

Final draft with corrections 3/6/21

NOTE: SUBSTANTIAL AMENDMENT OF ENTIRE DECLARATION. FOR
PRESENT TEXT SEE EXISTING DECLARATION.

AMENDED AND RESTATED DECLARATION OF

COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS FOR

THE STRAND

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THE STRAND

KNOW ALL PERSONS BY THESE PRESENTS that on March 10, 1997 the original Declaration of Covenants, Conditions, Restrictions and Easements for Pelican Strand (uka "The Strand") was recorded in Official Record Book 2292, at Page 1637 *et seq.*, of the Public Records of Collier County, Florida. That Declaration, as it has previously been amended, is hereby further amended and is restated in its entirety.

The land subject to this Declaration (hereinafter the "Property") is legally described on Exhibit "A" hereto. No additional land is being added by this instrument and no land is being removed by this instrument. The covenants, conditions, and restrictions contained in this Declaration shall run with the land and be binding upon and inure to the benefit of all present and future Owners. The acquisition of title to a Parcel or any other ownership interest in the Property, or the lease, occupancy, or use of any portion of a Parcel or the Property, constitutes an acceptance and ratification of all provisions of this Declaration as amended from time to time, and an agreement to be bound by its terms.

1. DEFINITIONS. The following words and terms used in this Declaration or any of the Governing Documents (unless the context shall clearly indicate otherwise) shall have the following meanings:

1.1 "Assessments" means a share of the funds required for the payment of Common Expenses and individual expenses which from time to time are assessed by the Master Association against an Owner as Regular, Special, and Individual Assessments.

1.2 "Articles" and "Bylaws" as used herein, mean the Articles of Incorporation and the Bylaws of The Strand Master Property Owners Association, Inc., as amended from time to time. A copy of the Amended and Restated Articles of Incorporation and the Amended and Restated Bylaws are attached hereto as Exhibits "B" and "C" respectively.

1.3 “Board” means the Board of Directors responsible for the administration of The Strand Master Property Owners Association, Inc., as further set forth in the Articles and Bylaws.

1.4 “The Club” means The Strand at Naples, LLC, a Florida limited liability company, and its successors and assigns, which owns, operates, and maintains the recreation club on the Property known as The Club at the Strand and other portions of the Property. The Club is a party to the Cost Sharing Agreement and shall comply with the provisions set forth therein.

1.5 “The Club at The Strand” means the recreation club on the Property, which consists of real property and improvements, including golf courses, tennis courts, a clubhouse, a swimming pool, and other amenities that may now or in the future be operated by The Club (the “Club Property”). The Club at The Strand is a part of the Property. All Owners, as a result of their ownership of a Parcel, shall automatically become a social member of The Club at The Strand as further detailed in Section 10.

1.6 “Commercial Association” means The Strand Commercial Association, Inc., a Florida not for profit corporation, which operates the commercial executive center on the Property and was formed for the purposes set forth in the Declaration of Covenants, Conditions, Restrictions and Easements for Pelican Strand Commercial Parcel, recorded at O.R. Book 2292, Page 1732 of the Official Records of Collier County, Florida, as amended. The Club is a party to the Cost Sharing Agreement and shall comply with the provisions set forth therein.

1.7 “Commercial Center” means the commercial executive center located on the Property, which consists of real property and improvements operated by the Commercial Association. The Commercial Center is a part of the Property.

1.8 “Common Areas” shall mean and refer to those areas of land within or without the Property which are dedicated to or owned by the Master Association; or any other property which is dedicated, conveyed, leased, used, or licensed to the Master Association; any property over which the Master Association holds an easement; or any property anywhere located for which the Master Association has assumed responsibility of its maintenance, either under the terms of this Declaration or by separate agreement, and which are intended to be devoted to the common use and/or enjoyment of the Members, together with any and all personal property and fixtures located thereon. Common Areas shall include, but not be limited to, the Water Management System

(unless specifically controlled and maintained by a Neighborhood Association or the Club and governed by the Cost Sharing Agreement), Strand Boulevard and Ashford Lane, medians therein, the sidewalks adjacent to Strand Boulevard, open spaces, **preserve areas**, landscaped areas, front and rear gate, gate house, and perimeter walls and fences and landscaping required by the Cost Sharing Agreement. Notwithstanding the above, any perimeter fence, wall or landscaping which constitutes Neighborhood Common Area shall not be deemed Master Association Common Area and shall be maintained, repaired and replaced by the appropriate Neighborhood Association. The term “Common Areas” shall also include any personal property acquired by the Master Association if said property is designated as Common Areas in the bill of sale or instrument transferring same or subsequently declared by the Master Association to be Common Areas.

1.9 “Common Expenses” means the expenses incurred by the Master Association in the course of performing its duties under the Governing Documents and the law. Common Expenses of the Master Association include the actual and estimated costs of operating the Master Association, the costs of administration, maintenance, operation, repair, and replacement of the Common Areas, other expenses declared by the Governing Documents to be Common Expenses, and any other valid expenses or debts of the Property as a whole of the Master Association which are assessed against the Owners including the operation, maintenance, and replacement of the Water Management System and any reasonable reserves. Common Expenses may also include, but not be limited to, the following:

(A) taxes and special assessments levied or assessed upon the Common Areas;

(B) charges levied by utilities or districts providing services for the Common Areas;

(C) premiums on the policies of insurance which the Master Association owns or purchases;

(D) sums necessary to repair, replace, construct, or reconstruct any structure or improvements upon the Common Areas damaged by any casualty not covered in whole or in part by insurance;

(E) expenses necessary to maintain, repair, operate, protect, and replace the Common Areas;

(F) costs of administration of the Master Association in the performance of its functions and duties under the Declaration, Articles, and Bylaws;

(G) costs of the Master Association in the performance of its functions and duties under Cost Sharing Agreements.

(H) costs to acquire, maintain and obtain service for community wide internet and television service should the board determine that such service is in the best interest of the community.

1.11 “Common Surplus” means the excess of all receipts of the Master Association, including, but not limited to, Assessments, rents, profits, and revenues over the Common Expenses.

1.12 “Condominium Unit” shall mean and refer to any condominium unit designated as such within any condominium created within the Property, pursuant to the applicable condominium documents.

1.13 “Cost Sharing Agreement” shall mean that certain Agreement Establishing Easements, Maintenance Responsibilities, and Sharing of Costs recorded at O.R. Book 2292, Page 1802, in the Official Records of Collier County, Florida, as amended by that First Amendment to Agreement Establishing Easements, Maintenance Responsibilities, and Sharing of Costs recorded at O.R. Book 3337, Page 1312 in the Official Records of Collier County, Florida, and as amended from time to time.

1.14 “Declaration” means this Amended and Restated Declaration, as it may be amended from time to time.

1.15 “Family” or “Single Family” shall refer to any one of the following:

(A) One natural person.

(B) Two or more natural persons who commonly reside together as a single housekeeping and economic unit.

1.16 “Governing Documents” means and includes this Amended and Restated Declaration and all Neighborhood Declarations, the Articles, the Bylaws, the Rules and Regulations, and all recorded exhibits thereto, as they may be amended from time to time.

1.17 “Guest” means any person who is not the Owner or a lessee of a Parcel or a member of the Owner’s or lessee’s family, who is physically present in, or occupies a Parcel on a temporary basis at the invitation of the Owner or other legally permitted occupant, without the payment of consideration.

1.18 “Home” means a dwelling unit intended for residential use.

1.19 “Improvement” shall mean and refer to any building, structure, or other man-made improvement constructed anywhere within the Property, including, without limitation, a detached single-family home, condominium unit, attached townhouse or villa, perimeter walls, landscaping, and entry features.

1.20 “Individual Assessment” shall mean an Assessment levied in accordance with Section 4 of this Declaration.

1.21 “Lease” means the grant by an Owner of a temporary right of use of the Owner’s Parcel with or without valuable consideration. The term “Lease” and all its derivations as used herein applies to any type of occupancy for which the occupant has paid consideration to the Owner, including, but not limited to, occupancy pursuant to a license.

1.22 “Lot” shall mean and refer to any single platted lot within the Property upon which a single-family residence is constructed, including, without limitation, a detached single-family home, attached townhouse or villa, duplex, or triplex. That description is hereby incorporated by reference. All of said land has been subdivided for residential use with fee simple title to each Lot having been conveyed to an Owner for use as a residential home site. No Lot shall include the Common Areas. No Lot may be subdivided or joined together without the consent of the Master Association. Any action taken pursuant to this paragraph shall be in accordance with the PUD. The Lots may be depicted and numbered on sketches or surveys as recorded in the Public Records of Collier County, Florida.

1.23 “Master Association” means The Strand Master Property Owners Association, Inc., a Florida not for profit corporation, which is responsible for the maintenance and operation of the Common Areas and amenities.

1.24 “Master Association Documents” shall mean any and all documents, instruments, and agreements creating and governing the Master Association, including, but not limited to, the Declaration, Articles, Bylaws, and any procedures, rules, regulations, or policies adopted by the Master Association, as they may all be amended from time to time.

1.25 “Master Association Standards” shall mean the standards of conduct, maintenance, or other activity generally prevailing throughout The Strand. Such standards may be more specifically determined by the Master Association.

1.26 “Members” means and refers to those persons who are entitled to membership in the Master Association or any Neighborhood Association as provided in the Articles and Bylaws.

1.27 “Neighborhood” shall mean and refer to each separately developed and denominated portion of the Property designated as a Neighborhood in this Declaration, as amended, or in a Neighborhood Declaration.

1.28 “Neighborhood Assessments” shall mean Assessments levied against the Parcels in a particular Neighborhood or Neighborhoods to fund Neighborhood Expenses.

1.29 “Neighborhood Association” shall mean and refer to any property owners association, homeowners association, condominium association, or any other such entity, and their successors and assigns, for any particular Neighborhood.

1.30 “Neighborhood Common Area” shall mean and refer to all real property, including any improvements and fixtures thereon such as but not limited to streets, walls, pools, fountains, sidewalks, light fixtures, clubhouses, and landscaping, owned or leased, or the use or maintenance responsibility of which has been granted to a Neighborhood Association for the use (on an exclusive or non-exclusive basis) of its Members. If a Neighborhood is a condominium, the term “Neighborhood Common Area” shall refer to the common elements of the condominium.

1.31 “Neighborhood Declaration” shall mean and refer to any and all covenants, conditions, restrictions, declaration of condominium, and other provisions imposed by the recorded instrument and applicable to one or more specific Neighborhoods but not to all Neighborhoods. Neighborhood Declarations shall be subject to the terms of this Declaration.

1.32 “Neighborhood Expenses” shall mean and include the actual and estimated expenses incurred by a Neighborhood Association for the benefit of the Owners of Parcels within a particular Neighborhood or Neighborhoods, which may include a reasonable reserve for capital repairs and replacements. Neighborhood Expenses are in addition to Master Association Expenses.

1.33 “Neighborhood Representative” shall mean the individual permitted to vote on behalf of and represent a Neighborhood Association on Master Association matters.

1.34 “North Border Cost Agreement” shall mean that certain Landscape Maintenance Agreement recorded at O.R. Book 4909, Page 1865, in the Official Records of Collier County, Florida, and as amended from time to time.

1.35 “Occupy” when used in connection with a Parcel, means the act of staying overnight on a Parcel. “Occupant” is a person who occupies a Parcel.

1.36 “Owner” means the record owner of legal title to a Parcel.

1.37 “Parcel” shall mean and refer to a portion of the Property intended for use and occupancy as an attached or detached residence for a single family, and shall, unless otherwise specified, include within its meaning (by way of illustration, but not limitation) condominium units, patio homes, duplexes, and single-family detached houses on separately platted or described Lots, all as may be used and defined herein. The term shall include all portions of the real property owned as well as any structure thereon. In the case of a structure which contains multiple dwellings, each dwelling shall be deemed a separate Parcel.

1.38 “Plat” means the Plat for Pelican Strand recorded in Plat Book 28, Page 58, in the Public Records of Collier County, Florida and shall include any amendment or replat of all or any portion thereof.

1.39 “Preservation Areas” means those portions of the Property comprised of mangrove forests, wetlands, cypress domes, resource protection areas, and other environmentally-sensitive areas. Preservation Areas may be Common Area and/or Neighborhood Common Area. Preservation Areas may be passive areas or may, subject to any requisite governmental approval, be used for educational programs and be equipped with such facilities as boardwalks and/or nature trails.

1.40 “Primary Occupant” means the natural person approved for occupancy of a Parcel when title to the Parcel is held in the name of two or more persons who are not a married couple, or by a trustee or a corporation or other entity which is not a natural person. When used in reference to a Parcel owned in one of the forms listed above, the term “Primary Occupant” shall be synonymous with the term “Owner”.

1.41 “Property” or “Community” means all the real property which is subject to this Declaration.

1.42 “PUD” means Collier County Ordinance No. 02-57, establishing a Planned Unit Development zoning classification for Pelican Strand, duly adopted by the Board of County Commissioners of Collier County, Florida, as it may be amended from time to time.

1.43 “Streets” shall mean and refer to any roadway which is dedicated exclusively to the Master Association and any and all other roadways for which the Master Association is charged with maintaining or has agreed to maintain by any separate agreement. Streets and all median landscaping shall be maintained by the Master Association. The Owners shall have a non-exclusive, perpetual easement for ingress and egress over and across the Streets.

1.44 “Structure” means that which is built or constructed, or any piece of work artificially built up or composed of parts joined together in some definite manner, the use of which requires a more or less permanent location on the ground. The term shall be construed as if followed by the words “or part thereof”. The term includes, without limitation, swimming pools, fences, flagpoles, antennas, playground equipment, and storage sheds.

1.45 “Voting Interests” mean the numbers of votes a Neighborhood Representative may cast and is equal to the number of parcels within that Neighborhood.

1.46 “Water Management System” shall mean and refer to lakes, ditches, culverts, lines, and constructed surface and/or underground systems and facilities for the drainage and/or storage of surface water. Said Water Management System may be entirely located upon the Property but may also be comprised of public and private easements located outside of the Property if the facilities service all or some portion of the Property on an exclusive or nonexclusive basis. The Water Management System shall be for the use and benefit of all lands that are now or hereafter a part of the Property. The Water Management System may service other lands that do not form a part of the Property. Each Owner and the Master Association shall have a perpetual, non-exclusive easement, right, license, and servitude to use the Water Management System. The Master Association may reconfigure such parts of the Water Management System, provided same is then in accordance with sound engineering practices and governmental approvals. In such event, the perpetual non-exclusive drainage easement rights of the Master Association and all Owners shall, without necessity of additional written documentation, be transferred from the previously existing Water Management System to the revised system.

2. MASTER ASSOCIATION.

2.1 Membership. Every Owner of a Parcel shall be a member of the Master Association, and by acceptance of a deed or other instrument evidencing his or her ownership interest, each Owner accepts his membership in the Master Association, acknowledges the authority of the Master Association as herein stated, and agrees to abide by and be bound by the provisions of the Governing Documents, as they may be amended from time to time.

2.2 Voting Rights; Neighborhood Representative. Voting on Master Association matters will be conducted through the respective Neighborhood Representative, as further set forth in the Bylaws. Members will have no power to vote on Master Association matters other than through their respective Neighborhood Representative. The Board is hereby authorized to adopt Rules and Regulations adopting the use of electronic or online voting consistent with Florida law to facilitate voting on matter to be voted on by Neighborhood Representatives.

2.3 Articles of Incorporation. A copy of the Amended and Restated Articles of Incorporation of the Master Association is attached to this Declaration as Exhibit “B”.

2.4 Bylaws. A copy of the Amended and Restated Bylaws of the Master Association is attached to this Declaration as Exhibit “C”.

2.5 Delegation of Management. The Master Association may contract for the management and maintenance of those portions of the Property that it is required to maintain and may authorize a licensed management agent to assist the Master Association in carrying out its powers and duties by performing functions which may include, but are not limited to, the submission of proposals, collection of Assessments, keeping of records, enforcement of rules, and maintenance, repair, and replacement of the Common Areas, and the Water Management System, with funds made available by the Master Association for such purposes.

2.6 Acts of the Master Association. Unless the approval or affirmative vote of the Owners or Neighborhood Representatives is specifically made necessary by some provision of the law or the Governing Documents, all approvals or actions permitted or required to be given or taken by the Master Association may be given or taken by its Board, without a vote of the Owners or Neighborhood Representatives. The officers and Directors of the Master Association have a fiduciary relationship to the Owners. An Owner does not have the authority to act for or bind the Master Association by reason of being an Owner.

2.7 Powers and Duties. The powers and duties of the Master Association include those set forth in Chapters 617 and 720, Florida Statutes, and in the Governing Documents. The Master Association may contract, sue, or be sued with respect to the exercise or non-exercise of its powers and duties. For these purposes, the powers of the

Master Association include, but are not limited to, the maintenance, management, and operation of the Master Association's Common Areas. The Master Association has the power to enter into agreements to acquire leaseholds, memberships, and other ownership, possessory, easement, or use interests in lands or facilities for the use and enjoyment of the Owners.

2.8 Official Records. The Master Association shall maintain its official records as required by law. The records shall be open to inspection by Members or their authorized representatives at all reasonable times. The right to inspect the records includes a right to make or obtain photocopies at the reasonable expense of the Member seeking copies.

2.9 Purchase of Parcels. The Master Association has the power to purchase Parcels in the community in connection with the foreclosure of a Master Association lien for Assessments, charges, or fines or any other foreclosure of an interest that affects the Master Association's lien, and to hold, lease, mortgage, encumber, or convey them with such power to be exercised by the Board without prior approval of the Owners or Neighborhood Representatives.

2.10 Interests in Real Property. The Master Association has the power to acquire property, both real and personal. The power to acquire personal property shall be exercised by the Board. Except as otherwise provided in Section 2.9 above, the power to acquire, encumber, or convey ownership interests in real property, including recreational facilities, whether or not contiguous with the Property, shall be exercised by the Board only after approval of the Neighborhood Representatives representing at least a majority of the voting interests of the Master Association.

2.11 Disposition of Personal Property. Any personal property owned by the Master Association may be mortgaged, sold, or otherwise encumbered or disposed of by the affirmative vote of a majority of the entire Board, without need for authorization by the Owners or Neighborhood Representatives.

2.12 Roster. The Master Association shall maintain a current roster of names and mailing addresses of Owners, based upon information supplied by the Owners. Owners are responsible for notifying the Master Association of any change in their mailing and email addresses. All such notices shall be in writing. A copy of the roster shall be made available to any Member upon request.

2.13 Alterations, Improvements, Additions. The Master Association has the power to make material alterations, improvements, and additions to the Common Areas, including, but not limited to, installation of gates, gate houses, speed bumps, and other traffic controls, as well any other alterations or additions, and the power shall be exercised by the Board.

3. ASSESSMENTS. The provisions of this section shall govern Assessments payable by all Owners of Parcels, for the Common Expenses of the Master Association not directly attributable to one of the Parcels.

3.1 Covenant to Pay Assessments. Each Owner of a Parcel, by the act of becoming an Owner, covenants and agrees, and each subsequent Owner of any Parcel (including any purchaser at a judicial sale), by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Master Association:

(A) The Owner's share of Annual Assessments based on the annual budget adopted by the Board of the Master Association;

(B) The Owner's share of Neighborhood Assessments based on the annual budget adopted by the Board of the Neighborhood Association;

(C) The Owner's pro rata share of Special Assessments for capital improvements or other Master Association expenditures not provided for by Annual Assessments; and

(D) Any charges properly levied against individual Owner(s) ("Individual Assessments") without participation from other Owners.

3.2 Liability for Assessments. The Owner of each Parcel, regardless of how title was acquired, is liable for all Assessments or installments thereon coming due while he is the Owner. Multiple Owners are jointly and severally liable. Except as provided in Section 3.17 below, whenever title to a Parcel is transferred for any reason, the transferee is jointly and severally liable with the transferor for all unpaid Assessments and charges against the transferor, regardless of when incurred, without prejudice to any right the transferee may have to recover from the transferor any amounts paid by the transferee. No Owner may waive or otherwise escape liability for the Assessments and charges provided for herein by waiver or non-use of the Common Areas or Neighborhood

Common Areas, by abandonment, or otherwise. Except as provided elsewhere in the Governing Documents as to Institutional Mortgagees, no Owner may be excused from the payment of Assessments unless all Owners are similarly excused. Assessments and other funds collected by or on behalf of the Master Association become the property of the Master Association. No Owner has the right to claim, assign, or transfer any interest therein except as an appurtenance to the Parcel. No Owner can withdraw or receive distribution of his prior payments to the common surplus or Master Association reserves, except as otherwise provided herein or by law.

3.3 Collection of Assessments. Each Neighborhood Association shall have the obligation to collect the Assessments for the Parcels it administers or controls and pay same to the Master Association when such Assessment is due in accordance with the terms hereof; provided, however, that the Master Association may, in its sole discretion, elect whether to collect or not collect Assessments directly from Owners. Each Neighborhood Association shall remit the entire Assessment amount to the Master Association, irrespective of whether each Owner within a Neighborhood remits payment to the Neighborhood Association, within ten (10) days of the due date for the same, along with an accounting of the Owners who have made payments and the amounts thereof. In the event that any amount owed to the Master Association is not timely paid, the Master Association shall be entitled to enforce its rights against the Neighborhood Association, including, but not limited to, the right to record a claim of lien and foreclose the same, as set forth herein. No Neighborhood Association shall have the right of set-off or diminution or abatement with respect to Assessments collected on behalf of the Master Association.

Each Owner, by acceptance of a deed or other instrument of conveyance conveying a Parcel, whether or not it shall be so expressed in such deed or instrument, shall be obligated and agrees to pay to the Master Association or, where applicable, Neighborhood Association, all Annual Assessments, Neighborhood Assessments, Special Assessments, and Individual Assessments applicable to such Parcel, together with all late fees and other costs in accordance with the provisions of this Declaration; and consents and agrees to the lien rights hereunder against such Parcel.

3.4 Purposes of Assessments. The Assessments levied by the Master Association shall be used for the purposes of promoting the general welfare of the Owners and residents; to operate, maintain, repair, improve, construct, and preserve (on a non-profit basis) the Master Association's Common or Cost Shared Areas and Items for the benefit of its Members and their guests, tenants, and invitees; and to perform all other duties and responsibilities of the Master Association as provided in the Governing Documents. Common Expenses also include the funds necessary to provide reserve accounts for:

(A) renovation or major repairs to the Master Association's Common Areas and/or renovation or major repairs for which the Master Association is responsible pursuant to a cost sharing agreement; and

(B) for emergency and other repairs required as a result of storm, fire, natural disaster, or another casualty loss.

3.5 Computation of Annual Assessments. The Owners shall be liable for a share of the Annual Assessments levied by the Master Association for Common Expenses of the Master Association as provided herein. It shall be the duty of the Board of Directors annually to prepare a budget covering the estimated Master Association Expenses, to be allocated among all Parcels in equal portions.

3.6 Special Assessments. Special Assessments may be levied by the Board in the following circumstances, among others, and shall be paid in such installments or in a lump sum as the Board shall determine from time to time:

(A) Upon all Parcels and the Owners thereof, upon Board action alone in case of:

- (i) Operating shortfalls;
- (ii) Insurance coverage shortfalls;
- (iii) Repairs and replacements not covered by reserves;
- (iv) Casualties not covered by insurance;
- (v) Necessary capital purchases not covered by capital funds; or
- (vi) Other emergencies.

(B) Upon all Parcels and Owners thereof, upon Board action alone for desired capital improvements or additions to the Common Area.

(C) Upon one or a group of Owners, or a Neighborhood Association, upon Board action alone, in such cases where:

- (i) Only one or a group of Owners will benefit from the expenditure; or

(ii) Where the Special Assessment is to compensate the Master Association for costs incurred in self-help or correcting violations, **fin**es imposed as set out in this document, or as otherwise provided in the Governing Documents.

3.7 Individual Assessments. All monetary fines assessed against an Owner pursuant to the Governing Documents, or any expense of the Master Association which is the obligation of an Owner or which is incurred by the Master Association on behalf of the Owner pursuant to the Governing Documents, shall be an Individual Assessment and shall become a lien against such Parcel which may be foreclosed or otherwise collected as provided herein. Notice of the amount and due date of such Individual Assessments shall be delivered to the Owner subject to such Assessment.

3.8 Reserve Budget. The Board may, but is not obligated to, annually prepare a reserve budget to take into account the number and nature of replaceable assets owned, controlled, or maintained by the Master Association, the expected life of each such asset, and the expected repair or replacement cost thereof.

3.9 Resale Capital Assessment. The Master Association shall levy a Resale Capital Assessment upon the transferee of a conveyance of any Parcel owned by an Owner to be used by the Association for any lawful purpose. The amount of the Resale Capital Assessment shall be equal to two (2) quarterly assessment installments as determined by the annual Master Association budget, including reserves. The due date shall be the date of the closing of the conveyance. The Resale Capital Assessment shall, unless the transferor and transferee otherwise expressly agree, be the obligation of the transferee. If unpaid at closing, the Association may collect the Resale Capital Assessment in the same manner as a Regular Assessment in this Section 3.

For the purposes of this section, the term “conveyance” shall mean the nonexempt transfer of record legal title to a Parcel by deed or other authorized means of conveyance for or without valuable consideration, and shall also refer to the transfer of possession and beneficial ownership by means of an agreement for deed. The following conveyances shall be exempt from payment of the Resale Capital Assessment:

(A) a conveyance by any record title holder to any person or entity who was also a record title holder of the Parcel being conveyed in the Association immediately prior to such conveyance;

(B) a conveyance to the Owner’s estate, surviving spouse, or other heirs resulting from the death of an Owner;

(C) a conveyance by an Owner to a trust, partnership, corporation, or other entity so long as such entity is and remains wholly-owned by the Owner or by such Owner and the Owner's spouse and/or children for estate planning or tax purposes;

(D) a conveyance to the Association pursuant to a final judgment of foreclosure or deed in lieu of foreclosure.

3.10 Lien. The Master Association has a lien on each Parcel for unpaid past due Assessments and charges, together with interest, late payment penalties, costs, and reasonable attorneys' fees incurred by the Master Association in enforcing this lien. The lien is perfected by recording a Claim of Lien in the public records of Collier County, which Claim of Lien shall state the description of the property encumbered thereby, the name of the record Owner, the amounts then due, and the dates when due. The lien shall continue in effect until all sums secured by said lien have been fully paid, and the lien satisfied or discharged. The Claim of Lien shall secure all unpaid Assessments, fines and charges, interests, late fees, costs, and attorneys' fees which are due and which may accrue or come due after the recording of the Claim of Lien and before the entry of a final judgment of foreclosure. Upon full payment, the person making payment is entitled to a satisfaction of the lien.

3.11 Foreclosure of Lien. The Master Association may bring an action in its name to foreclose its lien for unpaid Assessments or charges by the procedures and in the same manner as is provided in Section 720.3085 of the Florida Statutes, as amended from time to time hereafter, for the foreclosure of a lien upon a parcel for unpaid Assessments. All unpaid Assessments and charges also constitute a personal obligation of the Owners, and the Master Association may, in addition to any other remedy herein provided, bring an action at law against any Owner liable for unpaid charges or Assessments. If a final judgment is obtained, such judgment shall include interest on the Assessments as above provided and reasonable attorneys' fees to be fixed by the Court, together with the costs of the action, and the Master Association shall be entitled to recover reasonable attorneys' fees in connection with any appeal of such action.

3.12 Priority of Liens. The Master Association's lien for unpaid charges, Assessments, and all other amounts shall be subordinate and inferior to any recorded institutional first mortgage, unless the Master Association's Claim of Lien was recorded before the mortgage, but shall relate back to the date the original Declaration was recorded in the Public Records and be superior to, and take priority over, any other mortgage, lien, or interest recorded after that date. Any lease of a Parcel shall be subordinate and inferior to the lien of the Master Association, regardless of when the lease was executed.

3.13 Application of Payments; Failure to Pay; Interest. Assessments, charges, and installments thereon paid on or before ten (10) days after the date due shall not bear interest, but all sums not so paid shall bear interest at the highest rate allowed by law, calculated from the date due until paid. In addition to interest, the Master Association may also charge an administrative late payment fee in an amount not to exceed the maximum amount allowed by law. Assessments, charges, and installments thereon shall become due, and the Owner shall become liable for said Assessments or installments, on the date established in the Bylaws or otherwise set by the Board for payment. Any restrictive endorsement on or accompanying a payment notwithstanding, all payments made to the Master Association by or on behalf of an Owner shall be applied first to interest, then to late fees, then to costs (including but not limited to collection charges imposed by the management company, attorney and court) then to attorneys' fees, then to fines (if allowed by law), then to other charges, and then to the oldest outstanding unpaid Annual, Special, or Individual Assessments. No payment by check is deemed received until the check has cleared. The Master Association shall also have the right to require any tenant occupying the Parcel during any period in which Assessments for the Parcel are due but have not been paid to the Master Association to pay the rent to the Master Association as provided by law.

3.14 Acceleration. If any Special Assessment or installment of an Annual Assessment as to a Parcel becomes more than thirty (30) days past due, and a Claim of Lien is recorded, the Master Association shall have the right to accelerate the due date of the entire unpaid balance of the Parcel's Assessments for that fiscal year. The due date for all accelerated amounts shall be the date the Claim of Lien was recorded in the public records. The Master Association's Claim of Lien shall secure payment of the entire accelerated obligation, together with interest on the entire balance, attorneys' fees, and costs as provided by law; and said Claim of Lien shall not be satisfied or released until all sums secured by it have been paid. The right to accelerate shall be exercised by sending to the delinquent Owner a notice of the exercise, which notice shall be sent by certified or registered mail to the Owner's last known address and shall be deemed given upon mailing of the notice, postpaid.

3.15 Removal of Property. After the Master Association successfully performs a foreclosure on the Parcel, if the Owner does not remove personal property from the foreclosed premise, such property will be deemed forfeited to the Master Association, and the Master Association may authorize removal and may sell such forfeited property after ten (10) days written notice by certified mail addressed to the Owner at the last known address or at such address on record as provided to the Master Association by the Owner. Such remedy shall be in addition to all other remedies available to the Master Association

under applicable laws, rules, and regulations, including the right to compel removal of the property and right to impose any and all fines.

3.16 Certificate as to Assessment; Mortgagee Questionnaires. Within ten (10) working days after request by an Owner or mortgagee, the Master Association shall provide a certificate (sometimes referred to as an “estoppel letter” stating whether all Assessments and other monies owed to the Master Association by the Owner with respect to the Parcel have been paid. Any person other than the Owner who relies upon such certificate shall be protected thereby. The Master Association may charge up to the maximum amount allowed by law to issue an estoppel certificate. The Master Association may, but is not obligated to, respond to mortgagee questionnaires. If the Master Association chooses to respond to a mortgagee questionnaire, the Master Association may charge up to \$150.00 (in addition to any charge for an estoppel letter) plus attorneys’ fees for doing so.

3.17 Mortgage Foreclosure. Unless otherwise provided by law, if the mortgagee of a first mortgage of an institutional mortgage of record acquires title to a Parcel as a result of foreclosure of the mortgage, or as the result of a deed given in lieu of foreclosure, such acquirer or title shall be liable for the share of Common Expenses or Assessments attributable to the Parcel, or to the former Owner of the Parcel, which came due prior to the mortgagee’s acquisition of title as required by Section 720.3085, Florida Statutes. Any unpaid share of Common Expenses for which such acquirer is exempt from liability becomes a Common Expense collectible from all Owners, including such acquirer and his successors and assigns. All other persons or entities acquiring title to a Parcel as the result of a foreclosure or other court-ordered sale shall be obligated to pay all past due Assessments due and owing at the time of sale regardless of whether or not the Master Association has filed a lien. No Owner or acquirer of title to a Parcel by foreclosure, or by a deed in lieu of foreclosure, may be excused from the payment of any Assessments coming due during the period of his ownership.

3.18 Cable and Telecommunications Systems.

(A) The Master Association has the right, but not the obligation, to construct or install over, through, under, across, and upon any portion of the Property for the use of the Owners and their permitted or authorized guests, invitees, tenants, and family members one or more cable and/or telecommunications receiving and distribution systems and electronic surveillance systems, emergency, medical, or surveillance monitoring or alarm systems (all or any part of which shall be referred to herein as the “System”), the exact description, location, and nature of which may have not yet been fixed nor determined. The Master Association shall have a perpetual and exclusive right,

privilege, easement, and right-of-way for the installation, construction and maintenance of the System (the scope, extent, size, and location of which over, across, upon, and through the Property shall be determined solely by the Master Association) together with a perpetual and exclusive right and privilege of: (i) unlimited ingress and egress thereto for installing, constructing, inspecting, repairing, maintaining, altering, moving, improving, and replacing the facilities and equipment constituting the System including, without limitation, any towers, antennas, conduits, wires, cables, lines, panels, boxes, housings, connections, insulators, and amplifiers necessary or desirable to receive and distribute services of the System, including, without limitation, television and radio signals, electronic banking, surveillance, fire, police, and emergency medical protection; and (ii) transmitting the facilities and equipment of which shall be owned and exclusively controlled by the Master Association.

(B) The Master Association shall have the right to enter contracts for the exclusive provision of the System, as the Master Association shall deem, in its sole discretion, to be in the best interests of the Property.

C) Every Owner who receives the services provided by any contract for the System may be subject to a charge, payable per Parcel on such day of each month or quarter in advance, as the Board may select, for cable television programming and internet services. The Master Association shall impose, as part of Master Association Assessments, fees for the System, which shall be billed and collected by each Neighborhood Association.

3.19 Neighborhood Common Areas; Maintenance. Certain portions of the Property are designated as Neighborhood Common Area and reserved for the exclusive use of Owners and occupants of Parcels within a particular Neighborhood or Neighborhoods. There is hereby created in favor of every Owner in a particular Neighborhood a non-exclusive easement of use, access, and enjoyment in and to such Neighborhood Common Area. All costs associated with maintenance, repair, replacement, and insurance of Neighborhood Common Area shall be assessed against the Owners of Parcels in only those Neighborhoods which are benefited thereby as a Neighborhood Assessment. By way of illustration and not limitation, Neighborhood Common Area includes landscaped areas, entry features, security features and recreational facilities intended for the exclusive use of Owners within a particular Neighborhood or Neighborhoods and supported exclusively by Neighborhood Assessments. In the event of any question regarding what constitutes Neighborhood Common Area, the decision of the Board shall control.

4. EASEMENTS.

4.1 Appurtenant Easements. Subject to the restrictions found elsewhere in this Section 4, the Owner of each Parcel and their guests, lessees, and invitees, shall have as an appurtenance to their Parcel a perpetual nonexclusive easement for ingress and egress over, across, and through the Mater Association Common Areas.

4.2 Utility Easements. A perpetual easement shall exist upon, over, under, and across the Property for the purpose of maintaining, installing, repairing, altering, and operating sewer lines, water lines, waterworks, sewer works, force mains, lift stations, water mains, sewer mains, water distribution systems, sewage disposal systems, effluent disposal systems, pipes, valves, gates, pipelines, cable television, and all machinery and apparatus appurtenant thereto as may be necessary for the installation and maintenance of utilities servicing all Owners of Parcels and servicing the Common Areas, all such easements to be of a size, width, and location so as to minimize and not unreasonably interfere with the use of any improvements which are now, or will be, located upon said Property. The Master Association, through its Board, has the authority to grant additional such easements and to modify, move, or vacate such existing easements as may be necessary to efficiently and effectively provide utility and other services to the Common Areas.

4.3 Easement for Encroachment and Overhang. There shall be a reciprocal appurtenant easement for encroachment and overhang between adjacent Lots. Such easement shall be for roof overhangs and other improvements which were unintentionally placed or have settled or shifted. The easement shall be for a distance of not more than five (5) feet, as measured from any point on the common boundary between the adjacent Lots, along a line perpendicular to such boundary at such point. Any Owner of a Lot which contains a structure which encroaches upon the Common Areas shall have a valid easement for the encroachment and maintenance of same, as long as it stands and exists. In no event shall an easement for encroachment of anything other than an overhang exist if such encroachment occurred due to willful conduct on the part of an Owner.

4.4 Easement for Golf Use. There shall be a perpetual, non-exclusive easement permitting golf balls unintentionally to come upon any portion of the Property immediately adjacent to any golf course portion of the property owned and operated by The Club, and for golfers at reasonable times and in a reasonable manner to come upon the Property to retrieve errant golf balls; provided, however, if any Parcel or portion of the Property is fenced or walled, the golfer shall seek the Owner's permission before entry. The location of the Parcel, Neighborhood Common Area, or Common Area within the Property may result in nuisances or hazards as a result of operations of The Club. Each Owner, by acceptance of a deed to a Parcel, covenants for himself and his successors, successors in title, and assigns, that he shall assume all risks associated with

such location, including, but not limited to, the risk of property damage or personal injury arising from stray golf balls or actions incidental to such activities of The Club; and shall indemnify and hold harmless the Master Association and The Club from any liability, claims, or expenses, including attorney's fees, arising from such property damage or personal injury. No amendment to this paragraph may be made without the written approval of The Club.

4.5 Easement for Lake Maintenance. The Master Association and its successors and assigns shall have a perpetual, non-exclusive easement for maintenance of lakes it is charged with maintaining upon, across, over, and under any Property located, as shown on any Plat of any portion of the Property, from the top of the bank of a lake or canal for ingress, egress, and access to such lake or canal located within or adjacent to the Property; provided, however, the exercise of this easement shall not unreasonably interfere with the use of any Parcel. If such easement is not shown on the Plat, it shall be deemed to extend from the top of the bank of a lake twenty (20') feet landward. No structure of any kind shall be constructed or maintained in this easement area unless approved by the Master Association.

4.6 Subordination. Notwithstanding any of the foregoing to the contrary, it is understood that these covenants and restrictions are subordinate and will be subordinate without the necessity of any other instrument, to any existing easement or easements to any public or quasi-public utility for the installation and maintenance of service lines in the Common Areas.

4.7 Extent of Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(A) the right of the Master Association, in accordance with its Bylaws, to borrow money for the purpose of improving and/or maintaining the Common Areas and providing the services herein, and, to aid thereof, to mortgage said properties;

(B) the right of the Master Association to impose rules and regulations governing the use of the Common Areas; and

(C) the right of the Master Association to a non-exclusive easement over, across, and through each Parcel as necessary to meet the Master Association's maintenance responsibilities.

4.8 Additional Easements; Modification of Easements. Notwithstanding anything to the contrary contained herein, the Master Association has the power, without the joinder of any Owner, to grant, modify, or relocate easements in any portion of the Common Area, as the Board shall deem necessary or desirable for the Master Association. Such easements, or the relocation of existing easements, may not prevent or unreasonably interfere with the use of the Parcels.

5. MAINTENANCE.

5.1 Maintenance by Master Association. The Master Association shall, in addition to other maintenance obligations contained elsewhere herein, have the maintenance, repair, and replacement responsibility for the Common Areas as described in Section 1.8 and Water Management System as described in Section 1.45. The foregoing obligations include, but are not limited to, maintenance, repair, and replacement of the following:

5.2 Maintenance by Parcel Owner. Except for those maintenance duties which the Master Association has expressly agreed to assume, each Owner shall maintain his or her Parcel in good repair and in a neat and attractive condition in accordance with the Master Association Standards and the Governing Documents. No Owner shall take any action which (a) increases the maintenance responsibility of the Master Association; (b) causes the Master Association's insurance premiums to increase; or (c) interferes with the Master Association's maintenance or operational responsibilities.

5.3 Cost Sharing Agreement. The Master Association, The Club, Collier County and the Commercial Association shall perform their respective maintenance, repair, and replacement obligations set forth in the Cost Sharing Agreement and in accordance therewith.

5.4 Enforcement of Maintenance. If the Owner of a Parcel fails to maintain the Parcel as required above, the Master Association shall have the right to institute legal proceedings to enforce compliance or may take any and all other steps necessary to remedy such violation, including, but not limited to, entering the Parcel and remedying the violation, with or without consent of the Parcel Owner but only after ten (10) days' written notice of intent to do so. The Master Association may repair, replace, or maintain any item which constitutes a hazard to other property or residents, prevents the Master

Association from fulfilling its maintenance responsibilities, or which has a materially adverse effect on the appearance of the Property. Any expenses so incurred by the Master Association shall be billed directly to the Owner of the Parcel to which such services are provided and shall be an Individual Assessment charged against the Parcel, secured by a lien against the Parcel as provided in Section 3 above.

The Board shall have the power to assist Neighborhood Associations in the performance of their duties and obligations under their respective Neighborhood Declarations and shall cooperate with said Neighborhood Associations so each can most efficiently and economically provide their respective services to the Owners. If a Neighborhood Association fails, neglects, or is unable to perform a duty or obligation required by its Neighborhood Declaration, including, without limitation, maintenance responsibilities, then the Master Association may, after reasonable notice and an opportunity to cure given to the Neighborhood Association, perform such duties or obligations until such time as the Neighborhood Association is able to resume such functions, and charge the Neighborhood Association a reasonable fee for the performance of such functions and assess the costs thereof against all of the Parcels and Owners thereof.

5.5 Negligence Acts and Damages. Each Parcel Owner shall be liable for the expenses of any maintenance, repair or replacement of Common Areas, other Parcels, or personal property made necessary by his act or negligence or by that of any member of his family or his guests, employees, agents, or lessees.

6. ARCHITECTURAL CONTROL TO PRESERVE THE BEAUTY, QUALITY, AND VALUE OF THE COMMUNITY.

6.1 The Architectural Review Committee (“ARC”). The architectural review and control functions of the Master Association shall be administered and performed by the ARC, which shall consist of at least three (3) persons. The members of the ARC may include persons who are not members of the Master Association. No more than one (1) Director may serve on the ARC at any time. All members of the ARC shall be appointed by and shall serve at the pleasure of the Master Association’s Board of Directors. A majority of the ARC members shall constitute a quorum to transact business at any meeting of the ARC, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARC. Any vacancy occurring on the ARC because of death, resignation, or other termination of service of any member thereof, shall be filled by the Board of Directors. The ARC shall, with the prior approval of the Board of Directors, have the power to engage the services of professionals for

compensation for purposes of aiding the ARC in carrying out its functions, the cost of which shall be a Charge against the Owner requesting approval.

6.2 Improvements Requiring Approval. No building, Structure, roof, enclosure or other improvement shall be erected or altered, nor shall any grading, excavation, driveway, landscaping, change of exterior color, removal or installation of vegetation, modifications or alterations to the interior of screened porches, patios and similar portions of a Parcel visible from the outside of a Parcel, or other work which in any way alters the exterior appearance of any Structure, Parcel, Master Association Common Area or Neighborhood Common Area shall occur unless and until complete and accurate plans, specifications and location of same shall have been submitted to, and approved in writing by, the ARC. Notwithstanding the above, the Master Association's Board of Directors may limit its scope of review or delegate review to a Neighborhood Association as provided in Section 6.4 as the Board of Directors shall determine from time to time in its sole discretion without waiving any right to prospectively require ARC application and approval for any improvements or alterations described above. The initial scope of review shall be established by a resolution of the Board of Directors at a duly noticed meeting of the Board of Directors following the approval and recordation of this amendment to Article 6.

The ARC shall have thirty (30) days after delivery of all required information, including complete and accurate plans and materials, to approve or deny any such plans, and if not denied within such period, said plans shall be deemed approved, unless within the same period the Board of Directors denies the plans in which case regardless of any action or inaction by the ARC the plans shall be deemed denied. The Board may adopt reasonable Rules and Regulations concerning the timely and reasonable completion of various modifications and improvements based on the nature and scope of the modification or improvement. The failure of an Owner to timely complete any approved modification of improvement is a violation of the Governing Documents and the Master Association may enforce the violation as provided herein. All changes, alterations or modifications to approved plans must also be approved according to these same requirements.

6.3 Powers and Duties. The ARC shall have the following powers and duties:

(A) To recommend, from time to time, to the Board of Directors the creation or modification and/or amendments to any design review guidelines. Any such guidelines or modifications or amendments thereto shall be consistent with the provisions of this Declaration and may establish design review scope, standards, timetables and

procedures, outlining the process by which each Owner must have the plans and specifications for all alterations subject to this Article 6. Guidelines shall include, but shall not be limited to, specifications such as size, color, appearance, materials, location and shape of alterations subject to ARC consideration. The guidelines shall take into consideration the workmanship, design and harmony of external design with existing structures, location in relation to surrounding structures, topography, finished grade elevation, and common architectural theme. The guidelines shall not be effective until adopted by a majority of the members of the Board of Directors.

(B) To require submission to the ARC of two (2) complete sets of all plans and specifications for any improvement, Structure of any kind, or any other work which is subject to DRC approval as set forth above. The DRC may also require submission of samples of building materials proposed for use on or as part of any Parcel, and may require such additional information as may reasonably be necessary to completely evaluate the proposed Structure or improvement in accordance with this Declaration and the Design Review Guidelines adopted by the Board from time to time.

(C) To adopt a procedure for inspecting approved changes during and after construction to ensure conformity with approved plans. If it is determined by the DRC that the improvement or work is not in compliance with the approved plans and specifications, then upon written demand from the DRC, the work shall be suspended until such time as the DRC authorizes the work to be recommenced.

(D) Notwithstanding anything to the contrary contained herein, if an Owner is delinquent in the payment of Assessments, fines or other Charges or has failed to correct a violation of these Governing Documents or the Rules and Regulations for which they have been given notice, the processing of an application for approval of the DRC may be denied or withheld pending payment of the Assessments, fines or other Charges or correction of the violation.

(E) ARC meetings shall be open to attendance by any Member and notice of ARC meetings shall be posted in the same manner as required for meetings of the Board of Directors.

6.4 Responsibility of Neighborhood Association. The architectural review provisions of this Article 6 are in addition to any application, review, or approval

required by any Neighborhood Association and the Owner is responsible to ensure that the Owner receives all approvals necessary to commence an improvement subject to this Article or the Neighborhood Covenants. The Master Association may, in the discretion of the Master Association's Board of Directors, delegate, permanently or temporarily, all or any portion of its design review obligations to a third party, including, without limitation, a Neighborhood Association.

6.5 Variances. The Board of Directors may authorize variances from compliance with any of the architectural provisions of this Declaration or any design review guidelines depending on circumstances such as topography, natural obstructions, hardship, aesthetic or the environment, which must be approved by at least two-thirds (2/3) of the Board of Directors. If such variances are granted, no violation of the covenants contained in this Declaration shall be deemed to have occurred with respect to the matters for which the variance was granted. The granting of such a variance shall not, however, operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting his use of the Parcel, including, but not limited to, zoning ordinances and setback lines or requirements imposed by any governmental or municipal authority.

6.6 Non-liability of ARC Members. Neither the ARC nor any member thereof, nor its duly authorized ARC representative, shall be liable to the Master Association or any Owner or any other person or entity for any loss, damage, or injury arising out of or in any way connected with the performance or nonperformance of the ARC's duties hereunder, unless due to the willful misconduct or bad faith of a member, and only that member shall be liable therefore. The ARC shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval from the standpoint of structural safety or conformance with building, health, or other codes.

6.7 Violation. In the event an Owner or Neighborhood installs improvements or modifies the Owner's Parcel or Neighborhood Common Area without obtaining approval as required in this Article, the Master Association shall have the right to fine the Owner up to the maximum amount permitted by law for each day of noncompliance, suspend amenity privileges, institute legal proceedings to enforce compliance, and/or may take any and all other steps necessary to remedy such violation, including, but not limited to, entering the Parcel or Neighborhood Common Area and remedying the violation or removing any unapproved improvements, with or without consent of the Owner or

Neighborhood, but only after reasonable notice of the Master Association's intent to do so. Any expense incurred by the Master Association, including any attorneys' fees or costs incurred to enforce this Section, shall be billed directly to the Owner of the Parcel or Neighborhood to which such services are provided, and shall be a Charge against the Parcel or all Parcels within a Neighborhood in the event of a Neighborhood violation, secured by a lien against the Parcel(s) as provided herein.

7. RULES AND REGULATIONS. The Master Association, through its Board of Directors, may make and enforce administrative Rules and Regulations governing the operation of the Master Association and the use, maintenance, management, and control of the Property, including the Common Areas, Neighborhoods, and the Parcels.

8. USE RESTRICTIONS. The following rules and standards apply to all persons and shall be enforced by the Master Association.

8.1 Residential Use. Each Parcel shall be occupied by only one family and its temporary guests at any time. Each home shall be used as a living residence and for no other purpose. No time-sharing, commercial, trade, or business may be conducted in or from any Parcel, except that an owner or occupant residing in a Home may conduct business activities within the Home so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the residence; (ii) the business activity conforms to all zoning requirements for the Property and all applicable laws and regulations; (iii) the business activity does not involve persons coming onto the Property who do not reside in the Property or door-to-door solicitation of other residents of the Property; and (iv) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board of Directors. The terms "business" and "trade," as used in this provision, shall be constructed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of compensation, regardless of

whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does not generate a profit; or (iii) a license is required therefore.

8.2 Occupancy of Parcel when Owner is not in Residence. An Owner may occasionally allow family, friends, or business associates in reasonable numbers to temporarily occupy the Parcel in his absence. This provision is not intended to allow any Owner to use his Parcel as short-term transient accommodations for several individuals or families. The Owner is responsible for the conduct of his Guests.

8.3. Leasing. The Owner of a Parcel shall have the right to lease such Parcel subject to the terms hereof, and subject to the following conditions and the terms of any Neighborhood Association's rules and regulations:

(A) All leases shall be in writing;

(B) No lease shall be for less than thirty (30) days, nor having a term of more than one (1) year;

(C) The lease shall be specifically subject to the Governing Documents and any failure of the tenant to comply with the Governing Documents shall be a default under the lease, and each lease shall be deemed to include, whether oral or written, and whether specifically expressed in such lease or not, that the Master Association is designated as the Owner's agent with the authority to terminate any lease and evict the tenants in the event of breach of these covenants; and

(D) The Owner shall be liable for all losses and violation of the Governing Documents committed by such Owner's tenant, without prejudice to such Owner's right to collect any sums paid from the tenant.

(E) No Lot or Condominium Unit shall be leased, used, or sold on a "timeshare basis".

8.5 Animals. Animals of a normal domesticated household type (such as cats or dogs) shall be limited to two per Parcel. Animals must be leashed at all times when outside the Home. Any Owner whose pet defecates on the Property shall immediately clean up the pet's waste. Pets shall not be left unattended or leashed on porches, lanais, patios, Common Areas or Neighborhood Common Areas, outside, or in garages. The ability to keep animals is a privilege, not a right, and the Board is empowered to fine an Owner and/or order and enforce the removal of any animal that becomes a source of unreasonable annoyance or a danger to the health, safety, and welfare of other residents,

in the sole and unfettered discretion of the Board of Directors. No monkeys, rodents, amphibians, poultry, rabbits, ferrets, livestock, horses, cows, hogs, pigs, swine, goats, chickens, pigeons, or other such animal, fowl, or reptile may be kept on the Property. No commercial breeding or boarding of animals of any type is permitted.

8.6 Nuisances. No Owner shall use his Parcel, or permit it to be used, in any manner which constitutes or causes an unreasonable amount of annoyance or nuisance to the occupant of another home, or which would not be consistent with the maintenance of the highest standards for a first class residential community nor permit the Parcel to be used in a disorderly or unlawful way. The use of each Parcel shall be consistent with existing laws and the Governing Documents, and occupants shall at all times conduct themselves in a peaceful and orderly manner. No solicitation is permitted at any time within the community. The Board's determination as to what constitutes a nuisance or annoyance shall be dispositive and shall control without regard to any legal definition of such terms.

8.7 Signs. No sign or advertisement of any kind, including, without limitation, those of realtors, contractors, and subcontractors, shall be erected on any Parcel or along Strand Boulevard or Ashford Lane unless the same complies with the standards and guidelines established by the Master Association and has been approved by the Master Association. The Master Association has the right to restrict the size, color, lettering, height, material, and location of signs. The Master Association shall have the right to remove signs which fail to comply with standards set by the Master Association. Notwithstanding the foregoing, no more than two (2) "For Sale" or "Open House" may be used to market a Parcel – one may be displayed at the end of the street, the other on the Parcel, provided that said signs are used for the purpose of actively marketing the Parcel for sale. Any such sign may not be larger than four (4) square feet.

No political signs or flags of any type shall be permitted on Strand Boulevard, Ashford Lane or in any neighborhood.

8.8 Structures. Other than one single family home and related garage, no structure, trailer, house trailer, tent, shack, shed, barn or other outbuilding shall be used or placed on any Parcel or the Common Areas at any time either temporarily or permanently without both the application for and approval of the Master Board of Directors.

8.9 Vehicles, Boats, Trailer and other Equipment Restrictions. No maintenance or mechanical repairs of vehicles or boats is permitted on the Property outside of garages

except in an emergency. No boats, ATV's, swamp buggies, dune buggies, go carts, golf carts, wave runners, jet skis, motorcycles, mopeds, trailers, motor homes, travel trailers, campers, recreational vehicles, or commercial vehicles shall be parked anywhere on the Property outside of garages for more than forty-eight (48) hours unless the vehicle is on the premises to provide services to an Owner or the Master Association.

As used herein the term "commercial vehicle" means trucks and other vehicles which are used for business purposes, including, but not limited to, any vehicle which displays a company name or logo on its exterior, is adorned with signs, flags, advertisements, or any type of lettering or graphic of a commercial nature, or any vehicle with racks, ladders, staging, or other equipment or attachments of a commercial nature, including supplies used for commercial purposes, on or visible in the vehicle. The absence of commercial-type lettering or graphics on a vehicle shall not be dispositive as to whether it is a commercial vehicle.

Additionally, and notwithstanding the foregoing, any vehicle, by whatever name designated, which is used for transporting goods, equipment, or paying customers shall be considered a commercial vehicle regardless of any definition found elsewhere to the contrary. Further, any vehicle, whether commercial or non-commercial, with body parts such as the hood, door, quarter panel, bumper, or bed removed shall be placed in a garage so that it is not readily visible from any adjacent street or Parcel.

Abandoned or inoperable automobiles or oversized vehicles of any kind shall not be stored or parked on any portion of the Property. "Abandoned or inoperable vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of three (3) weeks or longer, provided, however, this shall not include vehicles parked in an enclosed garage. A written notice describing the abandoned or inoperable vehicle and requesting removal thereof may be personally served upon the Owner or posted on the unused vehicle, and if such vehicle has not been removed within seventy-two (72) hours thereafter, the Master Association shall have the right to remove the same without liability to it, and the expense thereof shall be charged to the Lot or Condominium Unit Owner. "Oversized" vehicles, for purposes of this section, shall be vehicles which are too high to clear the entrance to a residential garage.

No vehicle shall be parked anywhere but on paved areas intended for that purpose, garages, or as approved by Master Association for construction purposes. No parking on lawns shall be permitted. No more than two automobiles may be parked in a driveway overnight without the written consent of the Master Association. In no event shall vehicles be parked on a street overnight without the prior written consent of the Master Association.

The Master Association is authorized to tow or place a disabling “boot” on any vehicle violating this section, the Rules or Regulations, a law, or any other restriction contained in the Governing Documents, and the cost of towing and/or booting shall be the obligation of the Owner of the vehicle. The prohibitions on parking of all vehicles contained above in this section shall not apply to temporary parking of commercial vehicles such as for construction use or providing pick-up, delivery, or other commercial services or the temporary parking of other vehicles for the loading and unloading of materials or personnel. For purposes of this section, “temporary parking” shall be permitted between the hours of 7:00 AM and 6:00 PM, Monday through Friday, and 7:00 AM and 2:00 PM, Saturday, accept as otherwise approved by the Master Association.

8.10 Golf Carts. Golf carts used in conjunction with golf course play and other activities shall only be operated on the golf course and designated golf cart paths within The Strand. All golf carts shall only be operated by persons with a valid motor vehicle driver’s license. All privately owned golf carts must be insured by their registered owner and may only be used as a means of travel within The Strand Property to the extent covered by that insurance policy.

8.11 Operation of Motor Vehicles on Common Area. Any person that does not have a valid, current driver’s license is prohibited from operating any motor vehicle on the Common Areas, unless said person is under the direct supervision of another person that has a valid, current driver’s license.

8.12 Garage Doors. Garage doors shall be kept closed at all times, except during the brief time needed to enter or leave the garage.

8.13 Landscaping; Sprinkler Systems. All areas not covered by structures, walkways, or paved parking facilities shall be maintained as lawn or landscaped areas to the pavement edge of any abutting streets and to the waterline of any abutting lakes, rivers, canals, or water management areas. Stone, gravel, or paving may not be used as a substitute for grass in a lawn. The landscaping, including without limitation, the trees, shrubs, lawns, flowerbeds, walkways and ground elevations, shall be maintained by the Owner or Neighborhood Association in which the Parcel is located, as applicable, in a well-groomed manner. Such grooming shall include, but not be limited to, regularly cutting, trimming, watering and fertilizing. Mulched areas must be regularly mulched. In the event that an Owner or Neighborhood Association does not properly maintain any landscaped area, the Master Association may undertake such maintenance and charge the cost thereof back to the responsible Neighborhood Association and/or Owner. Sprinkler

systems located on Neighborhood Common Areas shall be the responsibility of the Neighborhood Association. No weeds, underbrush (other than indigenous growth), or other unsightly growths shall be permitted to grow or remain upon any part of a Parcel and no refuse pile, construction materials or unsightly objects shall be allowed to be placed or remain anywhere thereon. Vacant Lots and Homes for Sale shall be cleaned, mowed, and maintained in a well-kept condition at all times.

8.14 Air Conditioning Units. No window or wall air conditioning units shall be permitted on any Parcel. Compressors and fans for central air conditioning or heat pump systems which are located outside the exterior of a building shall be adequately screened to prevent their being viewed from any street.

8.15 Pools. No above-ground pools shall be erected, constructed, or installed on any Parcel.

8.16 Walls, Fences, Hedges. No wall, fence, hedge, or other divider shall be constructed with a height of more than six (6) feet above the ground level of any adjoining Parcel or Common Area, and no hedge or shrubbery abutting the Parcel or Common Area lines shall be permitted without the prior written approval of the Master Association. No wall, fence, or hedge shall be constructed on any Parcel or Common Area unless its height, length, type, design, composition, material, and location shall have first been approved in writing by the Master Association. The height of any wall or fence shall be measured from the property elevations of adjoining developed property. Any dispute as to height, length, type, design, composition, or material shall be resolved by the Master Association, whose decision shall be final. Approval shall not be given for the construction of any wall, fence, or hedge which unreasonably obstructs the water view or golf course view of any residence. The decision regarding what is an unreasonable obstruction of such a view shall be made by the Master Association, in its sole discretion. No wall or fence shall be constructed on a property line or within any easement unless specifically approved by the Master Association. A wall, fence, or hedge shall only be constructed of materials and with a design and color as approved by the Master Association.

8.17 Playground and Basketball Equipment. No jungle gyms, swing sets, or other playground equipment, including, but not limited to, basketball hoops and backboards shall be permitted on any Parcel without the express written consent of the Master Association.

8.18 Water Management System Area Restrictions and Easements; Conservation Areas.

8.18.1 Improvements. No improvements, planting, or other material of any kind shall be constructed, erected, or installed, nor shall an Owner in any way change, alter, impede, revise, or otherwise interfere with the flow and the volume of water in any portion of a Water Management System reserved for or intended to be reserved for drainage ways, sluice-ways, or for the accumulation of run-off waters, as reflected in any plat or instrument of record, without the specific written permission of the Master Association.

8.18.2 Ingress and Egress. An Owner shall in no way deny or prevent ingress and egress by the Master Association to any Water Management System for maintenance or landscape purposes. The right of ingress and egress and easements therefore are hereby granted in favor of the Master Association, and all appropriate governmental or quasi-governmental agencies that may reasonably require such ingress and egress and easements therefore are hereby specifically reserved.

8.18.3 Modification. No Parcel shall be increased in size by the filling in of any water retention or Water Management Systems on which it abuts. Owners shall not fill, dike, rip-rap, block, divert, or change the established water retention and Water Management Systems that have been or may be created by easement. No Owner may draw water for irrigation or other purposes from any lake, pond, canal, or other Water Management Systems.

8.18.4 Prohibitions. No conservation lands and conservation buffer zones may be altered from their natural state other than to remove exotic vegetation, or to install and maintain Common Areas facilities, or to provide the utilities and drainage as shown on any plat and approved construction plans. Each Owner of a Parcel containing a conservation buffer zone shall retain use of the conservation buffer zone, but the Owner may in no way alter such area from its natural state as noted above. Activities prohibited within the conservation lands and conservation buffer zones include, but are not limited to, construction or placing of buildings on or above the ground; dumping or placing soils or other substances such as trash; removal or destruction of trees, shrubs or other vegetation; dredging or

removal of soil material; diking or fencing; and any other activities detrimental to drainage, flood control, water conservation, erosion control or fish and wildlife habitat conservation or preservation. Each Owner or other beneficiary of any conservation lands, conservation buffer zones, or Common Areas, shall have the right to institute litigation to ensure that said properties and easements therefore are properly and continually maintained. No boats may be used upon the water bodies adjacent to or within the Property, except by authorized personnel for proper maintenance and related purposes. Use of any water bodies are subject to the Rules and Regulations promulgated by the Board. Swimming or wading is not permitted and is strictly at one's own risk. Feeding alligators and other wildlife is prohibited. The Board may adopt regulations prohibiting or restricting activities in reasonably close proximity to any water bodies which may, in the Board's judgment, pose a threat of pollution. Among other activities, the Board may so regulate landscape fertilizing, pest control, the washing of vehicles, and other activities which may result in the contamination of and the flow of sediments into the water bodies.

8.18.5 Responsibility. All Water Management Systems within the Property will be the ultimate responsibility of the Master Association. The Master Association may enter any Parcels or Common Areas and make whatever improvements or repairs are deemed necessary to restore proper water management. The cost shall be an expense of the Master Association. In addition thereto, any Owner or other beneficiary of the Water Management System shall have the right to institute litigation against the Master Association to ensure that the Water Management System and easements therefore are properly and continuously maintained. Notwithstanding the foregoing, the Master Association shall have the power and authority to convey title to, and maintenance responsibilities for, all or such portion of the Water Management Systems as Master Association elects; provided, however, said conveyance may only be made to a governmental agency, which may assume responsibility for the proper maintenance and care of the Water Management Systems.

8.19 Wells; Laundry Lines. Private wells are strictly prohibited. No laundry lines or poles shall be permitted.

8.20 Antenna. No antenna of any kind shall be placed or erected upon any Lot or Condominium Unit affixed in any manner to the exterior of any building other than a satellite antenna less than one meter in diameter, an aerial designed to receive over-the-air television broadcast, or an antenna designed to receive multi-channel, multi-point distribution service which may be installed only at a location on a Lot or Condominium

Unit approved by the Master Association and any applicable Neighborhood Association. In approving the installation and location of any antenna, the Master Association shall comply with all applicable laws, whether state or federal.

8.21 Solar Collectors. Solar collectors, solar heaters, photo electric cells and other installations on the roofs of structures, shall be permitted only at locations approved in writing by the Neighborhood and the Master Association.

8.22 Factory-Built or Existing Structures. No Structure of any kind of what is commonly known as “factory-built”, “modular”, or “mobile home” type construction shall be erected or placed on any Parcel.

8.23 Outside Lighting. Except as initially installed, no spotlights, floodlights, or similar type high intensity lighting shall be placed or utilized upon any Parcel which in any way will allow light to be reflected on any other Parcel or the improvements thereon without the written authorization of the Neighborhood Association. Other types of low intensity lighting which do not unreasonably disturb the Owners or other occupants of the Property are permitted.

8.24 Window Coverings. Window tinting as a method of energy conservation is permitted provided that the type and method of tinting is first approved by the Neighborhood Association. Reflective or foil window coverings are prohibited. No awnings, canopies, or shutters shall be permanently installed on the exterior of any building unless first approved by the Neighborhood Association.

8.25 Gate Access Usage. Use of the automatic gate access system privilege is restricted to only those Owners who have properly received an access system code for their vehicle(s). Unauthorized use of the automatic gate access system by an Owner who willfully allows an unauthorized vehicle to enter the Property is strictly prohibited. Owners who violate this section will be subject to denial of use of the automatic gate system privilege for a period of time as determined by the Board of Directors, but not to exceed thirty (30) days. In no event would an Owner or the Owner’s guests, tenants, or invitees be denied access through the visitor’s access portal to the Property.

8.26 Strand Boulevard and Ashford Lane Speed Limit. The Master Association may adopt reasonable Rules and Regulations limiting the speed of vehicles traveling on those portions of Strand Boulevard that have not been dedicated to the public and Ashford Lane. A violation of speed limits is a violation of the Master Association Rules and Regulations and may be enforced as such.

8.27 Trash. Trash, garbage, and other waste shall be kept only in sanitary containers which shall be kept in a clean and sanitary condition and screened from view from neighboring Homes and the interior roadways except when out for pick-up. Recycle bins and trash shall not be put on the curb for pick-up prior to 6:00 p.m. the night before the scheduled pick-up and shall be removed from the curb no later than 6:00 p.m., the day of pick-up.

8.28 On-Site Fuel Storage. A reasonable quantity of gasoline, propane or other fuels shall be permitted to be stored in an enclosed portion of the Property necessary to power portable generators, gas grills and other similar equipment. On-site underground storage of heating fuel, specifically propane, stored in a tank which meets applicable governmental requirements shall be permitted. The on-site underground storage tank of heating fuel, as described in this section, may be connected and used for only the following equipment: swimming pool heater, outdoor cooking equipment, fireplaces, indoor cooking equipment, indoor clothes dryer, hot water heaters and emergency generators that are permanently installed on the Lot. Such tank's size shall be in compliance with the regulations established and permitted by Collier County. No **out door** above ground on-site fuel tank, oil tank, or bottled gas tank shall be permitted on any Lot.

8.29 Partition. No part of a Parcel, Common Area, or Neighborhood Common Area may be partitioned or separated from any other part thereof except as provided herein. Whether partitioned, combined, or unchanged, each Parcel shall be conveyed, transferred, gifted, devised, bequeathed, encumbered, or otherwise disposed of, as the case may be, with all appurtenant rights, obligations, and interests created by law or by this Declaration, including the Owner's membership in the Master Association and the liability for all Assessments. No Parcel may be subdivided into two (2) or more Parcels and no Parcel may be combined with one (1) or more additional Parcels to form one (1) or more Parcels without the written consent of the Master Board of Directors and after full compliance with all zoning and subdivision regulations.

8.30 Hazardous Materials. Each Owner shall comply with all federal, state, and local statutes, regulations, ordinances, or other rules intended to protect the public health and welfare as related to land, water, groundwater, air, or other aspects of the natural environment (the “Environmental Laws”). Environmental Laws shall include, but not be limited to, those laws regulating the use, generation, storage, or disposal of hazardous substances, wastes, and materials (collectively, the “Hazardous Materials”). No Owner or his tenants, guests, invitees, or permittees shall knowingly use, generate, manufacture, store, release, dispose of, or knowingly permit to exist in, on, under, or about his Parcel any Hazardous Materials except in compliance with the Environmental Laws.

8.31 Compliance with Laws. Subject to the rights of reasonable contest, each Owner shall promptly comply with the provisions of all applicable laws, regulations, ordinances, and other governmental or quasi-governmental regulations.

8.32 Insurance Rates. Nothing shall be done or kept on any Parcel, the Common Area, or Neighborhood Common Area which will increase the rate of insurance on any property insured by the Master Association without the written approval of the Master Association, nor shall anything be done or kept in any Parcel or on the Common Area or Neighborhood Common Area which would result in the cancellation of insurance on any property insured by the Master Association or which would be in violation of any law.

8.33 No Implied Waiver. The failure of the Master Association to object to an Owner’s or other person’s, including, without limitation, a Neighborhood Association’s, failure to comply with the covenants or restrictions contained in the Governing Documents shall in no event be deemed a waiver of the provisions of such documents.

9. INSURANCE

9.1 Master Association Insurance. The Board of Directors shall obtain and keep in force at all times the insurance coverage which it is required to carry and may obtain and keep in force any or all of such other or additional insurance coverage as it may deem necessary. The premiums shall be a common expense. The name of the insured shall be the Master Association as agent for the owners without naming them, and their mortgagees.

9.1.1 Required Coverage. The Master Association shall maintain adequate liability insurance. **The Master Association may in its discretion insure other insurable improvements, if any, as it may determine from time. Such insurance shall afford the following protection:**

(B) Liability. Premises and operations liability for bodily injury and property damage on the Common Areas in such limits of protection and with such coverage as are determined by the Board, with cross liability endorsement to cover liabilities of the Owners as a group to any single Owner.

(C) Compensation. The Master Association shall maintain Workers' compensation insurance if required by law.

(D) Directors and Officers Liability Coverage. The Master Association shall maintain Directors and Officers Liability Coverage.

(E) Fidelity Insurance. The Master Association shall, to the extent available at a reasonably cost, and as may be required by law, obtain fidelity bonds to protect against dishonest acts on the part of its officers, directors, employees, and agents and on the part of all others who handle or are responsible for handling the funds of, or funds administered by, the Master Association. In addition, if responsibility for handling funds is delegated to a manager, such bonds shall be required for the manager and its officers, employees, and agents. Such fidelity coverage shall name the Master Association as an obligee and shall be written in an amount equal to at least one hundred percent (100%) of the estimated annual operating expenses of the Master Association, including reserves. Such bonds shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions.

9.1.2 Optional Coverage. The Master Association may purchase and carry such other insurance coverage as the Board may determine from time to time to be in the best interest of the Master Association and the Owners. Some common examples are:

(A) Flood insurance.

(B) Broad Form Comprehensive General Liability Endorsement.

(C) Automobile liability for bodily injury and property damage for owned and/or non-owned motor vehicles, in such limits of

protection and with such coverage as shall be required by the Board of Directors.

(D) Medical Payments.

9.1.3 Insurance Proceeds. All insurance policies purchased by the Master Association shall be for the benefit of the Master Association, and all proceeds shall be payable to the Master Association.

9.1.4 Distribution of Proceeds. Proceeds of insurance policies received by the Master Association shall be used to defray the cost of repair or reconstruction. Any proceeds remaining after defraying such costs shall become part of the Master Association's common surplus.

9.1.5 Master Association as Agent. The Master Association is hereby irrevocably appointed agent for each Owner to adjust all claims arising under insurance policies purchased by the Master Association for damage or loss to the Parcels.

9.1.6 Damage to Common Areas. Where loss or damage occurs to the Common Areas, it shall be mandatory for the Master Association to repair, restore, and rebuild the damage caused by the loss, unless within one hundred and eighty (180) days of the loss or damage a majority of the Voting Interests of the Master Association as exercised by the Neighborhood Representatives vote not to repair or restore. When the Board is required to re-build, the following procedures shall apply:

(A) The Board shall promptly obtain reliable and detailed estimates of the cost of repair and restoration and shall negotiate and contract for repair and reconstruction.

(B) If the proceeds of insurance and available reserves are insufficient to pay for the cost of repair and reconstruction of the Common Areas, the Master Association shall promptly, upon determination of the deficiency, levy a Special Assessment against all Owners for the deficiency. Such Special Assessments need not be approved by the Owners. The Special Assessment shall be added to the funds available for repair and restoration of the property.

9.2 Individual Insurance. Owners of homes, or in the case of condominiums, the Neighborhood Associations, are responsible for any insurance on the Home, or Condominium and any other improvements located on any Parcel. The Master Association has no obligation to insure any portion of a Parcel. If any Parcel or other improvements located on any Parcel are destroyed or damaged as a result of fire, windstorm, flood, tornado, hurricane, or other casualty, the Owner of such Parcel or the Association responsible for insuring the property shall be responsible for repair or replacement. All such repairs or replacements must be in keeping with the original character, design, and condition. Should the home become a total loss, the lot needs to be cleared and kept presentable.

9.3 Duty to Reconstruct. If any Home, or Neighborhood Condominium or Neighborhood Common Area are destroyed or damaged as a result of fire, windstorm, flood, tornado, hurricane, or other casualty, the Owner of such improvements shall cause repair or replacement to be commenced within one (1) year from the date that such damage or destruction occurred, and to complete the repair or replacement within two (2) years thereafter. All such repairs or replacements must restore the improvements to substantially their original character, design, and condition, shall utilize and conform with the original foundation and appearance of the original improvements unless the Owner seeks to modify the Home or other improvement, in which case any such alteration or improvement shall be subject to the approval provisions of Article 6 above. The Board may, based on its sole and exclusive discretion, extend the time periods for reconstructions contained herein.

The owner of a single family parcel may also, with the consent of the Master Board, clear the lot, and while keeping it in a neat and marketable condition, offer it for sale.

9.4 Failure to Reconstruct. If the Owner of any Parcel or a Neighborhood Association fails to commence or complete construction to repair or replace any damaged or destroyed improvements within the time periods provided for in Section 9.3 above, the Master Association shall give written notice to the Owner of his default. If after thirty (30) days the Owner has not made satisfactory arrangements to meet his obligations, the Master Association shall be deemed to have been granted the right by the Owner, as such Owner's attorney-in-fact, to commence and/or complete the repairs sufficient to substantially restore improvements. If the Master Association exercises the rights afforded to it by this section, which shall be in the sole discretion of the Master Board, the Owner of the Parcel shall be deemed to have assigned to the Master Association any right he may have to insurance proceeds that may be available because of the damage or destruction of the improvement. The Master Association shall have the right to recover

from the Owner any costs not paid by insurance and shall have a lien on the Parcel to secure payment.

9.5 Master Association's Right of Entry. For the purpose of performing the duties authorized by this section, the Master Association, through its duly authorized agents and employees, shall have the right, after reasonable notice to the Owner, to enter upon the Parcel at reasonable hours.

10. THE CLUB AT THE STRAND

10.1 The Club at the Strand. The Club owns, operates, and maintains the recreation club on the Property known as The Club at the Strand, which consists of real property and improvements, including golf courses, tennis courts, a clubhouse, a swimming pool, and other amenities that may now or in the future be operated by The Club (the "Club Property"). The Club at The Strand is a part of the Property.

10.2 Automatic Membership. All Owners, as a result of their ownership of a Parcel, shall automatically become social members of The Club at the Strand. The rights and privileges of the social membership shall be as stated in the founding documents for The Club at the Strand, as the same shall be amended from time to time. It is presently intended that Social members shall have the right to utilize the amenities of The Club at the Strand but shall not have the right to utilize the golf course. Dues and costs associated with said social membership are established by The Club and the Master has no control over the fees charged. All other expenses incident to use and operation of The Club at the Strand shall be an Individual Assessment.

10.3 No Voting or Equity Interest. Each Owner acknowledges and agrees by accepting title to a Parcel, that no Owner shall have any equity or other interest in and to the Club Property, except as a social member, subject to the founding documents of The Club at the Strand and the terms and provisions hereof; nor shall any Owner have any ownership, management, voting, or other interest in and to the Club Property.

11. AMENDMENTS. Except as otherwise provided herein or by law, this Declaration may be amended at any time by the affirmative vote of at least sixty-seven percent (67%)

of the Voting Interests to be cast by the applicable Neighborhood Representative as described in Section 2.2 above present in person or by proxy at a meeting of the Neighborhood Representatives at which a quorum is present. No amendment affecting the Water Management System shall be of any force and effect unless the South Florida Water Management District consents to the same. A copy of each adopted amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Declaration, which certificate shall identify the Book and Page of the Public Records where the Declaration is recorded and shall be executed by the President of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Collier County, Florida.

12. TERMINATION. The covenants, conditions, and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Master Association, and any Owner, their respective legal representatives, heirs, successors, and assigns, for an initial period that expires on the ninety-ninth (99th) anniversary of the date of recordation of this Declaration. Upon the expiration of said initial period, this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten (10) year renewal periods hereunder shall be unlimited, with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial period, or during the last year of any subsequent ten (10) year renewal period, at least three-fourths (3/4ths) of the votes cast at a duly held meeting of the Neighborhood Representatives vote in favor of terminating this Declaration at the end of its then current term. Written notice of any meeting at which such a proposal will be considered shall be given at least forty-five (45) days before the meeting. If the Neighborhood Representatives vote to terminate this Declaration, the President and Secretary of the Master Association shall execute a certificate which shall set forth the resolution of termination so adopted, the date of the meeting of the Master Association, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. The certificate shall be recorded in the public records of Collier County, Florida, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

13. ENFORCEMENT; GENERAL PROVISIONS.

13.1 Enforcement. Enforcement of these covenant, conditions, and restrictions may be by a proceeding at law or in equity and may be instituted by the Master Association, its successors or assigns, or by any Owner, against any person or persons

violating or attempting to violate or circumvent any covenant, condition or restriction, either to restrain violation or to recover damages, and against any Parcel to enforce any lien created by these covenants. Failure of the Master Association or any Owner to enforce any covenants, condition or restriction herein contained for any period of time shall not be deemed a waiver or estoppel of the right to enforce same thereafter.

13.2 Owner and Member Compliance. The protective covenants, conditions, restrictions and other provisions of the governing documents and the rules promulgated by the Master Association shall apply to Members and all persons to whom a Member has delegated his right of use in and to the Common Areas, as well as to any other person occupying any home under lease from the Owner or by permission or invitation of the Owner or his tenants (express or implied), and their licensees, invitees or guests. Failure of any Owner to notify any person of the existence of the rules, or the covenants, conditions, restrictions, and other provisions of the governing documents shall not in any way act to limit or divest the Master Association of the power to enforce these provisions. Each Lot Owner shall be responsible for any and all violations by his tenants, licensees, invitees or guests and by the guests, licensees and invitees of his tenants, at any time.

13.3 Litigation. Enforcement actions for damages, or for injunctive relief, or both, on account of any alleged violation of law, or of the governing documents or Master Association rules, may be brought by any Owner, or the Master Association against:

- (A) the Master Association;
- (B) the Lot Owner;
- (C) anyone who occupies or is a tenant or guest of a Lot; or
- (D) any officer or Director of the Master Association who willfully and knowingly fails to comply with these provisions.

13.4 Attorney Fees. In any legal proceeding arising out of an alleged failure of a guest, tenant, residential Lot Owner, officer, Director, Neighborhood Association, or the Master Association to comply with the requirements of the law, or the governing documents, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such attorney fees as may be awarded by the court.

13.5 No Election of Remedies. All rights, remedies and privileges granted to the Master Association or Owners under the law and the governing documents shall be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party from exercising any other rights, remedies, or privileges that may be available.

13.6 Notices. Any notice required to be sent to any member, Owner or Neighborhood Representative under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed, delivered, or electrically transmitted to the last known address of the member, Owner or Neighborhood Representative appearing in the records of the Master Association, or to the address of the member, Owner or Neighborhood Representative's home. Notice to one of two or more co-Owners of a Lot shall constitute notice to all co-Owners. It shall be the obligation of every member to notify the Strand Master Property Manager in writing of any change of address or Email address. Any notice required to be sent to a Neighborhood Association under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed, delivered, or electrically transmitted to the Registered Agent of the Neighborhood Association, as reflected in the records of the Division of Corporations.

13.7 Severability. Should any covenant, condition or restriction herein contained, or any section, subsection, sentence, clause, phrase or term of this Declaration or its recorded exhibits be declared to be void, invalid, illegal, or unenforceable, for any reason, by any court having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect. Nothing contained in this Declaration is intended to affect vested rights. If any provision contained herein is deemed by a competent court of law to have such affect, then such provision will be deemed null and void but have no effect on the remaining provisions herein.

13.8 Interpretation; Disputes. The Board is responsible for interpreting the provisions of this Declaration, its exhibits and rules promulgated by the Board. Such interpretation shall be binding upon all parties unless wholly unreasonable. A written opinion rendered by legal counsel retained by the Board that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation. In the event there is any dispute as to whether the use of the Property complies with the covenants and restrictions contained in this Declaration, its exhibits or the rules promulgated by the Board the matter shall be referred to the Board and the

determination of the Board with respect to such dispute shall be dispositive on the issue and binding on all parties.

13.9 Non-Profit Status. Notwithstanding anything contained herein to the contrary, the Master Association will perform no act nor undertake any activity inconsistent with its non-profit status under applicable state or federal law.

13.10 Use of Singular and Plural and Gender. Whenever the context so permits, the use of the singular shall include the plural and the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

13.11 Headings. The headings used in the governing documents are for reference purposes only, and do not constitute substantive matter to be considered in construing the terms and provisions of these documents.

13.12 Rule Against Perpetuities. In the event any court should hereafter determine any provisions as originally drafted herein in violation of the rule of property known as the “rule against perpetuities” or any other rule of law because of the duration of the period involved, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law, and for such purpose. The “Measuring life” shall be that of the incorporator of the Master Association.

14. COMPLIANCE AND DEFAULT; REMEDIES. In addition to the remedies provided in the Declaration, the following shall apply.

14.1 Fines; Suspensions. The Board may levy fines and/or suspensions against Members, or Members’ tenants or guests, or both, who commit violations of Chapters 617 or 720 of the Florida Statutes, the provisions of the Governing Documents, or the Rules and Regulations, or who condone such violations by their family members, guests or lessees. Fines shall be in amounts deemed necessary by the Board to deter future violations, but in no event shall any single fine exceed the maximum amount allowed by law. As allowed by law **fines shall be secured by a lien on the Owner’s Parcel. Suspensions of the use of the Owner’s Entrance at the front and back gates** and common non-essential services (e.g. bulk cable TV and/or internet) may be imposed for a

reasonable period of time to deter future violations. The procedure for imposing fines or suspending use rights shall be as follows:

(A) Notice. The party against whom the fine and/or suspension is sought to be levied or imposed shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days, and the notice shall include:

(1) a statement of the date, time and place of the hearing;

(2) a short and plain statement of the specific facts giving rise to the alleged violation(s); and

(3) the possible amounts of any proposed fine and/or possible use rights of Common Areas or facilities to be suspended.

(B) Hearing. At the hearing the party against whom the fine and/or suspensions may be levied shall have a reasonable opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved, and to review, challenge, and respond to any evidence or testimony presented by the Master Association. The hearing shall be conducted before a panel of three (3) Parcel Owners appointed by the Board none of whom may then be serving as Directors or officers, or who are employees of the Master Association, or the spouse, parent, child, brother or sister of an officer, director or employee. If the committee, by majority vote, does not agree with the proposed fine and/or suspension, it may not be levied or imposed.

14.2 Suspensions and Fines without Hearing. The foregoing notwithstanding, as provided in 720.305(2)(b), Florida Statutes, no prior notice or opportunity for a hearing is required for the imposition of a fine or suspension upon any Member because of the failure of the member to pay Assessments or other charges when due.

14.3 Correction of Health and Safety Hazards. Any violations of the Master Association rules which creates conditions of the property which are deemed by the Board to be a hazard to the public health or safety may be dealt with immediately as an emergency matter by the Master Association, and the cost thereof shall be charged to the Parcel Owner.

15. DISCLAIMER OF LIABILITY OF MASTER ASSOCIATION. NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, BYLAWS, OR ANY RULES AND REGULATIONS OF THE MASTER ASSOCIATION OR ANY OTHER DOCUMENT GOVERNING, BINDING ON OR ADMINISTERED BY THE MASTER ASSOCIATION (COLLECTIVELY, THE "MASTER ASSOCIATION DOCUMENTS"), THE MASTER ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTIES INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES, GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OR ANY SUCH PERSONS, WITHOUT LIMITING THE FOREGOING:

15.1 IT IS THE EXPRESS INTENT OF THE MASTER ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY THE MASTER ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE PROPERTIES HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE PROPERTIES AND THE VALUE THEREOF;

15.2 THE MASTER ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN ENTITY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, STATE OF FLORIDA, Collier COUNTY AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTUOUS ACTIVITIES.

15.3 ANY PROVISIONS OF THE MASTER ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO THE HEALTH, SAFETY AND/OR WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF THE MASTER ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

15.4 EACH OWNER AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON ANY PORTION OF THE PROPERTIES SHALL BE BOUND BY THESE DISCLAIMERS AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF

ACTION AGAINST THE MASTER ASSOCIATION ARISING FROM OR CONNECT WITH ANY MATTER FOR WHICH THE LIABILITY OF THE MASTER ASSOCIATION HAS BEEN DISCLAIMED HEREIN.

15.5 AS USED HEREIN "MASTER ASSOCIATION" SHALL INCLUDE WITH ITS MEANING ALL OF THE MASTER ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS.

EXHIBITS

Exhibit "A" – Legal Description, as attached to the original Declaration, recorded at Official Record Book 2292, at Page 1637 *et seq.*, of the Public Records of Collier County, Florida, as amended by the Amendment recorded at Official Record Book 3257, at Page 0606 *et seq.*, of the Public Records of Collier County, Florida. Incorporated herein by reference only, but not attached.

Exhibit "B" – Amended and Restated Articles of Incorporation.

Exhibit "C" - Amended and Restated Bylaws.