

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**  
**FOR**  
**CRANE'S POINT**

**THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS,** made and entered into by **CLASSICAL DEVELOPMENT CORP.**, a Florida corporation, hereinafter referred to as "Developer".

**WITNESSETH:**

**WHEREAS,** Developer is the developer of CRANE'S POINT as recorded in Plat Book 50, Page 84, Public Records of Brevard County, Florida, (the "Property"), a residential subdivision located in Brevard County, Florida, and Land Owner is currently the owner of the subdivision land; and

**WHEREAS,** the Property is located within AQUARINA PLANNED UNIT DEVELOPMENT (AQUARINA), a mixed-use community, and

**WHEREAS,** the Developer of AQUARINA has recorded in the public records of Brevard County a Declaration of Covenants, Conditions and Restrictions For AQUARINA and formed a homeowners association called AQUARINA COMMUNITY SERVICES ASSOCIATION, INC. (Master Association), and

**WHEREAS,** recognizing that certain matters will be of a unique or particular concern to the owners of CRANE'S POINT dwellings, as opposed to the owners of other dwellings in the overall AQUARINA community, the Developer has incorporated the Association referred to in ARTICLE I (as a non-profit corporation) under the Laws of the State of Florida for the purpose of exercising the functions aforesaid:

**WHEREAS,** the Property has been platted by the Developer as a residential subdivision consisting of 12 lots and other improvements; and

**WHEREAS,** Developer desires to create a residential community with a road, open space areas and such other common facilities as may be specifically designated on the Plat of CRANE'S POINT for the benefit of said community; and

**WHEREAS,** Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of open space areas and other common facilities as may be specifically designated on the Plat of the Property and to this end, desires to subject the Property to

**Scott Ellis**  
Clerk Of Courts, Brevard County  
#Pgs: 53 #Names: 2  
Trust: 27.00 Rec: 213.00 Serv: 0.00  
Court: 0.00 Excise: 0.00  
Mtg: 0.00 Int Tax: 0.00

the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of the Property and each Owner thereof; and

**WHEREAS**, Developer has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an Association to which should be delegated and assigned the powers of maintaining and administering the community properties and facilities; administering and enforcing the covenants and restrictions; collecting and disbursing the assessments and charges hereinafter created; and

**WHEREAS**, recognizing that certain matters will be of a unique or particular concern to the owners of CRANE'S POINT dwellings, as opposed to the owners of other dwellings in the overall AQUARINA community, the Developer has incorporated the Association referred to in ARTICLE I (as a non-profit corporation) under the Laws of the State of Florida for the purpose of exercising the functions aforesaid:

**NOW THEREFORE**, the Developer declares that the property is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens of the covenants, (sometimes referred to as "covenants and restrictions") herein set forth.

## **ARTICLE I** **DEFINITIONS**

**SECTION 1.** The foregoing words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

- (1) "Association" shall mean and refer to CRANE'S POINT HOMEOWNERS ASSOCIATION, INC., a Florida corporation not for profit.
- (2) "Property" shall mean and refer to the real property described in Exhibit "A" attached hereto.
- (3) "Common Property" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The common area to be conveyed to the Association shall be the common areas shown on the Plat of CRANE'S POINT provided same has not been dedicated to the Brevard County, Florida.
- (4) "Lot" shall mean and refer to any plot of land shown upon the recorded Plat of the Property with the exception of Common Properties, as heretofore defined.
- (5) "Living Unit" or "Building" shall mean and refer to any portion of a building situated upon the Property designed and intended for use and occupancy as a residence by a single family.



- (6) "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot. Owner shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. Owner shall include any Builder who acquires fee simple title Ownership to a Lot.
- (7) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1, hereof.
- (8) "Developer" or "Declarant" shall mean CLASSICAL DEVELOPMENT CORP., a Florida corporation. The term Developer shall also include any Successor Developer. A Successor Developer shall be a purchaser of vacant lots in the subdivision and shall be so designated a Successor Developer in the Deed of Conveyance from Developer or Land Owner to Successor Developer.
- (9) "Master Association" shall mean AQUARINA COMMUNITY SERVICES ASSOCIATION, INC. and its successors and assigns.

**ARTICLE II**  
**PROPERTY SUBJECT TO THIS DECLARATION:**  
**ADDITIONS THERETO**

**SECTION 1. Property.** The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in, Brevard County, Florida, and is more particularly described in the Plat Book 50, Page 84, Public Records of Brevard County, Florida.

**SECTION 2. Additional Property.** The Developer may add such additional property or Lots, as Developer, its successors or assigns, may from time to time designate as being subject to this Declaration by the placing of record an instrument executed with formalities of a deed, making such designation, it being specifically understood that said designation may, in Developer's sole discretion, apply to all or any part of this Declaration, and in addition, that this Declaration may apply in full, in part, as modified, or as amended to any additional property or Lots designated by the Developer as being subject hereto.

**ARTICLE III**  
**MEMBERSHIP AND VOTING RIGHTS OF THE ASSOCIATION**

**SECTION 1. Membership.** Every person or entity who is the Owner of a fee simple or undivided fee simple interest in any Lot subject to assessment, the Developer, and any Buyer who acquires title to a Lot, shall be Members of the Association. Any person or entity who holds an interest merely as a security for the performance of an obligation shall not be a Member.



Membership shall be appurtenant to and may not be separated from Ownership of any Lot which is subject to assessment.

**SECTION 2. Voting Rights.** The Association shall have one class of voting membership. Each Owner of a lot or lots evidenced by a deed duly recorded in the Public Records of Brevard County, Florida shall be entitled to one (1) vote for each lot he owns.

**SECTION 3. Transfer of Control.** Owners other than the Developer are entitled to elect at least a majority of the members of the Board of Directors of the Association when the earlier of the following events occurs:

- (1) Three (3) months after 90% of the lots of all phases in CRANE'S POINT have been conveyed to Owners other than the Developer; or
- (2) Three (3) years from the date of the recording of this Declaration, or, if an Amendment is made which adds additional phased property, three years from the date of the Amendment.

For purposes of this Declaration, the term "Owners other than the Developer" shall not include builders, contractors or others who purchase a lot for the purpose of constructing improvements thereon for resale.

#### **ARTICLE IV** **PROPERTY RIGHTS IN THE COMMON PROPERTY**

**SECTION 1. Members' Easements of Enjoyment, Recreational Property and Parks.** Every Member shall have a right and easement of enjoyment in and to the Common Property and such easement shall be appurtenant to and shall pass with the title to every Lot.

**SECTION 2. Extent of Members' Easement.** The easement and right of enjoyment created hereby shall be subject to the following:

- (1) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosure; and
- (2) The right of the Association, as provided in its Articles and By-Laws to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and
- (3) After turnover of control of the Association to Owners other than the Developer, the right of the Association to transfer all or any part of its interest in the Common Property as may be hereafter acquired to any public agency, authority, or utility for



such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions hereof, shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes (as defined in Article III, Section 2) has been recorded, agreeing to such dedication, transfer, purpose or condition, and unless written notice of the proposed agreement and action thereunder is sent to every Member at least ninety (90) days in advance of any action taken.

**SECTION 3. Construction and Sales.** There is hereby reserved to the Developer, its successors and assigns, (including without limitation, its agents, sales agents and representatives, prospective purchasers of Lots and builders of homes within the subdivision), easements over the Common Property, for construction, utility and sale of Lots within the Property and for ingress and egress to and from construction sites at reasonable times; provided, however, that such use shall terminate upon the sale and construction of all living units by the Developer and its successors and assigns and provided, further, that no such use by the Developer and others shall otherwise restrict the Owners in the reasonable use and enjoyment of the Common Property. Nothing herein shall prohibit the Developer, its successors and assigns, from maintaining a sales office and/or sales signs on the Property.

## **ARTICLE V** **COVENANT FOR MAINTENANCE ASSESSMENTS**

**SECTION 1. Creation of the Lien and Personal Obligation of Assessments.** Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance including any purchaser at a judicial sale, shall be deemed to covenant and agree to pay to the Association (1) annual assessments or charges; and (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such assessment, together with such interest thereon and the cost of collection thereof as hereinafter provided, is owing and shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due.

**SECTION 2. Purpose of Assessments.** The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in CRANE'S POINT, including, but not limited to:

- (1) Payment of operating expenses of the Association including, but not limited to, professional management fees;
- (2) Maintenance, landscaping, improvement and operation of Common Property, individual lots, open space, easement areas, roadway and greenbelt areas;



- (3) Payment of taxes, labor, equipment and comprehensive general liability insurance coverage covering all of the Common Property. Coverage limits shall be at least \$1,000,000.00 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. In addition the Association shall obtain and maintain for the benefit of the Officers and Directors of the Association a policy or policies of insurance insuring the Association, its officers and directors against liability resulting from the errors and/or omissions of the officers and/or directors in the amount of no less than \$1,000,000.00. Said policy shall also contain an extended reporting period endorsement (a tail) for a two (2) year period;
- (4) Electric and utility bills for common areas;
- (5) Repayment of funds and interest thereon that have been or may be borrowed by the Association for any of the aforesaid purposes;
- (6) Establishment of any necessary reserve funds to replace or repair any portion of the Common Property, building painting, building roofs, road resurfacing and any other items as designated by the Board and for which the Board is responsible for maintenance as set forth in Article VI herein. The Developer may waive establishing reserves for the first two years of operations;
- (7) Doing any other thing necessary or desirable in the judgment of said Association (acting through its Board of Directors), to keep the subdivision neat and attractive or to preserve or enhance the value of the properties therein, or to eliminate fire, health or safety hazards.
- (8) Maintenance, landscaping, and improvements of all lands outside of the building pads (not including courtyards);
- (9) Maintenance and payments required for the reuse water and central irrigation system, water and sewer lines.

**SECTION 3. Initial Assessment.** The initial Assessment for each Lot shall be Four Hundred Fifty (\$450.00) DOLLARS and shall be due at the time title to a Lot is transferred from the Developer, its successors or assigns to an Owner, which term shall include any Builder even though said Builder intends to acquire the Lot solely for construction of a for resale. The Initial Assessment shall be a one-time assessment, and shall be due in addition to the Monthly Assessments as provided herein.

**SECTION 4. Basis and Maximum of Monthly Assessments.** Until the year beginning January 1, following the conveyance of the first Lot to an Owner, the Monthly Assessment shall be TWO HUNDRED TWENTY (\$220.00) DOLLARS per Lot. From and after January 1 of the year



immediately following the conveyance of the first lot to an Owner, the Monthly Assessment may be increased each year by the Board of Directors of the Association to an amount not more than twenty percent (20%) above the maximum assessment for the previous year without a vote of the membership. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at a lesser amount. The Board of Directors of the Association may fix the Monthly Assessment without notice or meeting of Members provided such assessment does not exceed the maximum increase set forth above.

**SECTION 5. Special Assessments for Capital Improvements.** In addition to the Monthly Assessments authorized by Section 4 hereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided that such assessment shall have the assent of a majority of the votes (as defined in Article III, Section 2) of Members who are present in person or by proxy at a meeting duly called for that purpose, at which a quorum is present, written notice of which shall be sent to all Members at least ten (10) days in advance and shall set forth the purpose of the meeting. Notwithstanding any other provision in this Declaration the Association, through the Board of Directors, may levy a special assessment not exceeding FOUR HUNDRED (\$400.00) DOLLARS per lot at anytime for the purposes stated herein without the approval of the Owners or Members.

**SECTION 6. Change in Basis and Maximum of Monthly Assessments.** Subject to the limitations of Section 4 hereof, and the periods therein specified, the Association may change the maximum and basis of the assessments fixed by Section 4 hereof prospectively for any such period provided that any such change shall have the assent of the majority of the votes (as defined in Article III, Section 2) of the Members who are present in person or by proxy, at a meeting duly called for that purpose, at which a quorum is present, written notice of which shall be sent to all Members at least fifteen (15) days and not more than sixty (60) days in advance and shall set forth the purpose of the meeting.

**SECTION 7. Quorum for any Action Authorized Under Sections 5 and 6.** The Quorum required for an action authorized by Sections 5 and 6 hereof shall be as follows:

At the first meeting called, as provided in Sections 5 and 6 hereof, the presence at the meeting of Members, or of proxies, entitled to cast the majority of all the votes (as defined in Article III, Section 2) of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 5 and 6, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than fifteen (15) days following the preceding meeting.



**SECTION 8. Date of Commencement of Monthly Assessments; Due Dates.** The Monthly Assessments provided for herein shall commence on that date (which shall be the first day of the month) fixed by the Board of Directors of the Association to be the date of commencement.

The first Monthly Assessments shall be made for the balance of the calendar month and shall become due and payable on the day fixed for commencement. The Assessments for any month, after the first month, shall become due and payable on the first day of the Month of said year.

The amount of the Monthly Assessment which may be levied for the balance remaining in the first month of assessment shall be prorated for the month. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the properties not subject to assessment at a time other than the beginning of an assessment period.

The due date of any special assessment under Section 5 hereof shall be fixed in the resolution authorizing such assessment.

**SECTION 9. Duties of the Board of Directors as to Assessments** In addition to such other duties vested in the Board of Directors of the Association in the Articles of Incorporation and the By-Laws of the Association, the Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall, upon demand at any time, furnish to any Owner liable for said assessment, a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

**SECTION 10. Effect of Nonpayment of Assessment: The Personal Obligation of the Owner; The Lien; Remedies of Association.** If an assessment is not paid on the date when due (being the dates specified in Section 8 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot to which such assessment relates, which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may bring an action at Law against the Owner personally obligated to pay the same





or to foreclose the lien amount of such assessment the costs of preparing and filing the Complaint in such action, and in the event a Judgment is obtained, such Judgment shall include interest on the assessment as above provided and reasonable attorneys' fees to be fixed by the Court together with the costs of action. In the event the Association files a lien and said lien is satisfied without necessity of a lien foreclosure suit, the Association shall be entitled to the sum of One Hundred (\$100.00) Dollars to offset the cost of the preparation of said lien together with all recording and attorney fee expenses for the preparation and filing of said lien.

The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage or mortgages now or hereafter placed upon the Lot subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the sale or transfer of such Lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

**SECTION 11. Exempt Property.** The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein:

- (1) All properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use.
- (2) All Common Properties as defined in Article I.
- (3) All properties exempted from taxation by the laws of the State of Florida, upon the terms and to the extent of such legal exemption.
- (4) The Developer shall be excused from the payment of Assessments until the Developer shall transfer control of the Association to lot Owners other than the Developer; provided the Developer shall pay any operating expenses that are incurred by the Association and not produced by the assessments (including the "initial Assessment") levied against lot Owners other than the Developer.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said easements, charges or liens.

**SECTION 12. Uniform Rate of Assessment.** Both monthly and special assessments must be fixed at a uniform rate for all Lots (regardless of size or location). Assessments may be paid monthly, semi-annually or annually at the sole discretion of the Association.

**SECTION 13. Collection of Master Association Assessments.** If requested by the Master Association, the Association shall collect from the Owners the assessments levied upon their dwelling by the Association and remit the assessments thus collected to the Master Association.



**ARTICLE VI**  
**MAINTENCE**

**SECTION 1. Maintenance by The Association.** The Association shall be responsible for the exterior painting, exterior wall and roof maintenance and reconstruction or replacing, as and when reasonably necessary, the exterior building walls of each dwelling, the roof and foundations of each dwelling, those portions of each wall partially surrounding a patios, courtyard or pool appurtenant to a dwelling which is visible from outside the Lot on which the dwelling is situated, and window easements of each dwelling (but not the floors, windows and screens, gutters or downspouts of any dwelling). The Board may delegate the responsibility of ordering and/or performing the work required by this Section to a management company.

**SECTION 2. Trash Collection.** If and to the extent it is not provided by the Master Association or Brevard County, the Association may arrange and contract for the collection of trash from the dwellings.

**SECTION 3. Grounds Maintenance.** The Association shall be responsible for maintaining all landscaping, common areas and driveways.

**SECTION 4. Responsibility of Maintenance by Owners.** Each Owner shall be responsible for keeping the interior and exterior of his dwelling in clean, safe, and orderly condition and good repair to the extent the Association is not responsible for doing so hereunder and to the extent that the lack thereof may be a detriment to the other Owners

**SECTION 5. Failure to Perform.** If an Owner fails to comply with the foregoing provisions of the above Section 4, the Association may proceed in court to enjoin compliance. In addition, the Association shall be entitled (though not obligated) to restore the neglected dwelling to the condition required by this Section and to levy on the offending Owner a special assessment equal to the cost of the work that was the Owner's responsibility.

**ARTICLE VII**  
**GENERAL USE RESTRICTIONS AND CONSTRUCTION REQUIREMENTS**

**SECTION 1. General Lot Use Restrictions.**

- (1) Occupancy. Each dwelling shall be used as a residence only, except as otherwise expressly provided herein. A dwelling owned by an individual, corporation, partnership, trust or other fiduciary may be occupied only by the following persons, and such persons' families and guests: (a) an individual Owner, (b) an officer, director, stockholder or employee or a corporate Owner, (c) a partner or employee of a partnership Owner, (d) the fiduciary or beneficiary of a fiduciary Owner, or (e) permitted occupants under an approved lease or sublease of the dwelling (as described below), as the case may be. A dwelling may be occupied under an approved lease or sublease only by the following persons, and such persons' families



and guests: (a) an individual lessee or sublessee, (b) an officer, director, stockholder or employee of a corporate lessee or sublessee, (c) a partner or employee of a partnership lessee or sublessee, or (c) a fiduciary or beneficiary of a fiduciary lessee or sublessee. Under no circumstances may more than one Family reside in a dwelling at one time. "Family" and words of similar import used herein shall be deemed to include spouses, parents, parents-in-law, brothers, sisters and children and grandchildren. In no event shall occupancy (except for temporary occupancy by visiting guests) exceed two (2) persons per bedroom in a dwelling. The Board of Directors shall have the power to authorize occupancy of a dwelling by persons in addition to those set forth above for visits of temporary duration that do not exceed sixty (60) days in any calendar year.

- (2) All garage doors must be maintained in a reasonably well-maintained condition. No garage shall be converted to living quarters. Garage doors must be kept closed except when garage is in use.
- (3) Private swimming pools may be constructed provided that any such pool shall be located in the courtyard or rear area of the lot. Above ground pools are prohibited. Any pools constructed by other than the Developer, its successors and/or assigns must have the approval of the Board of Directors prior to construction.
- (4) No fence or wall may be constructed or maintained on any lot except those built by the Developer, its successors and/or assigns or those approved by the Board of Directors. No chain-link or wood fences shall be used. No fence or wall may be constructed that will block the neighbors' view of the golf course or lake
- (5) No dwelling or any part thereof shall be used for any purpose except as a private dwelling, nor shall any business of any kind be conducted therein. No business or trade of any kind, including transient rentals, or noxious or offensive activity shall be carried on upon any Lot within or without the dwelling, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No trailer, tent, shack or other such structure shall be located, erected or used on any Lot, temporarily or permanently, except that building contractors may erect and maintain temporary structures, including trailers, during the period of residential building in the subdivision and as incident thereto. Nothing may be attached to or placed on the common area without prior approval by the Board of Directors. Nothing should be affixed permanently or temporarily to the building without approval of the Board of Directors. No hoses are to be stored where visible from the road or neighboring lots.
- (6) Air conditioning units, pumps, and other apparatus must be screened with landscaping or appropriate fencing.

- (7) Individual mailboxes are not permitted. A community mailbox will be provided and each owner will be assigned an individual lockable box.
- (8) No ornaments, statues, political signs, fountains, birdbaths, or flags other than the United States flag displayed properly shall be placed in yards or common areas that are visible from the street, neighboring yards or golf course.

**SECTION 2. Animals.** No reptiles, animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except for dogs, cats or birds or other usual and customary household pets, provided that the same are not kept, raised or maintained for business or commercial purposes or in numbers deemed unreasonable by the Developer or Association in the exercise of their reasonable discretion. Numbers in excess of two (2) of each such type of household pets (excluding aquarium-kept tropical fish) shall prima facie be considered unreasonable. No pet shall be over 45 pounds. All domestic pets shall either be kept on a leash and be within the control of the pet's Owner or be kept within an enclosed area on the respective Owner's Lot. No dogs may be kept on a terrace, balcony, patio or lanai of a dwelling when the dwelling's owner is not home. Owners must pick up all solid waste of their pets and dispose of them properly. Violation of any provision of this Section shall entitle the Association to all of its usual rights and remedies (including, but not limited to, the right to fine Owners as provided herein, in the Association's By-Laws or in any applicable rules and regulations) and also to require any pet to be permanently removed from its Owner's dwelling upon three days notice.

**SECTION 3. Garbage.** Garbage or rubbish shall not be dumped or allowed to remain on any Lot. Garbage, rubbish or other debris, properly contained in a metal or plastic receptacle, shall be placed outside the dwelling for collection on the day, or after sunset on the day before scheduled collection, in accordance with the regulations of the collecting agency. At all other times, such receptacles shall be placed on the Lot so as not to be visible from the road.

**SECTION 4. Easements.**

- (1) Perpetual easements for the installation, construction, reconstruction, maintenance, repair, operation and inspection of sewer, water and drainage facilities, for the benefit of the adjoining land Owners and/or Developer, authority, commission, municipality or other agency, supplying sewer, water and/or drainage facilities, are reserved as shown on the aforesaid subdivision plat; also, easements in general in and over each Lot for the installation of electrical, gas and telephone facilities. No building or structure shall be erected nor any paving laid nor any filling or excavation done within the easement areas occupied by or reserved for such facilities. The easements described herein shall be shown on the recorded plat as described above.
- (2) Developer and its successors and assigns shall at all times have the right of ingress and egress over the aforesaid easements for the purpose of installing, constructing, reconstructing, maintaining, repairing, operating and inspecting any such sewer,



water, drainage, electric, gas and telephone facilities within such easements areas, along the lines designated for such purposes on the aforesaid plat and shall also have an easement and right-of-way in general in and over each Lot for access to such easement areas and the facilities located therein, and for installing, operating, maintaining, repairing, inspecting and reading any meters appurtenant to such facilities.

- (3) The Developer and Association and its successors and assigns shall have at all times perpetual easements of ingress and egress in, over, under and across all lots to maintain and/or replace all landscaping, including grass, located outside of the building pads.

**SECTION 5. Landscaping Requirements.** No Owner is permitted to alter the landscaping outside of the building pad on any lot. No plants may be planted or removed by the Owner without prior approval of the Board of Directors. All lots will have underground sprinkler systems of sufficient size and capacity to irrigate all sodded or landscaped areas. The Association will maintain the irrigation systems and replace parts as need. The Association will maintain the landscaping. Aquarina's reuse (non-potable) water system will be used for irrigation.

**SECTION 6. Billboards and Signs.** No billboards, signboards or advertising devices shall be maintained on any Lot except that this clause shall not limit the right of the home builder or home builders from using billboards, sign boards or advertising devices in conjunction with the sale of residences being constructed by them.

**SECTION 7. Outside Installations.** No radio or television signals nor any other form of electromagnetic radiation shall be permitted to originate from any Lot which interferes with the reception of television or radio received upon any other Lot. No outside antenna for radio or television shall be constructed, erected or maintained at anytime on any Lot. Satellite DSS dishes may be installed without prior written approval of the Board of Directors. However, satellite DSS dishes must be screened so they are not visible from the street when possible.

**SECTION 8. No Offensive Activity.** No noxious or offensive activity shall occur on any Lot. Nothing contained herein shall prohibit or impair the business of Developer and Builders in developing all of the Lots as single family residences.

**SECTION 9. Insurance.** No Owner shall do or keep on a Lot anything which would increase the rate of insurance relating thereto without the prior written consent of the Board of Directors, and no Owner shall permit anything to be done or kept on his Lot which would result in the cancellation of insurance on any residence or which would be in violation of any law.



**SECTION 10. Window Air-Conditioning Units.** No window air conditioning units shall be permitted.

**SECTION 11. Driveways.** All driveways shall be constructed of concrete or other materials to be approved by Developer or the Board of Directors. No gravel or blacktop driveways shall be permitted.

**SECTION 12. Recreational Facilities.** Skateboard ramps and devices of a similar nature shall not be permitted in the front yards, driveways or streets.

**SECTION 13. Basketball Hoops and Other Recreational Facilities.** Basketball Hoops, skateboard ramps and devices of a similar nature shall not be permitted within Cranes' Point.

**SECTION 14. Solar Systems.** No solar heating system or any solar system shall be installed on a roof or otherwise so that the solar system is visible from the front elevation of the Lot. The "front elevation" of the Lot shall mean that elevation of the Building constructed on the Lot that faces the street from which access to the Lot is provided.

**SECTION 15. Burning.** No burning of leaves, trash, rubbish, garbage or other waste materials of any type shall be permitted or conducted on Residential Property. Nothing herein contained, however, shall be deemed to prohibit the burning of wood, logs or charcoal in properly constructed or installed fireplaces, barbecue cookers or the like, whether inside or outside of any building or other structure located on a Lot.

**SECTION 16. Storage Tanks** No storage tank, including but not limited to, those for water, oil, propane gas, or other liquid, fuels or chemicals, including those used for swimming pools or the like, shall be permitted outside of a Building on a Lot unless the same shall be underground or placed inside of walls, fences, landscaping screens or similar type enclosures approved by the Board of Directors. In no event shall any of the same be visible from any adjacent or neighboring Lots or the platted roads.

**SECTION 17. Changes Affecting Drainage.** No Lot Owner, without the express prior written consent of the Board of Directors or Developer, shall construct any improvements or make any changes to a Lot which shall have the result of changing, altering or affecting the natural or artificial water courses, canals, ditches, swales, ponds or drainage of the Property, and all construction, grading and landscaping shall conform to the drainage swale requirements set forth on the plat of the Property.

**SECTION 18. Vehicles and Repairs.** No resident shall park any vehicle on the interior drive except on a very temporary basis. No resident shall park any boat, motorhome, trailer, camper, recreational vehicle, including watercraft, or commercial vehicle in any driveway or street or on any part of a lot. Any vehicle with visible advertising on the vehicle may be deemed a commercial vehicle, in the sole discretion of the Board of Directors. However, trucks with one (1) ton capacity



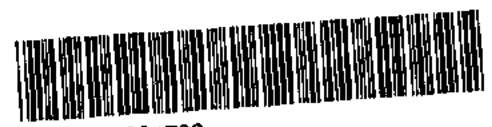
or less and sport utility vehicles will not be deemed to be commercial vehicles unless the Board of Directors deems the vehicle to be a commercial vehicle as set forth above. Any vehicle may be parked on the streets and driveways for loading and unloading or entirely within a garage. Service vehicles are permitted to park on the streets and driveways while repairs are being made. No non-operating or non-functioning vehicle of any kind shall be permitted to be parked in the yard or driveway of any lot or on any street in the subdivision. There shall be no repair, except emergency repair, performed on any motor vehicle on or adjacent to any lot in this subdivision. It is acknowledged and agreed by all Owners of lots in this subdivision by purchasing said property that a violation of any of the provisions of this paragraph shall impose irreparable harm to the other Owners in this subdivision. Said Owners further agree that a reasonable assessment of such damages would be \$50.00 for each day that such violation persists after an Owner of a Lot is notified, in writing, of such violation by either the Developer or a duly elected representative of the Association.

**SECTION 19. Underground Utilities.** Owners must install underground utilities. Above ground utility lines are prohibited.

**SECTION 20. Rules and Regulations** In addition to the forgoing restrictions on the use of Lots, the Association shall have the right, power and authority, to promulgate and impose reasonable rules and regulations governing and/or restricting the use of a Lot and to thereafter change, modify, alter, amend, rescind and augment any of the same; provided, however, that no rules or regulations so promulgated shall be in conflict with the provisions of this Declaration. Any such rules and regulations so promulgated by the Association shall be deemed promulgated when adopted by the Board of Directors of the Association and shall be applicable to and binding upon all Lots and the Owners thereof and their successors and assigns, as well as all guests or invitees of and all parties claiming by, through or under such Owners.

**SECTION 21. Developer's Rights.** Nothing contained in these Covenants and Restrictions shall be interpreted or construed to prevent the Developer (Seller), its successors or assigns, or the Developer's contractors or subcontractors, from going or performing on all or any part of the Property owned or controlled by the Developer whatever the Developer deems reasonably necessary in connection with the completion of the development, including without limitation:

- (1) erecting, constructing, maintaining thereon, such structures as may be reasonably necessary for the conduct of the Developer's business of completing the development and establishing the Property as a residential community and disposing of the same in Lots and Living Units by sale, lease or disposing of the same in Lots and Living Units by sale, lease or otherwise;
- (2) conducting thereon its or their business;
- (3) maintaining a sales office on any Lot or on the Property or



- (4) placing signs on lots and/or common areas.

**SECTION 22. Waiver by Developer.** When a building or other structure has been erected, its construction commenced and the building is located on any Lot in a manner so as to constitute a violation or violations of these covenants and restrictions, the Developer shall have the right, but not the obligation, at any time to release the Lot, or portions of it, from any part of the covenants and restrictions as may be violated.

**SECTION 23. Waiver of Minor Violations.** Where an improvement has been erected or the construction thereof is substantially advanced and it is situated on any lot in such a manner that same constitutes a violation or violations of any of this Declaration, the Association, its successors and/or assigns shall have the right at any time to release such lot or portions thereof from such part of the provisions of said Declaration as are violated, provided, however, that said Association, its successors and/or assigns, shall not release a violation or violations of any of said Declaration except as to violations it determines to be minor, in its sole discretion, and the power to release any such lot or portions thereof from such a violation or violations shall be dependent on a determination by the Association that such violation or violations are minor.

**SECTION 24. Post Lights.** A post light must be placed on every lot and equipped with automatic light sensitive switches that cause the lights to turn on at dusk and turn off at sunrise. The poles and lamps shall be properly repaired and maintained at all times by the Association. The lights shall be connected to the Owner's living unit and the individual owners shall bear the cost of operating the lights.

**SECTION 25. Leases.** All leases shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of the Declaration, the Articles of Incorporation and By-Laws of the Association, of applicable rules and regulations, of the Master Declaration or of any other instrument, document or instrument governing the dwellings. The Owner of a leased dwelling shall be jointly and severally liable with his tenant to the Association to pay any claim of injury or damage caused by the negligence of the tenant. Every lease shall be subordinated to a lien filed by the Association or the Master Association whether before or after the lease was entered into. No dwelling may be leased more than three (3) times in any one calendar year and for no shorter than 90 days per time.

**SECTION 26. Driveways.** Each driveway is for the exclusive use of the owner of the home to which it is attached. The Developer may change the configuration of driveways and add parking spaces at the Developer's sole discretion.





**ARTICLE VIII**  
**SPECIAL RESTRICTIONS AFFECTING OPEN SPACE AREAS AND**  
**COMMON PROPERTIES, INCLUDING GREEN BELT AREAS AND PARKS**

**SECTION 1. General Intent.** It shall be the intent and purpose of these restrictions and covenants to maintain and enhance certain areas designated and shown on plats hereafter filed for record in the Office of the Clerk of the Court of Brevard County, Florida with respect to the Property as open space areas, parks or Common Properties.

**SECTION 2. Right of Members.** To insure that land designated as open space areas and Common Properties will remain undeveloped and natural, a license for open space is hereby granted to the Members of the Association and no Owner of a Lot and Living Unit shall fence any portion of the open space areas, green belt areas or Common Properties or place a hedge thereon or cause the same to become obstructed in any manner whatsoever, except as set forth in Section 3. below.

**SECTION 3. Buildings.** It is expressly understood and agreed that no building, tent, trailer or other structure, either temporary or permanent, except as noted elsewhere herein and except as may be approved by the Board of Directors of the Association, shall be erected or caused to be placed on any lands shown and set aside on a recorded subdivision plat as a green belt area, open area, park or Common Property on plats hereafter filed for record in the Office of the Clerk of the Court of Brevard County, Florida with respect to the Property.

**SECTION 4. Trash.** No dumping of trash, garbage, sewage, sawdust or any unsightly or offensive material shall be placed upon the open space areas, green belt areas, parks or Common Properties except as is temporary and incidental to the bona fide improvement of the area in a manner consistent with its classification as open space area or by the builder in the builder's normal course of business.

**SECTION 5. Association Maintenance of Retention and Common Areas.** The Areas shown as retention areas and common areas, on the Plat of Cranes' Point, are Common Areas as defined in Section 1 (hereinafter collectively referred to as "Water Management Areas"). The Water Management Areas shall be the perpetual responsibility of the Association and may in no way be altered from its natural state. Activities prohibited within Conservation Areas and Retention Areas include, but are not limited to, (i) construction or placing of buildings on or above ground; (ii) dumping or placing of soil or other substances such as trash; (iii) removal or destruction of trees, shrubs or other vegetation with the exception of exotic vegetation removal; (iv) excavation, dredging or removal of soil material; (v) diking or fencing.



**ARTICLE IX**  
**GENERAL PROVISIONS**

**SECTION 1. Duration.** The covenants and restrictions of this Declaration as well as the Declaration of the Master Association shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their representatives, legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of the (10) years.

**SECTION 2. 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, postpaid, 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.

**SECTION 3. Enforcement.**

- (1) In the event of a violation of or failure to comply with the provisions of the Declaration of Covenants, Conditions and Restrictions, and the failure of the Owner of the affected Lot, within ten (10) days following written notice by the Association of such violation or non-compliance and the nature thereof, to cure or remedy such violation, then the Developer, its successors or assigns and licensees, and/or the Association (acting through its Board of Directors) or its duly appointed employees, agents or contractors, shall have and are specifically granted the right and privilege of an easement and license to enter upon the affected Lot or any portion or portions thereof or Improvements thereon, without being guilty of any trespass therefor, for the purpose of undertaking such acts or actions as may be reasonably necessary to cure or eliminate such violation, including injunctive relief; all at the sole cost and expense of the Owner of the affected Lot. Such costs and expenses, together with an overhead expense to the Association of fifteen percent (15%) of the total amount thereof shall be assessed by the Association as an Individual Lot Assessment as provided in this Declaration to the affected Lot and the Owner thereof. Any such Individual Lot Assessment shall be payable by the Owner of the affected Lot to the Association within ten (10) days after written notice of the amount thereof. Any such Individual Assessment not paid within said ten (10) day period shall become a lien on the affected Lot in accordance with the provisions of this Declaration. Reasonable fines in accordance with laws governing Associations, may be established by the Board of Directors and some fines are established herein.



- (2) The Association, acting through its Board of Directors, and/or the Developer shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and other changes now or hereinafter imposed by the provisions of this Declaration. Failure by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. If the Association shall fail to enforce any covenant or restriction herein contained, then, after giving sixty (60) days, written notice to the Association, any Lot Owner may proceed if the Association has not done so within said sixty (60) day period.

**SECTION 4. Easement Reserved Unto Developer Over Lots.** The Developer hereby reserves unto itself an easement of ingress and egress over, upon, under and across all Lots as shown on any recorded subdivision plat of the Property and such easement shall include, but shall not be limited to the right to use the said green belt area to erect, maintain and use electric and telephone poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water or other public conveniences or utilities and the right to cut any trees, bushes or shrubbery, make any grades of the soil, or take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance and the right to locate wells, pumping stations and tanks; provided, however, that said reservation and right shall not be considered an obligation of the Developer to provide or maintain any such utility or service.

**SECTION 5. Severability.** Invalidation of any one of these covenants or restrictions by Judgment or Court Order shall in no wise affect any other provisions which shall remain in full force and effect.

**SECTION 6. Subdivision of Lots.** No Lot shall be subdivided, or boundaries changed except with the written consent of the Association.

**SECTION 7. Amendments by Association.** After turnover of control of the Association by the Association, this Declaration of Covenants and Restrictions may be altered by a majority vote of the Board of Directors of the Association and a majority vote of the Owners except for the mandatory mediation provisions set forth in Article XI which may be altered by the vote of seventy-five (75%) percent of the Board of Directors and the vote of seventy-five (75%) percent of owners of lots in the subdivision and any such amendment shall thereafter be recorded in the Public Records of Brevard County, Florida, and shall thereupon become a part of this Declaration of Covenants and Restrictions as though the same were first set out herein, unless otherwise specified in this document. The votes provided for in this Section 7 shall be the votes of all, not just of a quorum, of the Board of Directors and Owners.



**SECTION 8. Amendment by Developer.** So long as the Developer or Land Owner owns one lot in CRANE'S POINT, notwithstanding anything to the contrary contained herein, Developer shall have the absolute right to amend this Declaration, The Articles of Incorporation, By-Laws, without the consent, approval or joinder of any other person or Owner. All amendments hereto shall be recorded in the Public Records of Brevard County.

**ARTICLE X.**  
**MANDATORY MEDIATION AND LITIGATION**

In the event of a dispute between CLASSICAL DEVELOPMENT CORP. A Florida corporation, as developer of CRANE'S POINT, its contractors of the subdivision or homes constructed or to be constructed thereon, ("Contractors") or any of their subcontractors or vendors, or any of their employees, agents, shareholders, officers or directors, and the Owners' Association and/or the Board of Directors and/or one or more Unit Owners arising from or regarding the Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation, the By-Laws, the Rules and Regulations of the Association, Chapter 617, Florida Statutes, as amended, or rules and regulations of the Florida Division of Land Sales, Condominiums and Mobile Homes or the Florida Administrative Code, or any express or implied warranty, any construction defects, issues involving the adequacy of reserves, such dispute shall be submitted to mandatory non-binding mediation prior to the institution of any litigation or administrative proceeding by the Association or any Unit Owner.

The Association and/or any unit Owner may not commence any litigation or administrative proceeding regarding any dispute referred to above in this Article XI against Classical Development Corp., as developer of Cranes' Point Subdivision; its Contractor; or any of their engineers, consultants, subcontractors or vendors, or any of their employees, agents, shareholders, officers or directors without the Board of Directors first calling a special meeting of the membership and obtaining the approval of 75% of all of the Owners, not just a quorum, in favor of instituting such litigation or other proceeding against Classical Development Corp., or its Contractor, or any of their subcontractors or vendors, or any of their employees, agents, shareholders, officers or directors.

**ARTICLE XI**  
**INSURANCE**

**SECTION 1. Purchase, Custody and Payment.**

- (1) **Authorization of Association.** The Developer for dwellings now or hereafter owned by it hereby irrevocably nominates, and each person who accepts title to a dwelling (or who accepts title thereto as a heir or devisee) is hereby deemed to irrevocably nominate the Association as its attorney in fact.
- (2) **Purchase.** All insurance policies described in Section 2 of this Article shall be



purchased by the Association and shall be issued by an insurance company authorized to do business in Florida and which, in the case of hazard insurance, has either a financial rating in Best's Financial Insurance Reports of Class VI or better or a financial rating therein of Class V and a general policyholder's rating of at least "A".

- (3) Approval. Each insurance policy, the agency and company issuing the policy shall be subject to the approval of the Association.
- (4) Named Insured. The named insured of each hazard policy shall be the Association, individually, and as agent for the Owner of a dwelling covered by the policy and as agent for his mortgagees, if any, with the mortgagees as additional insured's.
- (5) Custody of Policies and Payment of Proceeds. All policies shall provide that payments for losses made by the insurer shall be paid to the Insurance Trustee, if any, and if not, to the Association described in Section 4 of this Article, and all policies and endorsements thereto shall be deposited with the Insurance Trustee.
- (6) Copies to Mortgagees. One copy of each insurance policy, or a certificate evidencing such policy, and all endorsements thereto, shall be furnished by the Association upon request to each Institutional Mortgagee who holds a mortgage upon a dwelling covered by the policy. Copies or certificates shall be furnished not less than ten (10) days prior to the beginning of the term of the policy, or not less than ten (10) days prior to the expiration of each preceding policy that is being renewed or replaced, as appropriate.
- (7) Personal Property and Liability. Unit Owners may obtain insurance coverage at their own expense and in their own discretion upon the property lying within the interiors of their dwellings, their personal property (except as covered in Section 2. (1) below), and for their personal liability and living expense and for any other risks.

**SECTION 2. Coverage.** The Association shall maintain insurance covering the following:

- (1) Casualty. Every dwelling (including all fixtures, installations or additions comprising that part of the dwelling outside the interior living space of the dwelling and initially installed in accordance with the original plans and specifications therefore, and replacements thereof of like kind or quality, but excluding all furniture, furnishings and other personal property owned, supplied or installed by the Owners or his tenants and excluding all other alterations,



capital improvements and betterments made by the Owner or his tenants) (collectively the "Insured Property"), shall be insured in an amount not less than one hundred percent (100%) of the insurable value thereof (based on replacement cost). Any such policy may contain reasonable deductible provisions as determined by the Board. The coverage shall afford protection against:

(a) Loss or Damage by Fire and Other Hazards covered by a standard extended coverage endorsement; and

(b) Such Other Risks as from time to time are customarily covered with respect to buildings and improvements similar to the Insured Property in construction, location and use, including, but not limited to, vandalism and malicious mischief, and, if required by the Primary Institutional Mortgagee or the Association elects, flooding.

(2). Worker's Compensation and other mandatory insurance when applicable.

(3) Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable (including but not limited to fidelity bonding of the Association's directors, officers, employees and managing agents and liability insurance for its officers and directors).

(4) Specific Provisions

(a) When appropriate and obtainable, each of the foregoing policies shall waive the insurer's standard right to: (a) subrogation against the Association and against the Owners individually and as a group, (b) pay only a fraction of any loss in the event of co-insurance or if other insurance carriers have issued coverage upon the same risk, and (c) avoid liability for a loss that is caused by an act of the Board, by a member of the Board or by one or more Owners.

(b) All policies of physical damage insurance shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' prior written notice to all of the named insured's, including all mortgages of dwellings. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board shall obtain an appraisal from a fire insurance company, or other competent appraiser, of the full insurable replacement value of the Insured Property (exclusive of foundations), without deduction for depreciation, for the purpose of determining the amount of insurance to be obtained pursuant to this Section.



**SECTION 3. Premiums.** Premiums for the coverage described in Section 2 of this Article shall be part of the Association's common expenses payable out of periodic assessments or special assessments provided for in Section 4 and 5 of Article V.

**SECTION 4. Insurance Trustee; Share of Proceeds.** All insurance policies obtained by the Association shall be for the benefit of the Association, the Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Insurance Trustee if designated by the Board and which, if so appointed, shall be a bank, or trust company in Florida with trust powers, with its principal place of business in the County. The Insurance Trustee shall not be liable for payment of premiums, nor for the renewal of the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee (if applicable) shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein, and for the benefit of the Owners of the damaged dwellings and their respective mortgagees in proportion to the amount of damage to each Owner's dwelling. The Board may elect to not appoint an Insurance Trustee and fulfill the Trustee's duties.

**SECTION 5. Mortgagees.** No mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds, except for actual distributions thereof made to the Owner and mortgagee pursuant to the provisions of this Declaration.

**SECTION 6. Distribution of Proceeds.** Proceeds of insurance policies received by the Insurance Trustee shall be distributed in the following manner:

- (1) **Expenses of the Trust.** First, all expenses of the Insurance Trustee, if any, shall be paid or provided for.
- (2) **Reconstruction or Repair.** The remaining proceeds shall be paid to defray the cost of repairing and reconstructing the damaged property as provided elsewhere herein. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Owners thereof, remittances to Owners and their mortgagees being payable jointly to them.
- (3) **Certificate.** In distributions to Owners and their mortgagees, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their mortgagees and their respective shares of the distribution.

**SECTION 7. Association as Agent.** The Association is hereby irrevocably appointed as agent and attorney-in-fact for each Owner, for each owner of a mortgage or other lien upon a dwelling and for each owner of any other interest in the Insured Property to adjust all claims



arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

**SECTION 8. Insurance Trustee.** The Board of Directors shall have the option in its discretion of appointing an Insurance Trustee. Anything to the contrary in this Declaration notwithstanding, if the Association fails or elects not to appoint an Insurance Trustee, the Association shall perform directly all obligations imposed upon the Insurance Trustee by this Declaration. The Association shall be deemed to have appointed the Association as Insurance Trustee as provided in Section 1 (1) of this Article.

**ARTICLE XII**  
**RECONSTRUCTION OR REPAIR AFTER CASUALTY DAMAGE**

**SECTION 1. General.** Any part of the Insured Property that has been damaged by casualty shall be reconstructed in the manner provided in this Article VII.

**SECTION 2. Responsibility for Reconstruction and Repair.** If the damage is only to parts of the Insured Property the responsibility of repairing and maintaining which is the Owners' under Article V, each Owner shall be responsible for the reconstruction and restoration of his dwelling. In all other cases, the Association shall be responsible for reconstructing and repairing: damaged Insured Property the responsibility for maintaining which is the Association's; damaged Insured Property, such as non-glass entrance doors, balcony parapets, and terrace fences, the responsibility for maintaining which is normally divided between the Association and Owner; damaged interior partition walls out to their unfinished surfaces; and those portions of each two-story dwelling that lie between the unfinished ceiling of the dwelling's first story and the unfinished surface of the floor of the dwelling's second story.

**SECTION 3. Plans for Reconstruction or Repair.** Any reconstruction or repair after casualty damage shall substantially follow the plans and specifications for the original improvements (including those for any authorized alterations and additions made after the Initial Declaration is recorded) unless an alternative set of plans and specifications are approved by the Board, by seventy percent (70%) of the Owners and by all Owners of dwellings covered by the alternative plans and specifications.

**SECTION 4. Estimate of Cost.** Immediately after determining to reconstruct or repair property damaged by casualty, the Association shall obtain detailed estimates of the cost of doing so from reliable contractors.





**SECTION 5. Assessments; Determination of Sufficiency of Funds.**

- (1) **Assessments.** If the proceeds of insurance are insufficient to defray the estimated costs of reconstruction and repair for which the Association is responsible, or if at any time during the work or upon its completion the funds available for the payment of such costs prove insufficient, special assessments shall be made by the Association against Owners in sufficient amounts to provide funds for payment of those costs. Such assessments shall be levied against the Owners in amounts proportional to the costs of reconstructing and repairing their dwellings.
- (2) **Determination of Sufficiency of Funds.** If the estimated costs of reconstruction and repair for which the Association is responsible do not exceed \$50,000.00, the sufficiency of funds to pay the costs shall be determined by the Board and the sums collected from the assessments levied pursuant to Section 5.(1) of this Article VII shall be held by the Association. If these estimated costs exceed \$50,000.00, the sufficiency of funds to pay the costs shall be determined by an architect qualified to practice in Florida and employed by the Association to supervise the work, and the sums collected from the assessments shall be deposited by the Association with the Insurance Trustee.

**SECTION 6. Disbursement of Funds.** The funds held by the Association or the Insurance Trustee after a casualty (which funds will consist of insurance proceeds and sums collected from special assessments against Unit Owners on account of the casualty) shall be disbursed in the following manner and order:

- (1) **Expenses of Insurance Trustee.** Payment of all expenses of the Insurance Trustee or provision for their payment shall be made first.
- (2) **Reconstruction and Repair of Damage.** The balance of the funds shall be disbursed in the following manner:
  - (a) **Repair by Association When the Cost Does Not Exceed \$50,000.00.** If the estimated costs of reconstruction and repair that are the Association's responsibility do not exceed \$50,000.00, the funds shall be disbursed by the Insurance Trustee (and the Association, if applicable) in payment of these costs at the direction of the Board.
  - (b) **Repair by Association When the Cost Exceeds \$50,000.00.** If the estimated costs of reconstruction and repair that are the Association's responsibility exceed \$50,000.00 the funds shall be disbursed by the



Insurance Trustee (and the Association, if applicable) in payment of those costs in the manner directed by the Board, with an architect or general contractor who is licensed to practice in Florida and is employed by the Association to supervise the work approving all disbursements as being due and properly payable.

(c)Repair By Unit Owners. If insurance proceeds remain after payment of the costs of reconstruction and repair that are the Association's responsibility, they shall be distributed to the Owners of damaged dwellings who have the responsibility to reconstructing and repairing them in a share to each Owner equal to the ratio of the estimated cost of reconstructing and repairing his dwelling to the total of these costs in all damaged dwelling, provided, however, that no Owner shall be paid an amount that exceeds the estimated costs of the repair and reconstruction of his dwelling that are his responsibility. If a Unit is subject to a mortgage or mortgages listed on the Association's Roster of Mortgagees, the distribution shall be paid to the Owner and the mortgages jointly, and they may use the proceeds as they determine between themselves.

(d)The first moneys disbursed in payment of the costs of reconstruction and repair shall be presumed to be from insurance proceeds. If there is a balance remaining after payment of the costs for which the funds are collected, the balance shall be distributed to the beneficial owners of the funds. Remittances to Owners and their mortgagees shall be made payable jointly to them, provided, however, that the part of a distribution to a Owner that is not in excess or any special assessments paid by the Owner into the funds shall not be made payable to any mortgagee.

- (3) Reliance Upon Certificates. Notwithstanding the provisions of this Declaration, the Insurance Trustee shall not be required to make a determination as to the existence of certain facts upon which the distribution of funds is conditioned. Instead, the Insurance Trustee, if any, may rely upon a certificate made by the Association's President and Secretary stating: (1) whether or not payments collected from special assessments against Owners pursuant to this Article VII shall be deposited with the Insurance Trustee; if any, (2) that particular sums are due and properly payable, the name of the payee and the amount to be paid; (3) the names of Owners to receive distribution of funds and the amounts to be distributed to them; provided, however, that when a mortgagee is required by this Article VII to be named as a joint payee of a distribution to a Owner, the Insurance Trustee, if any, shall name the mortgagee as payee of any distribution of insurance proceeds to the Owner if the mortgagee is listed as holding a




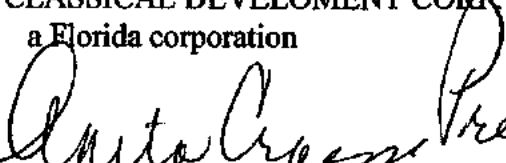
mortgage on that Owner's dwelling in the Roster of Mortgagees furnished the Insurance Trustee., if any.

IN WITNESS WHEREOF, the undersigned, being the Association herein, has hereunto set its hand and seal the 17 day of SEPT, 2003.

Signed, Sealed and Delivered  
In the Presence of:

CLASSICAL DEVELOPMENT CORP  
a Florida corporation

  
Print Name: DAVID CRAGG

By:  Pres  
Anita Cragg, President

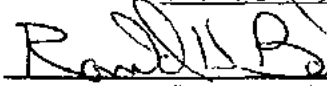
  
Print Name: RONALD W. BOND

Windemere Shores, L.L.C. hereby joins in and consents to the recording of this Declaration in the Public Records of Brevard County, Florida and agrees that the property is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens of the covenants set forth herein.

WINDEMERE SHORES, L.L.C.  
A Florida corporation

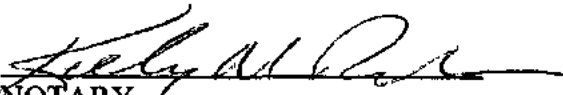
  
Print Name: DAVID CRAGG

By:   
I.D. Voldness, Operating Manager

  
Print Name: RONALD W. BOND

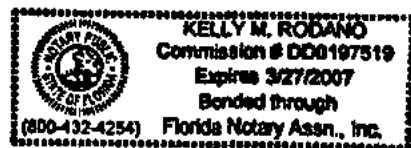
STATE OF FLORIDA  
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 19 day of SEPT, 2003 by ANITA CRAGG, PRESIDENT of CLASSICAL DEVELOPMENT CORP., a Florida corporation, on behalf of the corporation who is personally known to me, or has produced \_\_\_\_\_ as identification.

  
NOTARY  
My commission Expires: 3/27/07



CFN:2003334738  
OR Book/Page: 5096 / 3029



STATE OF FLORIDA  
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 19 day of SEPT, 2003 by I. D. Voldness, Operating Manager of Windemere Shores, L.L.C., a Florida corporation, on behalf of the corporation who is personally known to me or has produced \_\_\_\_\_ as identification.



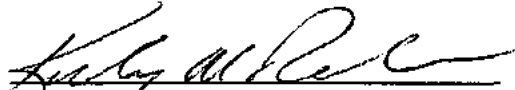
  
NOTARY  
My commission Expires: 3/27/07



EXHIBIT "A"

**DESCRIPTION:**

A PORTION OF STAGE 4, TRACT 1 OF AQUARINA P.U.D. STAGE 1, TRACTS C&D, STAGE 2, TRACTS B, D & H, STAGE 3, STAGE 4, TRACTS B, I & X, STAGE 5 AS RECORDED IN PLAT BOOK 41, PAGES 88 - 92 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; FROM THE SOUTH CORNER ON THE WEST LINE OF STAGE 3, TRACT B, BEING THE POINT OF BEGINNING OF THE HEREON DESCRIBED PARCEL RUN ALONG THE BOUNDARY LINE OF SAID STAGE 4, TRACT 1 THE FOLLOWING COURSES: N88°29'20"E 127.89 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTH HAVING A RADIUS OF 528.38 FEET AND A DELTA ANGLE OF 25°36'29"; THENCE RUN EASTERLY ALONG THE ARC OF SAID CURVE 236.16 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 200.00 FEET AND A DELTA ANGLE OF 23°12'16"; THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE 81.00 FEET TO THE POINT OF COMPOUND CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 400.00 FEET AND A DELTA ANGLE OF 19°21'37"; THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE 135.16 FEET TO THE POINT OF TANGENCY; THENCE S23°20'19"E 169.39 FEET TO A POINT ON A CURVE CONCAVE TO THE SOUTH HAVING A RADIUS OF 497.67 FEET, A DELTA ANGLE OF 12°31'35" AND FROM WHICH POINT A RADIAL LINE BEARS S14°37'00"E; THENCE DEPARTING FROM THE BOUNDARY LINE OF SAID STAGE 4, TRACT 1 RUN WESTERLY ALONG THE ARC OF SAID CURVE 108.80 FEET TO THE POINT OF TANGENCY; THENCE S62°51'25"W 50.34 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTH HAVING A RADIUS OF 22.25 FEET AND A DELTA ANGLE OF 88°37'51"; THENCE RUN WESTERLY ALONG THE ARC OF THE SAID CURVE 34.42 FEET TO THE POINT OF TANGENCY; THENCE N28°30'44"W 87.74 TO THE POINT OF CURVATURE OF CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 289.50 FEET AND A DELTA ANGLE OF 62°15'08"; THENCE RUN NORTHWESTERLY ALONG THE ARC OF SAID CURVE 314.54 FEET TO THE POINT OF TANGENCY; THENCE S89°14'08"W 68.51 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 22.25 FEET AND A DELTA ANGLE OF 92°09'26"; THENCE RUN NORTHWESTERLY ALONG THE ARC OF THE SAID CURVE 35.79 FEET TO THE POINT OF TANGENCY; THENCE N01°23'34"E 160.04 FEET TO THE POINT OF BEGINNING. CONTAINING 2.831 ACRES, MORE OR LESS.



CFN:2003334738

OR Book/Page: 5096 / 3031

EXHIBIT "B"

**ARTICLES OF INCORPORATION  
OF CRANE'S POINT HOMEOWNERS ASSOCIATION, INC.**

The undersigned, by these Articles, associate themselves for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes, as amended, and certify as follows:

**ARTICLE I**  
**NAME AND ADDRESS**

The name of the corporation shall be CRANE'S POINT HOMEOWNERS ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the Association, and shall have as its mailing address, P. O. Box 51-0845, Melbourne Beach FL. 32951 or at such other place as the Board of Directors may designate at some future time.

**ARTICLE II**  
**PURPOSE**

2.1 The purpose for which the Association is organized is to promote the recreation, health, safety, and welfare of the residents within CRANE'S POINT SUBDIVISION, more particularly described per the recorded Plat recorded in Plat Book 50, Page 84, Public Records of Brevard County, Florida and such additions thereto as may hereafter be brought within the jurisdiction of this corporation by annexation as provided in Article VIII herein, hereafter referred to as "The Properties".

2.2 The corporation does not contemplate pecuniary gain or profit, direct or indirect, to its members and the Association shall make no distributions of income to its members, directors or officers.

**ARTICLE III**  
**POWERS**

3.1 The Association shall have all the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these articles.

3.2 The Association shall have all of the powers and duties set forth in the Declaration of Covenants and Restrictions to be recorded in the Public Records of Brevard County, Florida, as it may be amended from time to time, and all of the powers and duties reasonably necessary to operate and maintain the CRANE'S POINT SUBDIVISION, including but not limited to those set forth below.

3.3 The Association shall have the power to fix and levy assessments against The Properties, which assessments shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties, and in particular for the improvement and maintenance of properties, services and facilities devoted to the purpose and related to the use and enjoyment of the Common Properties and of the homes situated upon The Properties, including, but not limited to:



- a. Payment of operating expenses of the Association;
- b. Lighting, improvement and beautification of access ways and easement areas;
- c. Doing any other thing necessary or desirable, in the judgment of the Association, to keep the subdivision neat and attractive or to preserve or enhance the value of the properties therein, or to eliminate fire, health or safety hazards, or, which in the judgment of the Association, may be of general benefit to the owners or occupants of lands included in the subdivision;
- d. Repayment of funds and interest thereon, borrowed by the Association.
- e. The Association shall levy and collect adequate assessments against members of the association for the costs of maintenance and operation of the surface water or stormwater management system.
- f. The assessments shall be used for the maintenance and repair of the surface water or stormwater management systems including but not limited to work within retention areas, drainage structures and drainage easements. The assessments will also be used for the maintenance and monitoring reports of the Conservation Easement Area as required by the St. Johns River Water Management District.
- g. Maintain comprehensive general liability insurance coverage covering all of the common properties as defined in the Declaration of Covenants, Conditions and Restrictions of CRANE'S POINT for the recorded plat, recorded in Plat Book 50, Page 84, Public Records of Brevard County, Florida as it may be amended in the future. Coverage limits shall be at least \$1,000,000.00 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of person in connection with the operation, maintenance or use of the common properties and legal liability arising out of lawsuits or related to employment contracts of the association, if available at a reasonable cost. Such policies shall provide that they may not be canceled or substantially modified, by any party, without at least ten-(10) days prior written notice to the Association and to each holder of a first mortgage on any lot. In addition the Association shall obtain and maintain, after the Developer has turned control of the Association over to the lot owners, for the benefit of the Officers and Directors of the Association a policy or policies of insurance insuring the Association, its Officers and Directors against liability resulting from the errors and/or omissions of the Officers and/or Directors in the amount of no less than \$1,000,000.00. Said policy shall also contain an extended reporting period endorsement (a tail) for a two (2) year period. The comprehensive general liability insurance coverage shall name the Officers and Directors of the Association as insureds.
- h. Maintain property insurance and such other insurance as the Board believes necessary.



**ARTICLE IV**  
**MEMBERSHIP**

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject, by covenants of record, to assessment by this Association, shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of any obligation shall not be a member. The requirement of membership shall not apply to any mortgagee or third person acquiring title by foreclosure or otherwise, pursuant to the mortgage instrument, or those holding by, through or under such mortgagee or third person except that all title holders must pay fees, dues, and assessments as if they are a member.

**ARTICLE V**  
**VOTING RIGHTS**

Each owner of a lot shall be entitled to one vote for each lot owned in CRANE'S POINT. The Developer shall exercise total control of the Association until the Developer transfers control of the Association to lot owners other than the Developer which shall be the earlier of three (3) months after ninety (90%) percent of the lots have been conveyed to owners by the Developer or three (3) years from the recording of the Declaration, whichever shall occur first.

**ARTICLE VI**  
**DIRECTORS**

6.1 The affairs of the Association shall be managed by a Board of Directors consisting of no less than three (3) Directors. The initial Board of Directors shall consist of three (3) Directors who shall hold office until the election of their successors as specified in the By-Laws.

6.2 The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

I. D. VOLDNESS    P.O.Box 51-0845  
                            Melbourne Beach FL. 32951  
DAVID V. CRAGG    P.O.Box 51-0845  
                            Melbourne Beach FL 32951  
ANITA L. CRAGG    P.O.Box 51-0845  
                            Melbourne Beach FL 32951

**ARTICLE VII**  
**OFFICERS**

The affairs of the Association shall be administered by the officers as designated in the By-Laws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, and they shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:





ANITA L. CRAGG  
President/

P.O. Box 51-0845  
Melbourne Beach Fl. 32951

DAVID V. CRAGG  
Vice president/ Secretary/Treasurer

P.O. Box 51-0845  
Melbourne Beach, Fl. 32951

**ARTICLE VIII**  
**ADDITIONS TO PROPERTIES AND MEMBERSHIP**

Additions to the Properties described in Article II may be made only in accordance with the provisions of the covenants and restrictions applicable to said properties. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties and membership of this corporation to such properties. Where the applicable covenants require that certain additions are approved by this corporation, such approval must have the assent of a majority of the votes of each class of membership who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all members at least fourteen (14) days in advance and shall set forth the purpose of the meeting.

**ARTICLE IX**  
**INDEMNIFICATION**

Every Director and every Officer of the Association shall be indemnified , held harmless and defended by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or Officer seeking such reimbursement or indemnification, indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled. The intent of this indemnification is to afford protection to the Directors and Officers of the Association to the maximum extent allowed by law. The approval of seventy-five (75%) percent of the Board of Directors and seventy-five (75%) percent of the owners of lots in the subdivision shall be required to amend this article.

**ARTICLE X**  
**BY-LAWS**

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the By-Laws.

**ARTICLE XI**



**AMENDMENTS**

Amendments to the Articles of incorporation shall be proposed and adopted in the following manner:

11.1 Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

11.2 A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors or by a majority of the voting interests of the Association, except for Article IX; a resolution adopting a proposed amendment must bear the approval of not less than a majority of the Board of Directors and not less than a majority of the voting interests of the Association.

11.3 In the alternative, an amendment may be made by an agreement signed and acknowledged by all members of the Association, in the manner required for the execution of the Deed.

11.4 No amendment shall make any changes in, or be effective to impair or dilute any rights of members that are governed by the recorded covenants and restrictions applicable to the Properties as, for example, qualification for membership and voting rights of members, which are part of the property interests created thereby.

11.5 A copy of each amendment shall be certified by the Secretary of State, of the State of Florida, and be recorded in the Public Records of Brevard County, Florida.

11.6 Any amendment to these articles or to the Covenants and Restrictions which alter the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior approval of the St. Johns River Water Management District.

**ARTICLE XII**  
**DURATION**

Existence of the Association shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall exist in perpetuity.

**ARTICLE XIII**  
**SUBSCRIBERS**

The names and addresses of the subscribers to these Articles on Incorporation are as follows:

ANITA CRAGG

P.O. BOX 51-0845  
MELBOURNE BEACH, FL 32951

IN WITNESS WHEREOF, the subscribers have hereunto affixed their signatures on the 17

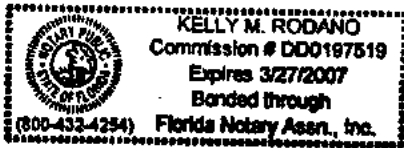


day of September, 2003.

Anita Cragg  
ANITA CRAGG

STATE OF FLORIDA  
COUNTY OF BREVARD

BEFORE ME, the undersigned authority, on this day personally appeared ANITA CRAGG, the Subscriber of CRANE'S POINT HOMEOWNERS ASSOCIATION, INC. a Florida Corporation, on behalf of the corporation. He is personally known to me or has produced \_\_\_\_\_ as identification and did (did not) take an oath.



Kelly M. Rodano  
Notary Public  
My commission expires: 3/27/07

**CERTIFICATE OF REGISTERED AGENT**

PURSUANT to Chapter 48.091, Florida Statutes, the following is submitted in compliance with said act: CRANE'S POINT HOMEOWNERS ASSOCIATION, INC. desiring to organize under the laws of the State of Florida, with its principal office, as indicated in the Articles of Incorporation, in the City of Cocoa Beach, County of Brevard, State of Florida, has named ANITA CRAGG located at 3830 Highway A1A, Unit A-1, Melbourne Beach, Florida 32951, as its agent to accept service of process for the above-stated corporation, at the place designated in this certificate. I hereby am familiar and accept the duties and responsibilities as registered agent for CRANE'S POINT HOMEOWNERS ASSOCIATION, INC., and agree to comply with the provisions of said act relative to keeping open said office.

Anita Cragg  
ANITA CRAGG  
Registered Agent



CFN:2003334738  
OR Book/Page: 5096 / 3037

EXHIBIT "C"

BY-LAWS OF  
CRANE'S POINT  
HOMEOWNERS ASSOCIATION, INC.  
a Florida corporation, not for profit

Article 1  
GENERAL

**Section 1. Organization and Purpose.** The provisions which follow are the By-Laws of CRANE'S POINT HOMEOWNERS ASSOCIATION, INC. (the "Association"), a Florida corporation not for profit organized for the purposes set forth in Article II of its Articles of Incorporation.

**Section 2. Location of Principal Office.** The Association's principal office shall be located at any place in Brevard County, Florida designated by the Developer prior to transfer of control of the Association to lot owners other than the Developers and thereafter at what other place on or within a thirty (30) mile radius of, CRANE'S POINT Lands that the Board of Directors may designate.

Article 2  
TERMINOLOGY

For the sake of brevity, the Association's Articles of Incorporation are referred to in these By-Laws as the "Articles", the Association's members (including members other than Voting Members), officers and directors as "Members", "Officers" and "Directors" respectively and the Association's Board of Directors occasionally as just the "Board". "Hereof", "herein" and words of similar import refer to these By-Laws as from time to time properly amended. The other capitalized terms used in these By-Laws shall have the same meanings they have in the Declaration of Covenants, Conditions and Restrictions for CRANE'S POINT which has been or will be recorded in the Brevard County, Florida Public Records (the "Declaration") unless another meaning is expressly assigned to them in these By-Laws or is clearly indicated by the context in which they are used.

Article 3  
MEMBERS; VOTING MEMBERS; AND VOTING RIGHTS

**Section 1. Voting Rights.** The Association shall have one class of Voting Members, as provided in the Articles. The Developer shall transfer control of this Association to lot owners other than the Developer when the earlier of the following happens:



- (1) Three (3) months after ninety (90%) percent of the lots of all phases have been conveyed to owners other than the Developer, or
- (2) Three (3) years from the date of recording the Declaration, or, if Amendments are made which add additional phased property, three years from the date of the Amendment.

The Association may suspend the voting rights of a member for the nonpayment of regular annual assessments that are delinquent in excess of ninety (90) days.

**Section 2. Majority of Quorum.** Unless a higher percentage is required expressly in the By-Laws or in the Declaration or the Articles, any action which is required to be taken by Voting Members of the Association may be so taken by a vote of a majority of a quorum of the votes of Voting Members of the Association, and for purposes hereof and of the Declaration and Articles, the term "majority of Voting Members" or reference to some specific percentage or fraction of Voting Members shall mean a majority or specific percentage of the votes of Voting Members and not of the Voting Members themselves.

**Section 3. Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of at least thirty (30%) percent of the total votes of the Voting Membership of the Association shall constitute a quorum of the Voting Membership. Such Voting Members present at a duly called or held meeting at which a quorum thereof is present may continue to accomplish the business of the meeting until adjournment, notwithstanding the withdrawal during the meeting of enough Voting Members to leave less than such quorum. In the event, however, the required quorum is never present, the meeting may be rescheduled subject to the notice requirements set forth herein.

**Section 4. Proxies.** Votes of Voting Members may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary at least twenty-four (24) hours before the appointed time of each meeting. To be valid, a proxy must be dated, must state the date, time, and place of the meeting for which it was given, and must be signed by the authorized person who executed the proxy. A proxy is effective only for the specific meeting for which it was originally given, as the meeting may lawfully be adjourned and reconvened from time to time, and automatically expires ninety (90) days after the date of the meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy form expressly so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place.

#### **Article 4** **VOTING MEMBER MEETINGS**

**Section 1. Place of Meetings of Voting Members.** Meetings of the Voting Members shall be held on CRANE'S POINT Lands, or such other suitable place as close thereto as practicable in Brevard County as may be designated by the Board of Directors.



**Section 2. Annual Meeting of Voting Members.** The first annual meeting of Voting Members shall be held on the date at the place and at the time determined by the Board of Directors. Thereafter, the annual meetings of the Voting Members shall be held on the date, and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and no later than thirteen (13) months after the last preceding annual meeting, if possible. At each annual meeting there shall be elected by ballot of the Voting Members a Board of Directors, in accordance with the requirements of these By-Laws. At the first annual meeting, the directors shall be elected to serve until the second annual meeting, and at the second annual meeting, directors shall be elected for a term of one (1) year beginning with the second annual meeting. Unless a director resigns before the expiration of his term of office, each director shall hold his office until his successor has been elected and has taken office. The term of office of any director elected to fill a vacancy created by the resignation of his predecessor shall be the balance of the unserved term of his predecessor. The Voting Members may also transact such other business of the Association as may properly come before the meeting. Each first mortgagee of a Unit may designate a non-voting representative to attend all annual meetings of the Voting Members.

**Section 3. Special Meetings of Voting Members.** Special meetings of the Voting Members may be called at any time by a majority of a quorum of the Board of Directors, or upon a petition signed by Voting Members holding at least ten (50%) percent of the votes of the Members. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice. Each Institutional Mortgagee of a Lot may designate a non-voting representative to attend all special meetings of the Voting Members. Proxy holders that are non-members and non-voting representatives shall not have speaking rights unless the majority of Board Members approve.

**Section 4. Notice of Meetings of Voting Members.** It shall be the duty of the Secretary to mail a notice of each annual or special meeting of Voting Members, stating the purpose thereof as well as the day, hour and place where it is to be held, to each Voting Member and to each First Mortgagee of a lot which has filed a written request for such notice with the Secretary, at least ten (10), but not more than sixty (60), days prior to such meeting. The notice may set forth time limits for speakers and nominating procedures for the meeting. The mailing of a notice, postage prepaid, in the manner provided in this Section, shall be considered notice served. If no address has been furnished the Secretary, notice shall be deemed to have been given to a Voting Member if posted in a conspicuous place on the Common Properties 48 hours in advance of the meeting. Meetings of Voting Members shall be open to all Members (who shall, however, not be recognized or entitled to participate).

**Section 5. Adjourned Meetings.** If any meeting of Voting Members cannot be organized because a quorum has not attended, the Voting Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days, nor more than thirty (30) days, from the time the original meeting was called. Such adjourned meetings may be held only upon a new notice thereof as provided in this Article, except that such adjournment is taken. If a meeting is



adjourned for more than thirty (30) days, notice of the adjourned meeting shall be given as in the case of an original meeting.

**Section 6. Order of Business.** The order of business at all meetings of the Voting Members shall (unless waived) be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) unfinished business; and (f) new business. Meetings of Voting Members shall be conducted by the officers of the Association, in order of their priority.

**Section 7. Action Without Meeting.** Any action which under the provisions of Florida law may be taken at a meeting of the Voting Members, may be taken without a meeting if authorized in writing by the requisite percentage of all Voting Members who would be entitled to vote at a meeting of Voting Members for such purpose, and if thereafter filed with the Secretary.

**Section 8. Minutes.** Minutes of all meeting of the members of an association and of the board of directors of an association must be maintained in written form or in another form that can be converted into written form within a reasonable time. A vote or abstention from voting on each matter voted upon for each director present at a board meeting must be recorded in the minutes.

**Section 9. Official Records.** The association shall maintain each of the following items, when applicable, which constitute the official records of the association:

- (1) Copies of any plans, specifications, permits, and warranties related to improvements constructed on the common areas or other property that the association is obligated to maintain, repair, or replace.
- (2) A copy of the Bylaws of the association and of each amendment to the Bylaws.
- (3) A copy of Articles of Incorporation of the Association and of each amendment thereto.
- (4) A copy of the Declaration of Covenants and a copy of each amendment thereto.
- (5) A copy of the current rules of the Homeowners' Association.
- (6) The Minutes of all meetings of the Board of Directors and of the members, which Minutes must be retained for at least seven (7) years.
- (7) A current roster of all members and their mailing address and parcel identifications.
- (8) All of the Associations' insurance policies or a copy thereof, which policies must be retained for at least seven (7) years.



- (9) A current copy of all contracts to which the association is a party, including, without limitation, any management agreement, lease, or other contract under which the Association has any obligation or responsibility. Bids received by the Association for work to be performed must also be considered official records and must be kept for a period of one (1) year.
- (10) The financial and accounting records of the Association, kept according to good accounting practices. All financial and accounting records must be maintained for a period of at least seven (7) years. The financial and accounting records must include:
  1. Accurate, itemized, and detailed records of all receipts and expenditures.
  2. A current account and a periodic statement of the account for each member, designating the name and current address of each member who is obligated to pay assessments, the due date and amount of each assessments or other charge against the member, the date and amount of each payment on the account, and the balance due.
  3. All tax returns, financial statements, and financial reports of the Association.
  4. Any other records that identify, measure, record, or communicate financial information.

**Section 10. Inspection and Copying of Records.** The official records shall be maintained within the state and must be open to inspection and available for photocopying by members by members or their authorized agents at reasonable times and places within ten (10) business days after receipt of a written request for access. This subsection may be complied with by having a copy of the official records available for inspection or copying in the CRANE'S POINT community.

- (1) The failure of the Association to provide access to the records within then (10) business days after receipt of a written request creates a rebuttable presumption that the association willfully failed to comply with this subsection.
- (2) A member who is denied access to official records is entitled to the actual damages or minimum damages for the Association's willful failure to comply with this subsection. The minimum damages are to be fifty (\$50.00) dollars per calendar day up to 10 days, the calculation to begin on the 11<sup>th</sup> business day after receipt of the written request.
- (3) The Association may adopt reasonable written rules governing the frequency, time, location, notice, and manner of inspections, and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The Association shall maintain an adequate number of copies of the





recorded governing documents, to ensure their availability to members and prospective members, and may charge only its actual costs for reproducing and furnishing these documents to those persons who are entitled to receive them.

**Section 11. Budgets.** The Association shall prepare an annual budget. The budget must reflect the estimated revenues and expenses for that year and the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities, whether owned by the Association, the Developer, or another person. The Association shall provide each member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the member. The copy must be provided to the member within the time limits set forth in Section 10, above.

**Section 12. Financial Reporting.** The Association shall prepare an annual financial report within sixty (60) days after the close of the fiscal year. The Association shall, within the time limits set forth in Section 10, provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member. The financial report must consist of either:

- (1) Financial statement presented in conformity with generally accepted accounting principles; or
- (2) A financial report of actual receipts and expenditures, cash basis, which report must show:
  1. The amount of receipts and expenditures by classification; and
  2. The beginning and ending cash balances of the Association.

## Article 5 DIRECTORS

**Section 1. Number and Qualification.** The Board shall consist initially of the three (3) persons specified in the Articles. Except for nominees, designees or appointees of the Developer, each Director must be either a Member of the Association, an officer or director of a corporation which is a Member of the Association, a general partner in a partnership which is a Member, or an officer or director of a corporate general partner in a partnership which is a Member.

**Section 2. Election and Term of Office.** At the first annual meeting of the Association, and thereafter at each annual meeting of the Members, Directors shall be elected by written ballot by a plurality vote of Voting Members present at (in person or by proxy) and entitled to vote at the meeting, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting. In the event that an annual meeting is



not held, or the Directors are not then elected, the Board may be elected at a special meeting of the Members held for that purpose. Each Director shall hold office until his successor has been elected and has qualified or until his death, resignation, removal or judicial adjudication of mental incompetence. Any person serving as a Director may be re-elected, there being no limitation on the number of terms a person may serve as a Director. The conveyance by a Director (except a Director appointed or nominated by the Developer) of every Lot owned by him shall automatically result in his resignation as a Director.

**Section 3. Vacancies.** Vacancies in the Board caused by any reason other than the removal of a Director by a vote of the Voting Members shall be filled by vote of the majority of the remaining Directors, even though the remaining Directors may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting or at a special meeting of the Members called for that purpose. A vacancy or vacancies shall be deemed to exist in the case of the death, resignation, removal or judicial adjudication of mental incompetence of any Director, in the case of increases in the size of the Board or in case the Members fail to elect the full number of authorized Directors at any meeting at which such election is to take place.

**Section 4. Removal of Directors.** At any regular or special meeting of the Members duly called, any one or more of the Directors may be removed with or without cause by a majority vote of the Members of the Association and, if the Director sought to be removed was nominated or appointed by the Developer, with the Developer's written consent; and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. If any or all of the Directors are so removed, new Directors may be elected at the same meeting.

**Section 5. Organization Meeting.** The first regular meeting of a newly elected Board of Directors shall be held within ten (10) days after the election at such place as shall be fixed and announced by the Directors at the meeting at which such Directors were elected, for the purpose of organization, election of officers and the transaction of other business. Notice to the newly elected Directors shall not be necessary in order legally to constitute the meeting, provided a majority of the whole Board are present.

**Section 6. Regular Meetings.** Regular meetings of the Board of Directors shall be open to the Members (who shall not be recognized or entitled to participate, however) and may be held at such time and place within the Properties as shall be determined, from time to time, by a resolution adopted by a majority of a quorum of the Directors; provided, however, that such meetings shall be held no less frequently than annually. A meeting of the Board of Directors of an association occurs whenever a quorum of the board gathers to conduct association business. All meetings of the board must be open to all members except for meetings between the board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least seventy-two (72) hours in advance of the meeting. Notices of all board meetings must be posted in a conspicuous place in the



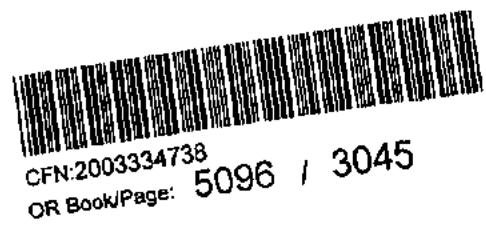
community at least 48 hours in advance of a meeting, except in an emergency. In the alternative, if notice is not posted in a conspicuous place in the community, notice of each board meeting must be mailed or delivered to each member at least seven (7) days before the meeting, except in an emergency. An assessment may not be levied at a board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments.

**Section 7. Special Meetings.** Special meetings of the Board of Directors shall be open to all Members (who shall not be recognized or entitled to participate, however) and may be called by the President (or, if he is absent or refuses to act, by the Vice President) or by any two (2) Directors. At least seventy-two (72) hours' notice shall be given to each Director, personally or by mail, telephone, email or facsimile. This notice shall state the time, the place (as hereinabove provided) and the purpose of the meeting, and shall be posted at a prominent place or places within the Common Properties. If served by mail, each such notice shall be sent, postage prepaid, to the address reflected on the records of the Association, and shall be deemed given, if not actually received earlier, at 5:00 p.m. on the third day after it is deposited in a regular depository of the United States mail as provided herein. Whenever any Director has been absent from any special meeting of the Board, an entry on the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such meeting was given to such Director, as required by law and as provided herein.

**Section 8. Waiver of Notice.** Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. The transactions at any meeting of the Board, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum is present, and if, either before or after the meeting, each of the Directors not present signs such written waiver of notice, a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

**Section 9. Quorum and Adjournment.** Except as otherwise expressly provided herein, at all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 10. Action Without Meeting.** The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the vote or written



consent of all the Directors. Any action so approved shall have the same effect as though taken at a duly constituted meeting of the Directors.

**Section 11. Committees.** The Board of Directors by resolution may, from time to time, designate whatever committees it desires, and may establish the purposes and powers of any committee it creates. The resolution designating and establishing the committee shall provide for the appointment of its members and a chairman, shall state the purposes of the committee, and shall provide for reports, termination and whatever other administrative matters the Board deems appropriate.

**Section 12. Powers of the Board.** The property and business of the Association shall be managed by the Board of Directors, which may exercise all corporate powers not specifically prohibited by the Articles or Declaration. The powers of the Board of Directors shall specifically include, but not be limited to, the following:

- (a) **Levying and Collecting Assessments.** To levy and collect periodic assessments and special assessments and to establish the time within which their payments are due.
- (b) **Maintaining the Common Properties.** To use and expend the assessments collected by it to maintain the Common Properties.
- (c) **Reconstruction After Casualty.** To reconstruct and repair the Common Properties after casualty damage in accordance with the pertinent provisions of the Declaration.
- (d) **Purchasing Equipment.** To purchase equipment and tools required to maintain the Common Properties.
- (e) **Entering Lots.** To enter Lots when necessary (and with as little inconvenience to their Owners as practicable) in connection with maintaining the Common Properties.
- (f) **Insuring the Common Properties and Dwellings.** To insure the Common Properties against loss from casualty and the Members and the Association against public liability, and to purchase whatever other insurance the Board deems advisable, all in the manner set forth in the Declaration. To insure the dwellings as set forth in the Declaration of Covenants, Conditions and Restrictions of Crane's Point.
- (g) **Enforcing the Association's Rights.** To collect delinquent assessments by suit or other reasonable means, to abate nuisances, to enjoin Members and their tenants, amenities and invitees from violating the Declaration and to fine them or seek damages from them if they do so.



(h) **Employing Personnel.** To employ and compensate whatever personnel may be reasonably required for maintaining the Common Properties and administering the Association.

(i) **Promulgating Rules.** To make reasonable rules and regulations for the use of the Common Properties that do not conflict with the Declaration and to amend or repeal existing rules and regulations.

(j) **Contracting for Maintenance and Administration.** To contract for the administration of the Association and to delegate to the party contracted with all powers and duties of the Association except the power and duty to perform those acts which require the specific approval of the membership.

(k) **Borrowing.** To borrow money in accordance with Section 5 of Article 7 hereof.

**Section 13. Compensation of Directors.** Directors shall receive no compensation for their services as such but may be reimbursed by the Association for reasonable out-of-pocket expenses incurred by them in conducting the Association's affairs if the reimbursement is approved by a majority of the other Directors (provided that the expense of a Director's traveling to or from CRANE'S POINT Lands shall never be reimbursable unless the primary purpose of the Director's traveling was the Association's business).

## **Article 6** **OFFICERS**

**Section 1. Designation.** The principal Officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer and an Assistant Secretary, and such other Officers as in their judgment may be necessary. Officers need not be Directors. Any two offices may be held by the same person, except that the office of President and Secretary may not be held by the same person.

**Section 2. Election of Officers.** The Officers shall be elected annually by the Board at the organization meeting of each new Board, and each Officer shall hold his office at the pleasure of the Board, until he resigns or is removed or otherwise disqualified to serve or his successor elected and has qualified to serve.

**Section 3. Removal of Officers.** Upon an affirmative vote of a majority of the entire Board at any regular or special meeting, any Officer may be removed, with or without cause, and his successor elected.



**Section 4. Resignation.** Any Officer may resign his position at any time by delivering a written notice of his resignation to the Board of Directors. The resignation shall take effect upon the later of (a) receipt of the notice by the Board or (b) whatever later date is specified in the notice. No acceptance of the resignation by the Board or the membership shall be required to make it effective. The conveyance by an Officer (other than an Officer appointed by the Developer) of all the Lots owned by him shall automatically result in his resignation as an Officer.

**Section 5. Compensation.** The Association's Officers, agents and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board. Appointment of any Officer, agent or employee shall not of itself create contractual rights of compensation for services performed by such Officer, agent or employee, however. Officers may be reimbursed by the Association at the Board's discretion for reasonable out-of-pocket expenses incurred by them in conducting the Association's affairs (provided that the expenses incurred by an Officer in traveling to or from CRANE'S POINT Lands shall never be reimbursable unless the primary purpose of the traveling was the Association's business).

**Section 6. President.** The President shall be the chief executive Officer. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of a corporation. The President shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business of the Association. The President shall be *ex officio* a member of all standing committees, and he shall have such other powers and duties as may be prescribed by the Board of Directors or these By-Laws.

**Section 7. Vice President.** The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or disabled or refuses or is unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or these By-Laws.

**Section 8. Secretary.** The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members of the Association at the principal office of the Association or at such other place as the Board of Directors may order. The Secretary shall keep the seal of the Association in safe custody and shall have charge of such books and papers as the Board of Directors may direct; and the Secretary shall, in general, perform all of the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings of the Members of the Association and of the Board of Directors required by these By-Laws or by law to be given. The Secretary shall maintain a list of Owners, listing the names and addresses of the Owners as furnished the Association, and such list shall be changed only at such time as satisfactory evidence of a change in Ownership is presented to the Secretary. The Secretary shall perform such other duties as may be prescribed by the Board of Directors.



**Section 9. Treasurer.** The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts, tax records and other records of the business transactions of the Association, including accounts of all assets, liabilities, receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with the Declaration, shall render to the President and Directors, upon request, an account of all of his transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these By-Laws.

## **Article 7** **FINANCIAL AFFAIRS**

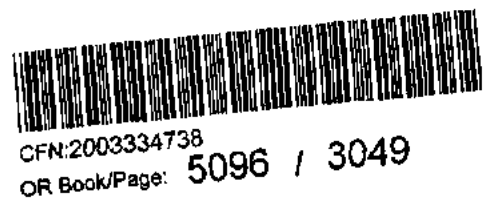
**Section 1. Fiscal Year.** The Association's fiscal year shall run from January 1 through December 31 unless and until another is established by the Board of Directors.

**Section 2. Signing of Checks and Notes.** After the Developer's nominees cease to constitute a majority of the Board of Directors, all checks and notes of the Association for a face amount less than \$1,000.00 must be signed by the Association's President, Vice President, Secretary or Treasurer and all checks and notes of the Association for a face amount of \$1,000.00 or more must be signed by any two of the Association's President, Vice President, Secretary, Treasurer or Assistant Secretary.

**Section 3. Assessments.** Periodic and special assessments shall be levied and collected as provided in the Declaration and this Section.

(a) **Periodic Assessments.** Periodic assessments shall become due in four (4) equal quarterly payments or, if the Board elects, in twelve (12) equal monthly payments. If an annual periodic assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior such assessment and monthly or quarterly payment thereon shall be due upon the first day of each month or quarter, as the case may be, unless and until changed by an amended assessment. In the event the annual periodic assessment proves to be insufficient, the Board may at any time amend the budget and assessments. The unpaid periodic assessment for the remaining portion of the calendar year for which the amended assessment is made shall be payable as amended commencing on the first day of the month next succeeding the month in which such amended assessment is made or as otherwise provided by the Board of Directors.

(b) **Acceleration of Assessments.** If any Member is in default in the payment of an installment upon a periodic or special assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to such Member, in which event the



unpaid balance of the assessment shall become due upon the date stated in the notice but not less than ten (10) days after delivery of the notice to the member or, if such notice be by registered or certified mail, not less than twenty (20) days after the mailing.

(c) **Excess Assessments in Fiscal Year.** In recognition of the fact that is extremely difficult to adopt a budget for each fiscal year that exactly coincides with the actual expenses during that year, the Board of Directors shall report to the Members at the annual membership meeting the amount, if any, by which assessments for the preceding fiscal year to date have exceeded the Association's expenditures. Any such excess shall be applied automatically against the following year's assessments.

**Section 4. Accounts.** The receipts and expenditures of the Association shall be appropriately credited and charged to accounts under the following classifications:

(a) **Current Expenses.** Current expenses shall include all receipts and expenditures to be made within the year for which the receipts are budgeted and may include a reasonable allowance for contingencies and working funds. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year or to fund reserves.

(b) **Reserves.** The following reserves may be established in the discretion of the Board of Directors:

(1) **Reserve for Deferred Maintenance.** A reserve for deferred maintenance to include funds for maintenance items which occur less frequently than annually.

(2) **Reserve for Replacement.** A reserve for replacement to include funds for repair or replacement required because of damage, depreciation or obsolescence.

(3) **Reserve for Betterments.** A reserve to be used for capital expenditures for additional improvements or additional personal property that will be part of the Common Properties. Any or no amount may be budgeted for these reserves, in the sole discretion of the Board of Directors.

(c) **Individual Accounts.** The Association shall keep a separate account for each individual Member, which account shall designate the name and address of the Member, the amount of each periodic and special assessment, the date and amount on which they come or came due, the amounts paid upon the Member's account, and the balance due.

**Section 5. Borrowings.** The Association may borrow money when required in connection with the operation, care, upkeep and maintenance of the Common Properties or the acquisition of





property, and may grant mortgages on and/or security interests in property owned by it in connection with any such borrowing; provided, however, that the consent of at least two-thirds of the Voting Members represented at a meeting at which a quorum has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum in excess of \$50,000.00. If any sum borrowed by the Board of Directors pursuant to the authority contained in this Section is not repaid by the Association, any Owner who pays to the creditor a portion thereof corresponding to his share of periodic assessments set forth in the Declaration shall be entitled to obtain from the creditor a release of any judgment or other lien which the creditor has filed or has the right to file against, or which will affect, that Unit Owner's Lot. The Association may take no action authorized in this Section without the prior written consent of the Developer as long as the Developer owns any Unit.

**Article 8**  
**AMENDMENTS TO BYLAWS**

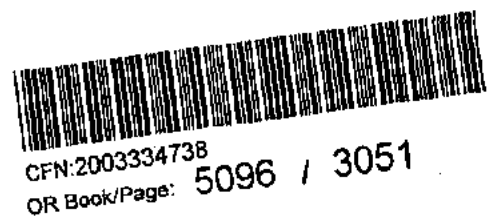
These By-Laws may be amended only as provided in the Articles.

**Article 9**  
**CONFLICTING PROVISIONS**

If any provisions of these By-Laws conflicts with any provision of the laws of the State of Florida, the conflicting provision shall be null and void upon a final judicial determination to that effect, though all the other provisions of these By-Laws shall remain in full force and effect. In case of any conflict between the Articles and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

**Article 10**  
**INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Every Director and every Officer of the Association shall be indemnified, held harmless and defended by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or Officer seeking such reimbursement or indemnification, indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled. The intent of this indemnification is to afford protection to the Directors and Officers of the Association to the



maximum extent allowed by law. The approval of seventy-five (75%) percent of the Board of Directors and seventy-five (75%) percent of the owners of lots in the subdivision shall be required to amend this article.

## **Article 11** **NOTICE AND HEARING PROCEDURE**

**Section 1. Suspension of Privileges.** In the event of an alleged violation of the Declaration, the Articles, these By-Laws or the rules and regulations adopted hereunder other than the failure to pay assessments, and after written notice of such alleged failure is given to the Owner or to anyone in his family alleged to be in default in the manner herein provided, the Board of Directors shall have the right, after the alleged violator has been given an opportunity for an appropriate hearing and upon an affirmative vote of a majority of all members of the Board, to suspend or condition said Owner's and his family's right to the use of the Common Properties (except for the portions thereof which are necessary as a means of ingress and egress) and to fine such Owner. Any such suspension shall be for a period of not more than thirty (30) days for any noncontinuing infraction, but in the case of a continuing infraction (including nonpayment of any Assessment after the same becomes delinquent) may be imposed for so long as the violation continues. No fine shall exceed the sum of \$1,000.00. The failure of the Board to enforce the Rules and Regulations, these By-Laws, the Articles or the Declaration shall not constitute a waiver of the right to enforce the same thereafter. The remedies set forth above and otherwise provided by these By-Laws or by law shall be cumulative and none shall be exclusive. However, any individual Owner must exhaust all available internal remedies of the Association prescribed by these By-Laws, or by the rules and regulations adopted by the Association, before that Owner may resort to a court of law for relief from any provision of the Declaration, the Articles, these By-Laws or the rules and regulations. The foregoing limitation pertaining to exhausting administrative remedies shall not necessarily apply to the Board or to any Member where the complaint alleges non-payment of Assessments.

**Section 2. Written Complaint.** A hearing to determine whether a right or privilege of an Owner or any of his Family (the "Respondent") under the Declaration or these By-Laws should be suspended or conditioned or a fine imposed shall be initiated by the filing of a written Complaint by any Owner or by any Officer or member of the Board of Directors with the President of the Association or other presiding member of the Board. The Complaint shall constitute a written statement of charges which shall set forth in ordinary and concise language the acts or omissions with which the Respondent is charged, to the end that the Respondent will be able to prepare his defense. The Complaint shall specify the specific provisions of the Declaration, the Articles, these By-Laws or the rules and regulations which the Respondent is alleged to have violated, but shall not consist merely of charges phrased in the language of such provisions without supporting facts.

**Section 3. Discovery.** After initiation of a proceeding in which the Respondent is entitled to a hearing, the Respondent and the individual filing the Complaint, upon written request made to the other party, prior to the hearing and within fifteen (15) days after service by the Board of Directors of the Complaint or within ten (10) days after service of any amended or supplemental Complaint, is



entitled to (a) obtain the names and addresses of witnesses to the extent known to the other party, and (b) inspect and make a copy of any statements, writings and investigative reports relevant to the subject matter of the hearing. Nothing in this Section, however, shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as work product.

**Section 4. Tribunal.** The Board shall appoint a Tribunal of three (3) Owners upon receipt of a written Complaint as provided in Section 2 of this Article. No member of the Tribunal shall be an officer, director or employee of the Association, or the spouse, parent, child, brother, or sister of an officer, director or employee nor anyone involved in any prior investigation of the matter on behalf of the Board nor related by blood or marriage to either the complaining party or the respondent. If the Tribunal, by majority vote, does not approve a proposed fine or suspension, it may not be imposed. In appointing the members of the Tribunal, the President should make a good faith effort to avoid appointing neighbors of the Respondent or any Owners who are witnesses to the alleged violation giving rise to the Complaint. The decision of the President shall be final, except that the Respondent may challenge any member of the Tribunal for cause, where a fair and impartial hearing cannot be afforded, at any time prior to the taking of evidence of the hearing. In the event of such a challenge, the Board of Directors shall meet to determine the sufficiency of the challenge, without the President voting. If such challenge is sustained, the President shall appoint another Owner to replace the challenged member of the Tribunal. All decisions of the Board of Directors in this regard shall be final. The Tribunal shall elect a Chairman. The Tribunal shall exercise all other powers relating to the conduct of the hearing.

**Section 5. Notice of Hearing.** The Tribunal shall serve a notice of hearing, as provided herein, on all parties at least ten (10) days prior to the hearing.

**Section 6. Hearing.**

(a) Whenever the Tribunal has commenced to hear the matter and a member of the Tribunal is forced to withdraw prior to a final determination by the Tribunal, the remaining members shall continue to hear the case and the hearing Officer shall replace the withdrawing member. Oral evidence shall be taken only on oath or affirmation administered by an Officer of the Association. The use of affidavits and written interrogatories in lieu of oral testimony shall be encouraged by the Tribunal.

(b) Each party shall have these rights: to be represented by counsel; to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in the direct examination; to impeach any witness regardless of which party first called him to testify; and to rebut the evidence against him. If Respondent does not testify in his own behalf, he may be called and examined as if under cross-examination.



(c) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding, unless it would be admissible over objection in civil actions. The rules of privilege shall be effective to the extent that they are otherwise required by statute to be recognized at the hearing, and irrelevant and unduly repetitious evidence shall be excluded.

(d) Neither the accusing Owner nor the allegedly defaulting Owner must be in attendance at the hearing. The hearing shall be open to attendance by all Owners. In rendering a decision, official notice may be taken at any time of any generally accepted matter within the Declaration, the Articles, these By-Laws, the rules and regulations or the workings of the Association.

**Section 7. Decision.** The Tribunal will prepare written findings of fact and recommendations for consideration by the Board of Directors. The Tribunal shall make its determination only in accordance with the evidence presented to it and in accordance with these By-Laws. After all testimony and documentary evidence has been presented to the Tribunal, the Tribunal shall vote by secret written ballot upon the matter, with a majority of the entire Tribunal controlling. A copy of the findings and recommendations of the Tribunal shall be posted by the Board of Directors at a conspicuous place on the Common Properties, and a copy shall be served by the President on each party in the matter and his attorney, if any. Disciplinary action and fines under the Declaration, these By-Laws or the rules and regulations shall be imposed only by the Board of Directors, and in accordance with the findings and recommendations of the Tribunal. The Board of Directors may adopt the recommendations of the Tribunal in their entirety, or the Board may reduce the proposed penalty and adopt the balance of the recommendations. In no event shall the Board impose more stringent disciplinary action than recommended by the Tribunal. The decision of the Board shall be in writing and shall be served and posted in the same manner as the findings and recommendations of the Tribunal. The decision of the Board shall become effective ten (10) days after it is served upon the Respondent, unless otherwise ordered in writing by the Board of Directors. The Board may order a reconsideration at any time within fifteen (15) days following service of its decision on the parties on its own motion or upon petition by a party.

## Article 12 MISCELLANEOUS PROVISIONS

**Section 1. Inspection of Bylaws.** The Association shall keep in its office for the transaction of business the original or a copy of these By-Laws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Owners and all first Mortgagees at all reasonable times during office hours.



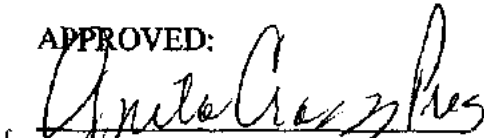
**Section 2. Action by Board of Directors.** Unless specific actions are specifically required to be taken by the Members, all such actions may be taken by the Board through its proper Officers with or without a specific authorization.

**Section 3. Gender and Plurality.** Whenever the context so requires, the use of the masculine gender in these By-Laws shall be deemed to include all genders, the use of the singular to include the plural, and the use of the plural to include the singular.

**Section 4. Captions.** The captions used in these By-Laws are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the text that follows them.

WE HEREBY CERTIFY THAT the foregoing By-Laws of the Association were duly adopted by the Board of Directors of the Association on the 7 day of September 2003

APPROVED:

  
\_\_\_\_\_  
PRESIDENT

  
\_\_\_\_\_  
SECRETARY



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