, tenant shall be required to make payment of rents directly to the Association. All rents collected by the Association from this assignment shall be applied in accordance with Florida law; first to past due interest, late fees and costs, attorney's fees, and then to the delinquent assessment until all funds owed the Association are paid in full. Any funds that may be collected by Association in excess of Owner's obligation shall be remitted to the Owner by the Association within a reasonable amount of time. The Association's remedies for violation are cumulative, and pursuit of any remedy shall not preclude the Association from pursuing all other available legal and/or equitable remedies. Association shall have the right to recover all attorney's fees incurred in enforcement of this provision.

Section 11. <u>Exempt Property</u>. The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein: (a) all properties to the extent any easement or other interest therein is dedicated and accepted by the local public authority and devoted to the public use; (b) all Common Properties; and (c) all properties exempted from taxation by the laws of the State of Florida upon the terms and to the extent of such legal exemption. Notwithstanding any provisions herein, no land or improvements devoted to dwelling use and upon which a dwelling unit has been constructed, shall be exempt from said assessments, charges, or liens.

ARTICLE VI ENVIRONMENTAL CONTROL COMMITTEE

Section 1. <u>Appointment of Committee</u>. There shall be appointed by the Board of Directors of the Association, an Environmental Control Committee ("ECC"), which committee shall consist of three or more members as determined by the Board. The ECC shall be a permanent committee of the Association and shall administer and perform the review of changes, modifications or alterations to landscaping, architecture, Lot improvements, and/or any other duties delegated by the Board of Directors.

Section 2. <u>Review by Committee</u>. The Committee, in its review of all proposed construction, modifications or alterations, shall be guided by the following standards of environmental control, to-wit: those included in Article IX hereof, and

Architectural Control. Owners shall be required to apply for written (a) approval by the ECC for any types of changes requiring approval as provided herein. The ECC shall review any changes to the architectural structure of a residence or additions and improvements to the lot, including but not limited to changes to the exterior color, appearance, or structure of the home, landscaping, the addition of structures, such as sheds, carports, above-ground or in-ground pools or spas, pool cages, gazebos, trellis, fences, walls, and other enclosures, irrigation systems, and permanent concrete work. No building, fence, wall, or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration therein, including patio covers, be made until the plans, drawn to appropriate scale, and specifications showing the nature, kind, shape, height, materials and location of the same including exterior color scheme shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, topography and vegetation by the ECC. Approval or disapproval of the same shall be made by the committee and returned to the applicant within a reasonable time, not to exceed forty-five (45) days after receipt of all required documentation. The ECC shall have the authority to adopt and amend written standards for the community, and shall have the authority to adopt rules, regulations, and procedures regarding application and approval pursuant to this section. Any owner aggrieved by a decision of the ECC may request, in writing, an appeal to the Board of Directors. The decision of the Board shall be final.

(b) <u>Environment Control</u>. The ECC shall have the authority to adopt and amend standards, rules and policies in order to maintain the quiet enjoyment and protect the value of the properties within the community and promoting the health, safety, and welfare of the residents.

Section 3. <u>Landscaping Approval</u>. No shrubs or plants which at maturity and without clipping or pruning thereof, would exceed the height of the dwelling house on any lot shall be planted or employed in violation of the Association's standards or in such a manner as to interfere with the natural view and aesthetic beauty which each Lot in the community is intended to enjoy.

Section 4. <u>Variances</u>. The Board or the ECC, with the consent of the Board of Directors, shall have the right and power to grant variances from the provisions of this Declaration and from the Association's rules and regulations for good cause shown, as determined in the reasonable discretion of the Board. No variance granted as aforesaid shall alter, waive or impair the operation or effect of the provisions of this Declaration in any instance in which such variance is not granted.

Section 4. <u>Attorney's Fees</u>. In all litigation involving architectural or environmental control, the prevailing party shall be entitled to collect and shall be awarded attorneys' fees and court costs.

ARTICLE VII EXTERIOR MAINTENANCE

Section 1. <u>Exterior Maintenance</u>. Pursuant to agreement with owner, or upon determination by the Association that an owner has failed to maintain the Lot or its improvements in accordance with general standards of the community, then, after reasonable notice to the owner specifying such failure and upon owner's neglect or refusal to correct the same, then, in such event, and in addition to maintenance upon the Common Properties, the Association has the right, but not the obligation, to provide exterior maintenance upon each Living Unit which is subject to assessment under Article V hereof, as follows: paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements, and the cost thereof shall be assessed to the owner and shall be added to and become a part of the maintenance assessment as more particularly described in Section 2 hereof.

Section 2. <u>Assessment of Cost</u>. The cost of such exterior maintenance shall be assessed against the Living Lot upon which such maintenance is done and shall be added to and become part of the annual maintenance assessment or charge to which such Lot is subject under Article V hereof and, as part of such annual assessment or charge, it shall be a lien and obligation of the Owner and shall become due and payable in all respects as provided in Article V hereof. Provided that the Board of Directors of the Association, when establishing the annual assessment against each Lot for any assessment year as required under Article V hereof, may add thereto the estimated cost of the exterior maintenance for that year but, thereafter, shall make such adjustment with the Owner as is necessary to reflect the actual cost thereof.

Section 3. <u>Access at Reasonable Hours</u>. For the purpose solely of performing the exterior maintenance authorized by this Article, the Association, through its duly authorized agents or employees shall have the right, after reasonable notice to the Owner, to enter upon the Lot at reasonable hours. Such entry shall not be deemed a trespass.

Section 4. <u>Common Area Maintenance</u>. Common Area Maintenance will include, but without limiting the generality of the following, the following items:

(a) Grounds maintenance of the common areas including mowing, fertilizing, insecticides, etc.

(b) Irrigation system maintenance on Common Properties, if any.

(c) Pool maintenance including cleaning, chemicals, maintenance of pumps, pool heating including gas and maintenance of heating pumps, etc.

- (d) Air conditioning maintenance of recreation building.
- (e) Parking lot cleaning and maintenance.
- (f) Waste removal from common areas.
- (g) Utilities for common areas including water, sewer, and electricity.

(h) Taxes and insurance including real and personal property taxes for common areas and liability and fire insurance.

(i) Other miscellaneous items which may be included such as exterminating services, security system maintenance and fire extinguisher services.

(j) A reserve for future maintenance and repairs.

ARTICLE VIII WATER AND SEWER UTILITIES

Section 1. <u>Prohibition of Individual Wells and Septic Tanks</u>. No individual water wells, septic tanks or other individual sewage disposal facility shall be permitted on any Lot from such time when central water and/or sewer service or services are made available. This

provision, however, shall not be construed to prohibit private water wells for irrigation, swimming pools or air conditioning.

ARTICLE IX UNIFORM GENERAL REQUIREMENTS

Section 1. <u>Residential Lots; Use and minimum Square Footage Requirements</u>. All lots in The Properties are designated as single family residence lots, and no principal building shall be constructed or erected on any single family residence lot other than one detached single family dwelling not to exceed two (2) stories in height. No single family residence lot shall be re-subdivided into building lots containing less than Ten Thousand (10,000) square feet. No principal structure shall be erected having a living area of less than 800 square feet for a one-story building, nor less than 1,000 square feet living area for more than a one-story building on any lot in the Existing Property.

Section 2. <u>Building and Fence Setback Requirements</u>. On all lots in all Blocks, no principal building and/or enclosed swimming pool shall be erected on any of said lots nearer than twenty-five (25) feet to the front lot line, which is the line abutting the street; nor nearer than six (6) feet to the side lot lines; nor nearer than twenty-five (25) feet to the rear lot line and no swimming pool may be erected nearer than fifteen (15) feet to the rear lot line. Provided, however, that the Board of Directors of the Association or the ECC, with consent of the Board of Directors, upon written application thereto as provided in Article VI may, with the approval of the City of North Port and/or Sarasota County Building and Zoning Board, approve individual variances from the requirements of this Article IX, Section 2.</u>

No fence shall be placed in such a manner as to interfere with the natural view and aesthetic beauty which each lot and the community is intended to enjoy. Fences shall run perpendicular to the rear lot line and are not to extend beyond the front of the residence or the front of a residence sharing a common property line. The rear lot line is perpendicular to the street of residence. Those homes situated on a corner lot in such a manner that the front of the house is not set perpendicular to a rear lot line shall not place a fence in such a manner that the fence would extend beyond the front of any residence sharing a common property line. Fences are limited in height to four (4) feet from the base of the residence to the top of the fence and to four feet from the base of the fence.

Section 3. <u>Minimum Square Footage Defined.</u> With respect to all of the foregoing and for the purpose of the covenants set forth in this Declaration of Covenants and Restrictions, the minimum square footage living area residence requirements shall be established and construed as being exclusive of carports, garages, screened porches, patios and outside storage areas. Provided, however, that this shall not be construed to permit any portion of the building such as eaves, steps, open patios, wing-walls, etc., to encroach upon another lot or into or upon any easements.

Section 4. <u>Recreational Vehicles</u>. No travel trailer, mobile-home, motor home, recreational vehicle, tent, storage building, garage, barn or out building erected on any lot shall at any time be used as a residence, temporarily or permanently. Provided, however, that

recreational vehicles such as travel trailers, motor homes, tent trailers, boats or water craft, not exceeding ten (10) feet in height and thirty-two (32) feet in length may be stored on the premises at the rear of side of the residence.

No travel trailer, mobile home, recreational vehicle, tent, storage building, garage, barn or out building erected on any lot shall at any time be used as a residence, temporary or permanently. Recreational vehicles such as travel trailers, motor homes, tents, trailers, boats, etc...not exceeding ten (10) feet in height and thirty-two (32) feet in length may be stored on the premises at the rear or side of the residence situated thereon upon the following conditions:

No such vehicle shall be permitted within the front on the residence side of the driveway and shall not be permitted within the side line setback areas without the . (See diagram in Appendix)

All such vehicles shall bear a current State registration and/or inspection tag as required by that state.

Section 5. <u>Parking</u>. Parking of vehicles including cars, trucks (3/4 ton capacity or less), recreational vehicles including boats, jet skis, travel trailers, shall be on the garage side of the home only or across the swale in front of the home between the sidewalk and the street so as not to block the sidewalk. The parking of vehicles, even temporarily, on front lawns is not permitted.

No truck exceeding one ton capacity shall be parked overnight in areas zoned residential unless the truck is employed in the construction/renovation of residential units.

- (a) All vehicles must bear a current state registration or inspection tag.
- (b) All vehicles must be in operable condition

(c) All vehicles must be parked in such a manner so as not to block access to the sidewalk

(d) Pickup trucks greater than a three-quarter ton model, box trucks, and straight trucks (flat beds) may not be parked overnight in areas zoned residential unless the truck is employed in construction/renovation of the residence on a temporary basis, during the period of time that such construction or services are being performed on the Lot.

(e) Parking in the front yard is prohibited at all times, and there shall be no temporary or permanent parking of any vehicles other than on the driveway or in an enclosed garage.

(f) Existing driveways may be enlarged up to one vehicle width on the garage side and up to three feet on the residence side.

Section 6. <u>Signs</u>. No sign of any kind shall be displayed to the public view on any lot, except (a) one sign of not more than two square feet $(2 ft^2)$ advertising the property for sale or rent; (b) signs used be a builder to advertise the property during a construction/renovation period; or (c) yard sale signs for the duration of the sale only; (d) special event signs for one day only; (e) Yard of the Month sign; and (f) political signs from thirty (30) days prior to election and for one (1) day following the election.

Signs of any kind displayed to the public view on any residential Lot may not exceed two feet by

two feet in size.

Section 7. <u>Animals</u>. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except that dogs, cats or other domestic household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purpose. The owner is responsible to keep the animal under control, to prevent annoyance from noise, and to clean up after their pet. *Pets shall not be permitted to roam free in the community, and must be kept under physical control of the owner unless confined in an enclosed area on the Lot.*

Section 8. <u>Trash Storage</u>. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste must be kept in sanitary containers. No lot on which improvements have been constructed or erected shall be allowed to become or remain overgrown and/or unsightly.

(a) No lot shall be allowed to become or remain overgrown with weeds, grass or brush.

- (b) No lot shall be used as a dumping ground for rubbish.
- (c) Except for North Port City automated trash pickup containers, trash, garbage or other waste must be kept in sanitary containers and stored in a location which is not visible from the street.

(d) North Port City automated trash pickup containers may be stored at the side or rear of the residence.

(e) Dumpsters may not be utilized in areas zoned residential unless employed in the construction or renovation of the residence on a temporary basis.

(f) Burning of trash on lots is prohibited.

Section 9. <u>Maintenance of Residential Structures and Lots</u>. Residential Structures including the primary home, garage, carport, shed, pool, pool cage, lanai or other structure either attached or detached shall be maintained to acceptable levels in accordance with any standards adopted by the Association, including but not limited to the following:

- 1. All Lots must be kept clear of all debris, litter, trash garbage, refuse, etc.
- 2. The roof and all walls, fascia, gutters, downspouts, soffit, eaves, sills and other areas of the home shall be cleaned periodically to remove mold, mildew, dirt, grime, and other debris and present a clean finish as necessary to maintain an appearance that complies with the Association's standards.
- 3. Windows may be covered with sheets for privacy for the first 30 days of residency, after which blinds, shades or curtains must be installed and maintained.
- 4. Boarded up windows are not permitted except in the case of eminent threat of hurricane or other named storm. In which case plywood can be installed over windows for a period of 72 hours prior to land fall of the storm, and must be removed within 72 hours of the named storms passing. In the event of a broken window, plywood may be placed over the damaged area temporarily. Broken windows must be replaced within 72 hours of the damaging event.
- 5. Hurricane shutters: the Board and/or the ECC shall have the authority to adopt standards regarding approved materials and appearance of the installation and use of hurricane shutters in the community.
- 6. Paint: Peeling, faded, stained, mildewed or otherwise damaged paint on any building or structure, trim, or other surface, whether attached or unattached to the home is

unacceptable. All homes, garages, carports, sheds, lanais, cages, trellis, or other structure including trim, gutters, downspouts, fascia, soffit, and siding, including roof shingles and tiles or other material must have fresh looking surface.

Section 10: <u>Hardscapes</u>. Hardscapes are defined as any hard surface not part of the building structure and include driveways, sidewalks, patios, porches, lanais, pool deck, paver decks, retaining walls, fences, concrete or brick/stone edging and other hard surfaces whether structural or part of the landscape. Hardscapes do not include municipal property adjacent to lots.

- 1. Hardscapes will be maintained in the same manner as the living unit or any other structure on the residential lot.
- 2. Hardscapes will be free weeds and other vegetation, clean of oil, grease, mold, mildew or other stains, and maintained to be free of excessive cracks or other damage. In the case of parking areas constructed of shell, gravel or other porous material, the area shall be maintained so as to be free of grass, weeds or other vegetation.
- 3. All sidewalks and entryways will be free of weeds and other debris and edged to maintain a clean neat appearance free from any trip hazards. Cracks shall be sprayed with a chemical weed/grass controller and kept free of weeds, grass or other vegetation.

Section 11: <u>Landscape, lawns, trees and shrubbery</u>. Landscape is defined as all nonhardscaped areas of the residential lot including lawns, planting beds, gardens, treescapes, hedges and hedgerows, shrubbery, bushes, flower beds, and other areas of plant life.

- 1. All lawns will be kept neatly trimmed to a length not to exceed six (6) inches in height for St. Augustine lawns, and not longer than four (4) inches in height for other types of grasses including Bahia, Bermuda, Centipede, Carpetgrass, Zoysia, Shore Passe Pallum, and other hybrid grasses.
- 2. All lawns shall be trimmed around hardscape areas including the foundations of any structures including fences. Grass shall not grow up around any parked vehicles or other obstructions including fences in the landscape area.
- 3. All driveways, sidewalks, patios, decorative curbing and other landscape edging shall be edged exposing the vertical edges of the concrete to keep a neat appearance and avail the greatest surface area possible. Weeds, grass, etc, shall not be allowed to infringe on the hardscapes.
- 4. Trees over sidewalks and driveways shall be trimmed to a minimum clearance of 8-feet from the ground.
- 5. Dead or diseased trees, bushes, shrubs, ornamental plants and other plants shall be removed as soon as practical.
- 6. Stumps shall be removed, ground or cut flush with the surrounding grade. If removed, the remaining hole shall be filled in with dirt and covered with turf grass. If ground, the mulch shall be raked to grade and excess mulch removed so as not to create a compost heap. If cut flush to grade, the left over stump shall not present a trip hazard.
- 7. Planting beds, flower beds, gardens and other ornamental areas shall be kept free of weeds and mulched or covered with appropriate vegetative ground cover.
- 8. Trees: Because of the invasive nature of root systems of some tree species and the ecological damage to Florida natural habitats of other tree and plant species, Category 1 plants on the Florida Exotic Pest Plant List including but not limited to Banyan and other species of Fichus, Australian Pine or similar species of pine, Bamboo including "clump" bamboo, Brazilian Pepper or any related species of pepper tree, Carrotwood, Melaleuca

Tree, Chinaberry, Mulberry, Willow, and other species of tree on the State of Florida list of invasive plant species shall not be planted on any lot within the Jockey Club.

9. Shrubbery: Shrubs, bushes and specimen plantings including topiaries shall be maintained in manner so as not to allow overgrowth. Shrubs, whether planted by individually or in a hedgerow, shall be maintained so as not to infringe on any easement and shall not be allowed to grow higher than 6 feet.

Tree, shrubs, hedges and hedgerows which at maturity will exceed the height of the dwelling house on any lot and shall not be planted in a way so as to interfere with the natural view and aesthetic beauty which each lot and the community is intended to enjoy.

10. Xeriscaping: The use of stone, rock, rubber mulch, natural mulch or other material either natural or manufactured to Xeroscape any portion of the lot may be regulated by the Association to the fullest extent allowed by law.

Section 12: <u>Fences.</u> A fence is defined as any barrier, either permanent or temporary, which encloses a property or separates one property from a neighboring property. The Association has adopted the following guidelines pertaining to fences.

- 1. All fences require the approval of the Environmental Control Committee prior to being erected. A sketch or drawing showing the exact placement of the fence and its construction is required to be submitted at the time of the request and must comply with community guidelines.
- 2. Additionally, the City of North Port requires a permit for fences. Application for a permit must be presented as the time of request for approval from the committee. Once the permit is granted, a photocopy of the permit must be submitted to the ECC for its file.
- 3. No fence, gate or other partition shall be higher than four (4) feet above the grade and it shall not extend beyond the front edge of the living unit facing the street.
- 4. No fence shall be erected within 18-inches of any property line or easement in order to allow access to utilities and easements as required by local ordinance.
- 5. No solid (privacy) fences are permitted. Only chain link or picket fences with spacing not less than the width of the picket are allowed.
- 6. Fences must be maintained in a clean, neat fashion so as not to allow rust, dirt, mildew or debris to accumulate.

All fence-lines must be maintained with a line-trimmer so as not to allow excessive growth of grass at the base or poles.

Section 13. <u>Planting</u>. No hedge or shrub planting which obstructs sight lines at elevations between two (2') and six (6') feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and line connecting them at points twenty-five (25') feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply on any lot within ten (10') feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within the above described limits of intersections unless the foliage line is maintained at or above six (6') feet above roadway intersection elevation to prevent obstruction of sight lines.

Section 14. <u>Tree Preservation</u>. No large trees measuring six inches or more in diameter at ground level may be removed without the written approval of the Environmental Control Committee, unless located within ten (10') feet of the main dwelling or accessory

building or within ten feet of the approved site for such building. No trees shall be removed from any lot without the consent of the Environmental Control Committee, until the owner shall be ready to begin construction.

Section 15. <u>Oil, Gas and Mineral Operations</u>. No operations with respect to oil, gas and minerals, including, without limitation, drilling, development, refining, exploration, quarrying, mining or extractions of any kind shall be permitted upon any lot, nor shall oil or gas wells, tanks, tunnels, mineral excavations or shafts be permitted upon any lot. No derrick, drilling rig, or other structure

Section 16. <u>Commercial Use Prohibited</u>. No residence or other structure on any Lot shall be used for commercial or business purposes. No business of any kind is permitted to be conducted on any residence, except for business use that is customary or incidental to residency and that does not affect the residential nature of the community or violate local ordinances. This residential restriction shall not be construed to prohibit any Owner from leasing the Lot and receiving income from the Lot, or from keeping his personal, business or professional records in the home, or from handling his personal, business or professional telephone calls or written electronic correspondence in and from his home. Such uses are expressly declared customarily incident to use. This section is, however, intended to prohibit commercial or business activity or manufacturing or provision of services within or from a Lot which would, in the sole discretion of the board, unreasonably disrupt the residential nature of the community, or make it obvious that a business is being conducted, such as by regular or frequent vehicular or pedestrian traffic by persons making deliveries or pick-ups, by employees or other business associates, or by customers or clients.

Section 17. <u>Nuisance Prohibited</u>. Each Owner shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance or a nuisance to the neighborhood, or any other Owner. No noxious, offensive or illegal activities shall be carried on upon any Lot.

Section 18. <u>Outdoor Clotheslines</u>. In order to maintain the overall aesthetics of the community the following guidelines have been developed regarding clotheslines and the outdoor drying.

- 1. Only "T" shaped or umbrella clotheslines are permitted.
- 2. Trees shall not be used as supports for clotheslines.
- 3. Fences shall not be used as clotheslines and shall not be draped with rugs, sheets or other materials.
- 4. No clothes shall be left hanging on clotheslines overnight.

The Association shall have the right to regulate such devices to the fullest extent allowed by law.

Section 19. <u>Exterior Antennas</u>. No exterior antennas, satellite dishes or similar equipment shall be permitted on any Lot or improvement thereon, except in a manner that complies with the Association's Standards. The Association shall have the authority to require all such devices to be reasonably screened from view, with landscaping or appropriate material as determined by the ECC, and the Association reserves the right to restrict the size, type, and location of such devices and improvements to the maximum extent permitted by law or applicable FCC regulations.

Section 20. <u>Additional Rules and Regulations</u>. The Board may establish such additional rules and regulations as may be deemed to be for the best interests of the Association and its members.

ARTICLE XI MAINTENANCE OF COMMUNITY INTERESTS

It shall be necessary for the Board, or its duly authorized officers, agent or committee, to approve in advance and in writing all sales, transfers by gift, devise, inheritance or otherwise; leases or occupation of a Lot before such sale, transfer, lease or occupation shall be valid and effective.

Section 1. <u>Application for Approval for Sale, Transfer, or Lease</u>: The Board may promulgate procedures for application for ownership, tenancy and occupancy. Written application for such approval of all potential owners, tenants, or occupants shall contain such information as may be required by application forms promulgated by the Board and shall be accompanied by a non-refundable fee as required by regulation of the Board. This fee may be up to the maximum amount allowed by Florida law.

The application and approval must take place before close of any transfer or occupancy is permitted. The Board shall have the authority to perform reasonable credit and criminal background checks on all proposed purchasers, tenants, and occupants, and may deny sale, lease, occupancy, or other transfer based on the results of such background checks in accordance with the Board's standards. All residents must register with the Association's office within thirty (30) days of occupying the Lot.

Section 2. <u>Leases</u>: An Owner shall not lease his Lot without the prior written approval of the Board as required above. Lessees shall not become members of the Association, but shall have the ability to utilize Association property subject to the Association's restrictions. A lessee may not sublease without Board approval. In the event that a proposed lease is disapproved, the Association shall have no obligation to provide alternative or substitute tenants. The Association shall have the authority to require all Owners leasing Lots to provide copies of the proposed or executed Lease. All Owners shall provide copies of the Association's restrictions and rules and regulations to the tenant/occupants prior to occupancy, and all leases shall be deemed to include a provision requiring the tenant and all occupants to comply with all Association restrictions. Any occupant or guest that occupies a Lot for more than thirty (30) days within a twelve month period while the owner is not simultaneously occupying the Lot shall be deemed to be a tenant and shall be subject to all application and approval requirements regardless of whether there is a written or oral lease agreement.

- (a) <u>Deposit</u>: The Board shall have the authority to require, that a prospective tenant provide a security deposit, in an amount not to exceed the equivalent of one (1) month's rent, into an escrow account maintained by the Association. The security deposit shall protect against damages to the common elements or association property.
- (b) The provisions of the Association's Governing Documents shall be deemed expressly incorporated into any lease of any Lot whether written or oral.
- (c) The Association shall have the authority to conduct criminal and/or financial background checks on all proposed adult occupants.

(d) The Association shall have the authority to deny a lease application if the owner is delinquent in any monetary amount owed to the Association.

(e) <u>Compliance Required</u>. The tenant, as part of the Lease Agreement, shall agree to abide by and adhere to the terms and conditions of this Declaration together with all Rules and Regulations and all policies adopted by Association. Owner must promptly notify and require Tenant to come into compliance with violation notices or take action himself to bring the property into compliance.

(f) <u>Removal of Tenant</u>. The Owner shall agree to remove, at the Owner's sole expense, by legal means including eviction, his or her tenant should the tenant refuse or fail to abide by and adhere to this Declaration, the Rules and Regulations and any other polices adopted by Association. Notwithstanding the foregoing, should an Owner fail to perform his or her obligations under this Section, the Association shall have the right, but not the obligation, to evict such tenant and the costs of the same shall be the responsibility of Owner.

(g) <u>Right to Use Common Areas</u>. During such time as the Lot is leased, the Owner of such Lot shall not enjoy the use privileges of the Common Properties, except as a guest. Every Owner shall be deemed to have delegated its right of enjoyment to the Common Properties to occupants or lessees of that Owner's Lot subject to the provisions of this Declaration and the Rules and Regulations, as may be promulgated, from time to time. Any such delegation or lease shall not relieve any Owner from its responsibilities and obligations provided herein.

Section 3. Exempt Transfers:

- (a) <u>Transfer at Foreclosure Sale or Deed in Lieu of Foreclosure</u>: The provisions of this Article requiring prior approval of the transfer of title shall not be applicable to Mortgagees obtaining title at a foreclosure sale or through deed in lieu of foreclosure, or for owners purchasing at a foreclosure sale. However, all transfers, sales, or leases from such purchasers subsequent to the acquisition of a Lot shall be subject to all of the application and approval procedures described herein. In addition, all occupants of the Lot must receive the prior approval of the Board.
- (b) <u>Devise or Inheritance</u>: The surviving spouse, if any, and if no surviving spouse, the other member or members of such owner's family residing with the owner at the time of the owner's death may continue to occupy the Lot; and if such surviving spouse or other member or members of the decedent-owner's family shall have succeeded to the ownership of the Lot, the ownership thereof shall be transferred by legal process to such new owner. In all other devise or inheritance circumstances, occupancy of the Lot shall be subject to the prior approval of the Board as described above.

Section 4. <u>Disapproval of Proposed Transfer</u>: In the event that a sale or transfer is disapproved by the Board, the Association shall have no obligation to purchase the Lot or to provide an alternative transferee or purchaser.

Section 5. <u>Guests</u>: The Board shall have the authority to adopt and enforce reasonable rules and regulations regarding guests, visitors, relatives, and other temporary occupants in the community.

Section 6. <u>Prohibitions on Ownership</u>. No Unit Owner shall in any way sell, attempt to sell, transfer or attempt to transfer any interest in any Unit to a corporation, partnership, limited liability company, or any other such entity, except for the sale or transfer of a Unit to the Association or the transfer of a Unit to an institutional first mortgagee of record which has acquired title through foreclosure or deed in lieu of foreclosure. Sales or transfers of Units to such entities as described above are prohibited, it being the intent to allow sales or transfers only to individuals and trusts. Any sale or transfer in violation of this provision is void and automatically disapproved on its face by the Association without requiring action on the part of the Association and shall not otherwise require the exercise of a right of first refusal by the Association.

ARTICLE XII General Provisions

Section 1. <u>Amendment</u>. This Declaration may be amended or supplemented by the Association upon the approval of not less than a majority of those members present and voting at a meeting of the members at which a quorum is present. In order to be effective, any amendment or supplement to this Declaration must first be executed by the President and attested to by the Secretary of the Association indicated that a meeting called for that purposes was conducted and that the amendment received the requisite number of votes for approval. recorded in the Public Records of Sarasota County, Florida.

Section 2. <u>Duration</u>. The covenants and restrictions of this Declaration, and any Supplemental Declaration, shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to this Declaration or any supplemental declaration, and their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless terminated at the end of any such period by a vote of at least seventy-five percent (75%) of each class of voting members. The Board shall take all actions necessary to preserve this Declaration in accordance with Chapter 712, Florida Statutes, otherwise known as the Marketable Record Title Act, unless this Declaration is terminated as otherwise provided herein.

Section 3. <u>Notice</u>. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered, electronically sent (to owners consenting to receive electronic notice in accordance with Florida law), or mailed, postpaid, to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing.

Section 4. <u>Enforcement</u>. These covenants and restrictions may be enforced by the Association or any Owner of property which is subject to these covenants and conditions. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person violating or attempting to violate any covenant or restriction, either to restrain the violation or to recover damages and against the land to enforce any lien created by these covenants. Failure of the Association or any Owner to enforce any covenant or restriction herein contained shall, in no event, be deemed to be a waiver of the right to do so thereafter. In the event legal action is taken to enforce the covenants and restrictions provided herein, the prevailing party shall be entitled to recover the costs of such action, including attorneys' fees,

and appellate costs and attorneys' fees, if necessary. If any such action is brought by any Owner against any other Owner, the Association shall not have any obligation to indemnify or reimburse either party to such action.

(a) The Association shall have the authority to impose fines, to suspend the right to use the Common Properties, to suspend the right to vote, or take any and all other action permitted by law for violations of the Association's governing documents. Each fine shall be enforceable to the fullest extent allowed by law. Each day of an Owner's failure to comply with the Association's governing documents shall be treated as a separate violation and, be subject to a separate fine. In order to secure payment of fines, a fine may become a lien on the property and foreclosed in a manner similar to an assessment lien foreclosure, to the fullest extent permitted by law. Suspensions and fines shall be imposed in the manner provided in Section 720.305 of the Florida Statutes, as amended from time to time. The Board shall have the authority to promulgate additional procedures from time to time for imposition of fines and suspensions in accordance with Florida law.

Section 5. <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 6. <u>Notice to Lenders</u>. Upon written request to the Association, identifying the name and address of the mortgage holder, insurer or guarantor and the Lot number and address, any such mortgage holder, insurer or guarantor will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which adversely affects a material portion of the Property or any Lot on which there is a first mortgage held, insured or guaranteed by such mortgage holder, insurer or guarantor, as applicable;

(b) Any delinquency in the payment of assessments or charges owed by an Owner of a lot subject to a first mortgage held, insured or guaranteed by such mortgage holder, insurer or guarantor which remains delinquent for a period of sixty (60) days;

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) Any proposed action which would require the consent of a specified percentage of mortgage holders.

Section 7. <u>Interrelationship of Documents</u>. In the event of a conflict between the terms and provisions of this Declaration and the Articles of Incorporation and/or Bylaws of the Association, the Declaration of Covenants, Conditions and Restrictions shall govern. In the event of a conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation shall control.

Section 8. <u>Interpretation</u>. When the context in which the words are used in this Declaration indicates that such is the intent, words in the singular shall include the plural and vice versa. The table of contents, article or section title, captions and abbreviations contained in this Declaration are for convenience only and shall not be deemed a part of this Declaration.

Section 9. <u>Indemnification of Officers and Directors</u>. Association shall and does hereby indemnify and hold harmless every Director and every Officer, their heirs, executors and administrators, against all loss, cost and expenses reasonably incurred in connection with any action, suit or proceeding to which such Director or Officer may be made a party by reason

of being or having been a Director or Officer of Association, including reasonable counsel fees and paraprofessional fees at all levels of proceeding. This indemnification shall not apply to matters wherein the Director or Officer shall be finally adjudged in such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to, and not exclusive of, all other rights to which such Director or Officers may be entitled.