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DECLARATION OF CONDOMINIUM

OF

THE INLETS, A CONDOMINIUM

SECTION EIGHT

LF ROSSIGNOL DEVELOPMENT CORPORATION, a South Carolina corporation qualified to do business in Florida ("Developer"), being the owner of the fee simple title to the property described in Exhibit "A", attached hereto, for itself, its successors, grantees and assigns, hereby submits said property, improvements thereon and appurtenances thereto to condominium ownership pursuant to Chapter 718 of the Florida Statutes ("Condominium Act"), as enacted upon the date of recordation hereof, and reserves the right to submit additional lands and all improvements constructed thereon to the condominium form of ownership and use, said additional lands being described in section XXIII herein.

All the restrictions, reservations, covenants, conditions, easements and limitations of record contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, shall run perpetually unless terminated as provided herein, and shall be binding upon all Unit Owners as hereinafter defined. In consideration of receiving and by acceptance of a grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the provisions hereof, the Articles of Incorporation and the Bylaws of the Association hereinafter defined. Both the benefits provided and the burdens imposed shall run with each Unit and the interest in Common Elements as defined herein.

ARTICLE I  
DEFINITIONS

As used in this Declaration, in the Articles of Incorporation and in the Bylaws attached hereto, and in all amendments thereto, unless the context requires otherwise:

- A. "Articles" and "Bylaws" means the Articles of Incorporation and the Bylaws of the Association as they exist from time to time.
- B. "Assessment" means a share of the funds required for the payment of Common Expenses which from time to time are assessed against any Unit Owner.
- C. "Association" or "Corporation" means THE INLETS CONDOMINIUM ASSOCIATION, INC., the nonprofit Florida corporation responsible for the operation of the Condominium.
- D. "Board of Administration" or "Board of Directors" means the board of directors or other representative body responsible for the administration of the Association.
- E. "Common Elements" means that portion of the Condominium Property not included in the Units. Common Elements shall include the tangible personal property required for the maintenance of the Common Elements even though owned by the Association.
- F. "Common Expenses" means the expenses of administration,

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maintenance, operation, repair and replacement of the Condominium Property, other expenses declared by the Association or this Declaration to be Common Expenses and any other valid expenses or debts of the Condominium as a whole or the Association which are assessed against the Unit Owners.

G. "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 amount of the Common Expenses.

H. "Condominium" is that form of ownership of condominium Property under which Units in the Condominium are subject to ownership by one or more owners, and there is appurtenant to each Unit as part thereof an undivided share in the Common Elements.

I. "Condominium Documents" means this Declaration of Condominium and exhibits thereto, the Articles of Incorporation and Bylaws of THE INLETS CONDOMINIUM ASSOCIATION, INC., all as amended from time to time.

J. "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to the Unit.

K. "Condominium Property" means and includes all lands that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

L. "Declaration" or "Declaration of Condominium" means this instrument as it may from time to time be amended.

M. "Developer" means LF ROSSIGNOL DEVELOPMENT CORPORATION, a South Carolina corporation, qualified to do business in Florida, and its successors and assigns.

N. "Institutional Mortgagee" means a bank, savings and loan association, insurance company, mortgage company, real estate investment trust, recognized institutional type lender or its loan correspondent, or agency of the United States Government, which owns or holds a mortgage encumbering a Condominium Parcel.

O. "Limited Common Elements" means and includes those Common Elements, if any, which are reserved for the use of a certain Unit or Units to the exclusion of other Units.

P. "Occupant" shall mean a person or persons in lawful possession of a Unit other than the owner or owners thereof.

Q. "Operation" or "Operation of the Condominium" means and includes the operation, administration and management of the Condominium Property.

R. "The Condominium" or "this Condominium" means THE INLETS, A CONDOMINIUM, SECTION EIGHT, as well as where applicable, all Condominium Sections of THE INLETS, A CONDOMINIUM.

S. "The Inlets Common Facilities Corporation", means The Inlets Common Facilities Corporation, a non-profit corporation organized to manage certain areas that are common to The Inlets Project.

T. "Units" means a part of the Condominium Property which is to be subject to private ownership, as designated in this Declaration.

U. "Unit Owner", or "Owner of a Unit" means the owner of a Condominium Parcel.

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V. "Utility Service" as used in the Condominium Act, construed with reference to this Condominium, and as used in this Declaration, the Articles and the Bylaws shall include, but not be limited to, electric power, gas, hot and cold water, trash and sewage disposal, cable TV and telephone.

ARTICLE II  
DESCRIPTION OF CONDOMINIUM  
AND THE INLETS PROJECT

A. The name of this Condominium shall be THE INLETS, A CONDOMINIUM, SECTION EIGHT.

B. This Condominium is a part of a planned development which will, if fully developed, contain a maximum of three hundred fifteen (315) residential dwellings, together with other amenities. The entire development is sometimes hereinafter described as "The Inlets Project". The residential development within The Inlets Project may consist entirely of condominiums, or such mixture of condominiums, platted subdivisions and other forms of land ownership and use as Developer, in its sole discretion, shall determine.

C. Condominium documents creating THE INLETS, A CONDOMINIUM, SECTION ONE, THE INLETS, A CONDOMINIUM, SECTION TWO, THE INLETS, A CONDOMINIUM, SECTION THREE, THE INLETS, A CONDOMINIUM, SECTION FOUR, THE INLETS, A CONDOMINIUM, SECTION FIVE, THE INLETS, A CONDOMINIUM, SECTION SIX AND THE INLETS, A CONDOMINIUM, SECTION SEVEN, have heretofore been recorded in the Public Records of Sarasota County, Florida, wherein the right to create additional sections of THE INLETS, A CONDOMINIUM, was reserved. Developer does hereby create an additional section of THE INLETS, A CONDOMINIUM, on the lands described in Exhibit "A".

D. Developer may, but is not obligated to, create additional sections of THE INLETS from time to time on lands adjacent to or near those of this Condominium, which said additional sections, if any, may, if Developer elects, be operated and managed in conjunction with this Condominium through that certain non-profit organization known as THE INLETS CONDOMINIUM ASSOCIATION, INC. (the "Association"). The creation of such additional sections of THE INLETS will not merge the Common Elements of this Condominium with the Common Elements of such additional sections. Each such section will be and remain a separate condominium under the laws of Florida, but may be operated and managed, as aforesaid, by the Association in conjunction with other sections of THE INLETS, collectively, in order that there may be common control, unity of policy, procedure, management and purpose of the said sections of THE INLETS and the Owners of Units in the same. Unless prohibited by law, the income and common expenses with respect to any such Condominium may be commingled with those of other Condominium operated by the Association in the sole discretion of the Board of Directors. The Association and the Unit Owners in each section shall have a perpetual non-exclusive easement for utilities, drainage and ingress and egress, under and through the common areas of each of the other sections, and such easement shall survive the termination of any other sections. All grantees, mortgagees, assignees and their successors and assigns of Unit Parcels in THE INLETS, A CONDOMINIUM, SECTION EIGHT, do hereby agree to the foregoing.

E. A previous developer of The Inlets constructed and developed certain recreational facilities and other improvements on the lands described in Exhibit "E" attached hereto, for the use and enjoyment of all residents in The Inlets Project. These recreational facilities and improvements include a swimming pool, at least four (4) tennis courts and club house facility. The recreational facilities are part of "The Inlets Common Facilities" described in the Declaration of Covenants and

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Restrictions for The Inlets, as described in greater detail herein. In addition, Developer may, but is under no obligation to, provide other recreational facilities and amenities within The Inlets Project.

F. Provided that Developer shall obtain all required approvals and permits from all local, state and/or federal departments and agencies for construction of a proposed marina facility, Developer may, but is not obligated to, construct a marina facility within The Inlets Project. This facility will not be a portion of this Condominium or any other condominium or residential development within the Inlets Project. If constructed, the marina facility (and related amenities that Developer may elect to construct) may either be public or private, as Developer, in its sole discretion, determines. No Unit Owner shall be obligated to join or use the marina or related facilities, but rather all shall be entitled to use same at the same cost and on the same basis as the use is offered to others. While Developer reserves the right, at its option, to construct such marina facilities, Developer has no present plans to construct the marina facilities.

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ARTICLE III  
IDENTIFICATION OF CONDOMINIUM UNITS

A. A Survey of the land being submitted to condominium ownership and a Plot Plan thereof identifying each Condominium Unit and the Common Elements and their respective locations and approximate dimensions is attached hereto as Exhibit "B". The locations, dimensions, identification and numbering or lettering of the respective Condominium Units shall be as set forth in said Exhibit and any subsequent amendments thereto, as hereinafter provided.

B. Each Unit shall include that part of the Condominium Property which lies within the boundaries of the Unit, which boundaries shall be determined in the following manner:

1. Upper and lower boundaries. The upper and lower boundaries of the Unit shall be the same as the upper and lower boundaries of a parcel of real estate owned in fee simple and shall be determined in the same manner and under the same laws which establish the upper and lower boundaries of such a parcel of real estate.

2. Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be as shown on the "Survey and Plot Plan", attached as Exhibit "B" (wherein each Unit is identified and the perimetrical boundaries of each Unit are indicated by four (4) or more intersecting solid lines) extended to intersections with each other and with the upper and lower boundaries.

C. Each Unit, together with all appurtenances thereto, shall for all purposes constitute a separate parcel of real property which may be owned in fee simple and which may be conveyed, transferred and encumbered in the same manner as any other parcel of real property subject only to the provisions of the Condominium documents.

ARTICLE IV  
APPURTENANCES, POSSESSION AND ENJOYMENT

A. There shall pass with each Unit as appurtenances thereto:

1. An undivided share in the Common Elements, including Limited Common Elements when applicable.

2. An undivided share in the Common Surplus.

3. Membership of the Unit Owner in the Association.

4. Membership of the Unit Owner in The Inlets Common Facilities Corporation.

B. Each Unit Owner is entitled to the exclusive possession of his Unit subject to other provisions of this Declaration. He shall be entitled to the use of the Common Elements, in accordance with the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful right of other Unit Owners.

ARTICLE V

RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS

A. The undivided share in the Common Elements which is appurtenant to a Unit shall not be separated therefrom and shall pass with the title to the Unit, whether or not separately described.

B. A share in the Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit.

C. The shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the common Elements shall lie.

ARTICLE VI  
COMMON ELEMENTS

A. There shall be appurtenant to each of the Units an undivided ownership of the Common Elements, based upon the specified formula of each Unit being equal to one, with the resulting proportion or percentage of the undivided share in the Common Elements of each Owner to equal the proportion or percentage which one (1) bears to the aggregate number of all Units in the Condominium. For example, the percentage of the undivided share in the Common Elements for Phase I would be one (1), for Phases I and II it would be one-half (1/2) for Phases I, II and III, it would be 1/3 and so forth. Assuming all 20 Units are added to the Condominium each Unit would have an undivided one-twentieth (1/20) ownership of the Common Elements. The Common Elements of the Condominium shall include the following:

1. The land described above and all improvements thereon, except for Units as shown on the aforementioned Survey and Plot Plan.
2. Easements, as may be necessary, through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to other Units or Common Elements.
3. Installations for furnishing of utility services to more than one Unit or to the Common Elements or to a unit other than the Unit containing installations.
4. The property and installations in connection therewith required for the furnishing of services to more than one Unit or to the Common Elements.
5. Easements for maintenance of Common Elements.

B. The Limited common Elements of this Condominium shall include:

1. Those Common Elements so designated by this Declaration.
2. Those Common Elements so designated by the Survey and Plot Plan attached as Exhibit "B".

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ARTICLE VII  
COMMON EXPENSES AND SURPLUS

A. The Common Expenses of the Condominium shall be assessed and the Common Surplus of the condominium divided and apportioned among the Units in the same proportions as ownership of the Common Elements as set forth in Article VI above.

B. Specifically included as Common Expenses are:

1. The premiums of all insurance policies obtained by the Association, as provided herein.
2. The costs of all utilities which are not separately metered to the individual condominium Units.
3. All costs and expenses incurred by the Association regarding the maintenance of lawns and landscaping within this Condominium, including lawns and landscaping located within the boundaries of Units.
4. All costs and expenses incurred by the Association in roof cleaning and painting of trim on the dwellings constructed on the Units in this Condominium.

C. Included in the Common Expenses of this Condominium may be an appropriate share as determined by the Association of the costs and expenses of providing and maintaining facilities and/or improvements on, in or as part of the Common Elements of other sections of THE INLETS, A CONDOMINIUM, which such facilities and improvements are for the mutual benefit of this Condominium and other sections of THE INLETS, A CONDOMINIUM.

D. The Common Expenses shall also include the costs of carrying out the powers and duties of the Association and any other expenses designated as Common Expenses by the Condominium Act, this Declaration or the Bylaws.

E. Certain expenses relative to the Units or improvements (houses or villas) ultimately constructed on the Units may not be Common Expenses. These expenses, however, as a matter of convenience and economy may be billed to Unit Owners by the Association, collected by the Association and remitted to the appropriate parties furnishing the service or services. Even though these expenses are not Common Expenses, due to the fact that the Association may contract on behalf of Unit Owners for them and be responsible for payment in full, it is necessary to provide the Association with enforcement rights concerning the same. Accordingly such expenses shall be collectible by the Association in the same manner as though the same were Common Expenses and shall be subject to collection remedies including lien rights and foreclosure by the Association in the same manner as though the same were Common Expenses pursuant to the provisions of this Declaration and the Act as amended from time to time. The Association shall have the right to determine which expenses are to be collected as provided hereinabove.

F. No Common Expenses or Surplus shall accrue relative to a Unit until such time as construction of the residential dwelling to be located within the Unit boundaries is complete.

ARTICLE VIII  
EASEMENTS

A. All of the following easements are hereby reserved in perpetuity and otherwise created, granted and conveyed in favor of Developer, its grantees, substitutes, successors and assigns, the Association, and the Unit Owners, and are covenants running with the land of the Condominium:

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1. Perpetual easements for the installation, construction and repair of private and public utility lines and services of all kinds under and over the surface of the Condominium Property which is not occupied by buildings or other structures. Utility easements may be granted by the Developer or the Association to any public or private utilities as may be necessary or desirable to provide utilities as may be necessary or desirable to provide utility services to any of the foregoing. All public and private utility companies rendering utility services to this Condominium shall have a perpetual, non-exclusive easement over, across, under and through all of the Condominium Property which is not occupied by buildings or other structures for the purpose of construction, installation, maintenance, repair and replacement of the utilities servicing this Condominium and or the purpose of reading meters in connection therewith.

2. Pedestrian and vehicular traffic easements for pedestrian traffic over, through and across any sidewalks, parking areas, paths, walks, roads, streets, and lanes, as the same may from time to time exist, upon the common Elements; and for vehicular traffic over, through and across such portions of the Common Elements as may be from time to time intended for such purposes, but the same shall not give or create in any person the right to drive or park upon any portions of the Condominium property not intended for such use or not so designated by the Association.

3. If any improvements constructed on a Unit or if any Unit shall encroach upon any Common Element or upon any other Unit by reason of original construction or by the non-purposeful or non-negligent act of the Unit Owner, then an easement appurtenant to such encroaching improvements, to the extent of such encroachment shall exist so long as such encroachment shall exist. If any Common Element shall encroach upon any Unit by reason of original construction or the non-purposeful or non-negligent act of the Association, then an easement appurtenant to such Common Element, to the extent of such encroachment, shall exist so long as such encroachment shall exist.

4. The right to enter over, through and upon all the Condominium Property for the purpose of maintaining, repairing and replacing any portions of the condominium that are the responsibility of the Association; provided, however, that entry into the dwelling constructed with the Unit boundaries shall be permitted only with the consent of the Unit Owner or pursuant to legal process.

5. Other easements, if any, shown on the Survey and Plot Plan attached as Exhibit "B".

B. All of the following easements are hereby created and preserved in perpetuity in favor of Developer its grantees, substitutes, successors and assigns for the benefit of the Association, for the benefit of Unit Owners in other sections of The Inlets, for the benefit of The Inlets Common Facilities Corporation, and for the benefit of all future property owners in other lands owned by the Developer in Section 36, Township 38 South, range 18 East.

1. Pedestrian and vehicular traffic easements for pedestrian traffic over, through and across any sidewalks, parking areas, paths, walks, roads, streets, and lanes, as the same may from time to time exist, upon the common Elements, and for vehicular traffic over, through and across such portions of the Common Elements as may be from time to time intended for such purposes, but the same shall not give or create in any person the right to drive or park upon any portions of the Condominium property not intended for such use or not so designated by the Association.

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2. Perpetual easements for the installation, construction and repair of private and public utility lines and services of all kinds over, under and across all private roads reflected on the condominium plat of this Condominium.

C. Should any of the intended easements described in this Declaration fail by reason of the fact that at the time of creation there may be no grantee in being having the capacity to take and hold such easement, then such grant of easement or reservation deemed not to be so created shall nevertheless be considered as having been granted and created directly to or for the benefit of the Association, or to The Inlets Common Facilities Corporation for the purpose of allowing the original intended party or parties to whom the easement was granted or reserved the benefit of such easement. The Unit Owners designate the Developer and the Association as their lawful attorneys-in-fact to execute any instrument on their behalf as may be hereinafter required or deemed necessary for the purpose of creating such easement.

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ARTICLE IX  
MANAGEMENT OF THE CONDOMINIUM  
AND THE INLETS PROJECT

A. The Association shall administer this Condominium and manage, maintain and repair the Condominium Property (except for the portions of Units to be managed, maintained and repaired by Owners and those areas common to The Inlets Project which are maintained by The Inlets Common Facilities Corporation). All persons owning a vested present interest of record in the fee title to any Condominium Parcel shall automatically be members of the Association and their respective membership shall terminate as their vested interest in the fee title to the Condominium Parcel terminates. Membership in the Association cannot be transferred, assigned or pledged in any manner except as an appurtenance to the respective Unit. All of the affairs of the Association shall be controlled by the Officers and the Board of Directors. A copy of the Articles of Incorporation which has been filed with and certified by the Secretary of State of the State of Florida is attached hereto as Exhibit "C". The Bylaws governing the operation of the Association are attached as Exhibit "D". The powers and duties of the Association shall include those set forth in the Articles, the Bylaws, the Condominium Act, and this Declaration.

B. The Inlets Common Facilities Corporation has been organized for the purpose of owning, operating, maintaining and improving The Inlets Common Facilities and for the purpose of enforcing covenants and restrictions as provided in the Declaration of Covenants and Restrictions for The Inlets as amended by the First Amendment to Declaration of Covenants and restrictions for The Inlets. All Unit Owners in this Condominium shall be members of The Inlets common Facilities Corporation.

ARTICLE X  
VOTING RIGHTS IN THE ASSOCIATION

Each Owner shall be entitled to one (1) vote in the Association for each Condominium Parcel owned by him, which shall be exercised only by that Owner or his proxy. If a person owns more than one (1) Unit, he shall be entitled to one (1) vote for each Unit owned.

ARTICLE XI  
BOAT DOCKS -deleted not applicable-

ARTICLE XII  
ASSESSMENTS:  
LIABILITY, LIENS, PRIORITY, INTEREST AND COLLECTIONS



A. The Association, through its Board of Directors, shall have the power to determine and fix the sums necessary to provide for the Common Expenses, including the expense allowable to services being rendered by a management company with whom the Association may contract. Unless specifically waived by the Association, the Assessments shall include monies required for the payment of hazard and liability insurance premiums. A Unit Owner, regardless of the manner in which he acquired title to his unit including, without limitation, a purchaser at a judicial sale, shall be liable for all Assessments while he is the owner of a Unit. In a voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter for his share of the Common Expenses up to the time of such voluntary conveyance.

B. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any common facilities, Common Elements, services or recreation facilities, or by abandonment of the Unit against which the Assessment was made.

C. Assessments and installments thereof not paid when due shall bear interest from the due date until paid at the rate of eighteen percent (18%) per annum.

D. The Association shall have a lien upon each Condominium Parcel to secure the personal obligation of each Unit Owner thereof for any unpaid Assessment and interest thereon. Such lien shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such Assessment or enforcement of such lien. The lien shall be evidenced by a claim recorded among the Public Records of Sarasota County, Florida, in the manner provided by the Condominium Act, and shall be effective from and as of the time of such recording, but such lien shall be subordinate to the lien of any mortgage or any other lien recorded prior to the time of the recording of the claim of lien by the Association. The Board of Directors may take such action as is deemed necessary to collect Assessments by either an in personam action or lien foreclosure, or both, and may settle and compromise the same if in the best interest of the Association. Said liens shall have the priorities established by the Condominium Act.

E. Liens for Assessments may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. In any such foreclosure, the court, in its discretion, may require the Unit Owner to pay a reasonable rental for the condominium Parcel and the court may appoint a receiver to collect the Assessments which are the subject of said proceeding. The Association may bid for the Condominium Parcel at foreclosure sale and apply as a cash credit against its bid all sums due the Association secured by the lien being enforced, and the Association may acquire and hold, lease, mortgage and convey any Condominium Parcel so acquired.

F. Any Institutional Mortgagee holding a first mortgage of record or other purchaser of a Condominium Unit obtaining title to the Condominium Parcel as a result of foreclosure of the first mortgage or as a result of a deed given in lieu of foreclosure shall not be liable for the share of Common Expenses or Assessments by the Association pertaining to such Condominium Parcel or chargeable to a former Unit Owner of such parcel which became due prior to the acquisition of title as a result of the foreclosure or deed in lieu thereof, unless such share of Common Expenses and Assessments is secured by a Claim of Lien for the same that is recorded prior to the recording of the said first mortgage. Any such unpaid share of Common Expenses or Assessments shall be deemed to be a Common Expense, collectible from all Unit Owners, including such acquirer, his successors and assigns. A mortgagee or other purchaser acquiring title to a Condominium Parcel as a result of foreclosure or deed in lieu of foreclosure

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may not, during the period of its ownership of such Parcel, whether or not such parcel is unoccupied, be excused from the payment of some or all of the Common Expenses coming due during the period of such ownership.

G. The Association, acting by and through its Board of Directors, shall have the right to assign its claim for any unpaid Assessments and the lien securing said claim to the Developer or to any Unit Owners, group of Unit Owners or any third party.

H. Nothing contained herein shall abridge or limit the rights or responsibilities or mortgages of Units as set forth in the Condominium Act.

ARTICLE XIII  
RESTRICTIONS: USE, SALE AND LEASE

The following restrictions shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, and shall run perpetually unless terminated as provided herein, and shall be binding upon all Unit Owners, their heirs, personal representatives, successors, assigns, grantees and mortgagees, who by acceptance of a grant, devise or mortgage agree to be bound by the provisions hereof, and shall also apply to and bind the Condominium, the Condominium Property, the Condominium Units, and the Condominium Parcels:

A. All improvements constructed upon Condominium Units shall be and remain of like exterior design, shape, color and appearance as the original construction by Developer. The Developer hereby reserves the right to change from time to time the original construction design, color, shape and appearance of the improvements during the course of development of this Condominium and all sections of The Inlets.

B. No Unit Owner shall modify or change the appearance or design of any portion of the exterior of any improvements located on or within the Unit boundaries without the approval of the Association, except for the addition of Developer-approved improvements.

C. No Unit Owner shall modify or alter the lawns, landscaping or landscaped areas within the Unit boundaries without the approval of the Association, except for the Developer-approved modifications or alterations and except for landscaped areas within a Unit Owner's privacy court.

D. Occupants of Condominium Units shall not suffer, permit or maintain in or on their premises conditions or activities which interfere with peaceful and quiet occupancy by other Unit Owners of their Units.

E. Only small household pets shall be permitted or maintained in a Unit or on the Common Elements, subject to rules and regulations of the Association concerning their care and maintenance.

F. No Unit Owner shall keep or park on the Common Elements or Unit or the leased area any trailers, campers, boats, trucks, motorbikes or motorcycles, it being intended that the only vehicles permitted to be kept on the Condominium Property by Unit Owners, their guests, licensees, invitees or assigns will be customary private passenger vehicles. This restriction shall not preclude the entry on the Common Elements of necessary service or development related vehicles.

G. Each Condominium Unit shall be used exclusively as a one-family residential dwelling, and no business or trade shall be permitted to be conducted therein or thereon, except for units

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used by Developer for models, sales offices, construction offices, storage or related use.

H. The Association shall have the option to purchase or lease any Unit upon the same terms and conditions as are offered by the Unit Owner to any third person.

1. Prior to the sale, rental, lease or transfer of any Unit to any person other than the transferor's spouse or member of his immediate family or wholly owned corporation, the Unit Owner shall notify the Board of Directors in writing of the name and address of the person to whom the proposed sale, rental, lease, or transfer is to be made, the terms and conditions thereof together with a copy of the purchase agreement or lease and such other information as may reasonably be required by the Board of Directors. Failure to do so shall be deemed a breach hereof, and any sale, rental, lease or transfer in contravention of this Article shall be null and void and confer no right, title or interest to the intended purchaser, lessee or transferee.

2. Within twenty (20) days after its receipt of said notice and such supplemental information as it may reasonably require, the Board of Directors shall either approve or disapprove the proposed sale, rental, lease or transfer, in writing, and shall promptly notify the Unit Owner of its decision. Failure of the Board to act within said twenty (20) day period shall be the equivalent of its consent and may be established by means of an affidavit attached to the deed conveying the Unit being sold. Approval of the sale, rental, lease or transfer shall be stated in a certificate executed by the President or Vice President of the Association, which shall be recorded in the Public Records of Sarasota County, Florida, by and at the expense of the purchaser, lessee or transferee and if there be any other expenses reasonable incurred by the Association in connection with such transaction, said expense shall also be borne and paid to the Association by the purchaser, lessee or transferee.

I. If the proposed sale is bona fide but the Board of Directors disapproves the same, when the Board notifies the Unit Owner of its disapproval, it shall deliver to the Unit Owner the deposit required under the terms of the proposed sale and shall then be obligated to close the sale of the Unit in accordance with the terms and conditions of the proposed sale previously furnished to it. If the Board furnishes the Unit Owner with written notice of its disapproval but fails to deliver the required deposit, such action shall be the equivalent of its consent which may be established as provided in the preceding subparagraph H.

1. If the Board notifies the Unit Owner of its disapproval and accompanies its notice of disapproval with the required deposit, the Association's obligation to purchase the Unit as provided herein may be assigned to any member or members of the Association. The member or members to whom the Association's obligation to purchase may be assigned shall be determined solely by the Association.

2. Thereupon, the selling Unit Owner may either close the proposed sale of his Unit with the Association or a member or members to whom its obligation to purchase the Unit has been assigned or withdraw the offer specified in his notice to the Board. If neither the Association nor any assignee member or members close the proposed sale under the terms and conditions of said notice, the deposit previously delivered by the Association to the Unit Owner shall be forfeited by the Association and retained by the Unit Owner who may then consummate the transaction with the party who made the original bona fide offer. To perfect title in his transferee, an affidavit executed by the selling Unit Owner specifying the manner in which the terms hereof have been complied with shall be recorded with the deed conveying title to the Unit being sold.

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J. In the event that the sales price to the proposed purchaser exceeds the fair market value of the Property, the Association shall have the right, if the Unit Owner refuses to sell the Unit to the Association for the Unit's fair market value, to require a determination of the fair market value by arbitration proceedings. In such event, the Association's right to deliver the deposit to the Unit Owner shall be extended until ten (10) days after the report of the arbitrators. The arbitration shall be accomplished by the Association appointing an arbitrator, who shall be a registered M.A.I. or its equivalent, the Unit Owner appointing another registered M.A.I. arbitrator within five (5) days after notice of the appointment by the Association, and the two (2) appointed arbitrators appointing a third arbitrator with the same qualifications within ten (10) days of the first appointment. The arbitrators shall then meet and make their determination of the fair market value of the Unit within ten (10) days from the appointment of the third arbitrator and shall advise the parties of their determination. The decision of the arbitrators shall be binding on all parties.

K. Units shall not be leased without the prior written approval of the Board of Directors. The Board shall have the right to require that a substantially uniform form of lease be used. No lease shall be for a period of less than thirty (30) days; the proposed lessees shall consist of not more than two (2) persons per bedroom in the Unit to be leased; and no pets shall be permitted in leased Units except in connection with leases for periods exceeding six (6) months. Notwithstanding the lease of his Unit, the liability of the Unit Owner under this Declaration shall continue.

The Board must either approve or disapprove a lease within twenty (20) days after its receipt of a request for such approval, which request shall be accompanied by such information as the Board may reasonably require. If approved, a recordable Certificate of Approval shall be executed by the Association at the expense of the lessee. If the Board fails to give the Unit Owner written notice of its approval of the proposed lease within the foregoing twenty (20) day period, its failure to give such notice shall be the equivalent of its consent. If the proposed lease is disapproved by the Board, the Unit shall not be so leased.

L. Should any Condominium Parcel at any time become subject to an Institutional First Mortgage, the holder thereof, upon becoming the owner of said Condominium Parcel through foreclosure, deed in lieu of foreclosure or other means, shall have the unqualified right to sell, lease or otherwise transfer said Unit, including the fee ownership thereof, without prior offer to or approval of the Board of Directors, the provisions of the foregoing subparagraphs being inapplicable thereto, except that the Association shall be advised in writing of the closing date or effective date and term of the lease and shall also be provided with the name(s) of the purchaser or lessee.

M. The provisions of this Article shall not be applicable to the Developer who is hereby irrevocably empowered without any limitation at all times, whether for permanent or temporary occupancy, to sell or transfer Units owned by Developer for any period and under any terms to any purchasers or transferees without the consent of the Association. The Developer shall have the right to take any action necessary to consummate the sale or transfer of said Units, including, but not limited to, the right to maintain model units on the condominium Property, post signs, have employees in the offices maintained in the Condominium Property, use the Common Elements and show Units to prospective purchasers. Sales office signs and all items pertaining to sales shall not be considered Common Elements and shall remain the property of the Developer. The provisions of this subparagraph M shall not be amended without the prior written approval of the Developer.

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N. The Occupants and Owners of each Unit shall keep and obey all laws, ordinances, regulations, requirements and rules of all governmental bodies, divisions or subdivisions, insofar as the same pertain to the control or use of such Unit, and shall promptly pay each Unit's share of all Common Expenses and Special Assessments and shall further pay any and all late charges, penalties or interest relating to the same as properly established by uniform rules and regulations of the Association.

O. No Condominium Parcel or Unit shall be divided or subdivided. No structural alterations or changes shall be made to the dwelling located on said Unit without prior approval of the Board of Directors of the Association.

P. Without the prior permission of the Association, no wires, TV antennas, air conditioners, aerials or structures of any sort shall be erected, constructed or maintained on the exterior of the building, except for those structures that form a part of the original building, and no Unit Owner shall permit or maintain any exposed or outside storage or storage containers.

Q. No clothes lines, hangers or drying facilities shall be permitted or maintained on the exterior of any Unit or in or on any part of the Common Elements, except by the Association, and no clothes, rugs, drapes, spreads or household articles or goods of any sort shall be dried, aired, beaten, cleaned or dusted by hanging or extending the same from any window or door.

R. No Unit owner may dispose of or keep refuse, trash or garbage in or on any exterior area of the owner's Unit or on the Common Elements, except in those receptacles provided by the Association, if any.

S. No Unit shall be the subject of a partition action in any Court of the State of Florida, and all Unit Owners do by their acceptance of a conveyance of such Unit, waive any right to maintain or bring such action.

T. No electric machine or apparatus of any sort shall be used or maintained in any Unit which causes interference with the television reception in other units.

U. No signs of any type shall be maintained, kept or permitted on any part of the Common Elements or in or on any Unit where the same may be viewed from the Common Elements, except for signs of Developer.

V. The occupants of Units shall abide by all the uniform rules and regulations promulgated by the Association from time to time concerning occupancy and use of the Condominium Units and Common Elements and areas, which rules and regulations shall not discriminate against any Unit owner or class of Unit owners.

ARTICLE XIV  
MAINTENANCE AND REPAIR

A. The Association, except as otherwise specifically provided herein, shall maintain, repair and replace at the Association's expense:

1. All portions of the Common Elements and all improvements and personal property thereon.

2. All conduits, pipes, lines, mains, ducts, plumbing, wiring and other facilities for the furnishing of utility services to the Condominium not within a Unit, and those with a Unit but serving more than one (1) Unit.

3. All lawns, trees and landscaped areas, including such areas located within the Unit boundaries, shall be maintained by the Association.

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4. Roof cleaning and painting of trim on all dwellings constructed on the Units in this Condominium; provided, however, that the responsibility for roof repair and replacement shall be the Unit Owner's.

B. The responsibility of each Unit Owner for maintenance, repair and replacement shall be as follows:

1. To maintain, repair and replace, at his own cost and expense all portions of his Unit (except the portions to be maintained, repaired and replaced by the Association), and all improvements located thereon, including the maintenance of the exteriors of all dwellings constructed within the Unit boundaries, including exterior painting and the maintenance, repair and replacement of the roofs of the dwellings.

2. To maintain, repair and replace all air conditioning and heating equipment serving the improvements located within his Unit.

3. To maintain and keep in good repair the boat dock which is a Limited Common Element appurtenant to his Unit.

4. Not to modify or change the appearance or design of any portion of the exterior of any improvements located on or within the Unit boundaries without the approval of the Association, except for the addition of Developer-approved improvements.

5. Not to modify or alter the lawns, landscaping or landscaped areas within the Unit boundaries without the approval of the Association, except for Developer-approved modifications or alterations and except for landscaped areas within a Unit Owner's privacy court.

6. To promptly report to the Association any defect or need for repairs, maintenance or replacements for which the Association is responsible.

7. To keep, maintain, repair and replace in a first class, safe, neat, clean and attractive order, condition, appearance and repair all portions of the Condominium Property which are the responsibility of such Unit Owner as set forth above. In the event any Owner of any Unit in the Condominium shall, after reasonable notice from the Association, fail to keep, maintain, repair and replace, in a first class, safe, neat, clean and attractive order, condition, appearance and repair, all improvements located on or within his Unit, the Association shall have the right through its agents, contractors, employees or representatives, to enter upon the Unit and to maintain, repair and replace, at the expense of the Unit Owner, all such improvements. The Unit Owner shall pay the Association for all such maintenance, repairs and replacements immediately upon demand.

ARTICLE XV  
AMENDMENT OF DECLARATION

A. This Declaration may be amended at any time by affirmative vote of two-thirds (2/3) of all voting rights of all Unit Owners in this Condominium, except that provisions relating to percentage of ownership and sharing of Common Expense, rights of Developer, termination of the Condominium and the voting rights of Members may be amended only with the written consent of all persons adversely affected thereby. The Articles of Incorporation and Bylaws may be amended by a simple majority vote of all voting rights of all Members of the Association and to that extent this Declaration may be amended without a two-thirds (2/3) vote. No amendment shall be effective unless it be in writing, executed by the President or Vice President and attested by the Secretary of the Association with the formalities

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required for a conveyance of real property in the State of Florida and recorded in the Public Records of Sarasota County. It shall not be necessary for the individual Unit Owners or holders of recorded liens thereon (except institutional first mortgage holders as herein provided) to join in the execution of any amendment, and the execution of any amendment by the President or Vice President and attested by the Secretary of the Association as provided herein shall be prima facie evidence that the amendment was duly adopted in accordance with the requirements of this Declaration, the Articles of Incorporation and the Bylaws. Until such time as Developer shall have conveyed title to all Units of all sections of The Inlets, no amendments to the Declaration of Condominium, Articles of Incorporation or Bylaws shall be effective without its written consent.

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B. By acceptance of a deed to a Condominium Unit, the grantee agrees for himself, his heirs, successors and assigns, and the holders of any mortgages, liens or other interests in or to any Unit, that Developer shall have the right and irrevocable power to amend this Declaration and the exhibits recorded herewith as may be necessary or desirable from time to time prior to the conveyance of all Units in all sections by Developer to (a) identify, locate and dimension any Units which are not completed at the date of this Declaration; (b) to correct any errors or omissions in the Declaration or any exhibits hereto; (c) to make the documents comply with the requirements of any statutory provisions or any state or federal rules or regulations or county ordinances; or (d) to gain acceptance or approval of any institutional mortgage lender or title insurer. Such amendments shall be executed by the Developer with written consent of all institutional first mortgagees and the joinder or further consent of individual Unit Owners or holders of recorded liens or other interests therein or thereon shall not be required. All amendments shall take effect immediately upon recordation in the Public Records of Sarasota County.

ARTICLE XVI  
AMENDMENT TO PLANS

A. Developer reserves the right to change the original construction design of the dwellings to be built on the Units and to alter the boundaries between the Units so long as Developer owns the Units so altered. No such change shall increase the number of Units nor alter the boundaries of the Common Elements without amendment of this Declaration.

B. The Amendment of this Declaration reflecting such authorized alteration of plans by Developer need be signed and acknowledged only by the Developer, and need not be approved by the Association, Unit Owners, lienors or Mortgagees, whether or not their joinder is elsewhere required for other amendments.

ARTICLE XVII  
TERMINATION OF CONDOMINIUM

A. The above-described property may be removed from the provisions of this Declaration at any time by a vote of eighty percent (80%) of the voting rights of all Unit Owners in this Condominium, unanimous written consent of all of the Institutional Mortgagees, and written consent of Developer until such time as Developer shall have conveyed title to all Units of all contemplated sections of THE INLETS, by an instrument to that effect signed by the President or Vice President and Secretary of the Association with the formalities of a deed and duly recorded in the Public Records of Sarasota County.

B. In the event the Condominium is to be terminated, then all Owners of Units will immediately convey all their right, title and interest to their respective Units to the bank trustee selected by the Board of Directors to be held by such trustee in