

This Instrument Reviewed By:
Christopher N. Davies, Esquire
Swalm, Bourgeau & Davies, P.A.
2375 Tamiami Trail North, #308
Naples, FL 34103

THIRD AMENDED AND RESTATED

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

OF

NAPLES LAKES COUNTRY CLUB

COLLIER COUNTY, FLORIDA

Prepared and return to:
Christopher N. Davies, Esquire
Swalm, Bourgeau & Davies, P.A.
2375 Tamiami Trail North
Suite 308
Naples, FL 34103

CERTIFICATE OF AMENDMENT

THE UNDERSIGNED, being the duly and acting President of Naples Lakes Country Club Homeowners Association, Inc., a Florida corporation not for profit, hereby certifies that at a duly called meeting of the Board of Directors where a quorum was present, the resolutions set forth below were approved upon a majority vote of the Board of Directors. Thereupon, at a Special Meeting of the members held on September 22, 2010, where a quorum was present, after due notice, the resolutions set forth below were approved by the vote indicated for the purposes of amending the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club, recorded at O.R. Book 3625, Page 663 *et seq.*, Public Records of Collier County, Florida, and the Articles of Incorporation and Bylaws of the corporation. The original Declaration of Covenants, Conditions and Restrictions was recorded at O.R. Book 2598, Page 2100 *et seq.*, of the Public Records of Collier County, Florida.

RESOLVED: That the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club be and is hereby amended and the amendments are adopted in the form attached hereto as Exhibit "A", and made a part hereof.

RESOLVED: That the Articles of Incorporation of Naples Lakes Country Club be and are hereby Amended and Restated and are adopted in the form attached hereto as Exhibit "B", and made a part hereof.

RESOLVED: That the Amended and Restated Bylaws of Naples Lakes Country Club be and are hereby amended and the amendments are adopted in the form attached hereto as Exhibit "C", and made a part hereof.

Date: December 7, 2010

(1) James T. Beisler
Witness

Print Name: JAMES T. BEISLER

(2) Barbara L. Anderson
Witness

Print Name: Barbara L. Anderson

NAPLES LAKES COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.

By: Jay Whalen
Jay Whalen, President

(CORPORATE SEAL)

STATE OF FLORIDA COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this 7th day of December, 2010, by Jay Whalen, President of the aforementioned Corporation, on behalf of the Corporation. He is personally known to me or has produced _____ as identification.

My Commission expires: 02/05/2014

Renate Miano
Notary Public
Renate Miano
Printed Name



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THIRD AMENDED AND RESTATED

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF**

NAPLES LAKES COUNTRY CLUB

THESE AMENDMENTS TO THE AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF NAPLES LAKES COUNTRY CLUB (the "Declaration"), AND THE NAPLES LAKES COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC., A FLORIDA NOT FOR PROFIT CORPORATION (the "Association"), are made this _____ day of _____, 2010.

WITNESSETH:

WHEREAS, the Association is the successor of TBI/Naples Limited Partnership the developer of certain real property within NAPLES LAKES COUNTRY CLUB, a master planned community, which property is subject to that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club, recorded on May 26, 2000, in Official Records Book 2679, page 3014, et seq. of the Public Records of Collier County, Florida, which amended and restated that certain Declaration of Covenants, Conditions, and Restrictions of Naples Lakes Country Club, recorded in Official Records Book 2598, page 2100 et seq. of the Public Records of Collier County, Florida; and

WHEREAS, pursuant to the Amended and Restated Declaration, the Association reserves unto itself, the right to amend the Amended and Restated Declaration, including the Articles of Incorporation and Bylaws attached thereto, and the Association has been requested by the Members to amend the Amended and Restated Declaration as set forth below and the Articles of Incorporation and the Bylaws attached hereto as Exhibit "B" and "C" respectively.

NOW, THEREFORE, the Association does hereby amend and restate the Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club ("Declaration"), the Articles of Incorporation of Naples Lakes Country Club Homeowners Association, Inc. ("Articles") and the Bylaws of Naples Lakes Country Club Homeowners Association, Inc. ("Bylaws"), in their entirety as follows:

**ARTICLE I
DEFINITIONS**

The following words, when used in this Declaration or any Supplemental Declaration, or amendments thereto, shall have the following meanings:

1. "Architectural Standards" means the design criteria and building guidelines promulgated by the Board and supervised by the Architectural Review Committee as more particularly described in Article VIII of this Declaration.

2. "Area(s) of Common Responsibility" means the Common Area, together with those areas, if any, which by the terms of this Declaration, any Supplemental Declaration (as hereinafter defined), other applicable covenants, or by contract become the responsibility of the Association.

3. "Articles" means the Articles of Incorporation of Naples Lakes Country Club Homeowners Association, Inc., attached hereto as Exhibit "B".

4. "Association" means Naples Lakes Country Club Homeowners Association, Inc., a Florida not-for-profit corporation, its successors and assigns.

5. "Base Assessment" means assessments levied on all Units subject to assessment under Article VII to fund Common Expenses for the general benefit of all Units, as more particularly described in Article VII, Section 1.

6. "Board of Directors" or "Board" mean the members of the Board of Directors of the Association as from time to time elected or appointed.

7. "Bylaws" means the Amended and Restated Bylaws of the Association, attached hereto as Exhibit "C".

8. "Common Areas" means all real and personal property within NAPLES LAKES COUNTRY CLUB, which is declared herein or in any Supplemental Declaration to be the "Common Areas" or on any recorded subdivision plat of the Community, and all improvements thereto, which are designated for the use and enjoyment of all Owners, or which are otherwise dedicated, conveyed, leased or for which a license or use right is granted to the Association and which are intended to be devoted to the common use and enjoyment of some or all of the Owners, as more specifically provided herein. Each Common Area shall be designated, dedicated, conveyed, leased, licensed or have a use right granted to the Association at such time as is provided in the instrument that designates, dedicates, conveys, leases, licenses or grants a use right for such area of land to the Association. As used herein, "Common Areas" shall include, among other things, (i) all improvements and equipment located in or on the Common Areas, including, without limitation, private roadways, signage, gate houses, entry features, swales and berms, pedestrian paths and irrigation systems, (ii) any pools, recreational facilities, clubhouses and parking facilities designated as Common Areas in this Declaration, any Supplemental Declarations or on the Plat, (iii) the surface water management system, as permitted by the South Florida Water Management District, including, but not limited to, all lakes, retention areas, Conservation Areas, water management areas, ditches, culverts, structures and related appurtenances, but shall exclude (iv) any public utility installation located in or on the Common Areas thereon, (v) all portions of any Community Systems (as defined below), unless specifically designated as part of the Common Areas.

9. "Common Expenses" means the actual and estimated expenses of operating the Association, including, but not limited to, maintenance of the Common Areas, and Area(s) of

Common Responsibility, services and any reasonable reserve, all as may be found necessary and appropriate by the Board pursuant to this Declaration, the Articles and the Bylaws.

10. "Community" means the real property described in Exhibit "A" and interests therein, which is subject to this Declaration, together with such additional property the Community might from time to time acquire.

11. "Community Systems" means and refers to any and all cable television, telecommunication, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennae, satellite dishes, equipment, materials, installations and fixtures (including those based on, containing and serving future technological advances not now known), installed by TBI/Naples Limited Partnership and its successor, the Association, or pursuant to any grant of easement or authority by the Association or its predecessors within "The Properties" (as defined below).

12. "Community-Wide Standard" means the standard of conduct, maintenance or other activity specifically determined by the Board of Directors or its committees.

13. "Conservation Areas" means those protected areas required by the South Florida Water Management District for the Community, including, but not limited to wetland preservation areas, mitigation areas and upland buffers which are protected under conservation easements created pursuant to Section 704.06, Florida Statutes.

14. "Golf Course" means that certain property within the Community and described on Exhibit "E" to the Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club as recorded at O.R. Book 2679, Page 3116, Public Records of Collier County, Florida, which is owned by the Association as a Common Area, and which is operated as a golf course, all improvements located thereon, and all related and supporting facilities operated in connection with such golf course.

15. "Limited Common Area" means any and all real and personal property, easements, improvements, facilities and other interest which are reserved for the use of Owners of certain Units to the exclusion of other Owners of certain Units. The initial Limited Common Areas and the parties entitled to use the Limited Common Areas are set forth herein on Exhibit "D."

16. "Master Plan" means the land use plan for the development of the Community dated July 27, 1998, prepared by Post, Buckley, Schuh & Jernigan, as it may be amended, which plan includes the property described on Exhibit "A" to the Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club as recorded at O.R. Book 2679, Page 3078, and the Plat as described in Paragraph 24 below, all of the Public Records of Collier County, Florida.

17. "Member" means all those Owners who are members of the Association as provided in Article III, Section 1, hereof.

18. "Naples Lakes Country Club" is the name of the Community.

19. "Neighborhood" means two or more Units which share interests other than those common to all Units, as more particularly described in Article III, Section 3. There shall be six (6) Neighborhoods as follows: Lake Arrowhead, Lake Barrington, Juliana Village, Lake Placid, Providence Village and Lake Tahoe. The boundaries of each neighborhood are set forth herein on the Plat. Where the context permits or requires, the term "Neighborhood" shall also refer to the Neighborhood Committee, if any, established in accordance with the Bylaws, or the Neighborhood Association established to act on behalf of the assessments levied on behalf of the Owners of Units within the Neighborhood. Neighborhood boundaries may be established and modified as provided in Article III, Section 3.

20. "Neighborhood Assessments" means assessments levied against the Units in a particular Neighborhood or Neighborhoods to fund Neighborhood Expenses, as described in Article VII, Section 4. "Neighborhood Association" means any condominium association or other owners association having concurrent jurisdiction over any Neighborhood.

21. "Neighborhood Expenses" means the actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of the Owners and occupants of Units within a particular Neighborhood or Neighborhoods which may include a reasonable reserve for capital repairs and replacements, as the Board may specifically authorize and as may be authorized herein or in Supplemental Declarations applicable to the Neighborhoods.

22. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to a Unit located within the Community, excluding, however, the Association and any person holding such interest merely as security for the performance or satisfaction of an obligation.

23. "Person" means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trust or other legal entity.

24. "Plat" means any Plat or Replat of the Community or any portion thereof now or hereafter recorded, including, without limitation, that certain Plat of Naples Lakes Country Club recorded in Plat Book 33, Pages 8 through 15, inclusive, and Plat Book 35, Pages 21 through 25, inclusive, of the Public Records of Collier County, Florida.

25. "The Properties" means and refers to all properties described in Exhibit "A" attached hereto and made a part hereof and all additions thereto, now or hereafter made, subject to this Declaration.

26. "Rules and Regulations" means the procedures for administering the Association, the Community, and the use of the Common Areas, as adopted by resolution of the Board of Directors.

27. "Special Assessment" means assessments levied in accordance with Article VII, Section 6 of this Declaration.

28. "Specific Assessment" means assessments levied in accordance with Article VII, Section 7 of this Declaration.

29. "Supplemental Declaration" means an amendment or supplement to this Declaration filed pursuant to Article II which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein.

30. "Unit" means a portion of the Community, whether improved or unimproved, which may be independently owned and conveyed and which is intended for development, use, and occupancy as an attached or detached residence for a single family. The term shall refer to the land, if any, which is part of the Unit as well as any improvements thereon. The term shall include, by way of illustration but not limitation, condominium units, townhouse units, cluster homes, patio or zero lot line homes, and single-family detached houses on separately platted lots, as well as vacant land intended for development as such, but shall not include Common Areas, common property of any Neighborhood Association, or property dedicated to the public. In the case of a building within a condominium or other structure containing multiple dwellings, each dwelling shall be deemed to be a separate Unit.

31. "Voting Member" means a Member who shall be entitled to one (1) equal vote for each unit owned in the Community. Voting units are not divisible.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is described on Exhibit "A" attached hereto and made a part hereof ("The Properties").

Section 2. Common Areas. The Common Areas are as designated on the Plat, in this Declaration, or in any other documents recorded from time to time by the Association or its predecessors. The following tracts on the Plat have been designated as the Common Areas for the use and benefit of all Owners within the Community:

(a) Tract R on the Plat of Naples Lakes Country Club recorded in Plat Book 33, Pages 8 through 15, inclusive, of the Public Records of Collier County, Florida.

Section 3. Limited Common Area. Certain portions of the Properties may be designated as Limited Common Area and reserved for the exclusive use or primary benefit of Owners, occupants and invitees of Units within a particular Neighborhood or Neighborhoods. By way of illustration and not limitation, Limited Common Areas may include entry features, recreational facilities, landscaped medians and cul-de-sacs, lakes and other portions of the Common Area within a particular Neighborhood or Neighborhoods. All costs associated with maintenance, repair, replacement, and insurance of Limited Common Areas shall be assessed as a Neighborhood Assessment against the Owners of Units in those Neighborhoods to which the Limited Common Area is assigned. The initial Limited Common Areas and the Persons entitled to use same are more particularly described on Exhibit "D" attached hereto and incorporated herein.

The Association may, upon approval of a majority of the members of the Neighborhood Committee or Board of Directors of the Neighborhood Association for the Neighborhood(s) to which certain Limited Common Areas are assigned, permit Owners of Units in other Neighborhoods to use all or a portion of such Limited Common Areas upon payment of reasonable user fees, which fees shall be used to offset the Neighborhood Expenses attributable to such Limited Common Areas.

The Limited Common Area is as designated in this Declaration, on the Plat, or in other documents recorded from time to time. The Association may adopt Rules and Regulations which govern among other things the use of the Limited Common Area.

Section 4. Easements for Use and Enjoyment of Common Areas. Every Owner of a Unit shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to the Unit, subject to the following provisions:

(a) the right of the Association to borrow money for the purpose of improving the Common Areas and Limited Common Areas, or any portion thereof or for construction, repairing or improving any facilities located or to be located thereon, and give as security for the payment of any such loan a mortgage encumbering all or any portion of the Common Areas or Limited Common Areas; provided, the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of any Owner, or a holder of any mortgage, irrespective of when executed or given by any Owner, encumbering any Unit or other property located within the Community;

(b) the right of the Association to grant easements across the Common Areas and/or Limited Common Areas to Persons who are not Owners;

(c) the right of the Association to dedicate or transfer all or any portion of the Common Areas and/or Limited Common Areas subject to such conditions as may be agreed to by a majority of the Members of the Association;

(d) this Declaration, the Bylaws and any other applicable covenants;

(e) any restrictions or limitations contained in any deed conveying such property to the Association;

(f) the right of the Board to adopt rules regulating the use and enjoyment of the Common Area, including rules restricting use of recreational facilities within the Common Area to occupants of Units and their guests and rules limiting the number of guests who may use the Common Area;

(g) the right of the Board to suspend the right of an Owner to use recreational facilities within the Common Area (i) for any period permitted by Florida law during which any charge against such Owner's Unit remains delinquent, and (ii) for a period not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation, of the Declaration, any applicable Supplemental Declaration, the Bylaws or rules of

the Association, after notice and a hearing pursuant to the paragraphs 4(a) and (b) of Section 3.22 of the Bylaws;

(h) the right of the Board to permit use of any recreational facilities situated on the Common Area by person other than Owners, their families, lessees and guests upon payment of use fees established by the Board; and

(i) The rights of certain Owners to the exclusive use of those portions of the Common Area designated "Limited Common Areas," as more particularly described in Article II, Section 3 above.

Any Owner may delegate his or her right of use and enjoyment in and to the Common Areas and Limited Common Areas and facilities located thereon to the members of his family, tenants, guest and invitees. Notwithstanding the foregoing, the use and enjoyment of the Golf Course may be limited or restricted by the Membership Program, as defined in Section 5 below.

Section 5. Golf Course. The Golf Course was conveyed to the Association on October 23, 2003, by Special Warranty Deed being recorded November 30, 2003, at Official Records Book 3447, page 0736 of the Public Records of Collier County, Florida, and was dedicated as Common Areas. The Association has adopted rules and regulations for the use, maintenance, repair and operation of the Golf Course, as more particularly set forth in that certain Naples Lakes Country Club Rules and Regulations (the "Membership Program"). Each Member shall have the right to use the Golf Course for its intended purposes, subject to the limitations, terms and conditions of the Membership Program. THE ABILITY OF MULTIPLE OWNERS OF UNITS TO OBTAIN ACCESS TO AND USE OF THE GOLF COURSE MAY FROM TIME TO TIME BE LIMITED BY THE MEMBERSHIP PROGRAM. The Membership Program may permit non-Members the use of the Golf Course on a daily, short term, or long term basis, and the terms of the use of the Golf Course by non-Members, including the cost of membership, privileges and the term of membership or access, shall be in accordance with the Membership Program. The Membership Program may be amended from time to time by the Association, as more particularly described in the Membership Program; provided, however, that the Membership Program shall not be amended so as to materially adversely affect the availability of tee times for, or other rights of use of the Golf Course by, Members except as approved by a majority of the Members in the Community. The Golf Course is part of the Common Area of the Association, subject to the rules and regulations for the use, maintenance, repair and operation of the Golf Course set forth in the Membership Program, as may be thereafter amended from time to time by the Association in accordance with the terms of this Declaration, and the Association shall maintain and operate the Golf Course in a manner consistent with comparable golf courses located in residential communities in Collier County, Florida.

(a) Powers. The Association shall have, without limitation, the following powers:

(i) To exercise all rights described in the Membership Program including, without limitation, use restrictions applicable to authorized tenants occupying members' units and other invitees and guests;

(ii) To allow limited public use of the Golf Course and clubhouse for tournaments, charitable and other inter club events;

(iii) To restrict or prohibit the recovery of lost golf balls on and around the Golf Course and in water hazards and to sell or assign the exclusive right to do so to commercial enterprises;

(iv) To restrict and prohibit use of the cart paths, and the Golf Course generally, for walking, jogging, cycling, walking pets or other activities not directly related to the playing of golf;

(v) The right to retrieve golf balls from all lakes and water hazards located in the Community;

(vi) The exclusive right to use that certain lake located north of the Clubhouse Tract as an aqua driving range, including the right to install and maintain improvements, including targets;

(vii) The right to draw water from all lakes located in the Community for irrigation purposes pursuant to the rights under that certain consumptive use permit issued by the South Florida Water Management District (Permit No. 11-01623-W); and

(viii) The right to trim, hedge, cut and maintain all vegetation located on any preserves or conservation areas located on the Golf Course in accordance with all applicable permits.

(a) View Impairment. The Association does not guarantee or represent that any view over and across the Golf Course from adjacent Units will be preserved without impairment. The Association shall have no obligation to prune or thin trees or other landscaping, and shall have the right, in its sole and absolute discretion, to add trees and other landscaping to the Golf Course from time to time. In addition, the Association may, in its sole and absolute discretion, change the location, configuration, size and elevation of the tees, bunkers, fairways and greens on the Golf Course from time to time. Any such additions or changes to the Golf Course may diminish or obstruct any view from the Units and any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

(b) Restriction. The Golf Course may not be used for any purpose except in accordance with the Membership Program. Any non-golf activities such as picnicking, biking, kite flying, soccer, football, recreational walking, jogging, walking of pets, skateboarding, roller-skating, and similar activities are not permitted on the cart paths or the Golf Course unless otherwise permitted on a limited basis by rules established by the Association for the Golf Course. Fishing in lakes on the Golf Course is not permitted unless otherwise permitted on a limited basis by rules established by the Association for the Golf Course.

(c) Indemnification. Each Owner of a Unit agrees to indemnify, defend and hold harmless the Association, and its directors, officers, managers, members, employees and

agents for any claims, demands, losses, costs, fees, and expenses related to, or in any way pertaining to, the use of the Golf Course.

(d) Boundary Adjustment. The boundaries of the Golf Course may from time to time be modified by the Association, as deemed necessary or appropriate. The Association shall, without approval of a Person, execute any such instrument deemed necessary to accomplish any boundary modification.

Section 6. Community Systems. The Association shall have the right, but not the obligation, to install and provide Community Systems and to provide the services available through the Community Systems to any and all Units within The Properties. Any or all of such services may be provided through the Association and paid for as a Common Expense. The Community Systems shall be the property of the Association. The Association shall have the right, but not the obligation, to convey, transfer, sell or assign all or any portion of the Community Systems, or all or any portion of the rights, duties or obligations with respect thereto to any other Person (including an Owner), as to any portion of the Community System located on such Owner's Unit. The Association's rights with respect to the Community Systems and the services provided through such Community Systems are exclusive, and no other Person may provide such services through the Community Systems without the prior written consent of the Association. However, the provision of the services available through the Community Systems shall be non-exclusive and the Association may permit any third party to install and provide Community Systems and the services available through such Community Systems as shall be constructed and installed by such third party in the Association's sole discretion and on such non-exclusive terms and conditions as the Association may determine; provided, however, that such other Community Systems and services shall not affect or modify the rights of the Association.

ALL PERSONS ARE HEREBY NOTIFIED THAT THE ASSOCIATION MAY BE A PARTY TO A CONTRACT FOR THE COMMUNITY SYSTEMS SERVING THE PROPERTIES AND, IF SO PROVIDED IN SUCH CONTRACT, THE ASSESSMENTS PAYABLE AS TO EACH UNIT WILL INCLUDE CHARGES PAYABLE BY THE ASSOCIATION UNDER SUCH CONTRACT, REGARDLESS OF WHETHER OR NOT THE OWNER OR MEMBERS OF SUCH UNIT ELECT TO RECEIVE THE COMMUNITY SYSTEMS.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Except as provided in the next sentence, every Person who is a record owner of a fee or undivided fee interest in any Unit in the Community shall be a Member of the Association, provided that any Person who holds such interest merely as a security for the performance of an obligation shall not be a Member. A Member may be a natural person, a corporation, partnership, trust, or life tenant under a life estate. If a Member is other

than a natural person, such entity shall designate a natural person as the Member. If co-owners are other than husband and wife or partners residing together as a single household, such co-owners shall designate one of them as the member. No more than one change of member shall be permitted in any twelve (12) month period. Change of membership shall be established by recording in the Public Records of Collier County, Florida a deed or other instrument which conveys fee title to a Unit within the Community, and by the delivery to the Association of a copy of such recorded instrument. If a copy of said instrument is not delivered to the Association, the new Owner shall become a Member, but shall not be entitled to voting privileges. Membership in the Association by all Owners is mandatory and automatic with the ownership of any Unit and is appurtenant to, runs with, and shall not be separated from, the Unit upon which membership is based.

Section 2. Voting Rights. The Association shall have one (1) class of membership, which shall be all Owners.

(a) Members shall be entitled to one (1) equal vote for each Unit owned in the Community.

(b) Exercise of Voting Rights. Except as otherwise specified in this Declaration or the Bylaws, the vote for each Unit owned by a Member shall be exercised only by that Member or by written proxy properly executed by such Member. In any situation in which a Member is entitled personally to exercise the vote for his or her Unit and there is more than one Owner of a particular Unit, the vote for such Unit shall be exercised as such co-Owners determine among themselves and advise the Secretary of the Association in writing prior to any meeting. Absent such advice, the Unit's vote shall be suspended if more than one Person seeks to exercise it. However, there shall be only one (1) vote per Unit and votes are not divisible.

Section 3. Neighborhoods and Voting Members.

(a) Neighborhoods. Every Unit shall be located within a Neighborhood. The Community shall consist of six (6) Neighborhoods: Lake Arrowhead, Lake Barrington, Juliana Village, Lake Placid, Providence Village and Lake Tahoe. Each Neighborhood shall be entitled to elect one Director to the Association's Board of Directors. Each Neighborhood may be subject to additional covenants and/or the Unit Owners may all be members of a Neighborhood Association in addition to being Members of the Association. However, a Neighborhood Association shall not be required except in the case of a condominium or as otherwise required by law. The Owners of Units within any Neighborhood which does not have a Neighborhood Association may elect a Neighborhood Committee, as described in Article V of the Bylaws, to represent the interests of such Owners. Exhibit "D" to this Declaration, assigns the property described therein to a specific Neighborhood by name.

Any Neighborhood may request that the Association provide a higher level of service or special services for the benefit of Units in such Neighborhood and, upon the affirmative vote, written consent, or a combination thereof, of Owners of a majority of Units within the Neighborhood, the Association shall provide the requested services. The cost of such services shall be assessed against the Units within such Neighborhood as a Neighborhood Assessment pursuant to Article VII.

(c) Voting Members. The Members within each Neighborhood shall be entitled to one vote each. The presence, in person or by proxy, of Members representing at least 30% of the total votes attributable to Units in the Neighborhood shall constitute a quorum at any Neighborhood meeting.

ARTICLE IV EASEMENTS

In addition to the easements which appear on the Plat, the respective rights and obligations of the Unit owners, the Association and others concerning easements affecting the Community shall include the following:

Section 1. Easements for Utilities and Community Systems. The Association hereby reserves for the benefit of itself, its successors and assigns perpetual blanket easements upon, across, above and under the Community, including through any condominium common elements located in a Neighborhood, which easements shall be for access, ingress, egress, installation, construction, repair, operation, maintenance and replacement of utility services and Community Systems for the Community or any portion thereof, including, but not limited to water, sewer, gas, drainage, irrigation, fire protection, electricity, the Community Systems, and other services, such as trash disposal roads and walkways. This easement shall not entitle the holders to construct or install any drainage systems, facilities or utilities over, under or through any existing Unit, except as may be temporarily necessary for utility installation, and any damage to a Unit resulting from the exercise of this easement shall promptly be repaired by and at the expense of the Person exercising this easement. The exercise of this easement shall not unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or to the Occupant of the Unit. The Board shall, upon written request, grant a specific license or easement to a party furnishing any such utility or service. Use of the Community for utilities, as well as use of the other utility easements as shown on relevant plats, shall be in accordance with the applicable provisions of this Declaration and said plats. The Association and its designees shall have a perpetual easement over, upon, and under the Community and the portions thereof designated in plats for the installation, operation, maintenance, repair, replacement, alteration and expansion of Community Systems and other utilities.

Section 2. Easement for Entry. The Association shall have an easement to enter into any Unit for emergency, security, safety and for other purposes reasonably necessary for the proper maintenance and operation of the Community, which right may be exercised by the Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter a Unit to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition upon the request by the Board.

Section 3. Easement for Maintenance. The Association shall have a non-exclusive and perpetual easement to enter upon, across, above and under each Unit within the Community,

the Common Areas and the Limited Common Areas at reasonable hours to perform its responsibilities of maintenance, inspection and repair, including, without limitation, the right to enter upon each Unit for the purpose of maintaining and landscaping the yards of all Units.

Section 4. Damages. The use of any easement granted under the provisions of this Article shall not include the right to disturb any land, building or structure in the Community, and any damage caused to same shall be repaired at the expense of the party causing such damage.

Section 5. Easement for Collection for Stormwater Runoff and Flood Water. The Association reserves for itself, its successors and assigns the non-exclusive right and easement, but not the obligation, to enter upon any part of Community to (a) install, keep, maintain and replace pumps in order to provide water for the irrigation of any of the Association property and Common Areas; (b) construct, maintain and repair any structure designed to divert, collect or retain water; and (c) remove trash and other debris. This easement shall not entitle the holders to construct or install any drainage systems or facilities over, under or through any existing Unit, and any damage to a Unit resulting from the exercise of this easement shall promptly be repaired by and at the expense of the Person exercising this easement. The exercise of this easement shall not unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or the Owner's occupant. Further, every Unit and the Common Area shall be burdened with easements for natural drainage or stormwater runoff from other portions of the Community; provided, no Persons shall alter the natural drainage on any Unit so as to materially increase the drainage of stormwater onto adjacent portions of the Community without the consent of the Owner of the affected Property.

Section 6. Encroachments. Any portion of any Unit encroaching upon any other Unit or on any portion of another Unit or the Common Area or Limited Common Area, or any encroachment that shall hereafter occur as a result of (i) construction or reconstruction of any improvement; (ii) settling or shifting of an improvements; (iii) any addition, alteration or repair to the Common Area or Limited Common Area made by or with the consent of the Association, or (iv) any repair or restoration of any improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Area or Limited Common Area, then in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the improvements shall stand. Such easement shall exist to a distance of not more than three feet as measured from any common boundary between contiguous Units and between each Unit and any adjacent Common Area along a line perpendicular to such boundaries at such points. Any such easement or encroachment shall include an easement for the maintenance and use of the encroaching improvements in favor of each of the Unit Owners and their respective designees.

Section 7. Easements to Service Property. The Association hereby reserves for itself and its duly authorized agents, representatives, employees, successors, assigns, licensees and mortgagees, an easement over the Common Area for the purposes of enjoyment, use and access to the Properties. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction and maintenance of roads and for connecting and installing utilities on such property.

Section 8. Easements for Golf Course.

(a) Every Unit and the Common Area and the common property of any Neighborhood Association are burdened with an easement permitting golf balls unintentionally to come upon such Common Area, Units or common property of a Neighborhood and for golfers at reasonable times and in a reasonable manner to come upon the Common Area, common property of a Neighborhood, or the exterior portions of a Unit to retrieve errant golf balls; provided, however, if any Unit is fenced or walled, the golfer shall seek the Owner's permission before entry. The existence of this easement shall not relieve golfers of liability for damage caused by errant golf balls. Under no circumstances shall any of the following Persons be held liable for any damage or injury resulting from errant golf balls or the exercise of this easement: The Association or its Members (in their capacity as such), any officer, director or employee of the Association.

(b) The Communities immediately adjacent to the Golf Course are hereby burdened with a non-exclusive easement in favor of the Association for overspray of water from any irrigation system serving the Golf Course. Under no circumstances shall the Association be held liable for any damage or injury resulting from such overspray or the exercise of this easement.

(c) The Association shall have a perpetual, exclusive easement of access over the Community for the purpose of retrieving golf balls from bodies of water within the Community lying reasonably within range of golf balls hit from the Golf Course.

(d) Golf Cart Path Easement. The Association shall have a perpetual, nonexclusive easement appurtenant to the Golf Course for the use and benefit of its members and all other users of the Golf Course, across, over, upon and through all golf cart paths and bridges located in the Community for the purpose of providing ingress, egress and access to and from the separate tracts of the Golf Course for pedestrian and golf cart vehicular traffic necessary or appropriate to play golf on the Golf Course, together with all rights and rights-of-way necessary to the full use and enjoyment of such easements.

(e) Easement for Flight. The Association hereby shall have a perpetual, non-exclusive easement appurtenant to the Golf Course, across, over, upon and through all preserved and conservation areas noted on the Plat, and across, over, upon and through all lakes located in the Community, for the purpose of the flight of golf balls.

Section 9. Easements for Cross-Drainage. Every Unit, the Golf Course and the Common Area shall be burdened with easements for natural drainage of storm water runoff from other portions of the Community; provided, no Person shall alter the natural drainage on any Unit after the development of the Community pursuant to approved permits, so as to materially increase the drainage of storm water onto adjacent portions of the Community without the consent of the Owner of the affected property.

Section 10. Lake Maintenance Easement. The Association hereby reserves for the benefit of itself, its successors and assigns, upon, across, above and under the Community, a non-exclusive right and easement to enter upon any part of the Community to maintain, inspect and

repair, any lakes constructed on the Community, if any. This Easement shall be along the shoreline of each lake and extending back at least twenty (20) feet from the annual mean measurement of the water's edge of such lakes for the purpose of maintaining the lakes. The Association shall be responsible for maintaining the lakes, the littoral areas and up to the water's edge. The cost of maintaining the lakes shall be a Common Expense of the Association.

ARTICLE V THE ASSOCIATION

Section 1. Functions and Services. The Association shall be the entity responsible for management, maintenance, operation and control of the Common Areas. The Association shall be the primary entity responsible for enforcement of this Declaration and such reasonable rules regulating use of the Community as the Board may adopt. The Association shall also be responsible for administering and enforcing the architectural standards and controls set forth in this Declaration and in the Architectural Standards. The Association shall perform its functions in accordance with this Declaration, the Bylaws, the Articles of Incorporation and Florida law. Among other things, the Association shall be empowered to do the following, all of the expenses for which shall be deemed Common Expenses:

- (a) Adopt Community-Wide Standards of conduct, maintenance or other activity;
- (b) Adopt and amend Bylaws and Rules and Regulations;
- (c) Adopt and amend budgets for revenues, expenditures and reserves;
- (d) Collect regular and special assessments for Common Expenses;
- (e) Maintain all lakes, conservation easements and preserved areas located within the Community in accordance with all applicable permits pertaining to said areas;
- (f) Hire and discharge employees, agents, independent contractors, managers and administrators;
- (g) Institute, defend or intervene in litigation or administrative proceedings in its own name on its behalf or on behalf of two or more Owners, but only as to matters affecting the Community;
- (h) Make contracts and incur liabilities;
- (i) Regulate the use, maintenance, repair, replacement and modification of the Common Area;
- (j) Make additional improvements to the Common Area;
- (k) Acquire, hold, encumber and convey in its own name any right, title or interest in real or personal property;

(l) Grant easements, leases, licenses and concessions through or over the Common Area;

(m) Take all actions necessary to enforce the covenants, conditions and restrictions of this Declaration, the Articles, the Bylaws and the Rules and Regulations;

(n) Impose and receive payments, fees or charges for the use, rental or operation of the Common Area and for services provided to Owners;

(o) Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines and/or suspension of privileges for violations of the Declarations, Bylaws and Rules and Regulations of the Association;

(p) Impose reasonable charges to prepare and record Amendments to the Declaration and Notices of Lien for unpaid assessments;

(q) Purchase at its option general liability and hazard insurance for improvements and activities on the Common Area;

(r) Provide for the indemnification of its officers and maintain directors and officers liability insurance;

(s) Assign its right to future income, including the right to receive annual assessments;

(t) Exercise any other powers conferred by this Declaration, the Articles of Incorporation or the Bylaws;

(u) Exercise all powers that may be exercised in the State of Florida by similar legal entities;

(v) Exercise any other powers necessary and proper for the governance and operation of the Association, including the delegation of its functions and services to any governmental or private entity;

(w) To operate and maintain the surface water management system as permitted by the South Florida Water Management District, including, but not limited to, all lakes, retention areas, Conservation Areas, water management areas, ditches, culverts, structures and related appurtenances;

(x) Install and perpetually maintain any and all permanent markers and signs required by the South Florida Water Management District, to inform all Owners of the conservation status of the Conservation Areas required by the South Florida Water Management District;

(y) To enforce all use restrictions created herein and the conditions contained in any subsequent conservation easement with respect to the Conservation Areas, including, but not limited to bringing an action in equity to obtain an injunction against a Unit Owner,

enjoining the Unit Owner from violating any restrictions and conditions pertaining to the Conservation Areas;

(z) Assumption of all obligations (including all monetary and reporting requirements) under all permits for the Community, including but not limited to the following permits:

(i) Environmental Resource Permit issued by the South Florida Water Management District (Permit No. 11-01610-P);

(ii) Federal Environmental Resource Permit issued by the Corps of Army Engineers (Permit No. 199701927 [IP-SB]); and

(iii) Consumptive Use Permit issued by the South Florida Water Management District (Permit No. 11-01623-W); and

(aa) To collect all assessments, dues, fees and other charges owed by the Members of the Golf Course or as required by the Membership Program.

Section 2. Obligation of the Association. The Association shall carry out the functions and services specified herein first with the proceeds from Base Assessments and then, if necessary, with the proceeds from Special Assessments. The Board of Directors shall consider the proceeds of assessments and the needs of Members in exercising its functions and services outlined in Section 1 of this Article.

Section 3. Official Records. The Association shall maintain its official records as required by law. The records shall be open to inspection by members or their authorized representatives in accordance with Florida law. The right to inspect the records includes a right to make or obtain photocopies at the reasonable expense of the Member seeking copies.

Section 4. Interest in Property. The Association has the power to acquire property, both real and personal, except as otherwise limited. The power to acquire personal property shall be exercised by the Board of Directors. The power to acquire, encumber or convey ownership interests in real property shall be exercised by the Board of Directors only after approval by two-thirds (2/3rds) of the voting interests of the Association who are then present and voting, in person or by proxy, at a duly called meeting of the Members of the Association which is called for that purpose.

Section 5. Roster. The Association shall maintain a current roster of names and mailing addresses of parcel owners, based on information supplied by the parcel owners. A copy of the roster shall be made available to any Member upon request.

Section 6. Association Actions Requiring Approval. Unless the Association receives the affirmative vote of at least two-thirds (2/3) of the votes cast, either in person or by written proxy, at a duly convened meeting, the Association shall not be entitled to:

(a) abandon, partition, subdivide, encumber, sell or transfer the Common Area and/or Limited Common Area or any portion thereof, except that the boundaries of the Golf

Course property may be adjusted pursuant to Article III, Section 4 hereof. Any such transfer or conveyance of the Common Area and/or Limited Common Area by the Association shall not be made without adequate provision for the continued maintenance and operation of infrastructure improvements for which the Association is responsible. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area and/or Limited Common Area shall not be deemed a transfer within the meaning of this paragraph;

(b) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

(c) change, waive or abandon any scheme of regulation or enforcement of Community-Wide Standards; nor

(d) use hazard insurance proceeds for losses to any Common Area and/or Limited Common Area other than for the repair or replacement of the Common Area and/or Limited Common Area.

(e) Except as otherwise stated in this Document, approvals or actions permitted or required to be given or taken by the Association may be given or taken by its Board of Directors, without a vote of the parcel owners. The Directors of the Association and its officers have a fiduciary relationship to the owners. An owner does not have the authority to act for the Association solely by reason of being an owner.

Section 7. Recycling Programs. The Board may establish a recycling program and recycling center within the Community and in such event, all occupants of Units shall support such program by recycling, to the extent reasonably practical, all materials which the Association's recycling program or center is set up to accommodate. The Association may, but shall have no obligation to purchase recyclable materials in order to encourage participation and any income received by the Association as a result of such recycling efforts shall be used to reduce Common Expenses.

Section 8. Public Gardens and Environmental Programs. The Board may establish gardens within the Common Area or designate spaces within the Common Area for the establishment of gardens to promote public awareness of and participation in conservation, management and enhancement of native vegetation, soils and geology and may establish programs to promote an understanding of the natural landscape and environment.

Section 9. Lake Maintenance. The Association has granted to Collier County all of the Association's rights, but not obligations, to maintain the lakes, the drainage easements and the lake maintenance easements.

Section 10. County Improvements. Pursuant to the zoning and permitting approval for the Community, Collier County required TBI/Naples Limited Partnership to agree that, to the extent required by Collier County, TBI/Naples Limited Partnership and/or the Association, shall construct certain facilities to control offsite runoff resulting from the storm water which currently flows towards the Naples Lakes Property. Specifically, TBI/Naples Limited Partnership and/or Association shall be responsible for providing, in a manner consistent with TBI/Naples Limited Partnership's Project Development Plans, adequate facilities and/or flowways necessary to pass

through the Community boundaries, the stormwater which currently flows towards the Naples Lakes Property. Design of the improvements shall be closely coordinated with the County's Stormwater Management Department to endeavor to maintain uniformity with the County's Lely Area Stormwater Improvement project currently under design. TBI/Naples Limited Partnership assigned and the Association accepted all of TBI/Naples Limited Partnership's rights and obligations to construct said improvements in the event the County requires same, at the Association's sole cost and expense, which cost and expense shall be a Common Expense of the Association. The offsite flow rate will be calculated by the Association's engineer and accepted by the South Florida Water Management District based on existing permitted projects upstream. If Collier County disagrees with the offsite flow estimate, the County shall provide supporting documentation to the Association's engineer and the South Florida Water Management District. Such facilities may include, but are not limited to:

- (a) regrading of the Naples Lakes western easement area to re-establish historic sheet flow along such portion of the property;
- (b) excavation of small ponds in the flowway for additional storage area; and
- (c) construction of a control structure to detain a portion of the offsite flows. Design of such control structure shall be by the Association's engineer. The control structure shall be maintained by Collier County and the Association shall not have liability for Impacts to properties upstream due to the County's control of the structural control elevation.

ARTICLE VI COVENANT FOR MAINTENANCE

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair the Area(s) of Common Responsibility, which shall include, but need not be limited to:

- (a) all landscaping and other flora, parks, signage, structures, and improvements, including any private streets, bike and pedestrian pathways/trails, situated upon the Common Area;
- (b) landscaping, sidewalks, street lights and signage within public rights-of-way within or abutting the Community, and landscaping and other flora within any public utility easements and conservation easements within the Community (subject to the terms of any easement agreement relating thereto);
- (c) such portions of any additional property included within any Area(s) of Common Responsibility as may be dictated by this Declaration, any Supplemental Declaration, or any contract or agreement for maintenance thereof entered into by the Association; and Association shall maintain the yard of each Unit Owner and the Unit Owners shall be obligated to pay the maintenance costs for same as a Neighborhood Assessment.

- (d) There are hereby reserved to the Association easements over the Community as necessary to enable the Association to fulfill such responsibilities. The

Association shall maintain the facilities and equipment within the Area(s) of Common Responsibility in continuous operation, except for reasonable periods as necessary to perform required maintenance or repairs, unless Voting Members representing two-thirds (2/3) of the total Membership agree in writing to discontinue such operation.

(e) The Association may assume maintenance responsibility for property within any Neighborhood, in addition to that designated by any Supplemental Declaration, either by agreement with the Neighborhood or because, in the opinion of the Board, the level and quality of service then being provided is not consistent with the Community-Wide Standard. All costs of maintenance pursuant to this paragraph shall be assessed as a Neighborhood Assessment only against the Units within the Neighborhood to which the services are provided. The provision of services in accordance with this Section shall not constitute discrimination within a class.

(f) The Association may maintain other property which it does not own, including, without limitation, publicly owned property, conservation easements held by nonprofit entities, and other property dedicated to public use, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

(g) Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Units in the manner of and as a part of the Base Assessment, without prejudice to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Area of Common Responsibility pursuant to this Declaration other recorded covenants, or agreements with the owner(s) thereof. All costs associated with maintenance, repair and replacement of Limited Common Areas shall be a Neighborhood Expense assessed as a Neighborhood Assessment solely against the Units within the Neighborhood(s) to which the Limited Common Areas are assigned, notwithstanding that the Association may be responsible for performing such maintenance hereunder.

Section 2. Owner's Responsibility. Each Owner shall maintain his or her Unit and all structures, parking areas, and other improvements comprising the Unit in a manner consistent with the Community-Wide Standard and all applicable covenants, unless such maintenance responsibility is otherwise assumed by or assigned to the Association or a Neighborhood pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Unit. In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Unit and the Owner in accordance with Article VIII. The Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation.

Section 3. Maintenance of Neighborhoods. The Association shall have the right to maintain, in its sole and absolute discretion, the landscaped areas in each Neighborhood, notwithstanding that such area is solely for the use and benefit of Owners of Units in said Neighborhood and the cost for maintaining same shall be a Neighborhood Assessment. Each Neighborhood Association shall be responsible for maintaining and repairing all buildings located within the Neighborhood of the Neighborhood Association in good condition and repair

and consistent with the Community-Wide Standard. In the event that the Neighborhood Association fails to maintain and repair the buildings in good condition and repair and consistent with the Community-Wide Standard, then the Association shall have the right, but not the obligation, to maintain and repair the buildings in the Neighborhood and impose on each Unit Owner within the Neighborhood a Neighborhood Assessment for all costs and expenses incurred in maintaining or repairing the buildings in said Neighborhood.

Section 4. Neighborhood's Responsibility. Except as provided in Section 3 above, each Neighborhood Association shall be responsible for maintaining its Neighborhood in a manner consistent with the Community-Wide Standard. The Owners of Units within each Neighborhood shall be responsible for paying, through Neighborhood Assessments, the costs incurred by the Association of operating, maintaining and insuring certain portions of the Area of Common Responsibility within or adjacent to such Neighborhood. This may include, without limitation, the costs of maintaining any signage, entry features, right-of-way and open space between the Neighborhood and adjacent public roads and private streets within the Neighborhood, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association; provided, however, all Neighborhoods which are similarly situated shall be treated the same.

Any Neighborhood Association having any responsibility for maintenance of property within such Neighborhood shall perform such maintenance responsibility in a manner consistent with the Community-Wide Standard. If it fails to do so, the Association may perform such responsibilities and assess the costs against all Units within such Neighborhood as provided in Article VIII, Section 7.

Section 5. Standard of Performance. Maintenance, as used in this Article, shall include, without limitation, repair and replacement as needed, as well as such other duties, which may include irrigation, as the Board may determine necessary or appropriate to satisfy the Community-Wide Standard. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants.

Notwithstanding anything to the contrary contained herein, the Association, and/or an Owner and/or a Neighborhood Association or Committee shall not be liable for property damage or personal injury occurring on, or arising out of the condition of, property which it does not own unless and only to the extent that it has been negligent in the performance of its maintenance responsibilities.

Section 6. Party Walls and Similar Structures.

(a) General Rules of Law to Apply. Each wall, fence, driveway or similar structure built as a part of the original construction on the Units which serves and/or separates any two adjoining Units shall constitute a party structure. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Sharing of Repair and Maintenance. All Owners who make use of the party structure shall share the cost of reasonable repair and maintenance of such structure equally.

(c) Damage and Destruction. If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the structure may restore it. If other Owners subsequently use the structure, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions by the Association.

(d) Right to Contribution Runs With Land. The right of an Owner to contribution from any other Owner under this Section shall be appurtenant to and runs with the land and shall pass to such Owner's successors-in-title.

ARTICLE VII ASSESSMENTS

Section 1. Creation of Assessments. The Association is hereby authorized to levy assessments against each Unit for Association expenses as the Board may specifically authorize from time to time. There shall be five types of assessments for Association expenses and other obligations: (a) Base Assessments to fund Common Expenses for the general benefit of all Units; (b) Neighborhood Assessments for Neighborhood Expenses benefiting only Units within a particular Neighborhood or Neighborhoods; (c) Special Assessments as described in Section 5 below; (d) Specific Assessments as described in Section 6 below; and (e) Golf Course Assessments, as described in Section 12 below. Each Owner is deemed to covenant and agree to pay these assessments.

All assessments, together with interest from the due date of such assessment at a rate determined by the Board (not to exceed the highest rate allowed by Florida law), late charges, costs and reasonable attorneys' fees, shall be a charge and continuing lien upon each Unit against which the assessment is made until paid, as more particularly provided in Section 8 below. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees, also shall be the personal obligation of the Person who was the Owner of such Unit at the time the assessment arose. Upon a transfer of title to a Unit, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance. However, no first Mortgagee who obtains title to a Unit by exercising the remedies provided in its Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title, unless so allowed by Florida law.

Assessments shall be paid in such manner and on such dates as the Board may establish. Unless the Board otherwise provides, the Base Assessment and any annual Neighborhood Assessment shall be due on the first day of each fiscal year. If the Board so elects, assessments may be paid in two or more installments. If any Owner is delinquent in paying any assessments

or other charges levied on his Unit, the Board may require any unpaid installments of all outstanding assessments to be paid in full immediately.

The Association shall, upon request, furnish to any Owner liable for any type of assessment, a certificate in writing, signed by an officer of the Association, setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

No Owner may exempt himself from liability for assessments, by non-use of Common Area, abandonment of his Unit, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

Section 2. Computation of Base Assessment. At least ninety (90) days before the beginning of each fiscal year, the Board shall prepare a budget covering the estimated Common Expenses during the coming year, including a capital contribution to establish a reserve fund in accordance with a budget separately prepared as provided in Section 4 hereof. The Base Assessment shall be levied equally against all Units and shall be set at a level which is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including reserves. In determining the level of assessments, the Board, in its discretion, may consider other sources of funds available to the Association. In addition, the Board shall take into account the number of Units subject to assessment under Section 7 below on the first day of the fiscal year for which the budget is prepared and the number of Units reasonably anticipated to become subject to assessment during the fiscal year.

The Board shall send a copy of the budget and notice of the amount of the Base Assessment for the following year to each Owner at least sixty (60) days prior to the beginning of the fiscal year for which it is to be effective. Such budget and assessment shall become effective unless disapproved by Voting Members representing at least two-thirds (2/3) of the total Members. There shall be no obligation to call a meeting for the purpose of considering the budget, except on petition of the Voting Members as provided for special meetings in Section 2.4 of the Bylaws, which petition must be presented to the Board within 10 days after delivery of the notice of assessments.

If the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year then until such time as a budget is determined, the budget in effect for the immediately preceding year shall continue for the current year.

Section 3. Computation of Neighborhood Assessments. At least ninety (90) days before the beginning of each fiscal year, the Board shall prepare a separate budget covering the estimated Neighborhood Expenses for each Neighborhood on whose behalf Neighborhood Expenses are expected to be incurred during the coming year. The Board shall be entitled to set such budget only to the extent that this Declaration, any Supplemental Declaration or the Bylaws, specifically authorizes the Board to assess certain costs as a Neighborhood Assessment.

Any Neighborhood may request that additional services or a higher level of services be provided by the Association and, in such case, any additional costs shall be added to such budget. Such budget shall include a capital contribution establishing a reserve fund for repair and replacement of capital items maintained as a Neighborhood Expense, if any, within the Neighborhood.

Section 4. Neighborhood Expenses. Neighborhood Expenses shall be allocated equally among all Units within the benefited Neighborhood; provided, if so specified in the Supplemental Declaration applicable to such Neighborhood or if so directed by petition signed by a majority of the Owners within the Neighborhood, any portion of the assessment intended for exterior maintenance of structures, insurance on structures, or replacement reserves which pertain to particular structures shall be levied on each of the benefited Units in proportion to the benefit received.

The Board shall cause a copy of such budget and notice of the amount of the Neighborhood Assessment for the coming year to be delivered to each Owner of a Unit in the Neighborhood at least sixty (60) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved by a majority of the Owners of Units in the Neighborhood to which the Neighborhood Assessment applies; provided, however, there shall be no obligation to call a meeting for the purpose of considering the budget except on petition of Owners of at least ten percent (10%) of the Units in such Neighborhood, which petition must be submitted to the Board within ten (10) days after delivery of the notice of assessments. This right to disapprove shall only apply to those line items in the Neighborhood budget which are attributable to services requested by the Neighborhood.

If the proposed budget for any Neighborhood is disapproved or if the Board fails for any reason to determine the budget for any year then, until such time as a budget is determined, the budget in effect for the immediately preceding year shall continue for the current year.

Section 5. Reserve Budget and Capital Contribution. The Board shall annually prepare reserve budgets for both general and Neighborhood purposes which take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect both to amount and timing by annual Base Assessments or Neighborhood Assessments, as appropriate, over the budget period.

Section 6. Special Assessments. In addition to other authorized assessments, the Association, through the Board, may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Special Assessments for unbudgeted or expenses in excess of those budgeted are limited to an aggregate total of \$250,000.00 annually except for insurance deductibles as provided in Article X of this Declaration. In the event of a *force majeure* event, the Board may levy a separate Special Assessment not to exceed \$250,000.00 unless the Special Assessment is to meet the obligation of the windstorm insurance deductible. Projects or expenditures requiring Special Assessments in excess of \$250,000.00 shall not be subdivided in order to avoid the \$250,000.00 limit but shall require approval by more than fifty percent (50%) of votes cast by the Voting Members affected by the Special Assessment, at a duly called meeting to consider such Special Assessment.

Special Assessments may be levied against the entire Membership if such Special Assessment is for Common Expenses, or against the Units within any Neighborhood, if such Special Assessment is for Neighborhood expenses. Special Assessments shall be payable in such a manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

Section 7. Specific Assessments. The Board shall have the power to levy Specific Assessments against a particular Unit or Units constituting less than all Units within the Community or within a Neighborhood, as follows:

(a) to cover the costs, including overhead and administrative costs, of providing benefits, items or services to the Unit or occupants thereof upon request of the Owner, pursuant to a menu of special services which the Board may from time to time authorize to be offered to Owners (which might include, without limitation, landscape maintenance, handyman service, pool cleaning, pest control, etc.), which assessments may be levied in advance of the provision of the requested benefit, item or service as a deposit against charges to be incurred by the Owner; and

(b) to cover costs incurred in bringing the Unit into compliance with the terms of this Declaration, any applicable Supplemental Declaration, the Bylaws or rules, or costs incurred as a consequence of the conduct of the Owner or occupants of the Unit, their licensees, invitees or guests; provided, the Board shall give the Unit Owner prior written notice and an opportunity for a hearing before levying a Specific Assessment under this subsection (b).

The Association may also levy a Specific Assessment against any Neighborhood to reimburse the Association for costs incurred in bringing the Neighborhood into compliance with the provisions of the Declaration, any applicable Supplemental Declaration, the Articles; the Bylaws and rules; provided the Board gives the Voting Member from such Neighborhood prior written notice and an opportunity to be heard before levying any such assessment.

Section 8. Date of Commencement of Assessments; Due Dates. All annual assessments shall be payable quarterly, in advance. The obligation to pay assessments shall commence as to each Unit on the first day of the month following: (a) the month in which the Unit is made subject to this Declaration, or (b) the month in which the Board first determines a budget and levies assessments pursuant to this Article, whichever is later. The first annual Base Assessment and Neighborhood Assessment, if any, levied on each Unit shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Unit. At the option of the Board, the payment of assessments may be changed to a more frequent basis. The due date of any Special Assessment or Specific Assessment provided for herein shall be set in the resolution authorizing such assessment.

Section 9. Liens for Assessments. Upon recording of a Notice of Lien, there shall exist a perfected lien for unpaid assessments on the respective Unit prior and superior to all other liens, except all taxes, bonds, assessments and other levies which by law would be superior thereto; a lien or charge of any first mortgage of record (meaning any recorded mortgage with first priority over other mortgages) made in good faith and for value, but subject to the

limitations of Section 9 hereof. Such lien, when delinquent, may be enforced by suit, judgment and foreclosure.

Section 10. Foreclosure. The Association, acting on behalf of the Owners, shall have the power to bid for the Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. During the period in, which a Unit is owned by the Association following foreclosure: no right to vote shall be exercised on its behalf; no assessment shall be levied on it; and each other Unit shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged against such Unit had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid common expenses and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. After notice and hearing, the Board may temporarily suspend the voting rights and right to use the Common Area and Limited Common Area of a Member while such Member is in default in payment of any assessment.

Each Owner, by acceptance of a deed or as a party to any other type of conveyance, vests in the Association or its agents the right and power to bring all actions against him or her personally for the collection of such charges as a debt and also to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners.

All payments shall be applied first to costs and attorneys' fees, then to interest, then to delinquent assessments, then to any unpaid installments of the annual assessment, special assessments and individual assessments which are not the subject matter of suit in the order of their coming due, and then to any unpaid installments of the annual assessment, special assessments or individual assessments which are the subject matter of suit in the order of their coming due.

Section 11. Subordination of the Lien to First Mortgages; Mortgagees' Rights. The lien for assessments provided for herein shall be subordinate to the lien of any first mortgage placed upon a lot or unit prior to the recording of a notice of lien for the unpaid assessment. However, a first mortgagee shall become liable for unpaid assessments that became due before the mortgagee's acquisition of title by foreclosure or deed in lieu of foreclosure in the lesser amount of the parcel's unpaid Common Expenses and regular periodic or special assessments that accrued or came due during the twelve (12) months immediately preceding the acquisition of title for which payment has not been received by the Association or one percent (1%) of the original mortgage debt and shall become liable for all assessments that become due and payable subsequent to the sale or transfer of the lot or unit pursuant to a decree of foreclosure, or pursuant to a deed given in lieu of foreclosure or any other proceeding in lieu of foreclosure. A first mortgagee, upon written request, shall be entitled to written notification from the Association of any default of an Owner of any obligation hereunder which is not cured within sixty (60) days.

Section 12. Exempt Property. The following property shall be exempt from payment of Base Assessments, Neighborhood Assessments, Specific Assessments, and Special Assessments:

- (a) all Common Area;
- (b) any property dedicated to and accepted by any governmental authority or public utility;
- (c) any property held by a conservation trust or similar nonprofit entity as a conservation easement, except to the extent that any such easement lies within the boundaries of a Unit which is subject to assessment (in which case the Unit shall not be exempted from assessment);
- (d) the Golf Course; and
- (e) any property owned by a Neighborhood Association for the common use and enjoyment of its members, or owned by the members of a Neighborhood Association as tenants-in-common.

Section 13. Golf Course Assessment. The Membership Program requires that each Member shall pay the fees and dues set forth in the Membership Program (collectively the "Golf Course Assessment"). The Association shall collect all of the Golf Course Assessments due. By acceptance of a deed in the Community, each Member hereby covenants and agrees that the Owner shall pay the Golf Course Assessment to the Association. The Golf Course Assessment shall be secured by a lien in favor of the Association, as more particularly set forth in Section 8. All maintenance and operating costs incurred by the Association to maintain and operate the Golf Course shall be Common Expenses of the Association and secured by the liens for assessments as provided in Section 9 hereof.

No Member may exempt himself or herself from liability for the Golf Course assessments by non-use of the Golf Course. The obligation to pay the Golf Course Assessment is a separate and independent covenant on the part of each Member. No diminution or abatement of Golf Course assessments or set-off shall be claimed or allowed for any alleged failure of the Association to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes.

Section 14. Transfer Fee. The Association Board may, at its election, impose a transfer fee incident to conveyances of Units. Such transfer fee is to be utilized by the Association for the cost of maintenance repair and replacement of the Community amenities.

ARTICLE VIII ARCHITECTURAL STANDARDS

Section 1. Architectural Review Committee. The architectural review and control functions of the Association shall be administered and performed by the Architectural Review Committee (the ARC), which shall consist of at least three (3) members who need not be members of the Association. All members of the ARC shall be appointed by and shall serve at the pleasure of the Board of Directors of the Association. A majority of the ARC 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, or in the absence of ARC members, shall be filled by the Board of Directors.

Section 2. Architectural Standard. No building, structure, enclosure or other improvement shall be erected or altered, nor shall any grading, excavation, landscaping, change of exterior color, or other work which in any way alters the exterior appearance of any structure, parcel, or common area, be made, unless and until the plans, specifications and location of the same shall have been submitted to and approved in writing by the Association. All plans and specifications shall be evaluated so as to preserve the architectural integrity and continuity in the community and to maintain uniform design and style for improvements and alterations made to individual properties and to properties of the Association.

Section 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 of the Association the creation of or modification and/or amendments to the Architectural Standards. The Standards for any item not contained in the written Architectural Standards shall be whatever already physically exists within the Community for such an item unless and until such item is added to the written Architectural Standards. If any item does not already exist within the Community and is not contained in the written Architectural Standards, then such item may not be used or placed within the Community unless and until such item is added to the written Architectural Standards. Any Architectural Standards or modification or amendments thereto shall be consistent with the provisions of this Declaration, and shall not be effective until adopted by a majority of the members of the Board of Directors of the Association at a meeting duly called and noticed and at which a quorum is present. Notice of the adoption, modification or amendment to the Architectural Standards, including a verbatim copy of such adoption, change, or modification, shall be delivered to each member of the Association. However, receipt of notice of a Board meeting concerning the Architectural Standards or of a copy of any adoption of or modification or amendment to the Architectural Standards shall not affect the validity of such change or modification.

(b) To require submission to the ARC for its approval or disapproval, a complete set of all plans and specifications for any improvement, modification, or structure of any kind or any other work which in any way alters the exterior appearance of any structure, parcel or common area, including, without limitation, any building, fence, wall, swimming pool, tennis court, driveway, enclosure, sewer, drain, disposal system, landscaping, exterior lighting, object or other improvement, the construction or placement of which is proposed upon the property. The ARC may also require submission of samples of building materials proposed for use in any residence, 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 Architectural Standards.

(c) All decisions of the ARC shall be submitted in writing to the Board of Directors of the Association and shall be maintained as an official record of the Association. Any party aggrieved by a decision of the ARC shall have the right to make a written request to the Board of Directors of the Association within thirty (30) days of the decision for a review thereof. The determination of the Board upon reviewing any such decision shall be final.

(d) To adopt a schedule of reasonable fees from time to time at the discretion of the Board for processing requests for ARC approval. Such fees, if any, shall be payable to the Association at the time that plans and specifications are submitted to the ARC.

(e) To adopt a procedure for inspecting approved changes during and after construction to ensure conformity with approved plans.

(f) The members of the ARC shall receive no compensation for services rendered, other than reimbursement for reasonable expenses incurred by them in the performance of their duties hereunder. The ARC, however, shall have the power to engage the services of professionals for compensation for purposes of aiding the ARC in carrying out its functions.

(g) The Board of Directors shall have the authority and standing on behalf of the Association to enforce in courts of competent jurisdiction decisions of the Architectural Review Committee (the "Committee") established by this Article, and those decisions of the Board.

Section 4. Variances. Pursuant to the Architectural Standards, the Committee upon a majority vote of the Committee has the right to grant variances from the Architectural Standards.

ARTICLE IX INSURANCE AND CASUALTY LOSSES

Section 1. Association Insurance. The Association, acting through its Board or its duly authorized agent, shall obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements on the Common Area and on other portions of the Area of Common Responsibility to the extent that it has assumed responsibility for maintenance, repair and/or replacement in the event of a loss. The Association shall have the authority to and interest in insuring any privately or publicly owned property for which the Association has maintenance or repair responsibility. Such property shall include, by way of illustration and not limitation, any insurable improvements on or related to parks, rights-of-way, medians, easements and walkways which the Association is obligated to maintain. If blanket "all-risk" coverage is not generally available at reasonable cost, then the Association shall obtain fire and extended coverage, including coverage for vandalism and malicious mischief. The face amount of the policy shall be sufficient to cover the full replacement cost of the insured property. The cost of such insurance shall be a Common Expense to be allocated among all Units subject to assessment as part of the annual Base Assessment.

In addition, the Association may, upon request of a Neighborhood Village, and shall, if so specified in a Supplemental Declaration applicable to the Neighborhood Village, obtain and continue in effect adequate blanket "all-risk" property insurance on all insurable improvements within such Neighborhood Village, if reasonably available. If "all-risk" property insurance is not generally available at reasonable cost, then fire and extended coverage may be substituted. Such coverage may be in such form as the Board of Directors deems appropriate. The face amount of the policy shall be sufficient to cover the full replacement cost of all structures to be insured. The costs shall be charged to the Owners of Units within the benefited Neighborhood Village as

a Neighborhood Village Assessment. All policies shall provide for a certificate of insurance to be furnished to each Member insured, to the Association, and to the Neighborhood Village Association, if any.

The Association shall have insurance responsibility for the Golf Course. The Association also shall obtain a public liability policy on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents or contractors while acting on its behalf. If generally available at reasonable cost, the public liability policy shall have at least a \$1,000,000.00 combined single limit as respects bodily injury and property damage, and at least a \$3,000,000.00 limit per occurrence and in the aggregate.

Except as otherwise provided above with respect to property within a Neighborhood Village, premiums for all insurance on the Area of Common Responsibility shall be Common Expenses and shall be included in the Base Assessment. However, premiums for insurance on Limited Common Areas may be included in the Neighborhood Village Assessment of the Neighborhood Village(s) benefited unless the Board reasonably determines that other treatment of the premiums is more appropriate.

The policies may contain a reasonable deductible which shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the required coverage. In the event of an insured loss, the deductible shall be treated as a Common Expense or a Neighborhood Village Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with Section 3.23 of the Bylaws, that the loss is the result of the negligence or willful conduct of one or more Owners or occupants, then the Board may specifically assess the full amount of such deductible against the Unit of such Owner or occupant, pursuant to Article VIII, Section 6.

All insurance coverage obtained by the Association shall:

(a) be written with a company authorized to do business in Florida which holds a Best's rating of A or better and is assigned a financial size category of IX or larger as established by A.M. Best Company, Inc., if reasonably available or, if not available, the most nearly equivalent rating which is available;

(b) be written in the name of the Association as trustee for the benefited parties, Policies on the Common Area shall be for the benefit of the Association and its Members. Policies secured on behalf of a Neighborhood Village shall be for the benefit of the Neighborhood Village Association, if any, the Owners of Units within the Neighborhood Village, and their Mortgagees, as their interests may appear;

(c) vest in the Board exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss;

(d) not be brought into contribution with insurance purchased by individual Owners, occupants or their Mortgagees; and

(e) have an inflation guard endorsement, if reasonably available. If the policy contains a co-insurance clause, it shall also have an agreed amount endorsement. The Association shall arrange for an annual review of the sufficiency of insurance coverage by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Collier County, Florida, area.

The Board shall use reasonable efforts to secure insurance policies containing endorsements that:

(a) waive subrogation as to any claims against the Association's Board, officers, employees and its manager, the Owners and their tenants, servants, agents and guests;

(i) waive the insurer's rights to repair and reconstruct instead of paying cash;

(ii) preclude cancellation, invalidation, suspension or non-renewal by the insurer on account of anyone or more individual Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure;

(iii) exclude individual Owners' policies from consideration under any "other insurance" clause; and

(iv) require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification or non-renewal.

The Association shall also obtain, as a Common Expense, worker's compensation insurance and employer's liability insurance, if and to the extent required by law, directors' and officers' liability coverage, if reasonably available, and flood insurance, if advisable.

The Association also shall obtain, as a Common Expense, a fidelity bond or bonds, if generally available at reasonable cost, covering all persons responsible for handling Association funds. The Board shall determine the amount of fidelity coverage in its best business judgment but, if reasonably available, shall secure coverage equal to not less than one-sixth (1/6) of the annual Base Assessments on all Units plus reserves on hand. Bonds shall contain a waiver of all defenses, based upon the exclusion of persons serving without compensation, and shall require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification or non-renewal.

Section 2. Owner's Insurance. By virtue of taking title to a Unit, each Owner covenants and agrees with all other Owners and with the Association to carry blanket "all-risk" property insurance on its Unit(s) and structures thereon, providing full replacement cost coverage less a reasonable deductible, unless either the Neighborhood in which the Unit is located or the Association carries such insurance (which they are not obligated to do hereunder).

(a) Duty to Reconstruct. Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising his Unit, he shall proceed to repair or to reconstruct in a manner consistent with the original construction by restoring the improvements to substantially their original character, design and condition, and shall utilize and conform with the original foundation and appearance of the original improvements or repair or reconstruct pursuant to such other plans and specifications as are approved in accordance with Article VIII of this Declaration. Except as otherwise approved by the Board of Directors, if any residence or other improvements located on any residential parcel is destroyed or damaged as result of fire, windstorm, flood, tornado, hurricane or other casualty, the owner of such improvements shall cause repair or replacement to be commenced within ninety (90) days from the date that such damage or destruction occurred, and to complete the repair or replacement within nine (9) months thereafter.

(b) Failure to Reconstruct. If the owner of any residence fails to commence or complete construction to repair or replace any damaged or destroyed improvements within the time periods provided for in Section 2 above, the Association shall give written notice of default to the owner. If after thirty (30) days the owner has not made satisfactory arrangements to meet its obligations, the 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 the improvements to their original condition, according to the plans and specifications of the original improvements, if the Association exercises the rights afforded to it by this section. In the event of denial of coverage or failure to insure, the Owner shall clear the unit of all debris and ruins and maintain the Unit in a neat and attractive landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance proceeds. In the event of denial of coverage, in the sole discretion of the Board of Directors, the owner of the residence shall be deemed to have assigned to the Association any right he may have to insurance proceeds that may be available because of the damage or destruction of the improvements. The Association shall have the right to recover from the owner any costs not paid by insurance, and shall have a lien on the parcel and residence to secure payment.

Additional recorded covenants applicable to any Neighborhood Village may establish more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Units within such Neighborhood Village and the standards for clearing and maintaining the Units in the event the structures are not rebuilt or reconstructed.

Section 3. Damage and Destruction.

(a) Immediately after damage or destruction to all or any part of the Community covered by insurance written in the name of the Association, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

(b) Any damage to or destruction of the Common Area shall be repaired or reconstructed unless the Voting Members representing at least seventy-five percent (75%) of the total votes in the Association decide within ninety (90) days after the loss not to repair or reconstruct.

Any damage to or destruction of the common property of any Neighborhood Village Association shall be repaired or reconstructed unless the Unit Owners representing at least seventy-five percent (75%) of the total vote of the Neighborhood Village Association decide within ninety (90) days after the damage or destruction not to repair or reconstruct.

If either the insurance proceeds or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not available to the Association within such ninety (90) day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed ninety (90) additional days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area or common property of a Neighborhood Village Association shall be repaired or reconstructed.

(c) If determined in the manner described above that the damage or destruction to the Common Area or to the common property of any Neighborhood Village Association shall not be repaired or reconstructed and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and maintained by the Association or the Neighborhood Village Association, as applicable, in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

Section 4. Disbursement of Proceeds. Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association or the Neighborhood Village Association, as appropriate, and placed in a capital improvements account. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Unit.

Section 5 Repair and Reconstruction. If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board of Directors shall, without a vote of the Voting Members, levy Specific Assessments against those Unit Owners responsible for the premiums for the applicable insurance coverage under Article VII, Section 7 above.

ARTICLE X CONDEMNATION

Section 1. General. If any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of Voting Members representing at least two-thirds (2/3) of the total members of the Association by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent available, unless within sixty (60) days after such taking Voting Members representing at least two-thirds (2/3) of the total votes in the Association, shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of Article IX, Sections 3 and 4 regarding funds for the repair of damage or destruction shall apply.

If the taking does not involve any improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board shall determine.

ARTICLE XI USE RESTRICTIONS

Section 1. Residential Use. No commercial use of a Unit which shall be inconsistent with applicable zoning laws and regulations shall be permitted unless approved by the Board of Directors in writing.

Section 2. Nuisances. No activity shall be permitted to exist or operate in a Unit which constitutes a nuisance or is detrimental to the Community or to any other Unit within Naples Lakes.

Section 3. Unlawful Use. The Association and the Owners shall comply with all applicable laws, zoning ordinances, orders, rules, regulations or requirements of any governmental agency relating to the Community.

Section 4. Insurance. No Owner shall permit anything to be done or kept in or on his Unit or the Common Area and/or Limited Common Area which increases the rate of insurance, or results in the cancellation of insurance, on the Common Area and/or Limited Common Area.

Section 5. Pets. Not more than two (2) commonly accepted household pets, such as a dog or cat, and a reasonable number of tropical fish or caged birds may be kept in a unit, subject to other reasonable regulations by the Association. No pets of any kind or number may be kept in a unit by any occupant who is a lessee or guest of the Unit Owner. All animals shall be leashed (if outdoors) or kept within the Unit and shall not be permitted to roam free. The Association may restrict the walking of pets to certain areas. Owners who walk their pets on Common Areas must clean up after their pets. Commercial activity involving pets, including, without limitation, boarding, breeding, grooming or training are not allowed. The ability to keep a pet is a privilege, not a right. If, in the opinion of the Board, any pet becomes a source of unreasonable annoyance to others, or the Owner of the pet fails or refuses to comply with these restrictions, the Owner, upon written notice, may be fined or required to remove the pet from the Community. Pets may not be left unattended or leashed in yards or garages or on porches or lanais.

Section 6. Signs. No sign, advertisement or notice of any type or nature whatsoever may be erected or displayed upon any Unit, Common Area and/or Limited Common Area unless expressed prior written approval of the size, shape, content and location has been obtained from the Board of Directors, which approval may be withheld in its discretion. The Board of Directors may erect reasonable and appropriate signs on any portion of the Common Area and/or Limited Common Area for the betterment of the Community.

Section 7. Exterior Lighting. Except as may be installed by the Association, no spotlights, seasonal and special effect or neon lighting, floodlights or similar high intensity lighting shall be placed or utilized upon any Unit which in any way will allow light to be reflected on any other Unit or the improvements thereon or upon the Common Area, Limited Common Area or any part thereof without the prior written approval of the Architectural Review Committee and in accordance with the Architectural Standards. Low intensity lighting which does not disturb the Owners or other occupants shall be permitted.

Section 8. Traffic Hazards. Nothing shall be erected, constructed, planted or otherwise placed in the Community subsequent to the initial construction of improvements in the Community which creates a traffic hazard or blocks the vision of motorists upon any of the streets, roads or intersections of the Community.

Section 9. Service Yards. All garbage receptacles, gas meters, air conditioning, heating, pool equipment, materials and supplies, and other equipment placed or stored outside must be concealed from view from roads and adjacent Community in accordance with the Architectural Standards. No Unit Owner may erect any structure or improvement that will deny or impede the Association's access to the Unit Owner's yard.

Section 10. Antennas, Other Devices. No exterior radio or television antenna, satellite dish or other receiver transmitting device or any similar exterior structure or apparatus may be erected or maintained unless approved by the Architectural Standards Committee, pursuant to the Architectural Standards; provided, however, each Owner may maintain a satellite dish provided the satellite dish complies with size, depth and location guidelines adopted by the Architectural Standards Committee.

Section 11. Temporary Structures. No temporary structure, such as a trailer, tent, shack, barn, shed or other outbuilding shall be permitted at any time, other than:

- (a) Temporary structures during the period of actual construction; and
- (b) Tents or other temporary structures for use during social functions.

Section 12. Water Supply and Sewerage. No septic tanks shall be permitted within the Community. No wells shall be installed, unless permitted by the Architectural Standards Committee pursuant to the Architectural Standards and provided the Unit Owner obtains all governmental approvals.

Section 13. Fuel Storage Tanks. With limited exceptions, no fuel or gas storage tanks shall be permitted. An owner may keep and maintain small gas tanks for gas barbecues, fireplaces, and hot tubs, provided they are maintained in accordance with the Architectural

Standards and the laws of the State of Florida and the political subdivisions thereof. The Association may maintain storage tanks for maintenance needs.

Section 14. Parking and Garages. Owners shall park their motor vehicles only in their garages, in the driveways servicing their Unit, or in appropriate parking spaces designated by the Board. Garage doors shall be kept closed except when motor vehicles are entering or leaving the garage. Only the number of motor vehicles exceeding occupied garage spaces shall be parked on the driveway.

Section 15. Soliciting. No soliciting will be allowed at any time within the Community.

Section 16. Trees. Pursuant to the Architectural Standards, no trees shall be cut or removed without approval of the Architectural Standards Committee.

Section 17. Artificial Vegetation. No artificial grass, plants, or other artificial vegetation shall be placed or maintained upon the exterior portion of any lot.

Section 18. Fences and Walls; Clotheslines. No fences, screens, invisible pet fences or walls shall be erected unless in accordance with the Architectural Standards. Furthermore, Unit Owners shall not erect or maintain any clotheslines.

Section 19. Recreational Vehicles, Trailers, Etc. Recreational vehicles, including but not limited to boats, watercrafts, boat trailers, golf carts, mobile homes, trailers (either with or without wheels), motor homes, vans over fourteen (14) feet in length, tractors, trucks in excess of three-fourths (3/4) ton, all-terrain vehicles, commercial vehicles of any type, campers, motorized campers, motorized go-carts or any other related transportation device may only be stored outside or on any Unit a maximum of eight (8) hours but not overnight, unless fully garaged. No recreational vehicle shall be parked on any portion of the Common Area or Limited Common Area unless such areas are specifically designated for recreational parking. The Association may make reasonable rules regarding the use of mopeds and motorcycles in the Community. No Owner or other occupant of the Community shall repair or restore any vehicle of any kind upon or within the Community, except for emergency repairs and then only to the extent necessary to enable the movement thereof to a proper repair facility. Vehicles shall be parked only within Units on paved surfaces and shall not block sidewalks or bike paths and to the extent the Unit contains a garage, the Unit Owners must park their car(s) in the garage when not in use. Parking by Owners within street rights-of-way is prohibited and the Association is authorized to tow vehicles parked in violation hereof. Overnight parking in street rights-of-way by non-Owners shall be prohibited.

Section 20. Recreation Equipment. All basketball courts, backboards, volleyball nets, swing sets, sandboxes and other outdoor recreational equipment shall be installed, maintained or used only in accordance with the Architectural Standards and as approved upon application and in writing by the Architectural Review Committee.

Section 21. Lawns and Landscaping. All landscaping to be performed by an Owner with respect to the Owner's Unit must be approved by the Architectural Review Committee. Further, no gravel, blacktop or paved parking strips shall be installed or maintained by any

Owner adjacent to and along the street or elsewhere on the Unit Owner's property. No trash, debris or refuse pile shall be placed or remain on a Unit.

Section 22. Subdivision. No Unit shall be further subdivided except upon express written consent of the Board of Directors of the Association, and in accordance with applicable subdivision regulations, irrespective of any pre-existing or contemporaneous governmental authorizations therefore.

Section 23. Conservation Areas. No person may alter the Conservation Areas, including but not limited to all wetlands and upland buffer areas, from their natural and/or permitted condition; provided, however, the Association may remove all exotic or nuisance vegetation as permitted under the South Florida Water Management District permit pertaining to the Community, or restore any Conservation Area as set forth in any restoration plan contained in a conservation easement created for the Conservation Areas. Exotic vegetation may include, but is not limited to, melaleuca, Brazilian pepper, Australian pine, Japanese climbing fern or any other species currently listed by the Florida Exotic Pest Plant Council. Nuisance vegetation may include cattails, primrose willow and grapevine.

Section 24. Leases. In order to maintain a community of congenial Owners who are financially responsible and thus protect the value of the Units, the leasing and rental of Units by any Owner shall be subject to the following provision, which provision each Unit Owner covenants to observe:

(a) no Owner may lease his or her residence for a period less than one (1) month without the prior written approval of the Board or subcommittee of the Board, which approval is subject to the Board's sole and absolute discretion;

(b) the Unit Owner must first submit to the Board or subcommittee thereof, a copy of the fully executed lease for its approval, such lease, if at all practicable, to be submitted on a standardized form previously approved by the Board;

(c) all fees and expenses imposed for the registration and transfer of the Unit Owner's rights to the Unit must be paid by the Unit Owner prior to the Tenant's or Lessee's occupancy;

(d) the residence owner is not delinquent in the payment of assessments at the time the application is considered;

(e) the lessee, during the previous occupancy, has not evidenced a disregard for the Association's rules or has failed to pay applicable fees and charges;

(f) the prospective lessee has not given false or incomplete information to the Board as part of the application procedure, and the required transfer fees and/or security deposit is paid;

(g) the lease must specifically state that the tenant lets the Unit subject to the terms and conditions of this Declaration and if the Unit Owner fails to pay the Assessments required hereunder, the Association may collect from the tenant the outstanding Assessments,

provided the amount of the Assessments does not exceed the rental amount for the Unit. The rights of the Unit Owner and the tenant with respect to the golf course during the term of the lease shall be governed by the Membership Program, but in no event shall the Unit Owner be entitled to access or use of the Golf Course during the term of the Tenant's occupation of the Unit. No subleasing or assignment of lease rights by the lessee is allowed; (viii) and if proper notice is not given, the Board at its election may approve or disapprove the lease. Any lease entered into without approval may, at the option of the Board, be treated as a nullity, and the Board shall have the power to evict the lessee with five (5) days notice, without securing consent to such eviction from the parcel owner or take other action to deny the privilege of occupancy and use.

Section 25. Boating. The Unit Owners shall not operate or use any raft, boats or other watercraft on any of the lakes located in the Community.

Section 26. Fishing. Unit Owners may only fish along the shoreline and bank located adjacent to the Unit Owner's Unit.

Section 27. Window Treatments. All window coverings shall be lined with white or off-white lining on the side exposed to the public, unless otherwise approved by the Board of Directors.

Section 28. Garage. All garage doors must be closed when not in use. No Unit Owner may convert his or her garage to living space, an office or workshop.

Section 29. Garbage and Refuse Disposal. No lot shall be used as a dumping ground for rubbish, trash, garbage, and other waste matter. No incinerator or any outdoor burning shall be permitted. Trash, garbage, and other waste shall be kept only in sanitary containers, which shall be kept in a clean and sanitary condition, kept inside the garage or other suitable interior areas, except when out for pick-up. The only exception is at the Clubhouse, where such containers must be screened from view from neighboring residences, and the interior roadways. Trash and recycle bins shall not be put on the curb for pick-up prior to 6 p.m. the night before the scheduled pick-up. All trash and recycle bins shall be removed by 7 p.m. in the evening of the scheduled pick-up.

Section 30. Underground Utility Lines. All telephone, electric, water, sewer, television or other distributors must be underground from the parcel line to the structure being served.

Section 31. Drainage. Except to comply with governmental regulation or control, no changes in the elevation of the lands shall be made which will interfere with the drainage or otherwise cause undue hardship to the adjoining property.

ARTICLE XII ASSOCIATION'S RIGHTS

Section 1. Association's Rights.

(a) Any real property conveyed, leased or the use of which has been granted to the Association as Common Areas is not and shall not be deemed dedicated for use by the general public but is, and shall be, deemed restricted for the common use and enjoyment of Members, their guests and tenants unless otherwise provided by the Association.

(b) As long as the use rights of Members are not materially infringed or affected, the Board of Directors shall have the right to grant easements, licenses and use rights for the Common Areas to Persons that are not Members.

(c) The right to use such property may be subject to reasonable rents, fees and other charges in favor of the Association; in any event, rents, fees and other charges required to be paid to the Association under the leases, grants, license or contracts creating the use right shall continue to be paid.

(d) No nuisance or obnoxious or offensive activity shall be conducted or permitted on any Common Areas. The Board of Directors shall have the right and the power in the exercise of its reasonable discretion to determine what activities or uses constitute nuisances or obnoxious or offensive activity and shall make such determination. Nothing shall be done within the Common Areas which may be or become a nuisance to the Members.

(e) The Association and its affiliates shall have the right from time to time to enter upon the Common Areas and other portions of the Community for the purpose of the installation, construction, reconstruction, repair, replacement, operation, expansion and/or alteration of any Improvements or facilities on the Common Areas or elsewhere in the Community as the Association, as appropriate, elects to effect, but only as reasonably necessary.

Section 2. Enforcement and Inaction.

The Association shall have the right and power to enforce the covenants, conditions, restrictions and other provisions imposed by this Declaration. The costs and reasonable attorneys' fees, as approved by the Court, including those resulting from any appellate proceedings, incurred by the Association in any action against an Owner to enforce any provisions of this Declaration shall be a personal obligation of such Owner which shall be paid by such Owner and any amount which remains due and unpaid shall be a continuing lien upon the Owner's Unit collectible in the manner provided in Article VII. Failure by the Association to enforce a provision shall in no event be deemed a waiver of its right to enforce it thereafter.

ARTICLE XIII

ENFORCEMENT OF COVENANTS AND ABATEMENT OF VIOLATIONS

Section 1. Compliance by Owners. Every Owner, Owner's family, guests, invitees, and tenants shall at all times comply with all Bylaws, Rules and Regulations, Community-Wide Standards, Architectural Standards, Use Restrictions, and with the covenants, conditions and restrictions set forth herein and in the deed to his Unit (as hereinafter referred to in this Article, the "Rules"). All violations shall be reported immediately to a member of the Board or an Enforcement Subcommittee of the Board if so constituted. Disagreements concerning violations, including interpretation of the Rules, shall be presented to and determined by the Board of Directors, whose interpretation and whose remedial action shall control. In the event that an Owner, Owner's family, guests, invitees and tenants fail to abide by the Rules, then he or she may be subject to any action, right of entry, fine, or other remedy contained in this Declaration. Each remedy shall be non-exclusive and in addition to all other rights and remedies to which the Association may be entitled. Failure by the Association to enforce any Rules or exercise any right or remedy contained herein shall not be deemed a waiver of the right to do so thereafter.

Section 2. Actions. The Board of Directors may bring an action at law and/or in equity (including an action for injunctive relief), or both, in the name of the Association to enforce the Rules, Covenants, and other governing documents. Pursuant to Section 720.311, Florida Statutes, such disputes shall be the subject of a demand for presuit mediation served by an aggrieved party before the dispute is filed in court. Presuit mediation proceedings must be conducted in accordance with the applicable Florida Rules of Civil Procedure, and these proceedings are privileged and confidential to the same extent as court-ordered mediation. Disputes subject to presuit mediation shall not include the collection of any assessment, fine, or other financial obligation, including attorney's fees and costs, claimed to be due or any action to enforce a prior mediation settlement agreement between the parties. Also, in any dispute subject to presuit mediation under this Section where emergency relief is required, a motion for temporary injunctive relief may be filed with the court without first complying with the presuit mediation requirements of this Section. After any issues regarding emergency or temporary relief are resolved, the court may either refer the parties to a mediation program administered by the courts or require mediation.

If presuit mediation is not successful in resolving all issues between the parties, the parties may file the unresolved dispute in a court of competent jurisdiction or elect to enter into binding or nonbinding arbitration pursuant to the procedures set forth in Section 718.1255, Florida Statutes, and rules adopted by the Division of Florida Condominiums, Time Shares, and Mobile Homes of the Department of Business and Professional Regulation, with the arbitration proceeding to be conducted by a Department arbitrator or by a private arbitrator certified by the Department. If all parties do not agree to arbitration proceedings following an unsuccessful presuit mediation, any party may file the dispute in court. In such an event, the prevailing party shall be entitled to recover costs and attorneys' fees pursuant to Section 720.305(1), Florida Statutes.

Section 3. Right of Entry. Violation of the Rules shall give the Association or its duly authorized agent the right to enter a Unit or any portion of the Common Area to summarily

abate or remove, at the expense of the Owner, any structure, thing or condition which violates the Rules. The Association shall not be liable in any manner for trespass, abatement or removal, and all costs and fees incurred by the Association may be specifically assessed against the violating Owner and shall be treated as an Individual Assessment otherwise due the Association.

Section 4. Fines. The Association, in its sole discretion, may impose a fine or fines upon an Owner, Owner's family, guests, invitees and tenants for failure to comply with the Rules, provided the following procedures are adhered to:

(a) Notice. The Association shall notify the Owner or others, if applicable, in writing of the non-compliance. Included in the notice shall be the date and time of the next Board meeting at which the non-compliance will be heard and considered. The notice of the non-compliance shall provide, at a minimum, at least fourteen (14) days' notice prior to the Board meeting.

(b) Hearing. The noncompliance shall be presented at a meeting before a committee of at least three (3) members appointed by the Board, who are not officers, directors or employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee, where the Owners may protest any allegation of non-compliance and any imposition of fines. A written decision of the committee shall be submitted to the Owner not later than twenty-one (21) days after the Board meeting. The committee must approve, by a majority vote, the proposed fine or suspension, prior to it being imposed.

(c) Fines. The Association may impose fines in the aggregate, or accruing on a daily basis against any Owner, tenant, guest or invitee.

(d) Payment of Fines. Fines shall be paid not later than seven (7) days after notice of the imposition.

(e) Individual Assessments. Fines shall be treated as an Individual Assessment otherwise due to the Association. (f) Application. All monies received from fines shall be allocated as directed by the Board of Directors.

(g) Non-Exclusive Remedy. All rights, remedies and privileges granted to the Association 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. Any fine paid by the offending Owner shall be deducted from or offset against any damages that the Association may otherwise be entitled to recover by law from such Owner.

Section 5. Suspension of Use. In addition to the imposition of fines, or in lieu thereof, the Association, in its sole discretion, may suspend any Owner, tenant, guest or invitee's right to use any Common Area or the Golf Course on account of a violation of or non-compliance with the Rules referenced in Section 1 above.

ARTICLE XIV CONSERVATION AREAS

Portions of the Community shall contain Conservation Areas, as required by the South Florida Water Management District, and as more particularly identified on the Plat or pursuant to any conservation easements created pursuant to Section 704.06, Florida Statutes. All Owners are notified that portions of the Units may contain or lie adjacent to Conservation Areas and each Owner shall comply with all use restrictions created herein or pursuant to any conservation easements created for the Conservation Areas. The Association is charged with the duty of perpetually maintaining all Conservation Areas in accordance with the requirements contained in the South Florida Water Management District permit pertaining to the Community and any subsequent conservation easements created. All expenses incurred in maintaining the Conservation Areas shall be deemed Common Expenses and the Unit Owners shall be responsible for paying same. The Association is further charged with the duty to perpetually maintain all markers and signage required by the South Florida Water Management District permit governing the Community and the Association shall have a perpetual right and easement over the entire Community to maintain the Conservation Areas, and all markers and signs pertaining thereto.

ARTICLE XV GENERAL PROVISIONS

Section 1. Duration. The covenants, conditions and restrictions contained in this Declaration or any amendment thereto shall run with and bind the land and any Owner or lessee thereof, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration or any Supplemental Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration was first recorded. The covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the Owners of two-thirds (2/3) of the Units is recorded which changes or terminates the covenants, conditions and restrictions in whole or in part. However, no instrument which changes the covenants, conditions or restrictions shall be effective unless written notice of the proposed instrument is sent to every Owner at least thirty (30) days in advance of any action taken. However, no instrument which terminates the covenants, conditions or restrictions shall be effective unless written notice of the proposed instrument is sent to every Owner at least ninety (90) days in advance of any action taken.

Section 2. Amendment.

(a) By Owners. This Declaration may be amended only by the affirmative vote or written proxy, or any combination thereof, of Voting Members representing two-thirds (2/3) of the votes cast at a duly called meeting to consider such amendment. 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 or Vice 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.

(b) Validity and Effective Date of Amendments. Amendments to this Declaration shall become effective upon recordation in the land records of Collier County, Florida, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority so to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Section 3. Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the property within the Community, which rules and regulations shall be consistent with the rights and duties established by this Declaration and the Architectural Standards. Such rules and regulations shall be binding on all Owners, Tenants, Lessees, Guests and occupants as though fully set forth herein.

Section 4. Termination. Should the Members vote not to renew and extend this Declaration, the Common Area and/or Limited Common Area owned by the Association shall be transferred to a trustee appointed by the Circuit Court of Collier County, Florida, which trustee shall sell the Common Area and/or Limited Common Area free and clear of the limitations imposed hereby upon terms established by a Circuit Court of Collier County, Florida. In such event, however, adequate provisions shall be made for the maintenance of any private water, sewer, streets or drainage facilities located within the Common Area and/or Limited Common Area, and such maintenance responsibility shall not become the responsibility of Collier County without the consent of each. The proceeds of a sale of the Common Area and/or Limited Common Area first shall be used for the payment of any debts or obligations constituting a lien on the Common Area and/or Limited Common Area, then for payment of any obligation incurred by the trustee in the operation, maintenance, repair or upkeep of the Common Area and/or Limited Common Area. The excess proceeds, if any, shall be distributed among the Owners in proportion to each Owner's Common Expenses.

Section 5. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage paid, to the last known address of the Person who appears as Member or Owner on the records of the Association at the time of such mailing. Notice to one of two or more co-owners of a parcel shall constitute notice to all co-owners. It shall be the obligation of every member to immediately notify the Secretary of the Association in writing of any change of address.

Section 6. Severability. Invalidation of anyone of these covenants or restrictions by judgment or court order shall not affect any other provision, which shall remain in full force and effect.

Section 7. Partition. The Common Area and Limited Common Area shall remain undivided, and no Person shall bring any action for partition or division of the whole or any part thereof without the written consent of all Owners within the Community and without the written consent of all holders of all mortgages encumbering any portion of the property within the Community.

Section 8. Gender and Grammar. The singular, wherever used herein shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

Section 9. Captions. The captions of each Article and Section hereof are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer.

Section 10. Security. The Association will strive to maintain NAPLES LAKES COUNTRY CLUB as a safe, secure residential environment. HOWEVER, THE ASSOCIATION SHALL NOT IN ANY WAY BE CONSIDERED A GUARANTOR OF SECURITY WITHIN NAPLES LAKES COUNTRY CLUB AND THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION, ITS BOARD, AND COMMITTEES ARE NOT GUARANTORS AND THAT EACH OWNER, TENANT, GUEST AND INVITEE ASSUMES ALL RISK OF LOSS OR DAMAGE TO PERSONS, LOTS, UNITS AND TO THE CONTENTS OF UNITS AND FURTHER ACKNOWLEDGE THE ASSOCIATION, ITS BOARD, AND COMMITTEES HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE RELATIVE TO ANY SECURITY MEASURES RECOMMENDED OR

Section 11. Airfield. Each Unit Owner is hereby advised that an airfield, known as Winged South Airpark, is located next to the Community, and the Unit Owners are further advised that they may occasionally experience those types of noise and air traffic generally associated with airfields.

Section 12. Notices and Disclaimers as to Water Bodies. NEITHER THE ASSOCIATION NOR ANY OF ITS OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OF SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY OR WATER LEVEL OF/IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE COMMUNITY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, NONE OF THE LISTED PARTIES SHALL BE LIABLE FOR ANY PROPERTY

DAMAGE, PERSONAL INJURY OR DEATH OCCURRING IN, OR OTHERWISE RELATED TO, ANY WATER BODY, ALL PERSONS USING SAME DOING SO AT THEIR OWN RISK.

ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTIES LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID WATER BODIES SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO RELEASE THE LISTED PARTIES FROM ALL CLAIMS FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME WILDLIFE MAY HABITAT OR ENTER INTO WATER BODIES WITHIN OR NEARBY THE COMMUNITY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER

NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT OR INSURE AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

Section 13. Notices and Disclaimers as to Community Systems. The Association may enter into contracts for the provision of security services through any Community Systems THE ASSOCIATION DOES NOT GUARANTEE OR WARRANT, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH SECURITY SYSTEM OR SERVICES, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS NOTIFY AUTHORITIES OF FIRES OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME; AND EVERY OWNER OR OCCUPANT OF PROPERTY RECEIVING SECURITY SERVICES THROUGH THE COMMUNITY SYSTEMS ACKNOWLEDGES THE ASSOCIATION, IS NOT AN INSURER OF THE OWNER OR OCCUPANT'S PROPERTY OR OF THE PROPERTY OF OTHERS LOCATED ON THE UNIT AND WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES OR DEATHS RESULTING FROM SUCH OCCURRENCES. It is extremely difficult and impractical to determine the actual damages, if any, which may proximately result from a failure on the part of a security service provider to perform any of its obligations with respect to security services and, therefore, every owner or occupant of property receiving security services through the Community Systems agrees the Association assumes no liability for loss or damage to property or for personal injury or death to persons due to any reason, including, without limitation, failure in transmission of an alarm, interruption of security service or failure to respond to an alarm because of (a) any failure of the Owner's security system, (b) any defective or damaged equipment, device, line or circuit, (c) negligence, active or otherwise, of the security service provider or its officers, agents or employees, or (d) fire, flood, riot, war, act of God or other similar causes which are beyond the control of the security service provider. Every owner or occupant of a Unit obtaining security services through the Community

Systems further agrees for himself, his grantees, tenants, guests, invitees, licensees and family members that if any loss or damage should result from a failure of performance or operation, or from defective performance or operation, or from improper installation, monitoring or servicing of the system, or from negligence, active or otherwise, of the security service provider or its officers, agents, or employees, the liability, if any, of the Association for loss, damage, injury or death shall be limited to a sum not exceeding Two Hundred Fifty U.S. Dollars (\$250.00), which limitation apply irrespective of the cause or origin of the loss or damage and notwithstanding that the loss or damage results directly or indirectly from negligent performance, active or otherwise, or non-performance by an officer, agent or employee of the Association. Further, in no event will the Association be liable for consequential damages, wrongful death, personal injury or commercial loss

In recognition of the fact that interruptions in cable television and other Community Systems services will occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider of such services.

Section 14. Mortgagee Provisions. The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Units in the Community. The provisions of this Section apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained therein:

(a) Notices of Action. An institutional holder, insurer or guarantor of a first Mortgage who provides written request to the Association (such request to state the name and address of such holder, insurer or guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(i) Any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Unit on which there is a first Mortgage held, insured or guaranteed by such Eligible Holder;

(ii) Any delinquency in the payment of assessments or charges owed by a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Declaration or Bylaws relating to such Unit or the Owner or Occupant which is not cured within sixty (60) days. Notwithstanding this provision, any holder of a first Mortgage is entitled to written notice upon request from the Association of any default in the performance by an Owner of a Unit of any obligation under the Declaration or Bylaws which is not cured within sixty (60) days;

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

(iv) Any proposed action which would require the consent of a specified percentage of Eligible Holders.

(b) Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least seventy-five percent (75%) of the first Mortgagees or Voting Members representing at least seventy-five percent (75%) of the total Association vote entitled to cast consent, the Association shall not:

(i) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer all or any portion of the real property comprising the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

(ii) Change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner of a Unit (a decision, including contracts, by the Board or provisions of any declaration subsequently recorded on any portion of the Community regarding assessments for Villages or other similar areas shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Declaration);

(iii) By act or omission change, waive or abandon any scheme of regulations or enforcement pertaining to architectural design, exterior appearance or maintenance of Units and the Common Area (the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver or abandonment within the meaning of this provision);

(iv) Fail to maintain insurance, as required by this Declaration; or

(v) Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

(c) Other Provisions for First Lien Holder. To the extent possible under Florida law:

(i) Any restoration or repair of the Community after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Declaration and the original plans and specifications unless the approval is obtained of the Eligible Holders of first Mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to Mortgages held by such Eligible Holders are allocated.

(ii) Any election to terminate the Association after substantial destruction or a substantial taking in condemnation shall require the approval of the Eligible

Holders of first Mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to Mortgages held by such Eligible Holders are allocated.

(d) Amendments to Documents. The following provisions do not apply to amendments to the constituent documents or termination of the Association made as a result of destruction, damage or condemnation pursuant to Article X, or to the addition of land in accordance with Article II.

(i) The consent of Voting Members representing at least seventy-five percent (75%) of all Member votes and the approval of the Eligible Holders of first Mortgages on Units to which at least seventy-five percent (75%) of the votes of Units subject to a Mortgage appertain, shall be required to terminate the Association.

(ii) The consent of Voting Members representing at least seventy-five percent (75%) of all Member votes and the approval of Eligible Holders of first Mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to a Mortgage appertain, shall be required materially, to amend any provisions of the Declaration, Bylaws or Articles of Incorporation, or to add any material provisions thereto which establish, provide for, govern or regulate any of the following:

- a. voting;
- b. assessments, assessment liens or subordination of such
liens;
- c. reserves for maintenance, repair and replacement of the
Common Area;
- d. insurance or fidelity bonds; and
- e. any provisions included in the Declaration, Bylaws or
Articles of Incorporation, which are for the express benefit of holders, guarantors or insurers of
first Mortgages on Units.

(e) No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

(f) Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

(g) Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of its respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may record an amendment to this Article to reflect such changes.

(h) Applicability of Section 13. Nothing contained in this Section 13 shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, Bylaws or Florida law, for any of the acts set out in this Section.

(i) Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

Section 15. Applicability. The terms and provisions of the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club shall govern for all periods prior to the effective date of this Third Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club and none of the terms of this Third Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club shall apply retroactively.

IN WITNESS WHEREOF, the Association has executed this Third Amended and Restated Declaration the day and year first above written.

WITNESSES:

NAPLES LAKES COUNTRY CLUB
HOMEOWNERS ASSOCIATION, INC.

James T. Beisler
Printed Name: JAMES T. BEISLER

By: Jay Whalen
Jay Whalen, President

Barbara L. Anderson
Printed Name: Barbara L. Anderson

STATE OF FLORIDA
COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this 7th day of December, 2010, by Jay Whalen, as President of NAPLES LAKES COUNTRY CLUB HOMEOWNERS ASSOCIATION, INC., on behalf of the corporation. He is personally known to me or has produced _____ as identification.

(SEAL)



Renate Miano
Notary Public
Renate Miano
Printed Name

The following Exhibit references refer to those Exhibits attached to the prior Amended and Restated Declaration of Covenants, Conditions and Restrictions of Naples Lakes Country Club, recorded in Official Records Book 2679, Page 3014, et. seq. of the Public Records of Collier County, Florida, which Exhibits are by this reference incorporated herein.

Exhibit "A" – Legal Description of property in the Community

Exhibit "B" – Articles of Incorporation

Exhibit "C" - Bylaws

Exhibit "D" – Limited Common Areas

Exhibit "E" – Legal Description of Golf Course property