AMENDED AND RESTATED

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS

FOR

PINE RUN

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AMENDED AND RESTATED DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR PINE RUN

THIS AMENDED AND RESTATED DECLARATION is made the date set forth in the recorded Certificate of Amendment by Pine Run Homeowners' Association, Inc., a Florida Not-For-Profit Corporation ("Association"). The original Declaration of Covenants, Restrictions and Easements for Pine Run was recorded in O.R. Book 1905, Page 3451, and revived as evidenced by that Certificate of Revived Declaration recorded as Official Records Instr. No. 2019000260322, of the Public Records of Lee County, Florida. That Declaration of Covenants, Restrictions and Easements for Pine Run is hereby amended and is restated in its entirety. The land subject to this instrument is legally described in **Exhibit "A"** attached hereto (the "Properties"), and the covenants and restrictions contained in this instrument shall run with said lands and be binding upon and inure to the benefit of all present and future Owners of Units in Pine Run. The acquisition of title to a Unit or any other interest in Pine Run or the lease, occupancy, or use of any portion of a Unit or the Association Property constitutes an acceptance and ratification of all provisions of this instrument as amended from time to time, and an agreement to be bound by its terms.

By adoption of this Amended and Restated Declaration of Covenants, Restrictions and Easements, the members of the Association ratify governance of the property known as Pine Run, under the provisions of this Declaration and its Exhibits, and in accordance with Chapter 720, Florida Statutes (the "Act"), as it may be amended from time to time.

1. **DEFINITIONS**. If not otherwise defined below or elsewhere in this Declaration, certain words and phrases used in this Declaration and its recorded exhibits shall have the definitions, if any, specified in the Declaration of Covenants, Restrictions and Easements for Pine Run, as originally recorded in O.R. Book 1905, Page 3451, of the Public Records of Lee County, Florida, as it may be amended from time to time, unless the context clearly requires otherwise.

1.1 "Assessment" Means the assessments defined in Section 720.301 of the Act, levied by the Association against the Parcels. The term Assessments includes annual assessments, special assessments, service assessments or charges against individual parcels, and any resale assessments.

1.2 "Association" shall mean and refer to Pine Run Homeowners' Association, Inc., a Florida corporation not-for-profit.

1.3 "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association.

1.4 "Common Areas" means all real and personal property (including the improvements thereto) now or hereafter owned, dedicated to and/or maintained by the Association for the common use and enjoyment of the Owners. The Common Area includes, without limitation, tracts for rights-of-way or access easements, all entrance area monuments or features and landscaping, any recreational facilities, all open space, landscape and buffer easements, and other areas dedicated to the Association on the Plat, inclusive, and all other areas of the Properties intended for the common use and enjoyment of the Owners. The Declarant and the Board have the power to designate which areas of the Properties are Common Areas

from time to time. The term "Association Property" shall include, without limitation, all "Common Areas" within the Properties, as that term is defined in Section 720.301 of the Act, as may be amended from time to time.

1.5 "Common Expenses" means and refers to all expenses properly incurred by the Association in the performance of its duties.

1.6 "Declaration" means this Amended and Restated Declaration of Covenants, Restrictions and Easements for Pine Run, as amended from time to time.

1.7 "Family" or "Single Family" refers to either (1) one natural person, that person's spouse, if any, and their custodial children, if any, or (2) not more than two natural persons not meeting the foregoing requirement, who do and plan to indefinitely and continuously reside together as a single financially and socially interdependent housekeeping unit, with the intention of living within the bonds of family, together with their custodial children, if any. The reference to "natural" herein is intended to distinguish between an individual and a corporation or other artificial entity. A "Family member" is a person who resides in a Unit as part of the Owner's Family, but is not a title holder.

1.8 "First Mortgagee" means the mortgagee or assignee of a first mortgage against a Unit.

1.9 "Governing Documents" means this Declaration, the Articles of Incorporation and Bylaws of the Association, any Rules and Regulations, and any architectural review criteria of the Association. If there is conflict in the interpretation of the Governing Documents, the order of priority shall be the same as the order in which they appear in this section.

1.10 "Guest" means a person who is physically present in, or occupies a Unit on a temporary basis at the invitation of the owner or other legally permitted occupant, without the payment of consideration.

1.11 "Lease" means the grant by an Owner of a temporary right to occupy the Owner's residence for valuable consideration.

1.12 "Living Unit" or "Unit" means any residence which has been constructed on a Lot, each designed for use and occupancy as a single-family residence. Wherever either term is used, it shall be interpreted as though it were followed by the words "and the Lot on which it is constructed" unless the context clearly requires another meaning.

1.13 "Lot" means any one or more of the seventy-seven (77) platted parcels of land into which the Property has been subdivided pursuant to the Plat, upon each of which a Living Unit has been constructed. Wherever it appears, "Lot" shall be interpreted as if it is followed by the words "and the Living Unit constructed thereon," except where the context clearly requires a different interpretation.

1.14 "Master Association" means Three Oaks I Master Association, Inc., a Florida corporation not-for-profit.

1.15 "Master Declaration" means the Master Declaration for Three Oaks I, as originally recorded in Official Records Book 2007, Page 2662, et seq., Public Records of Lee County, Florida, and as amended or supplemented from time to time.

1.16 "Member" means and refers to all persons who are members of the Association as provided in the Governing Documents.

1.17 "Occupant" when used in connection with a Living Unit, means any person who is physically present in the Living Unit on two or more consecutive days, including staying overnight. "Occupy" means the act of being an occupant.

1.18 "Owner" or "Unit Owner" means and refers to any person or persons, entity or entities, who is or are the record owners of title to any Lot in the Property.

1.19 "Plat" means the Plat of "Pine Run at Three Oaks" as recorded in Plat Book 38, Page 67, of the Public Records of Lee County, Florida and the Plat of "First Annex to Pine Run at Three Oaks" as recorded in Plat Book 40, Page 5, of the Public Records of Lee County, Florida.

1.20 "Property" or "Properties" or "Pine Run" means and refers to the real property that is subject to this Declaration.

1.21 "Rules and Regulations" means the administrative rules and regulations governing procedures for administering the Association and the Property, as adopted, amended or rescinded by resolution of the Board of Directors. Rules and Regulations need not be recorded in the public records to be effective.

1.22 "Tenant" means and refers to one who leases or rents from an Owner and holds temporary possession of a Unit.

1.23 "Voting Interest" means and refers to the voting rights distributed to the Members in accordance with Section 3.5 below, and the Articles and Bylaws.

2. **THREE OAKS I MASTER ASSOCIATION**. Pine Run is located within the larger Three Oaks I Complex, as defined in the Master Declaration. Pine Run and each Lot is therefore subject to the Master Declaration, as amended. The Master Association will impose assessments and charges upon the Pine Run Owners and their Lots, and otherwise enforce the terms of the Master Association Documents. This Declaration may be more restrictive than, but shall not be interpreted to supersede the Master Declaration.

3. **THE ASSOCIATION; MEMBERSHIP; VOTING RIGHTS**. The administration and management of this Property shall be by the Pine Run Homeowner's Association, Inc., a Florida corporation not-for-profit, which shall perform its functions pursuant to the following:

3.1 Articles of Incorporation. A copy of the Amended & Restated Articles of Incorporation ("**Articles**") of the Association is attached as **Exhibit "B"** to this Declaration.

3.2 Bylaws. The Amended and Restated Bylaws ("**Bylaws**") of the Association shall be the Bylaws as attached as **Exhibit "C"** to this Declaration, as they are amended from time to time.

3.3 Delegation of Management. The Association may contract for the management and maintenance of the properties and authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Association Property, with funds made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties provided in the Governing Documents.

3.4 Members or Membership. Every person or entity who is a record owner of a fee simple interest in any Lot shall be a member of the Association. Membership is appurtenant to, runs with, and

shall not be separated from, the real property interest (the Lot) upon which membership is based. The burden of notifying the Association of a change of membership is the responsibility the new member; and the Association is not required to recognize a change of membership until the new member furnishes satisfactory proof of ownership and the fulfillment of the requirements set forth in the Governing Documents.

3.5 Voting Interests. The members of the Association are entitled to one (1) vote in Association affairs for each Lot owned by them. Votes shall be cast as provided in the Bylaws.

3.6 Termination of Membership. Termination of membership in the Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Association during the period of his membership, nor does it impair any rights or remedies which the Association may have against any former owner or member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

3.7 Association as Owner of Lots. The Association has the power to purchase Lots and to acquire and hold, lease, mortgage, and convey them, by act of a majority of the Board of Directors and the prior approval of a majority of the voting interests, unless the Association obtains title to the Lot by virtue of its Assessment lien foreclosure rights, in which case no membership vote shall be required.

3.8 Board of Directors. Unless specifically provided by law or by the Governing Documents, the Association shall always act through its Board of Directors and its officers, and no vote of the members shall be required. The officers and Directors of the Association have a fiduciary relationship to the members.

3.9 Powers and Duties. The powers and duties of the Association include those set forth in this Declaration, the Articles of Incorporation and the Bylaws, and those provided in Chapter 720, Florida Statutes (the "**Act**"), as may be amended from time to time, and Chapter 617, Florida Statutes. The Association may contract, sue, or be sued with respect to the exercise or non-exercise of its powers. The Association has the power to enter into agreements and to acquire leaseholds, memberships and ownership, possessory or use interests in lands or facilities, regardless of whether the lands or facilities are contiguous to the Property. Nothing herein limits any statutory or common law right of an individual owner to bring any action which may otherwise be available. In addition, these powers include:

(A) To make and collect Assessments against the Owners to defray the costs, expenses and losses of the Association, and to use the funds in the exercise of its powers and duties.

(B) To protect, maintain, repair, replace and operate the Common Areas.

(C) To purchase insurance for the protection of the Common Areas, the Association and the Owners.

(D) To repair and reconstruct improvements after casualty, and to make further improvements, alterations or additions to the Common Areas.

(E) To make, amend and enforce Rules and Regulations as set forth in the Governing Documents, including reasonable rules of order for the conduct of the meetings of the Association.

(F) To assume the responsibility for maintenance of certain portions of the Lots, as may be specifically set forth in this Declaration, or as may be approved by the Board of Directors from time to time, at a duly noticed meeting of the Board. Unless required by this Declaration, formal acceptance by the Association of maintaining a portion of a Lot or Lots, or performing maintenance on a portion of any Lot does not restrict the Association from declining to perform such maintenance in the future.

(G) To enforce the provisions of the Act that are applicable to Pine Run and the Governing Documents.

(H) To contract for the management and maintenance of Pine Run, and any property or easements and related improvements that are dedicated to the Association by the Plat or separate instrument, including any agreement or easement which imposes maintenance obligations on the Association, and to delegate any powers and duties of the Association in connection therewith except such as are specifically required by law or by the Governing Documents to be exercised by the Association's Board of Directors or the Members.

(I) To employ accountants, attorneys, architects, and other professionals to perform the services required for proper operation of Pine Run.

(J) To borrow money as necessary to perform its other functions hereunder. A resolution by the Board that the interests of the Association require the borrowing for a proper Association purpose shall be required. The Board of Directors may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage or encumber any of the Association Property as security for such borrowings, and they may pledge or assign future revenues of the Association as security therefor.

(K) To grant, modify or move any easement.

(L) To acquire, own, lease and dispose of any real and personal property, including the granting of easements.

(M) To sue and be sued.

(N) To perform all other acts not inconsistent with the Association's Governing Documents or with law and necessary for the proper functioning.

4. **COMMON AREAS**.

4.1 Association Ownership. The Common Areas shall be owned and/or maintained by the Association, unless dedicated, accepted and/or maintained by the County or the Master Association for the common use and enjoyment of the Owners, in accordance with the purposes for which they are intended, but no such use and enjoyment shall hinder, diminish, destroy, or encroach upon the lawful rights of the Owners. The Common Area includes, but is not limited to, easements, entrance area monuments, common landscaping, any recreational facilities, all open space, landscape and buffer easements, and other areas dedicated to the Association on the Plat, and all other areas of the Properties intended for the common use and enjoyment of the Owners, and maintained by the Association

4.1.1. Notwithstanding anything to the contrary contained herein, Common Areas shall not include any portions of the Pine Run Complex which are deemed common areas (regardless of what class or type) under the Master Declaration.

4.1.2. Pursuant to the Plat, the interior roadway serving the Lots is a Public Right of Way dedicated to the public. Such roadway is to be maintained by the County, or other quasi-governmental district, and therefore is not Common Area, unless the County refuses to accept such dedication and the roadway is conveyed in fee simple to the Association.

4.2 Conveyance. The conveyance of the fee simple ownership of the Common Areas to the Association by quit claim deeds or deeds shall be subject to this Declaration, other easements and restrictions of record, applicable zoning and taxes for the year in which the conveyances are made and subsequent years.

4.3 Dedication. The Association shall have the right to convey title to or dedicate any Common Areas to the public upon the written consent of the Members representing a majority of the voting interests. There shall be no judicial partition of the Common Areas, nor shall any Owner or any other person acquiring any interest in the Properties, or any part thereof, seek judicial partition thereof.

5. **ASSESSMENTS**. The Association has the authority to levy and collect assessments to pay against each Lot and Owner in order to provide funds for the operation of the Association, including both regular assessments for each Lot's share of the common expenses as set forth in the annual budget and special assessments for unusual, nonrecurring or unbudgeted common expenses. Common Expenses include the expenses of the operation, maintenance, repair, replacement, or protection of the Common Areas, Association Property, and those components of the individual Lots for which the Association is responsible; the expenses of insurance for the Association and/or directors and officers; the costs of carrying out the powers and duties of the Association; and any other expense, whether or not included in the foregoing, designated as a common expense by this Declaration or the Bylaws. If the Board enters into a contract for bulk service communications, which the Board has the express right to do without approval of the Owners, the costs of a duly franchised cable or satellite communications service obtained pursuant to a bulk contract shall be a common expense. The Association may also levy special charges against any individual Lot for any amounts, other than for common expenses, which are properly chargeable against each Lot under this Declaration or the Bylaws.

5.1 Covenant to Pay Assessments. Each Owner of any Lot (including any purchaser at a judicial sale), by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(A) The Lot's pro-rata share of annual assessments based on the annual budget adopted by the Association;

(B) The Lot's pro-rata share of any special assessments levied for expenses not provided for by the annual budget;

(C) Any service assessments or charges against a single Lot or less than all of the Lots specifically authorized in this Declaration or the Bylaws, all of which are collectible as an Assessment hereunder.

(D) If adopted by the Board, upon the transfer of any Lot, the buyer shall pay at closing to the Association a resale assessment n in the amount equal to such amount as is adopted by the Board of Directors from time to time. Said capital contribution shall be a onetime contribution to the Association and

in no way shall be treated as a prepayment of Assessments charged to that Lot. Such funds may be used by the Association for, without limitation, as additional working capital, to pay expenses of the Association, for capital improvements to the Common Area, or may be used to purchase personal property for use by the Association or the Owners. For purposes of this subparagraph, the term "conveyance" shall mean the transfer of record legal title to a Parcel by deed or other authorized means of conveyance, with or without valuable consideration. The following conveyances will be exempt from payment of the resale assessment: (a) between and among co-Owners of the same Parcel being transferred; (b) to the Owner's estate, surviving spouse or other heirs, resulting from the death of an Owner; (c) to a trustee or the Owner's current spouse, solely for bona fide estate planning or tax reasons; (d) to a mortgagee or the Association pursuant to a final judgment of foreclosure or deed in lieu of foreclosure; and (e) to an Owner who owned and occupied another Parcel in Pine Run within the ninety (90) days prior to the date of the subject conveyance, which Owner previously paid a Working Capital Fund contribution upon acquiring such prior Parcel within Pine Run. It is the responsibility of the Owner to apply with the Association for an exemption under any of (a) through (e) above, prior to the date of conveyance. Then, any transfer that occurs following the exempt transfers described in (a) through (e) above, the resale assessments shall again be due and payable.

Assessments shall be established and collected as provided herein and in the Bylaws. The assessments and charges, together with interest, late fees, costs, and reasonable attorneys' fees shall bind each Lot in the hands of the owner, his heirs, devisees, personal representatives, successors and assigns. In any conveyance of title, voluntary or otherwise, the transferee shall be jointly and severally liable with the transferor for all unpaid assessments coming due prior to the time of such conveyance, without prejudice to the rights of the transferee to recover from the transferor any amounts paid by the transferee therefor. Except as provided elsewhere in this Declaration as to First Mortgagees, no Owner may be excused from the payment of assessments unless all owners are similarly excused.

5.2 Master Association Assessments. The Master Association may require the Association to collect assessments and other charges on behalf of the Master Association from the Owners, and to remit a lump-sum to the Master Association. The Master Association adopts these assessments and other charges, and the Association shall not have control over the amount or timing of such assessments. In the event that the Association is required to collect assessments and charges on behalf of the Master Association, these amounts shall be included within the Association's budget as a line item. However, in no event shall the Master Association assessments be considered common expenses of the Association. Collection of delinquent Master Association assessments, whether by foreclosure of a Claim of Lien and/or money judgment, shall remain the Master Association's obligation.

5.3 Share of Assessments. Except as otherwise provided below, each Lot and the Owner thereof shall be liable for an equal share of all annual and special assessments, such share being a fraction of the whole, the numerator of which is the number "one" and the denominator of which is the total number of Lots included within the Property.

5.4 Special Charges to Lots. A special or individual charge as used in this Declaration means any monetary obligation of an Owner to the Association, or any cost or expense incurred by the Association on behalf of or because of an Owner, other than Assessments for Common Expenses, which the Owner is obligated to pay to the Master Association. Said obligations may arise by oral or written contract, by law or in equity, or may be created by these Governing Documents. All legal fees arising from an Owner's violation of the Governing Documents shall be considered a special charge against the Owner's account in accordance with this Declaration. The costs incurred by the Association in paying real estate taxes on a Lot in order to protect its lien rights, shall be assessable as a special charge against the Lot and collectable as an assessment pursuant to the terms of this Declaration. The Association can also assess a special charge against a Lot for failing to maintain the Lot, as set forth in Section 8.1 herein. Owners (on their behalf and on behalf of their Tenants, Guests, Family members, and invitees) causing damage to any portion of the

Common Areas as a result of misuse, negligence, failure to maintain or otherwise shall be directly liable to the Association and a special or individual charge may be levied therefor against such Owner. Such charges are collectible as Assessments and secured by a lien for assessments hereunder.

5.5 Who is Liable for Assessments. The Owner of each Living Unit, regardless of how title was acquired, is liable for all assessments or installments thereon coming due while he is the Owner, and any interest, late fees, attorney's fees and costs. Multiple Owners are jointly and severally liable. Whenever title to a Living Unit is transferred for any reason, the new Owner is jointly and severally liable with the previous Owner for all assessments which came due prior to the transfer, and any interest, late fees, attorney's fees and costs and remain unpaid without prejudice to any right the new Owner may have to recover from the previous Owner any amounts paid by the new Owner.

5.6 No Waiver or Excuse from Payment. The liability for assessments may not be avoided or abated by waiver of the use or enjoyment of any Common Areas or Association Property, by abandonment of the Unit on which the assessments are made, or by interruption in the availability of the Living Unit or the Common Areas for any reason whatsoever. No Unit Owner may be excused from payment of his or her share of the common expenses unless all Unit Owners are likewise proportionately excused from payment, except as otherwise provided in Section 5.8 below as to certain mortgagees.

5.7 Establishment of Liens to Secure Payment. All assessments and charges levied by the Association in accordance with the provisions of this Declaration or any of the Governing Documents, together with interest at the highest rate allowed by law, late fees, and costs of collection (including, but not limited to costs and reasonable attorney's fees) are hereby declared to be a charge and continuing lien upon the Lot against which each such assessment or charge is made, and shall also be the personal obligation of the Owner of each Lot assessed. This lien is superior to any homestead rights the Owner may acquire. No owner may be exempt from personal liability for assessments and charges, or release any Lot from the liens and charges hereof, by a waiver of use rights, or by abandoning the Lot. The Association's lien is activated by recording a Claim of Lien by the Association in the public records of Lee County, but shall relate back to the date of recording of the original Declaration, setting forth the amount and due date of each unpaid assessment or charge as of the date the Claim of Lien is recorded. The Claim of Lien secures payment of all assessments and charges due at the time of recording (including interest, costs and attorney's fees as provided above), as well as all assessments and charges coming due subsequently, until the lien is satisfied or a final judgment of foreclosure obtained. Upon full payment of all sums secured by a Claim of Lien, the party making payment is entitled to a satisfaction in recordable form.

5.8 Priority of Liens. Except as otherwise provided by law, the Association's lien for unpaid assessments and charges shall be subordinate and inferior to that of any recorded first mortgage, unless the Association's Claim of Lien was recorded before the mortgage. The Association's lien is superior to, and takes priority over, any other mortgage regardless of when recorded. A lease of a Living Unit is also subordinate and inferior to any Claim of Lien for the Association, regardless of when the lease was executed. A mortgagee in possession, a receiver, a purchaser at a foreclosure sale, or a mortgagee that has acquired title by deed in lieu of foreclosure, and all persons claiming by, through or under any of them, shall hold title subject to the liability and lien of any assessment or charge coming due after taking title. A mortgagee of a first mortgage of record acquiring title to a Lot at the public sale resulting from a foreclosure judgment in a foreclosure suit in which the Association has been initially named as a defendant junior lienholder, or by deed in lieu of foreclosure where such mortgage is no longer a lien against the property, shall be liable for the share of common expenses or assessments attributable to the Lot, which came due prior to the mortgagee's acquisition of title, to the fullest extent provided by the Act, as the same may be amended from time to time, plus attorney fees and costs of collection, including the protection of any assessment rights in any foreclosure action by any institutional lender or in an Owner's bankruptcy action. Any unpaid share of common expenses for which such acquirer is exempt from liability becomes a common

expense collectible from all Owners. No acquirer of title to a Lot by foreclosure, or by a deed in lieu of foreclosure, may be excused from the payment of any assessments coming due during the period of such ownership. Third party purchasers acquiring title to a Lot at the public sale shall be responsible for all unpaid assessments, common expenses and other charges, including interest, late fees, attorneys fees and costs. Any unpaid assessment or charge which cannot be collected by reason of this Section shall be treated as a common expense, collectible from all Lots, including the Lot as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

The Association may file a Claim of Lien against a Lot for unpaid assessments after written notice or demand for past due assessments as well as any other amounts owed to the Association has been made by the Association. The written notice or demand must (i) provide the Owner with 45 days to make payment for all amounts due, including, but not limited to, any attorney's fees and actual costs associated with the preparation and delivery of the written demand; and (ii) be sent by registered or certified mail, return receipt requested, and by first-class U.S. mail to the Owner at his/her last address as reflected in the records of the Association, if the address is within the U.S., and to the address of the Lot if the Owner's address as reflected in the records of the Association is not the Lot address. If the Owner's address is outside the U.S., the Association may send the notice to that address and to the Lot address via first-class U.S. mail. A Claim of Lien shall secure payment of all Assessments due at the time of recording (including interest, late fees, costs and attorney's fees as provided above), as well as all Assessments, interest, late fees, costs and attorney's fees coming due subsequently, until the Claim of Lien is satisfied or a final judgment of foreclosure obtained. Any payment received by the Association and accepted shall be applied first to any interest accrued, then to any late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent Assessment. The preceding sentence applies notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

5.9 Collection of Assessments. If any owner fails to pay any assessment, charge, or installment thereof, within ten (10) days after the due date, the Association shall have any or all of the following remedies, to the extent permitted by law, which remedies are cumulative and are not in lieu of, but are in addition to, all other remedies available to the Association.

(A) To charge interest on such assessment or charge, from the due date until paid, at the highest rate allowed by law; and, in addition, to impose a late payment penalty which may not exceed the greater of Twenty-Five Dollars ($25.00) or 5% of each delinquent installment payment of the assessment, or such other maximum as may be provided for by law.

(B) To file an action in equity to foreclose its lien. Unless another procedure is required by law, the lien may be foreclosed by an action brought by the Association, in the same manner as provided in Section 720.3085 of the Act, as may be amended from time to time.

(C) To bring an action at law for money judgment against the Owner without waiving any lien foreclosure rights of the Association.

(D) If an Owner is delinquent for more than ninety (90) days in paying any monetary obligation due to the Association, to levy reasonable fines, or may suspend the Owner's right to use common areas or common facilities until the monetary obligation is paid, except for that must be used to access the Lot, utility services, or parking. Any such fines or suspension shall be imposed in accordance with the requirements of the Act.

(E) If any Owner is delinquent for more than ninety (90) days in paying any monetary obligation due to the Association to suspend the voting rights of a Member until the monetary obligation is paid.

(F) As an additional right and remedy of the Association, upon default in the payment of Assessments as aforesaid and after thirty (30) days' prior written notice to the applicable Owner and the recording of a Claim of Lien, the Association may declare any Assessment installments due for the remainder of the budget year in which the Claim of Lien was filed to be accelerated and immediately due and payable.

(G) If Lot is occupied by a Tenant and the Owner is delinquent in paying any obligation due to the Association, the Association may make written demand on the Tenant to pay directly to the Association the future monetary obligations related to the Lot, as set forth in Section 5.12 below.

5.10 Certificate. The Association shall, within fifteen (15) days of request for same, furnish to any owner liable for assessments a certificate in writing signed by an officer or agent of the Association, setting forth whether all assessments and charges against the owner's Lot have been paid. Any person, except the owner, who relies on the certificate, shall be protected thereby.

5.11 Special Assessments. Special Assessments may be imposed by the Board of Directors when necessary to meet unusual, unexpected, unbudgeted, or non-recurring expenses, pursuant to the procedure set forth in the Bylaws. Special Assessments shall be paid in installments or in a lump sum, as the Board may determine from time to time.

5.12 Enforcement Against Tenants. Subject to the procedures and limitations set forth in Section 720.3085(8) of the Act, as may be amended from time to time, if a Lot is occupied by a Tenant and the Owner is delinquent in paying any monetary obligation due to the Association, the Association may make a written demand that the Tenant pay the subsequent rental payments and continue to make such payments until all monetary obligations of the Owner related to the Lot have been paid in full to the Association. The Tenant must pay the monetary obligations to the Association until the Association releases the Tenant or the Tenant discontinues tenancy in the Lot. The Association may evict the Tenant if the Tenant fails to make a required payment to the Association.

5.13 Termination of the Association. If the Association no longer exists for any reason, and if no other Association has assumed its duties and functions, the Master Association shall have the power to perform all functions of the Association and shall be authorized to assess all owners for the cost of such services.

6. **ARCHITECTURAL AND AESTHETIC CONTROL**.

6.1 Architectural Review Board. The Architectural review and control functions of the Association shall be administered and performed by the Board of Directors unless delegated to an Architectural Review Board ("ARB"). The Board of Directors will appoint all members of any ARB, which shall consist of at least three (3) persons. Members of the ARB will serve a term of one (1) year, which will expire at the first meeting of the Board of Directors that occurs after the Annual Meeting of the Members. If the Board does not appoint an ARB, then all references in this Declaration to the ARB shall be deemed to mean the Board of Directors.

6.2 Necessity of Architectural Review and Approval. No Owner shall make any "Improvement" (which term shall include without limitation, any alteration or addition to the Lot or Living Unit which is visible from the exterior, any improvement such as a building, temporary structure, ornamental feature, fence, wall, sign, decoration, paving or hardscaping, grading, pool, parking area change, alteration, exterior painting, exterior lighting, gas tank installation, screen enclosure, sewer, drain, decorative building, landscaping, landscape device, or object) to his Lot or the Common Area, or in any manner change the exterior appearance of any portion of his Living Unit, without prior written approval of

the Board of Directors, or if so delegated, the ARB. Approval may be denied if the Board determines that the proposed Improvement would adversely affect, or in any manner be detrimental to the Pine Run Complex, in part or in whole. In obtaining the written approval, the Owner, or any other person applying shall comply with all applicable requirements and procedures of the Governing Documents, and any Architectural Guidelines adopted by the Board. This Article 6 shall not apply to construction on or improvements or modifications to the Common Areas made by or on behalf of the Association.

6.3 Powers and Duties of the Board of Directors or ARB. The Board of Directors, or if so delegated the ARB shall have the following powers and duties:

(A) To enact initial Architectural control criteria and any amendments thereto from time to time ("Architectural Guidelines"), subject to approval from the Board of Directors. The Architectural Guidelines shall be consistent with the provisions of this Declaration. The Association shall make the Architectural Guidelines available to Owners as set forth in Section 720.303 of the Act.

(B) To require submission of one complete set of all plans and specifications for any proposed Improvement, the construction, installation or modification of which is proposed upon any Lot, together with a copy of any required governmental permits, and an application fee in the amount published in the Architectural Guidelines, or adopted by the Board of Directors. The ARB may also require submission of samples (e.g., building materials and colors proposed for use on any Lot) and may require such additional information as reasonably may be necessary for the ARB to evaluate the proposed Improvement in accordance with this Declaration and the Architectural Guidelines. Upon request by the Board or ARB, the proposed contractor(s) shall supply a copy of all required business licenses and evidence of insurance with such coverage and amounts as the Board or ARB may reasonable require. Within thirty (30) days of its receipt of all required plans, specifications and other required information, the ARB shall provide the Owner with written notice of its approval or disapproval of the proposed Improvement (in the latter case, the written notice shall include the reason(s) for disapproval). In the event the Board or ARB fails to provide written notice within said thirty (30) days, the proposed Improvement shall be deemed an approval.

The Owner may appeal any decision of the ARB to disapprove a proposed Improvement by sending written notice of such appeal to the Board of Directors within ten (10) days of receipt of the written disapproval. The Board of Directors shall render a decision on such appeal within twenty (20) days of its receipt of the written notice of appeal. The Board of Directors' ruling on appeal shall be final.

(C) To monitor construction to verify compliance with the provisions hereof and any approvals and conditions of the ARB. If the Owner constructs, installs or modifies an Improvement without complying with the approved plans and specifications and other conditions of approval, the Owner shall, upon receipt of a written demand, remove the Improvement or make it conform with the approved plans and specifications and other conditions of approval, and shall bear all costs and expenses of such restoration, including all costs and attorneys' fees the Association has incurred. The Association may take enforcement action with respect to non-compliance through equitable remedy or self-help and assess the Owner for all of its costs and attorneys' fees as an Individual Assessment.

6.4 No Waiver. The approval by the ARB of any plans and specifications shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or other matters subsequently or additionally submitted for approval or consent.

6.5 Variances. The ARB may authorize variances from compliance with the Architectural Guidelines when circumstances such as topography, natural hardship, or aesthetic or environmental

considerations require. No variance shall be effective unless in writing, or stop the ARB from denying a variance in other circumstances.

6.6 No Liability. No review or approval by the ARB shall imply or be deemed to constitute an opinion by the ARB, nor impose upon the ARB, the Association, the Board of Directors and the Association's Officers and agents, or any other party, any liability for the design, installation or construction of Improvements, including, but not limited to, structural integrity, design, quality of materials, and compliance with building code, local laws or ordinances, Master Association governing documents or restrictions, or life and safety requirements. Approval by the ARB does not constitute governmental approval. It is the sole responsibility of the Owner to obtain the necessary permits and meet all governmental requirements, including applicable building and design codes. It is the sole responsibility of the Owner to obtain any approval required from the Master Association, if any. The scope of review and approval by the ARB and the Board of Directors is limited solely to whether the Improvements comply with the Association's Governing Documents.

7. APPURTENANCES; PROPERTY RIGHTS; EASEMENTS.

7.1 Appurtenances to Each Lot. The owners of each Lot have certain rights and obligations appurtenant to such ownership, including without limitation the following:

(A) Membership in the Association, and the right to cast one (1) vote in Association affairs, which rights shall be acquired and exercised as provided herein, and in the Articles of Incorporation and the Bylaws of the Association.

(B) The non-exclusive right to use the Common Areas for the purposes intended, subject to the restrictions and limitations provided in the Governing Documents.

(C) Beneficial ownership of an undivided share of the assets and common surplus of the Association equal to the owner's share of liability for the assessments levied by the Association as set forth in Section 5.3. The ownership of an undivided share of the common surplus does not entitle the owner to a distribution of the common surplus.

(D) The provisions, conditions and limitations set forth in the Master Declaration. Membership and voting rights in the Master Association, and the non-exclusive right to use Master Association common areas, subject to the restrictions and limitations provided in the Master Association Documents and these Governing Documents.

(E) Other appurtenances as may be provided in the Governing Documents.

The appurtenances to a Lot automatically pass with the title, whether separately described or not, and cannot be separated from the title to the Lot. The shares in the funds and assets of the Association cannot be assigned, pledged or transferred except as an appurtenance to the Lots.

7.2 Use and Possession. An owner is entitled to exclusive use and possession of his Lot and Living Unit. He is entitled to non-exclusive use of the Common Areas in accordance with the purposes for which they are intended, but no use of any Lot or Common Areas may unreasonably interfere with the rights of other Owners or Occupants. No Lot may be subdivided or any part separately sold, leased or otherwise transferred. Every Owner, and his Tenants, Guests and invitees, shall have a perpetual non-exclusive easement for ingress, egress and access in, and over the common area walkways and platted roads for use in common with all other owners, their tenants, guests and invitees. The portions of the Common

Areas. These easements shall be appurtenant to and shall pass with the title to every Lot subject to the following:

(A) The right and duty of the Association to levy assessments against each Lot for the upkeep, maintenance, repair or betterment of the Common Areas and improvements thereon.

(B) The right of the Association to dedicate or transfer or grant an easement covering all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be determined by the Board. No such easement shall materially interfere with the rights of owners to use the Common Areas for the purposes intended.

(C) The right of an owner to the non-exclusive use and enjoyment of the Common Areas and facilities thereon shall extend to the Family members in Occupancy, and to his Tenants, Guests and invitees, subject to regulation from time to time by the Association.

7.3 Partition; Separation of Interests. Nothing herein shall be construed to prevent judicial partition of any Lot and Living Unit owned in co-tenancy. The ownership of any Lot and the ownership of the Living Unit constructed thereon may not, however, be separated or separately conveyed, nor may any person who does not have an ownership interest in at least one Lot and Living Unit hold membership in the Association.

7.4 Easements. Each of the following easements and easement rights is reserved through the Properties and is a covenant running with the land, and notwithstanding any of the other provisions of this Declaration, may not be revoked and shall survive the exclusion of any land from the Property. Any lien encumbering these easements shall automatically be subordinate to the rights of the owners with respect to such easements. Each Lot shall be subject to an easement in favor of all other portions of the Property for the location of utilities, for lateral and subjacent support, and for the use, maintenance, repair, and replacement of party walls, and shared structural supports, roofs, pipes, wires, ducts, vents, cables, conduits, public utility lines and other similar or related facilities serving the Properties.

(A) Utility and Other Easements. The Association has the power, without the joinder of any owner, to grant, modify or move easements such as electric, gas, cable television, or other utility, service or access easements, or relocate any existing easements, and to relocate any existing easements, in any portion of the Properties, as the Association shall deem necessary or desirable for the proper operation and maintenance of the Properties. Such easements, or the relocation of existing easements, may not prevent or unreasonably interfere with the use of the Lots. The Association may also transfer title to utility-related equipment or installations, and take any other action reasonably necessary to satisfy the requirements of any utility company or governmental agency to which any such utility-related equipment or installations are to be so transferred.

(B) Encroachments. If for any reason other than the intentional act of the owner or the Association, any Living Unit or Lot encroaches upon any of the Common Areas, upon any other Lot, or any Common Area encroaches upon any Lot, then an easement shall exist to the extent of that encroachment as long as the encroachment exists.

(C) Ingress and Egress. A non-exclusive easement shall exist in favor of each owner and occupant, their respective guests, tenants, licensees and invitees for pedestrian traffic over, through, and across sidewalks, streets, paths, walks, and other portions of the Common Areas as from time to time may be intended and designated for such purpose and use, and for vehicular and pedestrian traffic over, through, and across such portions of the Common Areas as from time to time may be paved or intended for such purposes, and for purposes of ingress and egress to the public ways.

(D) Drainage. A perpetual, non-exclusive easement shall exist in favor of the Association, and their employees or other designees for the use of drainage areas established throughout the Properties, and an easement for ingress, egress, and access to enter any portion of the Properties in order to construct, maintain or repair, as necessary, any drainage areas and facilities thereon and appurtenances thereto, specifically including without limitation, access over and across portions of the Common Areas by utility companies to utilize such areas for facilities for the transporting of treated effluents for irrigation purposes. No structure, landscaping, or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities or which may obstruct or retard the flow of water through drainage areas or otherwise interfere with any easement provided for in this Section or the use rights set forth elsewhere in the Governing Documents.

(E) Governmental Easement. There is hereby declared and granted to all governmental bodies having jurisdiction over the Property, their agencies, department employees and agents, a perpetual non-exclusive easement over and across the Association Property for the maintenance, repair, construction, and reconstruction of utilities, for providing police and fire protection; for the providing of sanitation services and other service customarily provided by said governmental bodies and for the enforcement of the laws of the United States of America, State of Florida and Lee County.

(F) Lake Access Easements. In recognition that the Master Association and/or other private or public bodies shall from time to time require rights of pedestrian or vehicular ingress and egress to and from lakes abutting or adjacent to Lots, fencing of Lot boundaries adjacent to any lake is prohibited. Additionally, all public utility easement areas bordering Lots pursuant to the Plat shall be available to the Master Association or other bodies which must maintain the, repair, treat and care for such lakes for the purposes of pedestrian and vehicular ingress and egress. Without limiting the generality of the foregoing, the following Lots shall also be subject to the aforedescribed lake maintenance easements, to wit: the westerly ten feet of Lot 51, Block 1; and the twelve-foot rear Lot boundary utility easement areas of Lots 12 through 16 of Block 1, as depicted on the Plat for such Lots. Nothing shall be erected or permitted to remain in such easement areas which unreasonably interferes with the aforedescribed access easements.

(G) Additional Easements. The Lots shall be subject to and benefited by any and all easements which are set forth in the Governing Documents and the Plat. The Association shall have such easements across the Properties and all Lots as are necessary to fulfill their obligations as set forth in the Governing Documents. The Master Association may have such easements in Pine Run as more particularly described in the Master Declaration.

8. **MAINTENANCE; IMPROVEMENTS**.

8.1 Maintenance by Owner. Each Owner shall maintain, at the Owner's sole cost and expense, the Owner's Lot, Living Unit, and any other improvements, modifications and additions thereon in a safe, clean, orderly and attractive condition and repair at all times, in accordance with the Governing Documents. This maintenance responsibility includes, without limitation, maintenance, repair and replacement of: all fixtures and appliances, including light fixtures and lampposts; the exterior walls of the Unit, doors and windows; spas, pools, patio enclosures, balconies and their enclosures or railings; all walls and fences, and all appurtenances, including gates and gate hardware, fixtures, or vines on such walls or fences; roofs and roofing systems; all hardscaping, including driveways and sidewalks; courtyards and structures in and around the courtyards; all screening and fences; all sprinkler heads and underground sprinkler systems (other than commonly metered irrigation systems serving front yard areas, if any); and all mailboxes and mailbox posts, in accordance with the mailbox standards, style, color and type as established by the Board from time to time. Each Owner is responsible for making sure that all improvements on their Lot, including gates, fences, and pool enclosures, comply with all requirements of local laws and ordinances. Each Owner is also responsible to maintain, at the Owner's sole cost and expense, the lawn, landscaping and garden

areas on all Lots, including the mowing, trimming, watering, weeding, fertilization and removal of all dead, dying or diseased sod, plants, shrubs, or trees, and in addition, unsightly weeds underbrush and growths, all which must be neatly and attractively maintained, and must be cultivated and planted in a manner necessary to maintain an appearance in harmony with other Lots in the Property. The only exception from an Owner's maintenance responsibility are those items specifically listed in Section 8.2 below as the Association's responsibility. If there are questions as to who is responsible to maintain a portion of a Lot or Unit, including plants or landscaping, then the decision of the Board will be final, and failing any decision by the Board, it will be the deemed the Owner's responsibility. During prolonged absence, an Owner shall arrange for the continued care and upkeep of his Lot. An Owner shall not allow a condition to exist on his Lot which will adversely affect any other Lots or Units of other Owners. Garages and storage areas shall be maintained in an orderly condition, and the storage of combustibles or explosives other than ordinary household materials is prohibited. Each Owner is prohibited from painting or otherwise decorating or changing the appearance of his Unit except as permitted in the Declaration, or in any Rules and Regulations promulgated by the Board of Directors from time to time, or in any Architectural Guidelines promulgated by the ARB or the Board of Directors from time to time.

8.2 Maintenance by the Association. The Association shall be responsible for the maintenance, repair, and replacement of the Common Area and may, without any approval of the Owners being required, do any of the following:

(A) Reconstruct, repair, replace or refinish any improvement or portion thereof upon any such Common Area (to the extent that such work is not done by the Master Association, or by a governmental entity responsible for the maintenance and upkeep of such area);

(B) Maintain, repair and replace landscaping in Common Areas, and plant trees, shrubs and ground cover to the extent that the Board deems necessary for the conservation of water and soil and for aesthetic purposes;

(C) Place and maintain upon any such Common Area such signs as the Board may deem appropriate for the proper identification of Pine Run, or for operating and regulation of Pine Run;

(D) Maintain any and all easement areas granted to the Association herein or on the Plat or in any other document; and

(E) Do all such other and further acts which the Board deems necessary to preserve and protect the Common Area and the appearance thereof, in accordance with the general purposes specified in this Declaration.

8.3 Enforcement of Maintenance. If the owner of a Lot and Living Unit fails to maintain it as required in this Declaration, the Association may institute legal proceedings to enforce compliance, or may take any and all other steps necessary to remedy such violation, including but not limited to entering the Lot and performing the work necessary to bring the Lot into compliance with the Governing Documents, with or without consent of the owner. The Association may, but is not obligated to, repair, replace, or maintain any item which constitutes a hazard to other property or residents, or which has a material adverse effect on the appearance of the Properties. Any expenses so incurred by the Association shall be assessed against the Owner as service charges (individual Assessments), together with reasonable attorney's fees and all other expenses of enforcement pursuant to the terms of this Declaration. The enforcement actions permitted herein are subject to any applicable notice and opportunity to cure provisions contained in this Declaration or in the Association's Governing Documents.

8.4 Negligence, Damage Caused by Condition in Living Unit. The owner of each Lot and Living Unit shall be personally liable for the expenses of any maintenance, repair or replacement made necessary by his negligence, act or omission, or by that of any member of his family or his guests, employees, invitees, agents, or lessees; but such liability shall be limited to the extent that such expenses are not met by the proceeds of insurance available. Each Owner has a duty to maintain his Living Unit and personal property therein, in such a manner as to prevent foreseeable and reasonably preventable damage to other Units, the Association Property or the property of other Owners and residents. If any condition, defect or malfunction, resulting from the actions of the Owner or the Owner's failure to perform this duty causes damage to other Units, the Association Property or property within other Living Units, the offending Owner shall be liable to the person or entity responsible for repairing the damaged property for all costs of repair or replacement not paid by insurance. The Association may, but is not obligated to repair the damage and hold the responsible party liable for all costs, secured by a lien against the applicable Unit, which lien may be foreclosed in the same manner as the Association's claim of lien for Assessments.

8.5 Alterations and Additions. Funds necessary for material alterations or substantial additions to the Common Areas by the Association may be levied by the Association upon approval by a majority of the Board of Directors.

8.6 Hurricane Shutters. Notwithstanding anything to the contrary above, the Board of Directors may adopt and amend regulations governing hurricane shutters, including model, style or color, as a standard for use in the Properties. No hurricane or storm shutters except those in accordance with rules adopted by the Board of Directors shall be used. The Board shall have the ability to adopt further rules and regulations regarding the timing and manner of deployment of hurricane shutters, including the time period during which hurricane shutters may not be continuously deployed.

8.7 Standard of Maintenance. The Association and each Owner shall perform their maintenance responsibilities hereunder in a manner consistent with the Community-Wide Standard established pursuant to the Master Declaration.

9. **INSURANCE; DUTY TO RECONSTRUCT**.

9.1 Duty to Insure and to Reconstruct. Each owner shall at all times maintain full replacement value property insurance on his Unit and all other insurable improvements on his Lot. If any Unit or other improvements located on any Lot are destroyed or damaged as a result of fire, windstorm, flood, tornado, hurricane other casualty, the owner of such Units or improvements shall cause repair or replacement to be commenced within sixty (60) days from the date that such damage or destruction occurred, and complete the repair or replacement within six (6) months thereafter. All such repairs or replacements must restore the improvements to substantially their original character, design and condition; subject to approval by the Board or if so delegated, the ARB, shall utilize and conform with the original foundation and boundary of the original improvements; and shall be structurally compatible with any adjoining improvements which share a party wall.

9.2 Failure to Reconstruct. If the owner of any Lot fails to commence or complete construction to repair or replace any damaged or destroyed improvements within the time periods provided for in Section 9.1 above, the Association shall give written notice to the owner of his default. If the owner has not notified the Association of satisfactory arrangements to meet his obligations within thirty (30) days after the Association mailed such notice, the Association shall be deemed to have been granted the right by the owner, as such owner's attorney-in-fact, to remove all debris and damaged improvements, and additionally to commence and/or complete the repairs sufficient to substantially restore the improvements to their

original condition, according to the plans and specifications of the original improvements. The Association has no obligation to perform any of the above work, and there is no liability on the Association for any failure to act. If the Association exercises the rights afforded to it by this Section, which shall be in the sole discretion of the Board of Directors, the owner of the Lot shall be deemed to have assigned to the Association any right he may have to insurance proceeds that may be available because of the damage or destruction of the improvements. The Association shall have the right to recover from the owner any costs not paid by insurance, and shall have a lien on the Lot and Unit to secure payment.

9.3 Failure to Insure. The Association has the right to require each owner to produce proof of insurance. If an owner fails or refuses to maintain such insurance coverage deemed reasonably necessary by the Association, or if the owner allows the required insurance coverage to lapse, or for some other reason causes the same to become ineffective, the Association may, but is not obligated to, purchase whatever coverage it deems reasonably necessary for the Association's benefit. The costs incurred by the Association in procuring insurance shall become due and payable by the owner in all respects, together with interest, reasonable attorney's fees and costs of collection, immediately upon the Association notifying the owner, in writing, that it has procured such insurance, and the costs thereof. Such cost is assessable as a special charge against the Lot and collectable as an assessment pursuant to the terms of this Declaration.

9.4 Association's Right of Entry. For the purpose of performing the duties authorized by this Article 9, the Association, through its duly authorized agents and employees, shall have the right, after reasonable notice to the owner, to enter upon the Lot at reasonable hours.

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

9.6 Required Coverage. The Association shall maintain adequate liability insurance and casualty insurance covering all buildings and other insurable improvements (if any) within the Common Areas in an amount determined annually by the Board of Directors, such insurance to afford the following protection:

(A) Property. Loss or damage by fire, extended coverage (including windstorm), vandalism, and malicious mischief, and other hazards covered by what is commonly referred to as an "all risk" property contract.

(B) Liability. Premises and operations liability for bodily injury and property damage in such limits of protection and with such coverage as shall be required by the Board of Directors, with cross liability endorsement to cover liabilities of the owners as a group to any single owner.

(C) Fidelity. Adequate fidelity bond coverage for all individuals having control of or access to Association funds.

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

(A) Flood insurance.

(B) Broad Form Comprehensive General Liability Endorsement.

(C) Directors and Officers Liability.

(D) Automobile. Automobile liability for bodily injury and property damage for owned and/or non-owned motor vehicles, in such limits of protection and with such coverage as shall be required by the Board of Directors.

(E) Medical Payments.

(F) Worker's Compensation.

9.8 Description of Coverage. A detailed summary of the coverages included in the Association's policies shall be available for each owner upon request. All Association insurance policies shall be available for inspection by owners upon request.

9.9 Waiver of Subrogation. If available and where applicable, the Board of Directors shall endeavor to obtain insurance policies which provide that the insurer waives its right to subrogate as to any claim against owners, the Association, or their respective servants, agents or guests, except for any claim based primarily upon gross negligence evidencing reckless, willful or wanton disregard for life or property.

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

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

9.12 Association as Agent. The Association is hereby irrevocably appointed agent for each owner to adjust all claims arising under insurance policies purchased by the Association for damage or loss to the Living Units.

10. **GENERAL COVENANTS AND USE RESTRICTIONS**. The Board shall have the authority from time to time to make and enforce Rules and Regulations governing the use of the Properties in addition to those contained herein. Such Rules and Regulations shall be binding upon all Owners and Occupants without regard for whether the same have been recorded in the public records, until and unless overruled, canceled or modified in a regular or special meeting of the Association by a majority of the Voting Interests present in person or by proxy. All provisions of the Governing Documents and of any Rules and Regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners, and which provide for sanctions against Owners, shall also apply to all Tenants and Occupants of any Unit.

10.1 Residential Use. Each Living Unit shall be occupied by only one Family and its temporary guests at any time, as a residence and for no other purpose. The Association may adopt rules requiring registration of all Occupants and adopt registration forms. Further, the Association may adopt rules requiring that Guests'/Occupants' vehicles be registered with the Association. The failure to register a vehicle accordingly may result in the vehicle being towed from Pine Run without notice. Occupants/Guests in violation of the registration/occupancy limitation provision may be subject to eviction and other enforcement action to the same extent as lessees.

No time-sharing, business or commercial activity shall be conducted in or from any Living Unit. The use of a Living Unit as a public lodging establishment or advertisements of the Living Unit for less than thirty (30) days shall be deemed a business or commercial use. This Section 10.1 shall not be construed to prohibit any Living Unit occupant from maintaining a personal or professional library, from keeping his

personal, business or professional records in his Living Unit, or from handling his personal, business or professional telephone calls, written correspondence, or other communications in and from his Living Unit. Such uses are expressly declared customarily incident to residential use. This Section 10.1, however, is intended to prohibit commercial or business activity by an owner which would noticeably change the residential ambiance of the community, or make it obvious that a business is being conducted, such as by regular or frequent traffic in and out of the community by persons making deliveries or pick-ups, employees or other business associates, or customers and clients. No person who is subject to registration under Florida law as a sexual offender or sexual predator may occupy a Living Unit, and individuals in violation of this provision are subject to eviction and other enforcement action under Section 10.4 below.

10.2 Occupancy of Living Unit when Owner is not in Residence. An owner may occasionally allow family, friends or business associates in reasonable numbers to temporarily occupy his Unit in his absence. Except as otherwise provided in Section 10.4 below, this provision is not intended to allow any owner to use his Unit as short-term transient accommodations for several individuals or families. The owner must register all guests with the Association in advance, giving such information about the guests and the period of their stay as the Board may reasonably require. The owner is responsible for the conduct of his guests. When the owner is not in residence, overnight occupants may stay for a period not to exceed fourteen (14) days. This restriction on occupancy does not apply to the parents, children, grandparents, grandchildren, and siblings of an owner. The Board may require an owner provide a list of exempt individuals to avoid a person's presence being questioned. The Board may further grant a variance from this restriction for employees or independent contractors of owner.

10.3 Approval of Improvements by Board of Directors or ARB. As described in Article 6 hereof all buildings, structures, landscaping and improvements to be built on or in Pine Run must be approved by the Board of Directors, or if so delegated, the ARB. The ARB or the Board, as applicable, may adopt the procedure and method of obtaining said approval.

10.4 Leasing. All Leases of Units must be in writing. An Owner may Lease only his or her entire Unit, and then only in accordance with this Section 10.4, after receiving the approval of the Association. Timeshare or other similar occupancy of a Unit is prohibited. All Leases must and shall be deemed to contain the agreement of the tenant(s) to abide by all of the restrictions contained in the Governing Documents and shall be deemed to provide that a violation thereof is grounds for damages, termination and eviction and that the tenant and the Owner agree that the Association may proceed against either the Owner or the tenant and that the Owner or the tenant shall be responsible for the Association's costs and expenses, including attorney's fees and costs, secured by a lien against the Lot. The Owner of a Unit shall be jointly and severally liable with his tenant to the Association to pay any claim for injury or damage to property caused by the negligence of the tenant. Every Lease shall be subordinated to any lien filed by the Association whether before or after such Lease was entered into. No subleasing or assignment of Lease rights by the Tenant is allowed.

(A) Procedures.

(1) Notice by the Owner. An Owner intending to Lease his or her Unit shall give to the Board or its designee written notice of such intention at least twenty (20) days prior to the first day of occupancy under the Lease together with the name and address of the proposed Tenant, a fully executed copy of the proposed Lease, and such other information as the Board may reasonably require. The applicant must sign for having received copies of the Governing Documents.

(2) Board Action. After the required notice and all information or interviews requested have been provided, the Board shall have twenty (20) days in which to approve or disapprove the proposed Lease. If the Board neither approves nor disapproves within that time, its failure to act shall be

deemed the equivalent of approval, and on demand the Board shall issue a written letter of approval to the Tenant.

(3) Disapproval. A proposed Lease shall be disapproved only if a majority of the entire Board so votes, and in such case the Lease shall not be made. Appropriate grounds for disapproval shall include, but not be limited to, the following:

a. the Owner is delinquent in the payment of Assessments at the time the application is considered;

b. the Owner has a history of leasing his or her Unit without obtaining approval, or leasing to troublesome tenants and/or refusing to control or accept responsibility for the occupancy of his or her Unit;

c. the application on its face indicates that the prospective Tenant or any occupant intends to conduct himself or herself in a manner inconsistent with the Governing Documents;

d. the prospective Tenant or any occupant is a registered sex offender, or has been convicted of (pled guilty or nolo contender to) a felony involving violence to persons or property, a felony or misdemeanor involving sale or possession of a controlled substance, or a felony demonstrating dishonesty or moral turpitude;

e. the prospective Tenant or any occupant has a history of conduct which evidences disregard for the rights and property of others;

f. the prospective Tenant has a record of financial irresponsibility, including without limitation, prior bankruptcies, foreclosures or bad debt within the last seven (7) years;

g. the prospective Tenant, during previous occupancy, has evidenced an attitude of disregard for the Governing Documents;

h. the prospective Tenant gives false or incomplete information to the Board as part of the application procedure, or the required transfer fees and/or security deposit are not paid; or

i. the Owner fails to give proper notice to the Board of his or her intention to Lease the Unit.

(4) Failure to Give Notice or Obtain Approval. If proper notice is not given, the Board at its election, may approve or disapprove the Lease. Any Lease entered into without approval may, at the option of the Board, be treated as a nullity, and the Board shall have the power to evict the Tenant and other occupants of the Unit without securing consent to such eviction from the Owner.

(5) Applications; Assessments. Applications for authority to Lease shall be made to the Board on such forms and include such terms as the Board may provide from time to time. The Owner may not delegate legal responsibility for paying Assessments to the Tenant.

(6) Committee or Manager Approval. To facilitate approval of Leases proposed, the Board may by resolution delegate its approval powers (but not disapproval) to a committee (including a committee of one) or the Association's manager.

(B) Term of Lease and Frequency of Leasing. The minimum Lease term is 90 consecutive days. No Unit may be leased more often than once in any calendar year. No lease may be for a term longer than 365 days, and no option for the Tenant to extend or renew, or automatic renewal of the Lease, for any additional period shall be permitted unless approved by the Board. No subleasing or assignment of Lease rights by the Tenant is allowed.

(C) Occupancy During Lease Term. Guests shall not occupy leased Units unless the Tenant and/or his or her Family are in residence. The total number of occupants of a leased Unit is limited to two (2) persons per bedroom.

(D) Occupancy in Absence of Tenant. If a Tenant absents himself or herself from the Unit for any period of time during the Lease term, his or her Family who have been authorized to occupy the Unit and who are already in residence may continue to occupy the Unit and may have Guests subject to all of the restrictions set forth in this Declaration. If the Tenant and all of the Family members mentioned in the preceding sentence are absent, no other person may occupy the Unit.

(E) Regulation by Association. All of the provisions of the Governing Documents shall be applicable and enforceable against any person occupying a Unit to the same extent as against the Owner. A covenant on the part of each occupant to abide by the Governing Documents, designating the Association as the Owner's agent with the authority to terminate any Lease and evict the Tenants and other occupants in the event of breach of such covenant, shall be deemed to be included in every Lease, whether oral or written, and whether specifically expressed in such agreement or not.

(F) Fees and Deposits for the Lease of Units. Whenever herein the Board's approval is required to allow the Lease of a Unit, the Association may charge the Owner a preset fee for processing the application, such fee not to exceed the maximum amount allowed by law. No fee may be charged for approval of a renewal or extension of a Lease with the same Tenant. The Association may also require payment of a security deposit to the Association, which security deposit shall cover damage to the Common Area. Handling of the security deposit and claims against the security deposit shall be in accordance with Chapter 83, Florida Statutes.

(G) Unapproved Leases. Any Lease of a Unit not approved pursuant to this Section 10.4 shall be void and unenforceable unless subsequently approved by the Board and shall constitute a valid basis for an eviction action.

10.5 Common Areas. No Owner shall make use of the Common Areas in such a manner as to abridge the equal rights of the other Owners to their use and enjoyment thereof nor shall any Owner remove, prune, cut, damage or injure any trees or other landscaping located in the Common Areas, nor in any other manner deface the Common Areas except by prior written consent of the Board of Directors.

10.6 Nuisance. Nothing shall be done upon any Lot or in the Common Area which may be or may become an annoyance or nuisance to any person. No obnoxious, unpleasant or offensive activity shall

be carried on, nor shall anything be done which can be reasonably construed to constitute a nuisance, public or private in nature. All residents shall observe the vehicular speed limits and any rules posted on signs in the Common Area. No Member shall use or permit a Unit to be used in any manner which would be unreasonably disturbing, detrimental or a nuisance to the occupant of another Unit or which would not be consistent with the maintenance of the highest standards for the first class residential development, nor permit the premises to be used in a disorderly or unlawful way. The use of each Unit and the Common Areas shall be consistent with existing laws and the Governing Documents, and residents shall at all times conduct themselves in a peaceful and orderly manner.

10.7 Temporary Structures. No structure of a temporary character, including trailer, tent, shed or shack shall be used on any Lot, either temporarily or permanently. The foregoing shall not be construed however, as a limitation upon the installation of storage structures permanently affixed to the Living Unit provided that the same has been approved by the Board of Directors, or if so delegated, the ARB.

10.8 Signs. No sign, advertisement or notice of any type or nature whatsoever shall be erected or displayed upon any Lot (including placement on the Unit, yard or in any window) or upon the Common Areas, unless expressly permitted by this Declaration. The Board may adopt additional Rules and Regulations regarding types, sizes, and locations of signs. Only the following types of signs are permitted on the Properties: (i) Each Lot may have address markings, the size and style of which may be regulated by the Board or the ARB. (ii) "For Sale" signs no larger than 24" x 30" may be posted, but only in compliance with the Rules and Regulations adopted by the Board of Directors, as amended from time to time. (iii) Any sign posted by the Board of Directors on the Common Areas. (iv) One (1) sign per Lot as provided by an Owner's current home security provider. (v) One sign for named holidays, such as Halloween, Thanksgiving, Christmas, Memorial Day, 4th of July, Labor Day, are permitted to be displayed no earlier than 30 days before the holiday, and must be taken down within 14 days after the holiday. (vi) Signs or flags expressly permitted by Act. Signs for political candidates, including flags and banners, are prohibited. The Board of Directors shall have the right to erect signs on the Association Property as it deems appropriate, except no political signs can be erected on Association Property.

10.9 Appearance; Refuse Disposal. Each Owner shall keep his Lot and Unit free and clear of trash and debris and shall reasonably maintain his Unit. No Lot shall be used or maintained as a dumping ground for rubbish. Personal property of Owners and residents shall not be left on the lawns or landscaped areas outside the Units. Trash, garbage or other waste shall not be kept except in sanitary containers suitably screened from view from the street and adjacent Lots by plantings, wood barriers or other Board approved materials and located in appropriate areas, and no odor shall be permitted to arise therefrom so as to render the Pine Run complex or an portion thereof unsanitary, unsightly, offensive or detrimental to Owners or to any other Property in the vicinity thereof or to its Occupants. Garbage or trash containers may be placed out for collection the day before scheduled pickup, and must be returned to storage no later than the day after pickup. No portions of any Lot shall be used for hanging or drying laundry of any kind, except an Owner can laundry on a stand-up collapsible metal umbrella clothesline that is not visible from the street.

10.10 Maintenance. Association shall have the right to repair any structure or improvement on any Lot which, in the opinion of the Board, constitutes a danger or nuisance or is in unsightly disrepair, provided that the owner is given reasonable notice of the Association's intent to do so, which reasonably specifies the proposed action. The Association shall charge the expense of same against the owner of said Lot, which special charge shall be a lien on the Lot which may be foreclosed, and which shall secure the Association's attorney's fees and other costs in connection with said foreclosure. The Board of Directors may adopt additional regulations pertaining to the exterior maintenance of the Lot and any structure or improvement of any lot, which Rules and Regulations may be amended from time to time.

10.11 Pets and Animals. No horses, livestock or poultry of any kind (including, without limitation, pigs, goats and chickens) shall be raised, bred or kept on any Lot, except for commonly accepted household pets such as dogs, cats and birds. Pets may not be kept, bred or maintained for any commercial purposes. All pets shall be contained in the Living Unit and shall not be permitted to run freely other than in enclosed rear yards. When outside a Living Unit, all pets must be carried or secured with a hand-held leash. The Owner, pet's owner or handler, as applicable, must pick up all of the pet's solid waste and deposit it in an appropriate trash container. All pets must have required vaccination certificates and licenses in accordance with applicable governing authority and regulations. In the event that any pet becomes a nuisance, the Board of Directors may order the Owner and the pet's owner, as applicable, to permanently remove the same from the Living Unit and shall if necessary, have the right to seek injunctive relief requiring the Owner and the pet's owner, as applicable, to remove the pet in the event the pet is not removed after receipt of such notice. Tenants and Guests are permitted to keep pets in Living Units. Pets are further subject to the Rules and Regulations adopted by the Board, which may be amended from time to time.

10.12 Parking and Storage of Vehicles. Except for service vehicles temporarily present on the property, Owners may not park, store or keep on the property any commercial truck or other commercial vehicle, or any boat, trailer, semi-trailer, recreation vehicle, motorcycle, house trailer, mobile home, motor home, bus, tractor, or any other such vehicle, unless it is enclosed within a garage. No person may park, store or keep any motor vehicle on grassed or landscaped areas, or any places outside of paved driveways, garages, or other designated parking areas. Vehicles which are in wrecked, junked, partially dismantled, inoperative or abandoned condition, whether attended or not, and those not bearing current license plates, are not permitted on the Properties. The repair of motor vehicles, is not permitted on the Properties, except within a building and totally isolated from public view. The Board may define what is considered "overnight parking" in its Rules and Regulations. Vehicles in violation of the Governing Documents shall be subject to towing at the Unit Owner's expense, even if such vehicles which are in violation of the Governing Documents are parked within the Lot boundaries.

10.13 Antennas and Flagpoles. Antennas and satellite dishes are prohibited except that (a) antennas or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter (b) antennas or satellite dishes designed to receive video programming services via multi-point distribution services which are one meter or less in diameter; or (c) antennas or satellite dishes designed to receive television broadcast signals, ("Reception Device") shall be permitted, provided that the Reception Device is located so as not to be visible from outside the Living Unit, or is located on the side or rear yard of the Lot. The Board of Directors may require that a Reception Device be painted or screened by landscaping in order to blend into the Unit and removed from view from the street and other Units. A flagpole shall not be used as an antenna. The installation and display of flagpoles and flags shall be subject to regulation by the Board of Directors, but no Owner shall be prevented from displaying one portable, removable official United States flag or official flag of the State of Florida in a respectful manner, or on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, a portable, removable US Army, Navy, Air Force, Marine Corps or Coast Guard flag. The permitted flags shall not exceed 4.5' x 6'. Notwithstanding the foregoing, no one shall be permitted to display the United States flag in a manner that violates: (i) Federal law or any rule or custom as to the proper display or use of the United States flag; or (ii) any reasonable restriction pertaining to the time, place and manner of displaying the flag. The restriction must be necessary to protect a substantial interest of the Association.

10.14 Garages. Owners are not permitted to permanently enclose garage or convert garages to another use without first obtaining written approval from the Board of Directors. Garage doors must remain closed except when a vehicle must enter or exit the garage or when an Owner is engaged in outdoor activity, such as, mowing the lawn, gardening or decorating.

10.15 Outdoor Equipment. All oil tanks, bottled gas tanks, swimming pool equipment, housing and sprinkler pumps and other such outdoor equipment must be walled-in or placed in sight-screened or so that they shall not be readily visible from any adjacent streets or Units. Otherwise, adequate landscaping shall be installed and maintained around these facilities.

10.16 Mailboxes. The maintenance, repair and replacement of mailboxes and the posts which support them are the Owner's responsibility. Replacements must be in accordance with any requirements set forth in the Architectural Guidelines.

10.17 Open Space. Any land subject to this Declaration and designated as open space, landscape buffer, preserve area, Conservation Areas or words of similar import on any plat, declaration of covenants and restrictions, site plan, permit or other document shall be preserved and maintained by the owner of such land as open space. If such land or an easement over such land has been conveyed or dedicated to the Association, the Association shall preserve and maintain such land. No development may occur on such land except structures or improvements which promote the use and enjoyment thereof for open space purposes.

10.18 Air Conditioning and Heating Equipment. All air conditioning and heating units shall be shielded and hidden so that they shall not be ready visible from any adjacent streets or properties. Window or wall air conditioning units are prohibited.

10.19 Solar Collectors. The Board or ARB must approve the location of the materials used in the construction of solar collectors.

10.20 Walls, Fences and Gates. No Fences, gates, privacy hedges, or walls may be installed that expand or modify the original construction of privacy walls and fences in the Pine Run Complex, unless approved by the Board of Directors, or if so delegated, the ARB. Fences, hedges and walls may not exceed four feet (4') in height and must be located within the front, side, and rear setback lines. No fences may be constructed to enclose the front yard and fencing of Lot boundaries adjacent to any lake is prohibited. Notwithstanding any of the foregoing, no owner may install a fence without the prior approval of the Board of Directors, or if so delegated, the ARB. Application to the Board or ARB of a proposed fence shall include the proposed location, color, material, and any other information as the Board or ARB shall request in order to approve or disapprove the proposed fence. The Board or the ARB may adopt and amend rules or guidelines from time to time governing fences including color, materials or type.

10.21 Hurricane Shutters and Window Coverings. Owners may install hurricane shutters, subject to specifications adopted by the Board or ARB. The Board has the authority to adopt hurricane shutter specifications, which may include color, style, time periods in which shutters may be kept closed, and other factors deemed relevant by the Board or ARB. Laminated glass and window film Architecturally designed to function as hurricane protection which complies with the applicable building code, may be used in place of hurricane shutters, except that reflective window coverings are prohibited.

10.22 Holiday Decorations. Seasonal holiday decorations may be displayed during the period from the day following Thanksgiving until January 31. Decorative lighting will be removed from the exterior of the home, buildings, trees or palms after the holiday season. Decorations for other seasonal holidays are permitted in the period two (2) weeks in advance until one (1) week after the holiday.

11. **ASSOCIATION'S EXCULPATION**. The Association may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without incurring liability of any nature to the Owners or any other person for any reason whatsoever.

12. **TRANSFERS OF OWNERSHIP**. In order to foster a community of congenial, financially responsible residents with the objectives of inhibiting transiency, protecting the value of the Association and facilitating the development of a stable, quiet community and peace of mind for all residents, the transfer of ownership of by an owner shall be subject to the following restrictions, which each owner covenants to observe:

12.1 Forms of Ownership.

(A) One owner. A Lot may be owned by one (1) natural person who has qualified and been approved as elsewhere provided herein.

(B) Co-ownership. Co-ownership of Lots may be permitted. However, if the proposed co-owners are other than spouses, the Owner must designate (1) one of the approved co-owners as "primary occupant," and the use of the Lot by other persons shall be as though the primary occupant were the only actual owner. No time share estates may be created. "Home Sharing" by multiple families and "Fractional Ownership" are prohibited.

(C) Ownership by Corporations or Trusts. A Lot may be owned in trust, or by a corporation, partnership or other entity which is not a natural person, and which has qualified and been approved as elsewhere provided herein. However, the intent of this provision is to allow flexibility in estate, financial or tax planning, and not to create circumstances in which the Unit may be used as short-term transient accommodations for several individuals or families. Each entity must designate one (1) natural person to be the "primary occupant," and the use of the Lot by other persons shall be as though the primary occupant were the only actual Owner.

(D) Life Estate. A Lot may be subject to a life estate, either by operation of law or by approved voluntary conveyance. In that event, the life tenant shall be the only member from such Lot, and occupancy of the Lot shall be as if the life tenant was the only Owner. Upon termination of the life estate, the holders of the remainder interest will be the Owners, subject to any requirement above to name a primary occupant. The life tenant and holders of the remainder interest shall be jointly and severally liable for all assessments and charges against the Lot. The life tenant may, by signed agreement, transfer the right to vote in all Association matters to any one remainderman. Except in the case where such a transfer has been made, if the consent or approval of the Owner is required for any purpose, that consent or approval of the holders of the remainder interest shall not be required.

12.2 Transfers.

12.2.1 Sale or Gift. No Unit Owner may dispose of a Unit or any interest therein by sale or gift (including agreement for deed) without prior written approval of the Board of Directors.

12.2.2 Devise or Inheritance. If any Unit Owner acquires his title by devise or inheritance, his right to occupy or use the Unit shall be subject to the approval of the Board of Directors. The approval shall not be denied to any devisee or heir who was the prior Owner's lawful spouse at the time of death, or was related to the Owner by blood or adoption within the first degree.

12.2.3 Other Transfers. If any person acquires title in any manner not considered in the foregoing subsections, that person shall have no right to occupy or use the Unit before being approved by the Board of Directors under the procedures outlined in Section 12.3 below.

12.3 Procedures.

12.3.1 Notice to Association.

12.3.1.1 Sale or Gift. An Owner intending to make a sale or gift of his Unit or any interest therein shall give to the Board of Directors or its designee written notice of such intention at least thirty (30) days prior to the intended closing date, together with the name and address of the proposed purchaser or donee, an executed copy of the sales contract, if any, payment of the application fee, and such other information as the Board may reasonably require. The Board may require a personal interview with the proposed purchaser or donee and his spouse, if any, as a condition for approval.

12.3.1.2 Devise, Inheritance or Other Transfers. The transferee must notify the Board of Directors of his ownership and submit a certified copy of the instrument evidencing his ownership and such other information as the Board may reasonably require. The transferee shall have no occupancy or use rights unless approved by the Board, but may sell or lease the Unit following the procedures in this Section.

12.3.1.3 Failure to Give Notice. If no notice is given, the Board of Directors, at its election, may approve or disapprove at the time it learns of the transfer. If any Owner fails to obtain the Association's approval prior to selling an interest in a Unit, such failure shall create a rebuttable presumption that the seller and the purchaser intend to violate the covenants of this Declaration, and shall constitute good cause for Association disapproval.

(A) Within thirty (30) days of receipt of the required notice and all information or interviews requested, the Board shall approve or disapprove the transfer. If a transfer is approved, the approval shall be stated in a Certificate of Approval executed by the President or Vice-President of the Association in recordable form and delivered to the transferee. If the Board neither approves nor disapproves within the time limits as set forth above, such failure to act shall be deemed the equivalent of approval and on demand the Board shall issue a Certificate of Approval to the transferee.

12.3.2 Disapproval. Approval of the Association shall be withheld only if a majority of the whole Board so votes, after receiving a written opinion of counsel that good cause exists. Only the following may be deemed to constitute good causes for disapproval:

(A) The person seeking approval is a registered sex offender, or has been convicted of a felony involving violence to persons or property, or a felony demonstrating dishonesty or moral turpitude;

(B) The person seeking approval has a record of financial irresponsibility, including without limitation prior bankruptcies, foreclosures or bad debts;

(C) The application for approval on its face indicates that the person seeking approval intends to conduct themselves in a manner inconsistent with the covenants and restrictions applicable to the Condominium;

(D) The person seeking approval has a history of disruptive behavior or disregard for the rights or property of others;

(E) The person seeking approval has evidenced an attitude of disregard for association rules or by their conduct in Pine Run as a tenant, Owner or occupant of a Living Unit;

(F) The person seeking approval has failed to provide the information, fees or interviews required to process the application in a timely manner or provided false information during the application process.

(G) The Owner fails to give proper notice to the Board of the transfer as required by this Section.

12.4 Exception. The provisions of Sections 12.2 and 12.3 are not applicable to the acquisition of title by a First Mortgagee who acquires title through the mortgage, whether by foreclosure or deed in lieu of foreclosure.

12.5 Unapproved Transfers. Any sale or transfer which is not approved, or which is disapproved pursuant to the terms of this Declaration shall be void unless subsequently approved in writing by the Board.

12.6 Fees for Processing Applications for Approval to Purchase. Whenever herein the Board's approval is required to allow the sale, or other transfer of an interest in a Unit, the Association may charge the Owner a preset fee for processing the approval, such fee not to exceed the maximum amount allowed by law.

13. **ENFORCEMENT OF COVENANTS AND ABATEMENT OF VIOLATIONS**. Every owner, and all guests, tenants and occupants, shall at all times comply with Chapter 617, Florida Statutes, Chapter 720, Florida Statutes, as may be amended from time to time, the Governing Documents, and the rules of the Association. Before undertaking any remedy, disciplinary or enforcement action against a person alleged to be in violation, the Association shall give the alleged violator reasonable written notice of the alleged violation, except in emergencies. Disagreements concerning violations, including, without limitation, disagreements regarding the proper interpretation and effect of the Governing Documents, shall be presented to and determined by the Board of Directors of the Association, whose interpretation of the Governing Documents and/or whose remedial action shall control. Each member and the member's tenants, guests, and invitees, and the Association, are governed by, and must comply with Florida Statutes Chapters 720 and Chapter 617, the Governing Documents, and the rules of the Association. Actions at law or in equity, or both, to redress alleged failure or refusal to comply with these provisions may be brought by the Association or by a member against:

(A) The Association;

(B) A member;

(C) Any Director or officer of the Association who willfully and knowingly fails to comply with these provisions; and

(D) Any tenants, guests, or invitees occupying a pARBel or using the Common Areas.

The prevailing party in any such litigation is entitled to recover reasonable attorney's fees and costs. This Section 13 does not deprive any person of any other available right or remedy.

13.1 Enforcement Action. Judicial enforcement of these covenants and restrictions shall be by a proceeding at law or in equity against any person or persons violating or attempting to violate any

covenants or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

13.2 Self-Help Remedies. Violation of any conditions or restrictions or breach of any covenant herein contained or in any of the Governing Documents shall also give the Association and its authorized agent or representative, in addition to all other remedies, the right to enter upon the land where such violation or breach exists and summarily abate and remove, at the expense of the owner of the land, any construction or other violation that may be or exist thereon. The Association and its authorized agents shall not thereby become liable in any manner for trespass, abatement or removal.

13.3 Suspension of Common Area Use Rights; Fines. The Association may levy a reasonable fine or suspend, for a reasonable period of time, the rights of an owner, the owner's family, or an owner's tenants, guests, or invitees, or both, to use the Common Areas and facilities in the event of their failure to comply with any covenant, restriction, or rule contained in the Governing Documents or applicable law or in the event they condone such violation by their family members, guests, tenants or invitees. Any suspension of use rights will not prohibit an owner or tenant of a Unit from having vehicular and pedestrian ingress to and egress from the Unit, including, but not limited to, the right to park. The procedure for levying fines and suspending use rights is set forth in the Bylaws.

13.4 Charges. To levy specific charges or individual Assessments to cover costs incurred by the Association in taking the enforcement actions set forth herein, to the extent permitted by the Act.

14. **DURATION OF COVENANTS; AMENDMENT OF DECLARATION**.

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

14.2 Amendments; Proposal. Notwithstanding the foregoing, this Declaration may be amended from time to time by a vote of the members. Amendments may be proposed by the Board of Directors or by written petition to the Board signed by at least one-fourth (1/4th) of the voting interests. The proposed amendments must be submitted to a vote of the members not later than the next annual meeting.

14.3 Amendments; Vote Required. Except as otherwise provided by law or by other specific provision of the Governing Documents, a proposed amendment to this Declaration shall be adopted if it is approved by at least a majority of the voting interests of the Association present in person or by proxy and voting at any annual or special meeting called for the purpose, provided that notice of each proposed amendment has been given to the members in accordance with law. Unless otherwise provided by law, notice of proposed amendments shall be in substantially the same form as is specified in Chapter 720, Florida Statutes, for proposed amendments to a Declaration of Covenants. No amendment shall change any Lot's share of liability for assessments or any owner's voting rights, unless the owner consents to the amendment.

14.4 Amendments; Certificate; Recording; Effective Date. A copy of each amendment shall be attached to a certificate attesting that the amendment was duly adopted as an amendment to the Declaration, which certificate shall identify the Book and Page of the Public Records where the Declaration was originally recorded, and shall be executed by the President or Vice President of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Lee County. If a copy of the proposed amendment has not been provided to the Owners prior to the vote on that amendment, then within thirty (30) days after recording an amendment the Association will provide copies of the amendment to the Owners. If a previous copy of the proposed amendment had been provided to the Owners, then the Association may provide notice to the Owners that the amendment was adopted, identifying the official book and page number or instrument number of the recorded amendment and that a copy of the amendment is available at no charge to the Owner upon written request to the Association.

14.5 Exceptions. Wherever in this Declaration the consent, approval, or affirmative vote of more than a majority of the voting interests present and voting in person or by proxy is required in order to authorize or take a particular action, the language requiring the particular number of consents, approvals, or votes may not be amended except by the same vote required to authorize or take the action.

15. **GENERAL PROVISIONS**.

15.1 Waiver. Any waiver by any person of any provisions of this Declaration, or breach thereof, must be in writing to be effective, and shall not operate or be construed as a waiver of any other provision or subsequent breach.

15.2 Severability. If any section, subsection, sentence, clause, phrase or portion of this Declaration is, for any reason, held invalid or unconstitutional by any court-of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and shall not affect the validity of the remaining portion thereof.

15.3 Headings and Capitalization. The headings of Sections and paragraphs herein, and the capitalization of certain words, are for convenience only, and do not affect the meaning or interpretation of the provisions of this Declaration.

15.4 Notices. Any notice required to be sent to any owner under the provisions of this Declaration or the Bylaws, shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as owner in the records of the Association at the time of such mailing. The owner bears the responsibility for notifying the Association of any change of address.

15.5 Interpretation. The Board of Directors is responsible for interpreting the provisions of this Declaration and its exhibits. Such interpretation shall be binding upon all parties unless wholly

unreasonable. A written opinion rendered by legal counsel that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation.

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