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SARASOTA COUNTY, FL



# AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR VERONA RESERVE

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#### **EXHIBIT**

#### SUBJECT MATTER

"A"	Land Submitted to Declaration
"B"	Plats of Verona Reserve
"C"	Use Restrictions
"D"	Articles of Incorporation of Verona Reserve Community Association, Inc.
"E"	Bylaws of Verona Reserve Community Association Inc.

## AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR VERONA RESERVE

WHEREAS, a Declaration of Covenants, Conditions, Restrictions and Easements for Verona Reserve was recorded in Official Records Instrument # 2011015198, 158 pages, of the Public Records of Sarasota County, (Declaration), and

WHEREAS, the Declaration was amended in Official Records Instrument # 2011071473, 3 Pages, Official Records Instrument # 2011074498, 19 Pages, and #2011119575, 9 Pages of the Public Records of Sarasota County, Florida, and

**WHEREAS**, a Supplemental Declaration was filed in Official Records Instrument # 2013014761, 6 pages, of the Public Records of Sarasota County, and

WHEREAS, it was determined that it was necessary and prudent to amend the Declaration at this time in order to comply with changes in the laws, and improve the document, and restate the original Declaration and prior amendments and supplement in order to integrate all provisions in a single document, and

WHEREAS, the entire membership of the Board of Directors of the Association voted to approve the amendments, and otherwise voted to integrate all validly adopted provisions into this Amended and Restated Declaration, and

WHEREAS, this Amended and Restated Declaration was approved by not less than seventy-five (75%) percent of the voting interests of the total membership at a duly noticed and convened membership meeting held on February 15, 2018.

**NOW THEREFORE**, Verona Reserve Community Association, Inc. does hereby amend and restate the Declaration for the purpose of integrating the provisions of the original Declaration with prior amendments and the supplement, together with adopted amendments, and does hereby resubmit the lands described herein to the terms, covenants, conditions, easements and restrictions hereof which shall be covenants running with the property and binding on all existing and future owners, and all others having an interest in the lands or occupying or using the property.

## ARTICLE I CREATION OF THE COMMUNITY

#### 1.1. Purpose and Intent.

Declarant, as the owner of the real property described in the Plats, recorded this Declaration of Covenants, Conditions, Restrictions and Easements for Verona Reserve (the "Declaration") to establish a general plan of development for Verona Reserve, a planned residential community. This Declaration, together with the other Governing Documents, provides for the overall development, administration, maintenance, and preservation of Verona Reserve. An integral part of the development plan is the creation of Verona Reserve Community Association, Inc. (the "Association") to own, operate, and/or maintain various common areas and community improvements and to administer and enforce this Declaration and the other Governing Documents.

#### 1.2. Binding Effect.

This Declaration shall run with the title to such Property and shall bind everyone having any right, title, or interest in any portion of such Property, their heirs, successors, successors-in-title, and assigns. The Association or any aggrieved Owner, and their respective legal representatives, heirs, successors, and assigns, may enforce this Declaration. Each Owner shall automatically be a Member (as defined in Article II) of the Association.

This Declaration is intended to have perpetual duration, but shall be effective for a minimum of 30 years from February 9, 2011, the date it was recorded, subject to the right of the Members to amend it as provided in this Declaration. After the initial 30-year period, it shall automatically be extended for successive 10-year periods in perpetuity unless, within the 12-month period preceding any extension, an instrument signed by the then Owners of at least 75% of the Lots and Villa Lots agreeing to terminate this Declaration is recorded. If any provision of this Declaration would be invalid under the Florida Uniform Statutory Rule Against Perpetuities, that provision shall expire 90 years after this Declaration is recorded. This section does not authorize termination of any easement created in this Declaration without the consent of the holder of such easement.

#### 1.3. Governing Documents.

The following chart identifies the documents which govern the Community (as they may be amended from time to time, the "Governing Documents") and describes, in part, the purpose of each. Every Owner and occupant of a Lot or Villa Lot in Verona Reserve, and their respective guests, tenants, visitors and invitees, shall comply with the Governing Documents.

Declaration	creates obligations which are binding upon the Association and all present and future owners and occupants of, and others with any interest in, property in the Community
Articles of Incorporation	establish the Association as a not-for-profit corporation under Florida law
Bylaws	govern the Association's internal affairs, such as voting rights, elections, meetings, officers, etc.
Architectural Guidelines	establish architectural standards and guidelines for improvements and modifications to Lots, including structures, landscaping, and other items on Lots
Use Restrictions	govern use of property and activities within the Community
Board Resolutions and Rules	establish rules, policies, and procedures for internal governance and Association activities; regulate operation and use of Common Area (as defined in Article II)

If there are conflicts between Florida law, this Declaration, the Articles, and the Bylaws, Florida law, this Declaration, the Articles, and the Bylaws (in that order) shall prevail. If any court determines

that any provision of this Declaration is invalid, or invalid as applied in a particular instance, such determination shall not affect the validity of other provisions or other applications of the provision.

#### 1.4. Enforcement.

The Association shall have the right to enforce compliance of the terms of this Declaration by each Owner, his or her family, lessees, invitees and guests. Each Owner, Sarasota County and the SWFWMD shall have the right, but not the obligation, to enforce this Declaration to the extent an Owner or the Association fails to maintain the Surface Water and Storm Water Management System (if the same is the entity's responsibility), private rights-of-way and any easements appurtenant to the Surface Water and Storm Water Management System or private rights-of-way owned by the Association in a manner required by governmental approvals. In the event the Association, or any successor organization, shall fail to adequately maintain the Surface Water and Storm Water Management System in accordance with Sarasota County standards, Sarasota County shall have the right, but not the obligation, to enter the Community for the purpose of maintaining the Surface Water and Storm Water Management System. All expenses incurred by Sarasota County in maintaining the Surface Water and Storm Water Management System shall be assessed prorata against the Lots and shall be payable by the Owners of the Lots within 60 days after receipt of a statement therefor. If any Owner fails to pay such assessment within such 60day period, the assessment shall become a lien on such Owner's Lot which may be foreclosed by Sarasota County. The rights of Sarasota County contained in this restriction shall be in addition to any other rights Sarasota County may have in regulating the operation and development of the Community.

## ARTICLE II CONCEPTS AND DEFINITIONS

#### 2.1. Defined Terms.

The terms used in the Governing Documents are given their natural, commonly accepted definitions unless otherwise specified. Capitalized terms are defined as follows:

"Architectural Guidelines": The architectural, design, and construction guidelines and review procedures adopted pursuant to this Declaration as they may be amended from time to time.

"Architectural Review Committee or "ARC": The committee established to review plans and specifications for the construction or modification of improvements and to administer and enforce the architectural controls described in this Declaration.

"Articles": The Articles of Incorporation of Verona Reserve Community Association, Inc., filed with the Secretary of State for the State of Florida, as they may be amended from time to time. A copy of the initial Amended and Restated Articles are attached to this Declaration as Exhibit "D."

"Assessment": Assessments for which all Owners are obligated to pay to the Association and includes "General Assessments", "Single Family Home Assessments," "Single Family Home Special Assessments", "Benefited Assessments," "General Special Assessments," "Villa Assessments" and "Villa Special Assessments" (as such terms are defined herein) and any and all other assessments which are levied by the Association in accordance with the Governing Documents. Villa Assessments and Villa Special Assessments, if levied by the Association, shall only be the obligation of Villa Owners as more particularly set forth herein. Single Family Home Assessments and Single Family Home Owners as more particularly set forth herein.

"Association": Verona Reserve Community Association, Inc., a Florida not-for-profit corporation, its successors or assigns.

"Board of Directors" or "Board": The body responsible for the general governance and administration of the Association.

"Bylaws": The Bylaws of Verona Reserve Community Association, Inc., as they may be amended from time to time. A copy of the Amended and Restated Bylaws is attached to this Declaration as Exhibit "E."

"Common Area" or "Common Property": All real and personal property, including easements, which the Association owns, holds, leases, or otherwise has a right to possess or use for the common use and enjoyment of the Owners. Common Area includes the Surface Water and Storm Water Management System.

"Common Structural Elements": The same meaning as set forth in Section 13.2 hereof.

"Community" or "Verona Reserve": The real property described in Exhibit "A".

"Community-Wide Standard": The standard of conduct, maintenance, or other activity generally prevailing throughout the Community, or the minimum standards established pursuant to the Architectural Guidelines, Use Restrictions, and Board resolutions, whichever is the highest standard. The Community-Wide Standard may contain objective elements, such as specific maintenance requirements, and subjective elements, such as matters subject to the Board's or the ARC's discretion. The Community-Wide Standard may or may not be set out in writing.

"Single Family Home Lot" or "Villa Lot": A Single Family Lot or Villa Lot, as applicable, on which the construction of a Home has been completed, for which a certificate of occupancy or equivalent therefore has been issued by the appropriate governmental agency.

"Lot Owner": The Owner of a Single Family Home Lot or Villa Lot, as applicable.

"County": Sarasota County, Florida.

"Declarant": Taylor Morrison of Florida, Inc., a Florida corporation.

"General Assessments" are assessments levied against all Owners to pay for Operating Expenses and reserves for Common Areas excluding Single Family Home Expenses and Villa Expenses.

"General Special Assessments" are special assessments levied against all Owners to pay for any extraordinary expenses of the Association, unbudgeted expenses and/or expenses in excess of those budgeted for, but excluding any Single Family Home Expenses or Villa Expenses.

"HOA Act": The Homeowners' Association Act, Chapter 720, Florida Statutes.

"Home": A residential dwelling unit in Verona Reserve intended as an abode for one family, including single family homes and Villas. The term Home shall include the Lot.

"Improvement": Any Home, building, structure or improvement of any kind including, but not limited to, any wall, fence, landscaping, planting, topographical feature, mailbox, play set, basketball pole and backboard, swimming pool, tennis court, screen enclosure, driveway, sidewalk, sewer, drain, water area, outside lighting or sign and addition, alteration or modification thereto.

"Institutional Mortgage": A mortgage held by an Institutional Mortgagee on any property within Verona Reserve.

"Institutional Mortgagee": Any lending institution owning a first mortgage encumbering any Home or Lot within Verona Reserve, which owner and holder of said mortgage shall either be a bank, life insurance company, federal or state savings and loan association, real estate or mortgage investment trust, building and loan association, mortgage banking company licensed to do business in the State of Florida, or any subsidiary thereof, licensed or qualified to make mortgage loans in the State of Florida or a national banking association chartered under the laws of the United States of America or any "secondary mortgage market institution," including the Federal National Mortgage Association ("FNMA"), Government National Mortgage Association ("GNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") and such other secondary mortgage market institutions as the Board shall hereafter approve in writing; any pension or profit-sharing funds qualified under the Internal Revenue Code; the Veterans Administration, the Federal Housing Administration or the Department of Housing and Urban Development or such other lender as is generally recognized in the community as an institutional lender.

"Legal Costs": The costs which a Person entitled to reimbursement for "Legal Costs" under any provision of the Governing Documents incurs in pursuing legal action (regardless of whether suit is filed) to enforce the Governing Documents, including, but not limited to, reasonable attorneys' and paralegals' fees, expert witness fees, and court costs at all tribunal levels incurred in connection with: (i) negotiation and preparation for mediation, arbitration or litigation, whether or not an action is actually begun, and (ii) collection of past due Assessments including, but not limited to, preparation of notices and liens.

"Lot": A portion of the Community which is independently owned and conveyed, which is improved with a Home. The term shall refer to the land, if any, which is part of the Lot as well as any improvements on the Lot. The boundaries of each Lot are shown on the Plats; however, in the case of a building containing multiple Homes for independent sale (e.g., Villas), each Home that may be sold independently shall be a separate Lot used interchangeably with the term "Villa." Each Lot upon which a Villa is situated shall be a Villa Lot. Each Lot upon which a Single Family Home is situated shall be a Single Family Home Lot. Upon completion of construction of the Home on a Lot, such Lot and the improvements thereon shall collectively be considered to be a Home for purposes of this Declaration and the other Governing Documents.

"Member": A Person subject to membership in the Association, as described in Section 6.2. There are two (2) membership classes: Class "A" and Class "B".

"Mortgage": A mortgage, a deed of trust, a deed to secure debt, or any other form of security instrument affecting title to any Lot. The term "Mortgagee" shall refer to a beneficiary or holder of a Mortgage.

"Operating Expenses" shall mean the expenses for which Owners are liable to the Association as described in this Declaration and any other Governing Documents and include, but are not limited to: (a) the costs and expenses incurred by the Association in owning, administering, operating, maintaining, financing, or repairing the Common Area or any portion thereof and Improvements thereon, all other property owned by the Association (including, without limitation, the Surface Water and Storm Water Management System), and (b) all costs and expenses incurred by the Association in carrying out its powers and duties hereunder or under any other Governing Documents. Operating Expenses also include the costs and expenses incurred by the Association in administering, operating, maintaining, financing, insuring or repairing the Common Structural Elements (as hereinafter defined) and the portions of any Villa Lots (as hereinafter defined) for which the Association has maintenance responsibility pursuant to this Declaration; provided, however those portions of the Operating Expenses attributable to and for the

benefit of the Common Structural Elements on any Villa Lots shall be deemed Villa Expenses (as herein after defined) and shall be payable only by Villa Owners as a Villa Assessment. Operating Expenses also include the costs and expenses incurred by the Association in administering, operating, maintaining, financing, insuring or repairing portions of any Single Family Home Lots (as hereinafter defined) for which the Association has maintenance responsibility pursuant to this Declaration; provided, however those portions of the Operating Expenses attributable to and for the benefit of the Single Family Home Lots shall be deemed Single Family Home Expenses (as herein after defined) and shall be payable only by Single Family Home Owners as a Single Family Home Assessment.

"Owner": The record title holder to any Lot, but excluding, in all cases, anyone holding an interest merely as security for the performance of an obligation (e.g., an Institutional Mortgagee).

"Person": An individual, a corporation, a partnership, a trustee, or any other legal entity.

"Plats": The plats of Verona Reserve recorded in Plat Book 47, Pages 39, 39A through 39H inclusive and Plat Book 48, Pages 9, 9A through 9E inclusive of the Public Records of Sarasota County, Florida.

"Property": The real property described in the Plats.

"Rules and Regulations" shall mean the rules and regulations pertaining to the Community as established by the Association, as same may be amended from time to time.

"Single Family Home Lot": A Lot upon which a Single Family Home has been constructed.

"Single Family Home" shall mean and refer to a detached residence constructed on a Single Family Home Lot within Verona Reserve, which is designed and intended for use and occupancy as a single-family residence. Whenever the term Single Family Home is used in this Declaration, it shall also mean Single Family Home Lot, as applicable.

"Single Family Home Assessments" shall mean those Assessments levied against the Single Family Home Owners and the Single Family Home Lots to fund Single Family Home Expenses. Single Family Home Assessments payable by Single Family Home Owners are in addition to General Assessments for general Operating Expenses for which all Owners are liable to the Association.

"Single Family Home Expenses" shall mean those Operating Expenses incurred by the Association attributed to and for the sole benefit of the Single Family Home Lots and Single Family Homes, all as may be specifically authorized from time to time by the Board, and such other expenses as are deemed Single Family Home Expenses as set forth in this Declaration. Single Family Home Expenses are the obligation of and shall be payable only by Single Family Home Owners.

"Single Family Home Owner" shall mean the Owner of a Single Family Home or Single Family Home Lot within Verona Reserve.

"Single Family Home Special Assessment" shall mean assessments levied against the Single Family Homes in accordance with this Declaration representing their proportionate share of the costs incurred by the Association for any extraordinary expenses of the Association, including, but not limited to, amounts necessary to pay shortages in Single Family Home Expenses, unbudgeted expenses and/or expenses in excess of those budgeted for. Single Family Home Owners shall be subject to both General Special Assessments and Single Family Home Special Assessments. However, only Single Family Home Owners shall be obligated to pay Single Family Home Special Assessments.

"Stormwater Retention Ponds" or "Ponds": Those portions of Verona Reserve designated on the Plat as "Stormwater Area."

"Stormwater Retention Pond Lot": A Lot which abuts one of the Ponds in Verona Reserve as shown on the Plats.

"Surface Water and Storm Water Management System": A drainage system consisting of swales, inlets, culverts, retention and detention Ponds, outfalls, storm drains and the like, and all connecting pipes and easements, which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over-drainage, environmental degradation, and water pollution or otherwise affect quantity and quality of discharges from the system, as permitted pursuant to the SWFWMD Rules. The Surface Water and Storm Water Management System facilities include, but are not limited to: all inlets, ditches, swales, culverts, water control structures, retention and detention Ponds, floodplain compensation areas, wetlands and any associated buffer areas and wetland mitigation areas, to the extent that any such facilities, areas, or conditions apply to the Community.

"SWFWMD" shall mean and refer to the Southwest Florida Water Management District, a regional water management district established in accordance with Florida law, and any successor, governmental agency, body or special district charged with the rights and responsibilities of the SWFWMD.

"SWFWMD Permit" shall mean SWFWMD Environmental Resource Permit General Construction Modification Permit No. 44024592.012 issued by the SWFWMD, as same may be amended and/or modified from time to time.

Use Restrictions": The use restrictions, rules, and regulations governing the use of and activities on the Lots and Common Areas are set forth in Exhibit "C," as they may be changed in accordance with Article III or otherwise amended from time to time.

"Villa" shall mean and refer to an attached Villa unit contained within a building comprising one or more Villas constructed within Verona Reserve, which is designed and intended for use and occupancy as a single-family residence. Whenever the term Villa is used in this Declaration, it shall also mean Villa Lot, as applicable.

"Villa Assessments" shall mean those Assessments levied against the Villa Owners and the Villa Lots to fund Villa Expenses. Villa Assessments payable by Villa Owners are in addition to General Assessments for general Operating Expenses for which all Owners are liable to the Association.

"Villa Expenses" shall mean those Operating Expenses incurred by the Association attributed to and for the sole benefit of the Villa Lots and Villas, if any, all as may be specifically authorized from time to time by the Board, and such other expenses as are deemed Villa Expenses as set forth in this Declaration. Villa Expenses are the obligation of and shall be payable only by Villa Owners.

"Villa Lot" shall mean any parcel of land within Verona Reserve, as shown on the Plats upon which a Villa has been constructed, together with the Improvements thereon. A Villa Lot and the Improvements thereon shall collectively be considered to be a Villa for purposes of this Declaration and the Governing Documents.

"Villa Owner" shall mean the Owner of a Villa or Villa Lot within Verona Reserve.

"Villa Special Assessment" shall mean assessments levied against the Villas in accordance with this Declaration representing their proportionate share of the costs incurred by the Association for any extraordinary expenses of the Association, including, but not limited to, amounts necessary to pay shortages in Villa Expenses, unbudgeted expenses and/or expenses in excess of those budgeted for. Villa Owners shall be subject to both General Special Assessments and Villa Special Assessments. However, only Villa Owners shall be obligated to pay Villa Special Assessments.

"Wetland" or "Preservation Area": Any area within the Community identified or designated as habitat for wetland species of plants and/or animals by the SWFWMD, or by the County, or by the United States Army Corps of Engineers, or by any other agency of the State of Florida or the United States government, whether or not such area is included within the Surface Water and Storm Water Management System, or is an isolated area that is not connected to the Surface Water and Storm Water Management System.

## ARTICLE III USE AND CONDUCT

3.1. Restrictions on Use, Occupancy, and Alienation.

In addition to the Use Restrictions set forth in Exhibit "C" which may be modified as provided below, the Lots shall be subject to the following restrictions set forth in this Section and may be amended only in accordance with Article XVI.

- (a) Residential and Related Uses. Lots shall be used primarily for residential and related purposes. No business shall be conducted in, on, or from any Lot, except that an occupant residing in the Home on a Lot may conduct business activities ancillary to their primary residential use, if the business activity, as determined in the Board's discretion:
- (i) is not apparent or detectable by sight, sound, or smell from outside of a permitted structure;
- (ii) complies with applicable zoning and other legal requirements and other requirements of this Declaration:
- (iii) does not involve regular visitation of the Lot by clients, customers, suppliers, or other business invitees, or door-to-door solicitation within the Community; and
- (iv) is consistent with the residential character of the Community and does not constitute a nuisance, or a hazardous or offensive use, or threaten the use and enjoyment of other Lots by the Owner thereof or the security or safety of others within the Community.

"Business" shall have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves providing goods or services to Persons other than the family of the producer and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether (a) such activity is engaged in full or part time, (b) such activity is intended to or does generate a profit, or (c) a license is required.

No Lot shall be rezoned to any classification allowing commercial, institutional, or other non-residential use. Notwithstanding anything in this Article to the contrary, Association may enforce this covenant by obtaining an injunction against any unapproved rezoning at the expense of the party pursuing the unapproved rezoning, in addition to and not in limitation of Association's other rights and remedies.

This Section shall not apply to Association activities related to the provision of services or to operating and maintaining the Community, including the Community's recreational and other amenities.

Leasing of a single Lot by the Owner thereof for residential occupancy shall not be considered a "business" within the meaning of this subsection.

(b) Leasing. For purposes of this Declaration, "leasing" is the regular, exclusive occupancy of a Home by any Person other than the Owner, for which the Owner receives any consideration or benefit, including, without limitation, a fee, service, or gratuity.

The Home may be leased only in its entirety (e.g., separate rooms within the same Home may not be separately leased). All leases must be in writing and shall have a term of no less than sixty (60) days. No Owner may advertise or offer his or her Home for rent for a term of less than sixty (60) days, or lease his or her Home more than three (3) times in any 12-month period, even if a tenant defaults on a lease or abandons the Home before expiration of the lease term. No lease shall provide for an early lease termination which would reduce a lease term to a period of less than said sixty (60) days, except in the event of a default by the tenant. Any lease terminated as a result of a default or otherwise, shall nevertheless still count towards the foregoing rental limitations.

All leases shall include an acknowledgment by the tenant that the tenant and all occupants of the leased Home are bound by and obligated to comply with the Governing Documents and that the tenant has received a copy of the Governing Documents. The Association may require that the lease contain an addendum approved by the Association. The Owner shall be responsible for providing a copy of the Governing Documents to the tenant prior to execution of the lease and shall monitor enforcement and compliance with the Governing Documents by the tenant.

In the event that an Owner is delinquent in the payment of his or her Assessments or other sums due and owing to the Association, the Home shall not be leased until such amounts are paid in full or unless the Association consents, in writing, to any such lease. If the Home is leased in violation of this provision, the Association may terminate the lease and evict the tenants in addition to imposing all other available remedies. In the event an Owner is in default in the payment of Assessments or other sums due and owing to the Association and the Owner's Home is leased, the Association shall have the right and authority to collect the rent to be paid by the tenant to the Owner directly from the tenant. In the event such tenant fails to remit said rent directly to the Association within ten (10) days (but no later than the day the next rental payment is due) from the day the Association notified such tenant in writing that the rents must be remitted directly to the Association, the Association shall have the right to terminate the lease and evict the tenant. All sums received from the tenant shall be applied to the Owner's account for the leased Home according to the priority established in Section 720.3085, Florida Statutes, until the Owner's account is current. All leases entered into by an Owner shall be deemed to automatically incorporate this provision and all the Owners hereby appoint the Association its agent for such purpose.

In addition to any notice to a tenant of a Home permitted to be given by law, an Owner by acceptance of a deed to a Lot, does hereby irrevocably grant to the Association (and its officers, directors, designees, agents, and employees) and to any professional management or accounting firm providing management or accounting services to the Association, the right to notify, in writing, the tenant of the Home of any delinquency by the Owner of the Home in payment of any monetary obligations due to the Association, including but not limited to the amount thereof. Further each Owner hereby agrees and acknowledges that the disclosure of any of Owner's delinquent monetary obligations due to the Association, as provided in the preceding sentence, shall not be construed or be deemed to be a violation of the Fair Debt Collection Practices Act ("FDCPA") 15 U.S.C. Section 1692 et. seq.

Each lease shall set forth the name, address, and telephone number of the Home's Owner and of the tenant(s); the date the tenant's occupancy commences and ends; a description of each motor vehicle owned or operated by the tenant or members of the tenant's household; and a description of all pets to be kept at the Home.

Within five (5) days of a lease being signed for a Home, the Owner shall notify the Board or the Association's managing agent of the lease and provide an entire copy of such lease to the Association and such additional information the Board may reasonably require. In addition to this subsection (b), the Board may, from time to time, adopt reasonable Use Restrictions and rules regulating leasing and subleasing.

No Owner may assign or otherwise transfer the Owner's obligations under this Declaration to any tenant. The Association shall have the right to enforce the covenants, conditions, and restrictions set forth in this Declaration against the Owner, the tenant, or any member of the tenant's household, individually or collectively. The Association shall not be bound by any provision in the lease or other agreement between Owner and his or her tenant requiring prior notice or imposing other conditions on the rights of the Association.

The Association shall be deemed a third party beneficiary of all leases of Homes, and shall have the right, but not the obligation, to enforce the terms and conditions of such leases against the tenant or the Owner. Notwithstanding the foregoing, the Association's failure to object to any term or condition of a lease or occupancy arrangement shall not be deemed to be consent or approval of any term or condition of the lease, nor shall the Association have any obligation whatsoever for the performance of any obligation of Owner or tenant contained in the lease or otherwise.

Notwithstanding any condition of any lease to the contrary, each Owner, by acceptance of the deed to a Lot, hereby covenants and agrees with the Association and all other Owners in the Community, that the Owner shall be responsible for any violation of the Governing Documents resulting from the acts or omissions of his or her tenant, other occupants of the leased Home, and their respective guests to the same extent that Owner would be liable for such violation if it had resulted from the acts or omissions of the Owner or a member of the Owner's household or guests. The Owner's obligations hereunder shall be deemed a guaranty of performance by his or her tenant, and the Association shall have the right to take any action or seek any remedy for the tenant's failure or refusal to comply with the Governing Documents directly from or against the Owner without first taking such action or obtaining such remedy from or against the tenant.

The Association may, without further approval of the Owner of the leased Home, terminate the lease for violations of the Governing Documents by the tenants, or the tenant's family or guests and thereafter evict the tenants from the Home.

- (c) Occupants Bound. Every Owner shall cause anyone occupying or visiting his or her Lot to comply with the Governing Documents and shall be responsible for all violations of the Governing Documents and any damage and losses they cause to the Common Areas, notwithstanding the fact that such Persons also are personally responsible for complying and may be sanctioned for any violation.
  - (d) Subdivision of a Lot. Lots may not be subdivided or their boundary lines changed.
- (e) Lodging; Timeshares. No Lot may be used as a rooming house, hostel, or hotel. Timesharing or other arrangements involving more than three ownership interests in a Lot (including ownership by more than three Persons as joint tenants or tenants-in-common), or assigning separate use periods are prohibited.

#### 3.2. Rule Making Authority.

(a) Subject to the terms of this Article and the Board's duty to exercise business judgment and reasonableness on behalf of the Association and the Members, the Board may change (i.e., modify, cancel, limit, create exceptions to, or add to) the Use Restrictions, the Architectural Guidelines, and/or Rules and Regulations. The Board shall deliver the Members notice of any proposed change at least fourteen (14) business days before the Board meeting at which such change will be considered. The Owners shall have a reasonable opportunity to be heard at such Board meetings.

The proposed change to the Use Restrictions shall be approved unless disapproved by a majority of the Class "A" and Class "B" votes. The Board is not obligated to call a meeting of the Members to consider disapproval unless it receives a petition that meets the Bylaws requirement for special meetings. If the Board receives such a petition before the effective date of the change, the change shall not become effective until after a meeting is held, and then subject to the outcome of the meeting. The Board, acting alone, may amend and/or abolish the Rules and Regulations and/or the Architectural Guidelines, or any of them, in the Board's discretion, subject to its duty to exercise business judgment and reasonableness on behalf of the Association and the Members.

- (b) Alternatively, members representing a majority of the Class "A" and Class "B" votes participating at an Association meeting duly called for such purpose, may vote to change the Use Restrictions, the Architectural Guidelines, and/or the Rules and Regulations then in effect.
- (c) No action taken under this Article shall have the effect of modifying, repealing, or expanding any provision of this Declaration other than the Use Restrictions, the Architectural Guidelines, and Rules and Regulations, respectively. In the event of a conflict between the Architectural Guidelines, the Use Restrictions and/or and the Rules and Regulations, the Architectural Guidelines, the Use Restrictions and the Rules and Regulations shall control in that order. In the event of a conflict between the Use Restrictions or Rules and Regulations, and any provision within this Declaration (exclusive of the Use Restrictions), the Declaration provision shall control.
- (d) The procedures described in this Section 3.2 are not intended to apply to reasonable rules and regulations relating to use and operation of the Common Area, which the Board may adopt by resolution, or other administrative rules, unless the Board chooses, in its discretion, to submit to such procedures.
- (e) Except as may be set forth in this Declaration (either initially or by amendment) or in the Use Restrictions set forth in Exhibit "C," the Architectural Guidelines, or in the Rules and Regulations, the Association's actions with respect to Use Restrictions and Rules and Regulations must comply with the following:
- (i) Displays. Owners' rights to display religious and holiday signs, symbols, and decorations on their Lots of the kinds normally displayed in residential neighborhoods with homes of comparable type, quality, and price range to those in the Community shall not be further abridged, except that the Board may adopt time, place, size, number, and manner restrictions with respect to such displays.
- (ii) Signs. No sign, display, poster, advertisement, notice or other lettering of any kind whatsoever (including, without limitation, "For Sale," "For Rent" or "By Owner" or any other signs for the sale or renting of homes) shall be exhibited, displayed, inscribed, painted or affixed in public view of any portion of any building, vehicle or other Improvement in Verona Reserve (including, without limitation, a Home). Provided however, an Owner may display one security sign of reasonable size provided by the security contractor at the front and rear of a Home within ten (10) feet of the entrance to

the Home, and "Open House" signs may be permitted in accordance with rules and regulations pertaining to location, display hours and times, and other items.

- (iii) Flags. Any Owner may display one portable, removable United States flag or official flag of the State of Florida in a respectful manner, and one portable, removable official flag, in a respectful manner, not larger than 4½ feet by 6 feet, which represents the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, or a POW-MIA flag, regardless of any covenants, restrictions, bylaws, rules, or requirements of the association. Any Owner may erect a freestanding flagpole no more than 20 feet high on any portion of the Owner's Lot if the flagpole does not obstruct sightlines at intersections and is not erected within or upon an easement. The Owner may display in a respectful manner from that flagpole one official United States flag, not larger than 4½ feet by 6 feet, and may additionally display one official flag of the State of Florida or the United States Army, Navy, Air Force, Marines, or Coast Guard, or a POW-MIA flag. Such additional flag must be equal in size to or smaller than the United States flag. The flagpole and display are subject to all building codes, zoning setbacks, and other applicable governmental regulations, including, but not limited to, noise and lighting ordinances in the county or municipality in which the flagpole is erected and all reasonable setback and locational criteria that the Association may include in its Architectural Guidelines.
- (iv) Activities Within Homes. The Association shall not interfere with activities carried on within a Home, except that it may prohibit activities not normally associated with residential property, and it may restrict or prohibit activities that create monetary costs for the Association or other Owners, that create a danger to anyone's health or safety, that generate excessive noise or traffic, that create unsightly conditions visible outside the Home, that create undesirable odors noticeable to persons outside the Home, or that are an unreasonable source of annoyance, or that violates a provision of the Governing Documents.
- (v) Alienation. The Association shall not prohibit leasing or transfer of any Lot, or require the Association's or the Board's consent prior to leasing or transferring a Lot. The Association may impose restrictions on leasing, in addition to those set forth in this Article, and may require that Owners use an Association-approved addendum (or include specific lease terms) and may impose a reasonable review or administrative fee on the lease or transfer of any Lot.
- (vi) Abridging Existing Rights. The Association may not require an Owner to dispose of personal property that was in or on a Lot in compliance with previous rules. This exemption shall apply only during the period of such Owner's ownership of the Lot and shall not apply to subsequent Owners who take title to the Lot after adoption of the rule.
  - 3.3. Owners' Acknowledgment and Notice to Purchasers.

Each Owner, by accepting a deed, acknowledges and agrees that the use, enjoyment, and marketability of his or her Lot is limited and affected by the terms of the Governing Documents, including the Use Restrictions and the Rules and Regulations, which may change from time to time. All Lot purchasers are on notice that the Association may have adopted changes to the Use Restrictions and Rules and Regulations and that such changes may or may not be set forth in a recorded document. Copies of the current Use Restrictions and Rules and Regulations may be obtained from the Association.

## ARTICLE IV ARCHITECTURE AND LANDSCAPING

#### 4.1. General.

Verona Reserve has been developed with the intent that Homes harmonize with each other and

present a consistent style. To ensure the preservation of the existing harmonious design and to prevent the introduction of design that is not in keeping with Verona Reserve, the style and form of Verona Reserve, as originally constructed, with respect to architectural style, colors and materials shall be the standard. This standard shall continue in effect until the adoption and publication of new guidelines and standards.

No structure or thing shall be placed, erected, or installed upon any Lot, and no improvements of any kind or other work (including, without limitation, staking, clearing, excavation, grading and other site work, exterior alterations or additions, or planting or removal of landscaping or irrigation equipment or lines) shall take place within the Community, except in compliance with this Article and the Architectural Guidelines.

All Owners of Lots along or adjacent to the Ponds are prohibited from disturbing or removing any vegetation within the Pond bank areas and are subject to certain restrictions regarding fences as set forth in Article 7.11 and in Exhibit C.

An Owner shall not plant any shrubs, trees, landscaping and/or modify the irrigation system on his or her Lot and/or in any manner alter the landscaping/irrigation system in the Community as initially installed, except in accordance with the Use Restrictions and/or the Architectural Guidelines.

The irrigation system will be controlled by the central control water management system. The hardware consisting of a controller, web service and moisture sensors will be located on the Property. The central control software will be operated by the irrigation water manager ("IWM"). The Owner will not have direct control of the day to day operation of the irrigation system. For maintenance and other irrigation requests the Owner shall contact the property manager with requests for the IWM.

The residential irrigation contractor ("RIC") will be working under the authority of the Association. The RIC shall provide all labor, materials, equipment, technical supervision, services and construction equipment to perform the work in connection with the irrigation system, as indicated within the performance specifications and detail drawings.

Any Owner may remodel, paint, or redecorate the interior of the Home on his or her Lot without approval hereunder. However, structural modifications to the interior of screened porches, patios, and any other portions of a Lot or structure visible from outside a structure are subject to approval under this Article.

Improvements shall be constructed only by qualified Persons acceptable to the ARC. Owners shall be responsible for obtaining all permits and approvals from the County and other governmental agencies.

#### 4.2. Architectural Review.

(a) Architectural Review Committee. The Board may elect to act as the ARC, in which event all references to the ARC shall mean the Board. Alternatively, the Board may elect to delegate some or all of the authority to make architectural decisions to an appointed ARC, or create an advisory only ARC and reserve decision-making in the Board. If an ARC is created by the Board, the ARC shall consist of at least three (3), but not more than five (5), persons. Members of the ARC need not be Members of the Association or representatives of Members, and may, but need not, include architects, engineers, or similar professionals, who may be compensated in such manner and amount, if any, as the Board may establish. The ARC members shall serve and may be removed and replaced in the Board's discretion.

(b) Fees; Assistance. The ARC may establish and charge reasonable fees for its review of applications and may require that such fees be paid in advance. Such fees may include, without limitation, the reasonable costs incurred in having any application reviewed by architects, engineers, or other professionals the ARC employs or with whom it contracts.

#### 4.3. Guidelines and Procedures.

(a) Architectural Guidelines. The Architectural Guidelines are intended to provide guidance to Owners regarding matters of particular concern to the ARC. The Architectural Guidelines are not the exclusive basis for the ARC's decisions, and compliance with the Architectural Guidelines does not guarantee an application's approval.

The Board may adopt and amend the Architectural Guidelines.

Amendments to the Architectural Guidelines shall be prospective only. They shall not require modifications to or removal of structures, improvements, and other things previously approved once the approved construction or modification has begun. However, any new work or improvements on such structures must comply with the Architectural Guidelines as amended. Subject to the Community-Wide Standard, there is no limit to the scope of amendments to the Architectural Guidelines, and such amendments may remove requirements previously imposed or otherwise make the Architectural Guidelines less restrictive.

The ARC shall make the Architectural Guidelines available to Owners who seek to engage in construction within the Community.

(b) Procedures. Unless the Architectural Guidelines provide otherwise, no construction activities or other activities described in Section 4.1 may begin until a request is submitted to and approved in writing by the ARC. The request must be in writing and be accompanied by plans and specifications and other information the ARC and/or the Architectural Guidelines require. Plans and specifications shall show, as applicable, site layout, structural design, exterior elevations, exterior materials and colors, landscaping, drainage, exterior lighting, irrigation, and other features of proposed construction or other activity as the ARC deems relevant.

In reviewing each submission, the ARC may consider any factors it deems relevant, including, without limitation, harmony of the proposed design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that aesthetic determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements. The ARC shall have the discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment and such determinations are not subject to review so long as they are made in good faith and in accordance with the required procedures.

The ARC shall make a determination on each application within forty-five (45) days after receipt of a completed application and all other information the ARC requires. The ARC may permit or require that an application be submitted or considered in stages, in which case, a final decision shall not be required until forty-five (45) days after the final, required submission stage. The ARC may (i) approve the application, with or without conditions; (ii) approve a portion of the application, with or without conditions, and disapprove other portions; or (iii) disapprove the application. The ARC shall notify the applicant in writing of a final determination on any application. In the case of disapproval, the ARC shall specify the reasons for any objections and/or offer suggestions for curing any objections.

After the initial 45-day period has elapsed, if the Owner has not received notice of the ARC's determination, the Owner may make a second written request for approval of the plans previously

submitted which shall be marked "Second Request." If the ARC fails to respond within seven (7) business days from receipt of the Second Request, approval shall be deemed given. However, no approval, whether expressly granted or deemed granted, shall be inconsistent with the Architectural Guidelines or other Governing Documents unless a written variance has been granted pursuant to Section 4.6.

Notwithstanding anything to the contrary in this Declaration or the Bylaws, Owners shall send any such "Second Request" via the U. S. Postal Service, certified mail, return receipt requested, or by commercial overnight carrier that obtains a signed receipt upon delivery. A Second Request shall be deemed made, and the seven (7) business day time period shall commence running, on the date of the ARC's actual receipt of the Second Request, as evidenced by its signature on the return receipt provided by the U. S. Postal Service or in the records of the overnight carrier, as applicable.

As part of any approval, the ARC may require that construction and landscaping in accordance with approved plans commence and be completed within a specified time period. If construction does not commence within the required period, the approval shall expire and the Owner must reapply for approval before commencing any activities within the scope of this Article. Once commenced, such activities must be diligently pursued to completion. All elements of the approved plans shall be completed within one year of commencement unless a shorter or longer period is otherwise specified in the notice of approval or the Architectural Guidelines, or unless the ARC, in its discretion, grants an extension in writing. If approved work is not completed within the required time, it shall be in violation of this Article and shall be subject to enforcement action by the Association.

Any approvals granted under this Article are conditioned upon completion of all elements of the approved work, unless written approval to modify any application has been obtained.

The Board, by resolution, may exempt certain activities from the application and approval requirements of this Article, provided such activities are undertaken in strict compliance with the requirements of such resolution.

#### 4.4. Security Deposits for Improvements; Indemnification.

Any Owner desiring to make Improvements may be required by the ARC, depending upon the Improvements being requested and the manner of installation of such Improvements, to provide to the ARC, at the time of the Owner's submission of plans and specifications for review and approval by the ARC, a security deposit not to exceed Five Thousand Dollars \$5,000.00 to cover costs of incidental damage caused to Common Areas, an adjacent Home or Lot, or any other property (whether real or personal) by virtue of such Owner's construction of Improvements. The ARC shall have the sole and absolute discretion to determine whether a security deposit is required for the Improvements being requested. The ARC shall not be obligated to place the security deposit in an interest bearing account. The Owner shall be entitled to the return of the security deposit upon: (i) such Owner's written notice to the ARC that the Improvements covered by the security deposit have been completed in accordance with the plans and specifications approved by the ARC, and (ii) the ARC's (or its duly authorized representative's) inspection of such Improvements confirming completion; provided, however, should any incidental damage be caused to Common Areas by virtue of such Owner's construction of Improvements. the security deposit shall not be returned to Owner until such damages have been repaired. In the event that Owner has not repaired such damages to the Common Areas to the satisfaction of the ARC, The ARC shall have the right (but not the obligation), after five (5) days' notice to the offending Owner, to repair such incidental damage and to use so much of the security deposit held by the ARC to reimburse itself for the costs of such work. Further, the offending Owner hereby agrees to indemnify and reimburse the ARC for all reasonable costs expended by the ARC that exceed the security deposit, including Legal Fees, if any, incurred in connection therewith. Should any incidental damage be caused to an adjacent Lot or Home by virtue of such Owner's construction of Improvements, the Owner of the adjacent Lot (the "Adjacent Lot Owner") may, at such Adjacent Lot Owner's sole option: (a) remedy such damage and submit to the ARC a receipt, invoice or statement therefor for reimbursement from the offending Owner's security deposit; or (b) allow the offending Owner to repair such incidental damage to the Adjacent Lot Owner's Lot or Home, at the offending Owner's sole cost and expense, and upon receipt by the ARC of written notice from the Adjacent Lot Owner that such incidental damage has been repaired, the offending Owner shall be entitled to a return of the balance of the security deposit being held by the ARC, if any.

Notwithstanding anything contained in this Section to the contrary, the ARC's return of the security deposit being held by it for any such Improvements shall be based solely on considerations set forth above. The ARC's return of the security deposit does not and shall not be construed to constitute a determination by members and representatives of the ARC, and/or the Association of the structural safety, approval or integrity of any Improvement, conformance with building or other codes or standards, or the proper issuance of governmental permits and approvals for any Improvement. By submitting a request for review and approval of proposed plans and specifications, along with the security deposit required hereunder, an Owner shall be deemed to have automatically agreed to hold harmless and indemnify the members and representatives of the ARC, and the Association generally, from any loss, claim, damage or liability connected with or arising out of the Improvements or alterations, and/or the security deposit (including, without limitation, the disbursement thereof).

The ARC shall not be liable or responsible to anyone for any damages, losses or expenses resulting from the ARC's holding of the security deposit or disbursement thereof unless same shall be caused by the gross negligence or willful malfeasance of the ARC. In the event of any disagreement relating to the security deposit held by the ARC or the disbursement thereof, the ARC shall be entitled (but not obligated) to refuse to disburse the security deposit (or any portion thereof) as long as such disagreement may continue, and the ARC shall not become liable in any way for such refusal. The ARC shall have the right, at any time, after a dispute has arisen, to pay the security deposit (or any portion thereof) held by it into any court of competent jurisdiction for payment to the appropriate party, whereupon the ARC's obligations hereunder shall terminate and the ARC shall be automatically released of any and all obligations.

#### 4.5. No Waiver of Future Approvals.

Each Owner acknowledges that the people reviewing applications under this Article will change from time to time and that opinions on aesthetic matters, as well as interpretation and application of the Architectural Guidelines, may vary accordingly. In addition, each Owner acknowledges that it may not always be feasible to identify objectionable features until work is completed, at which time, it may or may not be unreasonable to require that such objectionable features be changed. However, the ARC may refuse to approve similar proposals in the future. Approval of applications or plans shall not constitute a waiver of the ARC's right to withhold approval of similar applications, plans, or other matters subsequently or additionally submitted for approval.

#### 4.6. Variances.

The ARC may authorize variances from compliance with the Architectural Guidelines and any procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require. No variance shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) prevent the ARC from denying a variance in other circumstances. A variance requires the Board's written consent. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the improvements for which the variance was granted.

#### 4.7. Limitation of Liability.

This Article establishes standards and procedures as a mechanism for maintaining and enhancing the overall aesthetics of the Community. The standards and procedures do not create any duty to any Person. Review and approval of any application pursuant to this Article may be based on purely aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other governmental requirements, or for ensuring that every Home is of comparable quality, value, or size, of similar design, or aesthetically pleasing or otherwise acceptable to other Owners.

The Association, its officers, the Board, the ARC, the Association's management agent, any committee, or any member of any of the foregoing shall not be held liable to anyone whatsoever for the approval of, disapproval of, or failure to approve or disapprove any plans; soil conditions, drainage, or other general site work related to approved work; any defects in plans revised or approved hereunder; any loss or damage arising out of the action, inaction, integrity, financial condition, or quality of work of any owner or their contractor or their subcontractors, employees, or agents; or any injury, damages, or loss arising out of the manner or quality or other circumstances of approved construction on or modifications to any Lot or in any other way connected with the performance of the duties hereunder unless due to the willful misconduct or bad faith. In all matters, the Association shall defend and indemnify and hold harmless the Board, the ARC, the members of each, and the Association officers as provided in the Articles.

By submitting a request for review and approval, an Owner shall be deemed to have and does automatically agree to indemnify, defend and hold harmless the Board, the ARC, the Association's management agent, any committee, or any member of any of the foregoing, from and against any and all claims, causes of action, losses, damages, liabilities, costs and expenses (including, without limitation, Legal Costs) arising from, relating to or in any way connected with the Improvement or alterations for which such request was submitted and/or the security deposit (including, without limitation, the disbursement thereof). Furthermore, approval by the ARC of any request does not excuse any Owner from also obtaining approvals from all applicable governmental authorities.

#### 4.8. Enforcement.

Any construction, alteration, improvement or other work done in violation of this Article or the Architectural Guidelines is subject to enforcement action pursuant to this Declaration. Any act of any contractor, subcontractor, agent, employee, or invitee of an Owner shall be deemed to be an act done by or on behalf of such Owner.

## ARTICLE V MAINTENANCE AND REPAIR

The responsibility for the maintenance of the Property is divided between the Association and the Owners. Interior maintenance of structures is the responsibility of the Owners of such structures. The Association may enter into agreements with others for the Association's management and/or maintenance of all or part of the property to be maintained by such entity for purposes of carrying out all or a portion of the maintenance responsibilities of such entity if the Board determines such is in the interest of the Owners. Privately owned property shall be the maintenance responsibility of the Owner thereof, unless the responsibility is assumed by another by agreement approved by the Association.

Unless otherwise specifically provided in the Governing Documents, responsibility for maintenance includes responsibility for repair and replacement. The maintenance, repair, replacement, and other obligations of the Association, and the Owners, as specified in this Declaration, shall be

performed as and when the Board determines it necessary to maintain the property to a level consistent with the Community-Wide Standard.

#### 5.1. Community-Wide Maintenance by the Association.

The Association shall perform, or cause to be performed, the following on designated Single Family Home Lots and Villa Lots. The expenses shall be Single Family Home Expenses, or Villa Expenses, as applicable.

- (a) Maintenance (including, mowing, fertilizing, edging, watering, pruning, and replacing, and controlling disease and insects) of all lawns, landscaping and irrigation system installed on the Lots as part of the initial construction, or replacements installed by an Owner which the Association has expressly stated in the applicable process that the Association would be responsible for maintenance, specifically excluding landscaping within any enclosed area not readily accessible from outside the Home or any landscaping installed at the Owner's expense after initial construction.
- (b) Operation, maintenance, repair, and replacement of any irrigation equipment (including, without limitation, any sprinklers, pumps, wells, water lines, and time clocks, wherever located) serving the Lots. The Association shall not allow any operation or alterations of sprinklers or other irrigation equipment. The Owners of Lots are prohibited from installing any additional irrigation equipment or lines on the Lot unless approved in writing by the ARC. Notwithstanding the foregoing, each Owner shall be responsible for any damage caused to any portions of the irrigation system caused by such Owner and/or such Owner's family members, tenants, guests and invitees and Owner shall indemnify, defend and hold Association harmless from and against any and all losses, claims damages and/or liabilities resulting from any such damage.
- (c) Operation, maintenance and repair of drainage swales, drainage lines, and/or other equipment on a Lot for the purpose of managing and/or containing the flow of excess surface water, if any, found upon such Lot. Maintenance, operation, and repair shall, without limitation, mean the exercise of practices, such as mowing and erosion repair, which allow the drainage swales, drainage lines, and other equipment to provide drainage, water storage, conveyance, or other storm water management capabilities as permitted by the SWFWMD. Filling, excavation, construction of fences, or otherwise obstructing the surface water flow in or into the drainage swales, drainage lines, and other equipment is prohibited. No alteration of a drainage swale, drainage lines, and other equipment shall be authorized and any damage to any drainage swale, drainage lines, and other equipment, whether caused by natural or human-induced phenomena, shall be repaired and the drainage swale returned to its former condition as soon as possible by the Owner(s) of the Lot upon which the drainage swale, drainage lines, and other equipment is located.
- (d) The Association shall, following a tropical storm, hurricane or other Act of God, coordinate with the County and/or governmental agencies, such as FEMA, to upright and/or remove any fallen or dislodged trees,-on (i) any Lot (including a Single Family Home Lot or Villa Lot), and/or (ii) any grassed areas located between the front and/or side(s) of such Owner's Lot and the street; on behalf of the Owner of such Lot.
- (e) The Association has a reasonable right of entry upon any Lot to make emergency repairs and to do other work reasonably necessary for the proper maintenance and operation of Verona Reserve.

#### 5.2. Villa Maintenance by the Association.

Notwithstanding anything in this Declaration or the other Governing Documents to the contrary,

the Association's additional maintenance obligations with respect to Villas and Villa Lots shall include the following:

- (a) Painting of the exterior surface of the walls, doors, window frames of the Villas upon such schedule as may be established from time to time by the Board and for maintaining all Common Structural Elements of the Villas, except for window washing which shall be the responsibility of each Villa Owner. The Association shall also be responsible for recaulking all windows of the Villas each time the exterior walls of the Villas are painted. In the event the Association must paint a Villa or a portion thereof due to the negligence of the Owner of such Villa, the Association shall have the right to levy an Assessment against such Owner's Villa Lot and said Assessment shall constitute a lien upon said Villa Lot with the same force and effect as a lien for Operating Expenses.
- (b) Painting of the exterior surface of garage doors for the Villas, upon such schedule as may be established from time to time by the Board, but shall not be responsible for the mechanisms associated with garages located within the Villas and shall not be responsible for any other maintenance, repair or replacement of the garages, including, without limitation, the replacement of the garage doors-
  - (c) Maintenance, repair and replacement of the roofs, fascia and soffits of the Villas.
- (d) Periodic pressure cleaning of the Villa driveways upon such schedule as may be established from time to time by the Board.
- (e) There is hereby reserved in favor of the Association the right to enter upon any and all Villa Lots for the purpose of such maintenance.
- (f) All expenses incurred by the Association in connection with the services and maintenance described in this Section 5.2 are Villa Expenses, payable by each Villa Owner under the provisions of this Declaration. Should the maintenance, repair or replacement provided for in this Section 5.2 be caused by the negligence of or misuse by an Owner, his or her family, guests, servants, invitees, or tenants, such Owner shall be responsible therefor, and the Association shall have the right to levy an Assessment against such Owner's Villa and said Assessment shall constitute a lien upon the appropriate Villa with the same force and effect as liens for Operating Expenses.
- (g) No alteration or Improvement may be made to the Villas which materially and adversely affects the rights of the Owner of any Villa Lot to the enjoyment of such Owner's Villa Lot or the Villa unless the Owner and all mortgagees holding recorded mortgages on such Villa Lot consent thereto in writing.

#### 5.3. Maintenance of Villas by Owner.

(a) Villa Owners shall maintain those portions of the Home which are not otherwise maintained by the Association. If an Owner makes any modifications, installations or additions to his or her Home or the Common Structural Elements, the Villa Owner and his or her successors in title shall be financially responsible for the insurance, maintenance, repair and replacement of the modifications, installations or additions, as well as the cost of repairing any damage to the Common Structural Elements resulting from such modifications or additions. Whenever a Villa Owner contracts for the maintenance, repair, replacement, alteration, addition or improvement of any portion of the Home or the Common Structural Elements, whether with or without the Association's approval, such Villa Owner shall be deemed to have warranted to the Association and their respective members that his or her contractor(s) are properly licensed and fully insured and that the Villa Owner will be financially responsible for any resulting damage to persons or property not paid by the contractor's insurance. The Villa Owner also agrees to comply with the requirements of Chapter 713, Florida Statutes, and to indemnify the

Association and its members from any construction liens which may attach to the Property and which are attributable to work performed by or for the benefit of the Owner. The Owner of each Villa Lot shall keep all drainage structures (such as catch basins) located on the Owner's Villa Lot clear of grass, leaves and other debris. The Owner of a Villa Lot further agrees to pay for all utilities such as telephone, cable or satellite television, water (but excluding water associated with irrigation which shall be an Operating Expense of the Association), sewer, sanitation, electric, etc., that may be separately billed or charged to each Home.

- (b) The Villa Owner shall keep the sidewalk located on his or her Villa Lot clean and free from any impediments to pedestrian traffic.
- (c) The Villa Owner shall be responsible for the maintenance, repair and replacement of any mechanisms associated with the garage located within his or her Home but shall not be responsible for painting of the exterior of the garage doors, which shall be the responsibility of the Association.
  - (d) The Villa Owner shall wash all windows located within his or her Home.
- (e) The Villa Owner of each Home shall be responsible for the maintenance, repair and replacement of all windows, window screens, patio screens and screen framing, carriage lights, hurricane shutters and hardware associated with his or her Home.
- (f) Moisture Control. In addition to the foregoing, each Villa Owner shall be required to maintain appropriate climate control, keep his or her Home clean, and take necessary measures to retard and prevent mold from accumulating in the Home. Each Villa Owner shall be required to clean and dust the Home on a regular basis and to remove visible moisture accumulation on windows, window sills, walls, floors, ceilings and other surfaces as soon as reasonably possible and must not block or cover any heating, ventilation or air-conditioning ducts. Villa Owners are required to report immediately in writing to the Board (i) any evidence of water leak or water infiltration or excessive moisture in the Home, and any other common areas; (ii) any evidence of mold that cannot be removed with a common household cleaner; (iii) any failure or malfunction in heating, ventilation or air conditioning, and (iv) any inoperable doors or windows. Each Villa Owner shall be solely responsible for damage to the Home and personal property, as well as any injury to the Villa Owner and/or occupants of the Home resulting from any of the foregoing. Each Villa Owner is fully responsible and liable for the entire amount of all cleaning expenses and remediation costs incurred to remove mold from the Home and each Villa Owner shall be responsible for the repair and remediation of all damages to the Home caused by mold.
- (g) If a Home is damaged by fire or other casualty, except for the repair of the Common Structural Elements which shall be performed by the Association, its Villa Owner shall properly and promptly restore it to at least as good a condition as it was before the casualty occurred. Any such work shall be in accordance with the original plans and specifications of the Home unless otherwise authorized by the ARC.
- (h) Each Villa Owner shall maintain insurance on the interior portions of his or her Home not insured by the Association. The Association shall maintain casualty insurance on the Common Structural Elements within each Building in which Homes are located. Each Villa Owner shall provide a certificate evidencing such insurance to the Association within ten (10) days of any written request from the Board. In addition, if the Board so requests, each Villa Owner shall file with the Association a copy of the individual policy or policies.
- (i) If a Villa Owner fails to comply with the foregoing provisions of this Section 5.2, the Association may proceed in court to enjoin compliance.

- (j) If a failure to comply with the provisions of this Section 5.2 relates to the Villa Owner's obligation to maintain the Home, or any other area required to be maintained by the Villa Owner, then, in addition to the exercise of all other remedies, the Association or Declarant shall have the right but not the obligation, upon fifteen (15) days' written notice, to enter the property of the Villa Owner for the purpose of performing the maintenance referred to, set forth and described in the notice. The determination of whether a Villa Owner is failing to properly maintain and care for the property for which he/she has the maintenance responsibility shall be determined in the sole discretion of the Board. Further, the Association shall be entitled, but not obligated, to perform such maintenance and care itself and to levy on the offending Villa Owner an Assessment or special charge equal to the cost of performing such maintenance and any such Assessment or special charge shall constitute a lien upon the applicable Home with the same force and effect as a lien for Operating Expenses.
- (k) The Association's agreement to repair the Common Structural Elements does not make the Association responsible for nor does the Association assume responsibility for any ancillary damages, such as if the Villa Owner has to vacate the Home or undamaged walls that may need to be replaced to make the repair to the Common Structural Elements.

#### (1) Damage to Buildings.

- (i) The Villa Owner which has suffered damage may apply to the Association for approval for reconstruction, rebuilding or repair of the Improvements therein.
- (ii) The Villa Owner or Owners in any damaged Building and the Association shall be obligated to proceed with all due diligence hereunder and the responsible parties shall commence reconstruction within three (3) months after the damage occurs and complete reconstruction within one (1) year after the damage occurs, unless prevented by causes beyond his or her or its reasonable control

#### 5.4. Maintenance of Single Family Home Lots by Owner.

Each Single Family Home Owner must maintain his or her Home, including all structures (a) and other improvements comprising the Single Family Home Lot, in a manner consistent with the Governing Documents, the Community-Wide Standard, and any other applicable covenants, except to the extent that such maintenance responsibility is assigned to or assumed by the Association. The Single Family Home Owner shall be responsible for any damages caused by a failure to so maintain such Home. The Single Family Home Owners' responsibility for maintenance, repair and replacement shall include, but not be limited to, all of the physical structures constructed in, upon, above or below the Single Family Home Lot, and physical items attached or connected to such structures that run beyond the boundary line of the Single Family Home Lot which exclusively service or benefit the Single Family Home Lot and Home. Without limiting the generality of the foregoing, the Single Family Home Owner shall keep all drainage structures (such as catch basins) located on the Single Family Home Lot clear of grass, leaves and other debris. Additionally, the painting, caulking and maintenance of the exterior surface of all walls (including, but not limited to any masonry walls extended from the rear of the Single Family Home), doors, windows and roof of the physical structure of the Home shall be performed by the Single Family Home Owner, and the exterior surface of such walls, doors, windows and roof shall at all times be maintained in a good and serviceable condition with no damage or other defect therein by the Single Family Home Owner. The Single Family Home Owner further agrees to pay for all utilities such as telephone, cable or satellite television, water (but excluding water associated with irrigation which shall be an Operating Expense of the Association), sewer, sanitation, electric, etc., that may be separately billed or charged to each Single Family Home. The Single Family Home Owner shall be responsible for insect and pest control within the Single Family Home and the Single Family Home Lot. Whenever the maintenance, repair and replacement of any items which an Single Family Home Owner is obligated to maintain, repair or replace at such Single Family Home Owner's own expense is occasioned by any loss

or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement, except that the Single Family Home Owner shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance or otherwise, reduce the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

Moisture Control. In addition to the foregoing, each Single Family Home Owner shall be required to maintain appropriate climate control, keep his or her Single Family Home clean, and take necessary measures to retard and prevent mold from accumulating in the Single Family Home. Each Single Family Home Owner shall be required to clean and dust the Single Family Home on a regular basis and to remove visible moisture accumulation on windows, window sills, walls, floors, ceilings and other surfaces as soon as reasonably possible and must not block or cover any heating, ventilation or airconditioning ducts. Single Family Home Owners are required to report immediately in writing to the Board (i) any evidence of water leak or water infiltration or excessive moisture in the Single Family Home, and any other common areas; (ii) any evidence of mold that cannot be removed with a common household cleaner; (iii) any failure or malfunction in heating, ventilation or air conditioning, and (iv) any inoperable doors or windows. Each Single Family Home Owner shall be solely responsible for damage to the Single Family Home and personal property, as well as any injury to the Single Family Home Owner and/or occupants of the Single Family Home resulting from any of the foregoing. Each Single Family Home Owner is fully responsible and liable for the entire amount of all cleaning expenses and remediation costs incurred to remove mold from the Single Family Home and each Single Family Home Owner shall be responsible for the repair and remediation of all damages to the Single Family Home caused by mold.

#### 5.5. Insurance on Single Family Home Lots; Casualty Losses.

Each Single Family Home Owner shall maintain property insurance providing fire and extended coverage at full replacement cost, less a reasonable deductible, on all insurable improvements located on such Single Family Home Owner's Lot, to the extent such responsibility is not assigned to or assumed by the Association pursuant to this Declaration. In addition, every Single Family Home Owner shall be obligated to obtain and maintain at all times insurance covering consequential damages to any other Lot or the Common Area due to occurrences originating within the Single Family Home Owner's Lot caused by the negligence of the Single Family Home Owner, the failure of the Single Family Home Owner to maintain the Single Family Home Lot, and any other casualty within the Single Family Home Lot which causes damage to the Lots or the Common Area, to the extent such coverage is not provided by policies maintained by the Association or to the extent insurable losses may result in the Single Family Home Owner's liability for payment of deductibles under the Association's policies.

Each Single Family Home Owner shall provide a certificate evidencing such insurance to the Association within ten (10) days of any written request from the Board. In addition, if the Board so requests, each Single Family Home Owner shall file with the Association a copy of the individual policy or policies covering his or her Single Family Home Lot. Each Single Family Home Owner shall promptly notify the Board in writing in the event such policy on his or her Single Family Home Lot is canceled. In the event that a Single Family Home Owner fails to obtain any insurance which the Single Family Home Owner is required to obtain hereunder, or permits such insurance to lapse, the Association may, but shall not be obligated to, obtain such insurance on behalf of the Single Family Home Owner and assess the costs thereof to the Single Family Home Owner and the Owner's Lot as a Benefited Assessment.

If a Single Family Home is damaged by fire or other casualty its Single Family Home Owner shall properly and promptly restore it to at least as good a condition as it was before the casualty occurred.

Any such work shall be in accordance with the original plans and specifications of the Single Family Home unless otherwise authorized by the ARC and shall be otherwise subject to all provisions of Article IV hereof.

Regardless of whether the insurance required hereunder is obtained by the Association or the Single Family Home Owners, in the event of a casualty loss, the Association shall be entitled to file a claim against such insurance for the cost of any repair or reconstruction to the Single Family Home Lot and improvements thereon which is the Association's responsibility, and the Single Family Home Owner shall pay the amount of any deductible and shall be responsible for any deficiency in the insurance proceeds. The Association shall be entitled to adjust with the insurance provider the amount of any proceeds payable to the Association and the Single Family Home Owner thereunder, based upon the amount necessary to enable the Single Family Home Owner and the Association each to repair and replace those portions of the Single Family Home Lot and improvements thereon which are their respective responsibilities.

If the Single Family Home Owner is required to obtain insurance hereunder and such insurance is insufficient, the Association shall be relieved of any obligation to maintain, repair, and replace damaged or destroyed portions of the Single Family Home Owner's Lot, to the extent of such insufficiency. Alternatively, the Association may perform required repairs, whether the responsibility of the Association or the Single Family Home Owner, and assess all costs to the Single Family Home Owner and the Single Family Home Owner's Lot as a Benefited Assessment pursuant to Section 9.6.

In the event of damage to or destruction of a structure on a Single Family Home Lot, the Owner shall promptly repair or reconstruct the structure in a manner consistent with the original construction or other plans and specifications approved in accordance with Article IV, except that if the Association has assumed responsibility for insurance coverage hereunder, the Association shall, subject to the limitations above, be responsible for repair or reconstruction of those portions of the structure on the Lot for which the Association has expressly, in writing, assumed insurance responsibility.

## ARTICLE VI THE ASSOCIATION AND ITS MEMBERS

#### 6.1. Function of Association.

The Association is the entity responsible for management, maintenance, operation, and control of the Common Areas and the Common Structural Elements. The Association also has primary responsibility for administering and enforcing the Governing Documents. The Association shall perform its functions in accordance with the Governing Documents and Florida law.

Membership in the Association is appurtenant to and may not be severed from the Lot. The rights and obligations of a Member may not be assigned or delegated except as provided in this Declaration, the Articles of Incorporation, or Bylaws of the Association, and shall automatically pass to the successor-in-interest of any Owner upon conveyance of such Owner's interest in the Lot.

#### 6.2. Membership.

The Association shall have two (2) classes of membership, Class "A," and Class "B". Class "A" Members are all Owners of Single Family Lots in Verona Reserve, and Class "B" Members are all Owners of Villa Lots in Verona Reserve.

#### 6.3. Voting.

- (a) Class "A." Class "A" Members have one (1) equal vote for each Single Family Home Lot they own, except that there is only one (1) vote per Single Family Home Lot.
- (b) Class "B." Class "B" Members have one (1) equal vote for each Villa Lot they own, except that there is only one (1) vote per Villa Lot.

Votes may be cast by Class "A" and Class "B" Members as provided in the Bylaws.

## ARTICLE VII ASSOCIATION POWERS AND RESPONSIBILITIES

#### 7.1. Acceptance and Control of Common Area

- (a) The Association may acquire, hold, mortgage or otherwise encumber, lease (as landlord or tenant), operate, and dispose of tangible and intangible personal property and real property. The Association may enter into leases, licenses, or operating agreements, for payment or no payment, as the Board deems appropriate, permitting use of portions of the Common Area by others.
- (b) Declarant transferred title to Common Areas to the Association by Quit-Claim Deed recorded in Official Records Instrument # 2015019843, 2 Pages, Public Records of Sarasota County, Florida.
- (c) The Association is responsible for management, operation, and control of the Common Area. The Board may, from time to time, adopt such reasonable rules regulating use of the Common Area as it deems appropriate.

#### 7.2. Maintenance and Alteration of Common Areas.

The Association shall maintain the Common Areas in accordance with the Community-Wide Standard. The Common Areas shall include, but are not limited to (a) the Common Area, including landscaping, irrigation system, signage, perimeter walls, fencing, structures, and other improvements located on the Common Area, as well as any private streets and entry gates serving the Community; (b) landscaping within public rights-of-way within or abutting the Community, or wetlands if not the obligation of Owners; and (c) such portions of Lots as are specifically identified as the Association's responsibility under Article V; and (d) all Ponds, streams, ditches, culverts, and/or wetlands located within the Community which serve as part of the Surface Water and Storm Water Management System, including associated improvements and equipment, but not including any such areas, improvements, or equipment maintained by the County or any other governmental or quasi-governmental body.

The Association shall maintain the littoral shelf, if any, of all Ponds, culverts, ditches, or waterways serving as part of the Surface Water and Storm Water Management system, which maintenance may include, without limitation, appropriate landscaping and plantings.

The Association may maintain other property that it does not own, including property dedicated to the public, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard and the owner of such other property consents. The Association shall not be liable for any damage or injury occurring on or arising out of the condition of property which it does not own except to the extent that it has been grossly negligent in performing its maintenance responsibilities.

The Association shall maintain the facilities and equipment within the Common Areas in continuous operation, except for any periods necessary, as the Board may determine in its discretion, to perform required maintenance, repairs, or replacement. The Association shall not undertake material alterations or substantial improvements to the Common Areas, including but not limited to a discontinuance of an original designated use, without the affirmative vote of not less than two-thirds of the voting interests of the members represented in person or by proxy at a duly noticed membership meeting at which a quorum was attained except that membership approval is not required for (1) work necessary to protect, maintain, repair, or replace the Common Areas, even if the work would otherwise constitute a material alteration or substantial addition; or (2) for material alterations or substantial improvements in the Common Areas where the expense to the Association is equal to or less than ten percent (10%) of the Association budget, including reserves, in the aggregate in any calendar year.

Unless otherwise provided in this Declaration, the costs associated with maintenance, repair, replacement, or alteration of the Common Areas shall be an Operating Expense.

The Association shall be responsible for the maintenance of the portion of the "System," as defined in the Sunrise Village Declaration of Covenants recorded in Instrument #2003248966, as modified by that certain Modification of Sunrise Village Declaration of Covenants recorded in Instrument #2004002680, as further modified by that certain Second Modification of Sunrise Village Declaration of Covenants recorded in Instrument #2007058376, as amended by that certain First Amendment to Second Modification of Sunrise Village Declaration of Covenants recorded in Instrument #2007128517, and as modified by that certain Third Modification of Sunrise Village Declaration of Covenants recorded in Instrument #2010070951, all of the Public Records of Sarasota County, Florida, located within the Community (collectively, the "Sunrise Village Declaration"). Such System consists of all ponds, ditches, pipes and parts thereof which function as part of the defined public drainage easements, all easements therefore as may exist by virtue of the Sunrise Village Declaration or other recorded instrument or plat, any utility area of the System, for, including, but not limited to, electrical, sewer and potable water facilities and amenity areas or buffers as set side in the System. The Association hereby indemnifies and holds Declarant harmless against all costs, expenses and liabilities that may arise from the failure of the Association to perform any such maintenance responsibilities.

The Association shall be responsible for its share of the maintenance and repair costs of the roadway improvements described in that certain Shared Facilities Agreement recorded in Official Records Instrument # 2016030923, 16 Pages of the Public Records of Sarasota County, Florida, which provides for an easement in favor of SF Jacaranda Commons, LP, and its successors and assigns, for ingress/egress to the retail shopping and office center located on adjacent real property.

#### 7.3. Insurance for Common Areas.

The Association shall keep all improvements, facilities, and fixtures located within the Common Areas insured against loss or damage by fire or other casualty for the full insurable replacement value thereof (with reasonable deductibles and normal exclusions for land, foundations, excavation costs and similar matters) and may obtain insurance against such other hazards and casualties as the Board may deem desirable.

(a) Required Coverages. The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect any or all of the following types of insurance, as deemed necessary or advisable in the Board's business judgment and as may be reasonably available: (i) blanket property insurance covering all insurable improvements within the Common Areas to the extent that the Association has responsibility for repair or reconstruction in the event of a casualty, regardless of ownership; (ii) commercial general liability insurance on the Common Areas of at least \$1,000,000.00 (if available at reasonable rates and upon reasonable terms) insuring against liability for bodily injury, death,

and property damage arising from the activities of the Association or with regards to Common Areas, including, if obtainable, a cross liability endorsement insuring each Member against liability to each other Member and the Association and vice versa; (iii) directors and officers liability coverage; (iv) commercial crime insurance, including fidelity insurance covering all Persons responsible for handling Association funds in an amount at least equal to three months of Assessments, plus all reserve funds; (v) to the extent any insurable improvements to Common Areas are within an "A" flood zone, flood insurance in an amount equal to the lesser of 100% of the replacement costs of all insurable improvements (if any) within the Common Areas or the maximum amount of coverage available under the National Flood Insurance Program; and (vi) such additional insurance as the Board, in its business judgment, determines advisable.

Premiums for Common Area insurance shall be an Operating Expense.

(b) Policy Requirements. The Association shall arrange for an annual review of the sufficiency of its insurance coverage by one or more qualified Persons. All Association policies shall provide for a certificate of insurance to be furnished to the Association and, upon request, to each Member insured.

To the extent obtainable at reasonable rates, the insurance policy(ies) maintained by the Association may contain provisions, or be accompanied by endorsements, for agreed amount and inflation guard, demolition costs, contingent liability from operation of building laws and increased costs of construction. All insurance policies shall contain standard mortgagee clauses, if applicable.

The policies may contain a reasonable deductible which shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of Section 7.3(a). In the event of an insured loss, the deductible shall be treated as an Operating Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity, that the loss is the result of the negligence or willful misconduct of one or more Owners, their guests, invitees, or tenants, then the Board may assess the full amount of such deductible against such Owner(s) and their Lot(s) as a Benefited Assessment.

- (c) Restoring Damaged Improvements. In the event of damage to or destruction of Common Area or other property which the Association is obligated to insure, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.
- (d) Waiver of Subrogation. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Members, and the directors, trustees, officers, shareholders, attorneys, agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said Persons, but only to the extent that insurance proceeds are received in compensation for such loss.

Damaged improvements on the Common Area shall be repaired or reconstructed unless Members representing at least 80% of the total Class "A" and Class "B" votes in the Association decide, within sixty (60) days after the loss, not to repair or reconstruct. If either the insurance proceeds or estimates of the loss, or both, are not available to the Association within such sixty (60) day period, then the period may be extended until such funds or information are available. No Mortgagees shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

If a decision is made not to restore the damaged improvements, and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

The Association shall deposit any insurance proceeds remaining after paying the costs of repair or reconstruction, or after an agreed-upon settlement, in a capital improvements account for the benefit of the Members. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Lot.

#### 7.4 Enforcement.

- (a) The Association, acting through the Board, may impose sanctions for violation of the Governing Documents, subject to the notice and hearing procedures set forth in the Bylaws, as applicable. Such sanctions may include, without limitation:
- (i) imposing reasonable monetary fines, which may accrue from the date of notice (in the event that any occupant, guest or invitee of a Lot violates the Governing Documents and a fine is imposed, the fine shall first be assessed against the violator; however, if the fine is not paid by the violator within the time period set by the Board, the Owner shall pay the fine upon notice from the Board); and
- (ii) suspending the vote attributable to the violating Owner's Lot if the Owner is more than ninety (90) days delinquent in paying any assessment or other charge owed to the Association; and
- (iii) suspending the violator's and any guest or invitee of the violator's right to use any recreational facilities within the Common Area; and
- (iv) suspending any services which the Association provides to an Owner or the Owner's Lot if the Owner is more than ninety (90) days delinquent in paying any assessment or other charge owed to the Association; and
- (v) without liability to any Person, precluding any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of Article IV and/or the Architectural Guidelines from continuing or performing any further activities in the Community; and
- (vi) levying Benefited Assessments pursuant to Section 9.5 to cover costs which the Association incurs to bring a Lot into compliance with the Governing Documents, including Legal Costs, or costs incurred as a consequence of the conduct of an Owner or occupant of a Lot, their guests or invitees.
- (b) In addition, but without limitation of the Association's other rights and remedies, the Association, acting through the Board or its designee, may take the following action to enforce the Governing Documents without the necessity of compliance with the notice and hearing procedures set forth in the Bylaws:
- (i) requiring an Owner, at its own expense, to perform maintenance on such Owner's Lot, to complete any construction or modification approved pursuant to Article IV, or to remove any structure, item or improvement on such Owner's Lot in violation of the Governing Documents and to restore the Lot to its previous condition; or

- (ii) entering the property pursuant to the easement granted in this Declaration and exercising self-help to remove or cure a violating condition, or to complete any construction or modification approved pursuant to Article IV which was begun and not completed within the required time period, upon failure of an Owner to take action as required pursuant to subsection (i) above within ten (10) days after the Board's mailing of written notice to do so, and any such entry shall not be deemed a trespass (in the event of the occurrence of the same or similar violating condition within 12 months, the Owner shall not be entitled to any notice or opportunity to cure); or
- (iii) exercising self-help in any situation (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations); and/or
- (iv) bringing suit at law or in equity to enjoin any violation or to recover monetary damages or both, subject to the procedures set forth in this Declaration, if applicable.
- (c) All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity. In any action to enforce the Governing Documents, if the Association prevails, it shall be entitled to recover all Legal Costs incurred in any such action.
- (d) The Association's decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case:
- (i) the Association's position is not strong enough to justify taking any or further action; or
- (ii) the covenant, restriction, or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; or
- (iii) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or
- (iv) it is not in the Association's best interests, considering, among other things, hardship, expense, or other reasonable criteria, to pursue enforcement action.

Such a decision shall not be construed a waiver of the right of the Association to enforce such provision at a later time under the same or other circumstances or preclude the Association from enforcing any other covenant, restriction, or rule.

- (e) The Association, by contract or other agreement, may enforce applicable governmental regulations and permit a governmental authority to enforce ordinances, rules, statutes, or laws within the Community for the benefit of the Association and its Members.
- (f) The SWFWMD, the County and the Association shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration that relate to the maintenance, operation, and repair of the Surface Water or Storm Water Management System.
- (g) The covenants, conditions, restrictions and easements herein contained shall be enforced by the Association, any Owner and any Institutional Mortgagee holding a mortgage on any portion of the Property in any judicial proceeding seeking any remedy recognizable at law or in equity, including damages, injunction or any other form of relief against any person, firm or entity violating or attempting

to violate any covenant, restriction, easement or provision hereunder. The failure by any party to enforce any such covenant, restriction, easement or provision herein contained shall in no event be deemed a waiver of such covenant, restriction, easement or provision or of the right of such party to thereafter enforce such covenant, restriction, easement or provision. The prevailing party in any such litigation shall be entitled to all costs thereof including, but not limited to, Legal Fees.

#### 7.5. Implied Rights; Board Authority.

The Association may exercise any right or privilege given to it expressly or by reasonable implication by the Governing Documents, and may take action reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents or by law, all of the Association's rights and powers may be exercised by the Board without a vote of the membership.

The Board may institute, defend, settle, or intervene on the Association's behalf in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Common Areas, enforcement of the Governing Documents, or any other civil claim or action. However, the Board has no legal duty to institute litigation on behalf of or in the name of the Association or the Members.

Notwithstanding anything contained herein to the contrary, the Association shall be required to obtain the approval of not less than two-thirds of the voting interests of the members represented in person or by proxy at a duly noticed membership meeting at which a quorum was attained prior to engaging persons or entities for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

- (a) the collection of Assessments;
- (b) the collection of other charges which Owners are obligated to pay pursuant to the Governing Documents;
- (c) the enforcement of the use and occupancy restrictions contained in the Governing Documents:
- (d) dealing with an emergency when waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to the Common Areas, any improvements or to Owner(s) (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of the Owners); or
  - (e) filing a compulsory counterclaim.

#### 7.6. Provision of Services to Lots.

The Association may provide, or provide for, services and facilities for all or any of the Members and their Lots, and may enter into contracts or agreements with other entities, to provide such services and facilities. The Board may charge use or service fees for any such services and facilities, or may include the costs in the Association's budget as a General Expense and assess it as part of the General Assessment, if provided to, or determined by the Board to be a benefit to, all Lots. By way of example, such services and facilities might include landscape maintenance, irrigation system operation/management, pest control service, security monitoring, fire protection, utilities, trash collection and recycling, and other services and facilities.

In addition, subject to the contract terms, the Board may modify or cancel existing contracts for services in its discretion, unless the services are otherwise required by the Governing Documents. Non-use of services or facilities provided to Owners as an Operating Expense, shall not exempt any Owner from the obligation to pay assessments for such services or facilities.

#### 7.7. Insurance on Villa Lots; Casualty Losses.

The Association shall maintain property and casualty insurance (including, but not limited to, windstorm) in an amount equal to the then full replacement cost, exclusive of land, foundation, excavation and other items normally excluded from such coverage, of all Common Structural Elements comprising the Villas, excluding the interior portions thereof which are the maintenance and insurance responsibility of the Owners. Notwithstanding anything herein to the contrary, the Association shall be responsible for insuring the Common Structural Elements located within the Villas as well as the drywall located within the interior portions of the Villa. Such property and casualty insurance shall afford protection against such risks, if any, as shall customarily be covered with respect to areas similar to the Villas in developments similar to Verona Reserve in construction, location and use. Premiums for insurance coverage under this Section 7.7 shall be deemed Villa Expenses.

7.8. Damage to or Destruction of all or any Portion of the Common Structural Elements.

Damage to or destruction of all or any portion of the Common Structural Elements shall, notwithstanding any provision in this Declaration to the contrary, be handled as follows:

- (a) If insurance proceeds are sufficient to effect total restoration of damaged or destroyed property and/or the Common Structural Elements (and electrical, plumbing HVAC but excluding appliances, cabinets and any personal property), then the Association shall cause such property and Common Structural Elements to be repaired and reconstructed substantially as it previously existed.
- (b) If insurance proceeds are insufficient to effect total restoration, and the cost of restoration exceeds such proceeds by Twenty-Five Thousand Dollars (\$25,000.00) or less, then the Association shall cause the property and/or the Common Structural Elements (and electrical, plumbing and HVAC but excluding appliances, cabinets and any personal property) to be repaired and reconstructed substantially as it previously existed and the difference between the insurance proceeds and the actual cost shall be levied as a Villa Special Assessment proportionately against each of the Villa Lots.
- (c) If the insurance proceeds are insufficient to effect total restoration and the cost of restoration of the property and/or the Common Structural Elements (and electrical, plumbing and HVAC but excluding appliances, cabinets and any personal property) exceeds said proceeds by over Twenty-Five Thousand Dollars (\$25,000.00), then by the written consent or vote of a majority of the voting interests of the Class B Members, they shall determine whether: (a) to rebuild and restore either: (i) in substantially the same manner as the Improvements existed prior to the damage or destruction; or (ii) in a manner less expensive, and in the event of (i) or (ii) to raise the necessary rebuilding and restoration funds by levying pro rata restoration and construction Villa Special Assessments against the Owners in the Building(s) which have been damaged; or (b) to not rebuild and to retain available insurance proceeds. In the event it is decided that the damaged or destroyed property and/or the Common Structural Elements (and electrical, plumbing HVAC but excluding appliances, cabinets and any personal property) shall not be rebuilt, the remains of any structure or structures shall be torn down and hauled away, so as not to be a safety hazard or visual nuisance, and the land shall be fully sodded and landscaped or otherwise treated in an attractive manner.
- (d) Each Owner shall be liable to the Association for any damage to the property and/or the Common Structural Elements (and electrical, plumbing and HVAC) not fully covered or collected by

insurance which may be sustained by reason of the negligence or willful misconduct of said Owner or of such Owner's family, lessees, invitees and guests, both minors and adults.

(e) In the event that the repairs and replacements were paid for by any Villa Special Assessments as well as insurance proceeds and Assessments, then, if after the completion of and payment for the repair, replacement, construction or reconstruction there shall remain any excess in the hands of the Association, it shall be presumed that the monies disbursed in payment of any repair, replacement, construction and reconstruction were first disbursed from insurance proceeds and Assessments and any remaining funds shall be deemed to be the remaining Villa Special Assessments which shall be returned to the Owners by means of a pro rata distribution in accordance with the collection of such Villa Special Assessments.

#### 7.9. Relationships with Other Properties.

The Association may enter into contractual agreements or covenants to share costs with any neighboring properties to contribute funds for, among other things, shared or mutually beneficial property or services and/or a higher level of maintenance of Common Areas.

#### 7.10. Relationship with Governmental and Tax-Exempt Organizations.

The Association may enter into agreements or contracts with, or grant exclusive and/or non-exclusive easements over the Common Area to, state or local governments, public or private utility providers, and non-profit, tax-exempt organizations for the benefit of the Community, the Association and the Members. The Association may contribute money, real property (including, without limitation, Common Area), personal property, or services to any such entity. Any such contribution may be an Operating Expense and included as a line item in the Association's annual budget.

For the purposes of this Section, a "tax-exempt organization" shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code ("Code"), such as, but not limited to, entities which are exempt from federal income taxes under Sections 501(c)(3) or 501(c)(4), as the Code may be amended from time to time.

#### 7.11. Stormwater Retention Ponds; Water Level and Use.

With respect to any Ponds now existing or which may hereafter be contained within or adjoining the Community, only the Association shall have the right to pump or otherwise remove any water from such Ponds for the purposes of irrigation or other use or to place any matter or object in such Ponds. No docks, moorings, pilings, boat shelters, or other structure shall be erected on or over the Ponds. Only the Association shall have the right to prescribe the schedule for watering of the landscaping in the Community, including the Lots, and Common Areas (subject to applicable legal requirements). No swimming, motorized boats or other motorized water vehicle or craft shall be permitted on such Ponds, except for vendors authorized to perform work by the Board. Subject to the provisions of this Declaration, the Association shall have the right and, as permitted by law, the obligation to control the growth and eradication of plants, fowl, reptiles, animals, fish, and fungi in and on such Lakes.

All Owners acknowledge that the Property is located within the boundaries of the SWFWMD. Due to ground water elevations underneath the Property, priorities established by governmental authorities and other causes outside of the reasonable control of the Association, water levels in the Ponds may rise and fall significantly due to among other things, fluctuations in ground water elevations within the surrounding areas. Accordingly, the Association has no control over such water levels and/or ground water elevations. The Association shall have no liability for aesthetic conditions, objectionable odors, damage to plantings or direct or consequential damages of any nature caused by rainfall and fluctuation of

water levels or water quality. Each Owner, by acceptance of title to a Lot, hereby releases the Association from and against any and all losses, claims, demands, liabilities, damages, costs and expenses of whatever nature or kind (including, without limitation, attorneys' fees and courts costs at trial and all appellate levels), related to, arising out of and/or resulting from water levels in the Ponds.

THE ASSOCIATION SHALL NOT BE OBLIGATED TO PROVIDE SUPERVISORY PERSONNEL, INCLUDING, BUT NOT LIMITED TO, LIFEGUARDS, FOR THE PONDS. ANY INDIVIDUAL USING THE PONDS SHALL DO SO AT HIS/HER OWN RISK AND HEREBY HOLDS THE ASSOCIATION HARMLESS FROM AND AGAINST ANY CLAIM OR LOSS ARISING FROM SUCH USE.

EACH OWNER, BY THE ACCEPTANCE OF TITLE TO A LOT, ACKNOWLEDGES THAT THE PONDS ARE DEEP AND DANGEROUS. NEITHER THE ASSOCIATION NOR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY OR WATER LEVEL OF/IN ANY POND WITHIN VERONA RESERVE, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, NONE OF THE LISTED PARTIES SHALL BE LIABLE FOR ANY PROPERTY DAMAGE, PERSONAL INJURY OR DEATH OCCURRING IN, OR OTHERWISE RELATED TO, ANY WATER BODY, ALL PERSONS USING SAME DOING SO AT THEIR OWN RISK. ALL OWNERS AND USERS OF ANY PORTION OF VERONA RESERVE SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO RELEASE THE LISTED PARTIES FROM ALL CLAIMS FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES. ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME WILDLIFE MAY HABITAT OR ENTER INTO WATER BODIES WITHIN OR NEARBY VERONA RESERVE AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT OR INSURE AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

No planting, modifications to the irrigation system, fencing or other improvements or additions by Owners within any Open Space, Stormwater Area, buffer easements or drainage easements is permitted. No installation of sand or other materials intended to simulate a beach shall be permitted along the Lake banks or within the buffer easements or drainage easements or rear yards of Pond Lots. In addition to the use of any buffer easements or drainage easements by any Owner, as described above, the buffer easements and drainage easements are for the use of the Association, the SWFWMD, the County and any other governmental agency for access to the Lakes for maintenance of the Ponds and any littoral plantings and other proper purposes. No removal or damage to littoral or wetland plantings, if any, is permitted.

An imaginary line will be extended from the side property lines at the back of each Pond Lot down to the water's edge. The area encompassed between the rear property line and the water's edge between these imaginary lines shall be defined as the "Lake Bank Zone" as to each Pond Lot.

All Pond Lot Owners are prohibited from disturbing or removing any vegetation within the Pond Bank Zone without the prior written approval of the ARC, the SWFWMD and the County. A copy of any such approvals shall be provided to the Association.

All Pond Lot Owners are prohibited from disturbing or removing any landscaping located in the rear of the Lots near the Pond Bank Zones without the prior approval of the ARC, the SWFWMD and the County.

- 7.12. Surface Water and Storm Water Management System.
- (a) Maintenance and Operation. The Association shall be responsible for the maintenance, operation, repair, and replacement of the Surface Water and Storm Water Management System, in compliance with all governmental approvals and requirements of the SWFWMD. Maintenance of the Surface Water and Storm Water Management System(s) shall mean the exercise or practices which allow the systems to provide drainage, water storage, conveyance, or other surface water or storm water management capabilities as permitted by the SWFWMD. Any repair or reconstruction of the Surface Water and Storm Water Management System shall be as permitted or, if modified, as approved by the SWFWMD and the County. Notwithstanding anything contained herein to the contrary, the Association shall maintain embankments so that grass, planting, or other lateral support shall prevent erosion of the embankment. The height, grade, and contour of such embankments shall not be changed without the prior written consent of Association, the SWFWMD and/or the County. No portion of the Surface Water and Storm Water Management System shall be altered without the prior written approval of the SWFWMD and the Sarasota County Engineer or its authorized designee.
- (b) Littoral Shelf. The stormwater Ponds contain a littoral shelf, as required by State and County regulations. The vegetation planted upon the littoral shelf filters pollutants and allows for sediment to settle, thus assuring better water quality in the Ponds, streams, and bays of the County. Perpetual maintenance of littoral shelf vegetation is a responsibility of the Association; therefore, no Person shall impact a littoral shelf (i.e., alter and/or remove littoral shelf vegetation) without prior written consent of Sarasota County's Resource Protection office.
- (c) Effect of Dissolution. In the event of the termination, dissolution, or final liquidation of the Association, the responsibility for the operation and maintenance of the Surface Water and Storm Water Management System and wetlands must be transferred to and accepted by an entity which would comply with Section 40.D, F.A.C. ("SWFWMD Rules"), and be approved by the SWFWMD prior to such termination, dissolution, or liquidation. In the event that no other entity exists to receive such transfer, the obligations of the Association shall be deemed assumed by the Owners, and all such Owners shall be jointly and severally responsible for the operation and maintenance of the Surface Water and Storm Water Management System and wetlands in accordance with the requirements of the permits.
- (d) Shared Facilities. Certain portions of the Surface Water and Storm Water Management System may serve the drainage needs of adjacent lands not within the Community. Association reserves the right to grant such drainage and/or use such easements and rights as Association may deem necessary or appropriate for accomplishing the drainage needs of the Community and/or lands owned by others provided that such agreements shall not unreasonably interfere with the use of the system by the Owners or unreasonably increase the cost of maintenance of the system by the Association.
- (e) Any amendment of this Declaration which would affect the Surface Water and Storm Water Management System or the responsibility of the Association to maintain or cause to be maintained the Surface Water and Storm Water Management System must be approved by SWFWMD.

#### ARTICLE VIII

## COVENANT TO PAY ASSESSMENTS; ESTABLISHMENT OF LIENS; COLLECTION OF ASSESSMENTS; CERTAIN RIGHTS OF INSTITUTIONAL MORTGAGEES

- Affirmative Covenant To Pay Assessments. In order to: (i) fulfill the terms, provisions, covenants, conditions, restrictions, reservations, regulations, burdens, liens and easements contained in the Governing Documents; and (ii) maintain, operate and preserve the Common Area for the use, safety, welfare and benefit of the Members and their family members, guests, invitees and tenants, there is hereby imposed upon each Lot and each Lot Owner, the affirmative covenant and obligation to pay to the Association Assessments as more fully set forth herein, which Assessments may include, but may not be limited to, the Single Family Home Assessments, Single Family Home Special Assessments, Benefited Assessments, General Assessments, General Special Assessments, Villa Assessments and Villa Special Assessments, as applicable. Each Owner, by acceptance of a deed or other instrument of conveyance conveying a Lot within the Property, whether or not it shall be so expressed in such deed or instrument, shall be obligated and agrees to pay to the Association all General Assessments and General Special Assessments in accordance with the provisions of the Governing Documents. In addition to the foregoing, each Owner of a Villa Lot shall also be obligated to pay for Villa Assessments and Villa Special Assessments, in accordance with the provisions of the Governing Documents. Notwithstanding anything to the contrary herein, Villa Assessments and Villa Special Assessments are only paid by Owners of Villa Lots. In addition to the foregoing, each Owner of a Single Family Home Lot shall also be obligated to pay for Single Family Home Assessments and Single Family Home Special Assessments, in accordance with the provisions of the Governing Documents. Notwithstanding anything to the contrary herein, Single Family Home Assessments and Single Family Home Special Assessments are only paid by Owners of Single Family Home Lots.
  - 8.2. General Expenses; Single Family Home Expenses, and Villa Expenses.
- General Expenses. The following expenses of the Association are hereby declared to be General Expenses which the Association is obligated to assess and collect, and which the Owners are obligated to pay as provided herein or as may be otherwise provided in the Governing Documents: (1) any and all taxes and tax liens which may be assessed or levied at any and all times against the Common Area, or against any and all personal property or Improvements thereon; (2) all charges levied for utilities providing services for the Common Area or to Owners on a bulk basis, such as water, gas, electricity, sanitation, sewer and any type of utility or any other type of service charge which is not separately billed to an Owner; (3) the premiums on policies of insurance including, but not limited to, liability and casualty insurance for the Common Area and directors and officers liability insurance for the officers and directors of the Association; (4) any sums necessary for the maintenance and repair of the Common Area and all Improvements located thereon; (5) administrative and operational expenses; (6) all fees and other costs of water usage relating to and the use, maintenance and repair of the irrigation system(s); (7) all sums necessary for the maintenance and repair of the Surface Water and Storm Water Management System. including, but not limited to, work within retention areas, drainage structures and drainage easements; and (8) any and all expenses deemed to be Operating Expenses by the Association and/or under this Declaration. The Board may, if it so determines, include reserves in the Association's annual budget.
- (b) Villa Expenses. Villa Expenses shall mean and include the actual and estimated expenses incurred by the Association for the benefit of the Villa Lots, which may include, but shall not be limited to the cost of maintaining, financing, insuring or repairing the Common Structural Elements and the portions of the Villa Lots for which the Association has maintenance responsibilities pursuant to this Declaration, and any and all expenses deemed to be Villa Expenses by the Association and/or under this Declaration. The Board may, if it so determines, include reserves in the Association's annual budget.

- (c) Single Family Home Expenses. Single Family Home Expenses shall mean and include the actual and estimated expenses incurred by the Association for the benefit of the Single Family Home Lots, which may include, but shall not be limited to the cost of maintaining, financing, or repairing the portions of the Single Family Home Lots for which the Association has maintenance responsibilities pursuant to this Declaration, and any and all expenses deemed to be Single Family Home Expenses by the Association and/or under this Declaration. The Board may, if it so determines, include reserves in the Association's annual budget.
- Establishment of Liens. Each Assessment against a Lot, together with Interest thereon and costs of collection, including, but not limited to, late charges and Legal Fees, shall be the personal obligation of the Owner of such Lot. Any and all Assessments made by the Association in accordance with the provisions of the Governing Documents with Interest thereon, and costs of collection, including, but not limited to, late charges and Legal Fees, are hereby declared to be a charge and continuing lien upon each Lot against which each such Assessment is made. Said lien shall be effective only from and after the time of the recordation amongst the Public Records of the County of a written, acknowledged statement by the Association setting forth the amount due to the Association as of the date the statement is signed. Upon full payment of all sums secured by that lien, the party making payment shall be entitled to a satisfaction of the statement of lien in recordable form. Notwithstanding anything to the contrary herein contained, except to the extent of any liability set forth in Chapter 720 Florida Statutes, in the event a first Mortgagee of record obtains a deed or title to a Lot as a result of foreclosure of its first mortgage or deed in lieu of foreclosure, such acquirer of a deed or title, its successors or assigns, shall not be liable for the share of Assessments pertaining to such Lot or chargeable to the former Owner thereof which became due prior to the acquisition of a deed or title as a result of the foreclosure or deed in lieu thereof, unless the Assessment against the Lot in question is secured by a claim of lien for Assessments that is recorded prior to the recordation of the mortgage which was foreclosed or with respect to which a deed in lieu of foreclosure was given.
- 8.4. Collection of Assessments. In the event any Owner shall fail to pay any Assessment, or installment thereof, charged to such Owner within fifteen (15) days after the same becomes due, then the Association, through its Board, shall have any and all of the following remedies to the extent permitted by law, which remedies are cumulative and which remedies are not in lieu of, but are in addition to, all other remedies available to the Association:
- (a) To accelerate the entire amount of any Assessment for the remainder of the calendar year notwithstanding any provisions for the payment thereof in installments.
- (b) To advance on behalf of the Owner(s) in default funds to accomplish the needs of the Association up to and including the full amount for which such Owner(s) is (are) liable to the Association and the amount or amounts of monies so advanced, together with Interest and all costs of collection thereof, including, but not limited to, Legal Fees, may thereupon be collected by the Association from the Owner(s) and such advance by the Association shall not waive the default.
- (c) After providing the Owner with forty-five (45) days written notice of intent to file a lien, the Association may record in the Public Records of Sarasota County, Florida, a claim of lien setting forth amounts claimed due the Association. In the event the amounts due are not paid in full after filing the claim of lien, after providing the Owner with a forty-five (45) day written notice of intent to foreclose, said lien may be enforced by the Association by foreclosure suit in the name of the Association in like manner as a foreclosure of a mortgage on real property, or as otherwise provided in law or equity.
- (d) To file an action at law to collect said Assessment plus Interest and all costs of collection thereof, including, but not limited to, late charges, Legal Fees, without waiving any lien rights or rights of foreclosure in the Association.

- (e) To charge Interest on such Assessment from the date it becomes due, as well as a late charge not to exceed the greater of Twenty-Five and No/100 (\$25.00) Dollars or Five percent (5%) of the amount of each installment that is paid after the due date, or such larger amount permitted from time to time by the Homeowners' Association Act, to defray additional collection costs.
- (f) To suspend the use rights of the Owner(s) in default to the Common Area, subject to the notice and hearing provisions in the Bylaws.
- (g) To suspend the right of the Owner(s) in default to vote on any matter on which Owners have the right to vote if such Owner is delinquent in payment of assessments for more than ninety (90) days.
- (h) Other Collection Remedies. To the extent provided in the Homeowners' Association Act, the Association shall have the authority to pursue other collection remedies, including but not limited to recovery of assessments and other unpaid financial obligations from any tenant occupying a Home owned by a delinquent owner.

# ARTICLE IX METHOD OF DETERMINING ASSESSMENTS AND ALLOCATION OF ASSESSMENTS

#### 9.1. Determining Amount of Assessments.

The total anticipated Operating Expenses for each calendar year shall be set forth in the budget ("Budget") prepared by the Board as required under the Governing Documents. The Budget shall also include separate sections setting forth the anticipated Single Family Home Lot Expenses and Villa Expenses for the given calendar year. Each Lot shall be assessed its pro rata portion of the total anticipated General Expenses, which shall be the "General Assessment" as to each Lot. In addition, each Villa Lot shall be assessed its pro rata portion of the total anticipated Villa Expenses, which shall be the "Villa Assessment" as to each Villa Lot and each Single Family Home Lot shall be assessed its pro rata portion of the total anticipated Single Family Home Expenses. Notwithstanding anything to the contrary herein, Villa Assessments and Villa Special Assessments are only paid by Owners of Villa Lots and Single Family Home Assessments and Single Family Home Special Assessments are only paid by Owners of Single Family Homes. General Expenses shall be divided by the number of Homes. Villa Expenses applicable to and for the sole benefit of Villas shall be divided by the number of Villas. Single Family Home Expenses applicable to and for the sole benefit of Single Family Homes, shall be divided by the number of Single Family Homes.

## 9.2. Assessment Payments.

General Assessments, Single Family Home Assessments and Villa Assessments shall be payable quarterly, in advance, on the first day of January, April, July and October of each year, provided, however, at the Association's option, these Individual Lot Assessments may be payable monthly. All Individual Lot Assessments and the quarterly or monthly installments thereof, may be adjusted from time to time by the Board to reflect changes in the Budget or in the event the Board determines that an Assessment or any installment thereof is either less than or more than the amount actually required. Any payments made to the Association by or on behalf of any Owner shall first be applied towards any sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens or encumbrances which may have been advanced by the Association in order to preserve and protect its lien; next toward reasonable attorneys' fees incurred by the Association incidental to the collection of Assessments and other monies owed to the Association by the owner and/or for the enforcement of its

lien; next towards late charges; next towards interest on any Assessments or other monies due to the Association as provided herein; and next towards any unpaid Assessments owed to the Association, in the inverse order that such Assessments were due.

# 9.3. General Special Assessments; Single Family Home Special Assessments, and Villa Special Assessments.

General Special Assessments" include, in addition to other Assessments designated as Special Assessments in the Governing Documents and whether or not for a cost or expense which is included within the definition of "Operating Expenses," those Assessments which are levied to meet unusual, unexpected, unbudgeted, or non-recurring expenses. In addition, General Special Assessments (and Single Family Home Special Assessments and Villa Special Assessments, as applicable) may be levied against particular Lots and/or Owners to the exclusion of others. Notwithstanding anything to the contrary herein contained, it is recognized and declared that General Special Assessments (and Single Family Home Special Assessments and Villa Special Assessments, where applicable) shall be in addition to, and are not part of, any General Assessment, Single Family Home Assessment or Villa Assessment. Any General Special Assessments (and Single Family Home Special Assessments and Villa Special Assessment, where applicable) assessed against Lots and the Owners thereof shall be paid by such Owners in addition to any other Assessments and shall be assessed in the same manner as the General Assessment (and/or Single Family Home Special Assessments and Villa Assessment, where applicable). General Special Assessments (and Single Family Home Special Assessments and Villa Assessments, where applicable) shall be paid in such installments or in a lump sum as the Board shall, from time to time, determine. Notwithstanding the foregoing, the levying of any General Special Assessment shall require the affirmative assent of at least two-thirds (2/3) of all Members represented in person or by proxy at a meeting called and held in accordance with the Bylaws, however, and notwithstanding anything in this Declaration to the contrary, the Board acting alone and without the consent of Members may levy General Special Assessments for the following: (a) repair, reconstruction, or replacement of damaged or destroyed Improvements previously existing on Common Area (including, without limitation, landscaping), (b) capital improvements necessary or desirable for the sole purpose of preservation of, or prevention of damage to, Common Area, or (c) uprighting or removing any fallen or dislodged trees as set forth in Section 5.1.(d) above; which shall not require such affirmative assent of at least two-thirds (2/3) of the Members. The levying of Single Family Home Special Assessments shall require the affirmative assent of at least two-thirds (2/3) of all Class "A" Members represented in person or by proxy at a meeting called and held in accordance with the Bylaws. The levying of Villa Special Assessments shall require the affirmative assent of at least two-thirds (2/3) of all Class "B" Members represented in person or by proxy at a meeting called and held in accordance with the Bylaws, however, and notwithstanding anything in this Declaration to the contrary, the Board acting alone and without the consent of the Class "B" Members may levy a Villa Special Assessment for the following: (a) repair, reconstruction, or replacement of damages or destroyed Common Structural Elements previously existing on Villa Lots; (b) capital improvements necessary or desirable for the sole purpose of preservation of, or prevention of damage to Common Structural Elements, or (c) to obtain funds to cover insurance deductibles in the event of a casualty loss applicable to the Villas or Common Structural Elements.

#### 9.4. Liability of Owners of General Assessments.

By the acceptance of a deed or other instrument of conveyance of a Lot in the Property, each Owner thereof acknowledges that each Lot and the Owners thereof are jointly and severally liable for their own General Assessments and their applicable portion of any Special Assessments, as well as for any and all other Assessments for which they are liable, as provided for herein. In addition, each Villa Owner further acknowledges that such Villa Lot and the Owners thereof are jointly and severally liable for their own Villa Assessments and their applicable portion of Villa Special Assessments, and each Single Family Home Owner further acknowledges that such Single Family Home Lot and the Owners

thereof are jointly and severally liable for their own Single Family Home Assessments and their applicable portion of Single Family Home Special Assessments. Such Owners further recognize and covenant that they are jointly and severally liable with the Owners of all Lots for the General Expenses and, in addition, such Villa Owners recognize and covenant that they are jointly and severally liable with the Villa Owners of all Villa Lots for the Villa Expenses and such Single Family Home Owners recognize and covenant that they are jointly and severally liable with the Single Family Home Owners of all Single Family Home Lots for the Single Family Home Expenses (subject to any specific limitations provided for herein such as, but not limited to, the limitation with respect to matters of Special Assessment and the limitations on the liability of Institutional Mortgagees and their successors and assigns). Accordingly, subject to such specific limitations, it is recognized and agreed by each Owner, for such Owner and such Owner's heirs, executors, successors and assigns, that in the event any Owner fails or refuses to pay such Owner's General Assessment or any portion thereof, or such Owner's respective portion of any General Special Assessment or any other Assessment (including, without limitation, Villa Assessments and Villa Special Assessments or Single Family Home Assessments and Single Family Home Special Assessments ), then the other Owners may be responsible for increased General Assessments or General Special Assessments or other Assessments due to the nonpayment by such other Owner, and such increased General Assessment or General Special Assessment or other Assessment can and may be enforced by the Association in the same manner as all other Assessments hereunder as provided in the Governing Documents.

Except as provided in Section 8.3 of this Declaration, whenever title to a Lot or Villa Lot is transferred for any reason, the Owner is jointly and severally liable with the previous Owner for all unpaid Assessments that came due up to the time of transfer of title, without prejudice to any right the Owner may have to recover from the previous Owner for any amounts paid by the Owner. As provided in the Homeowners' Association Act, for purposes of the forgoing, the Association is not included within the definition of a "previous owner" in the event it acquires title to a Lot by foreclosure or by deed in lieu of foreclosure.

#### 9.5. Benefited Assessments.

The Association may levy Benefited Assessments against one or more particular Lots as follows:

- (a) to cover the costs, including, without limitation, overhead and administrative costs, of providing services to a Lot upon request of the Owner pursuant to any menu of special services which the Association may offer (which might include the items identified in Section 7.6). Benefited Assessments for special services may be levied in advance of the provision of the requested service;
- (b) to cover costs incurred in bringing a Lot into compliance with the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, their agents, contractors, employees, licensees, invitees, or guests, including, without limitation, Legal Costs, subject to the limitations of Section 7.4, as applicable;

#### 9.6. Budgeting for Reserves.

The Board shall prepare and periodically review separate reserve budgets for the Common Area for which the Association maintains capital items which take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost of capital items under each budget. The Board may include in the Operating Expense budget adopted pursuant to Section 9.1 a capital contribution to fund reserves in an amount which the Board, in the exercise of its business judgment, deems sufficient to meet the projected needs under each budget with respect to both amount and timing by annual contributions over the budget period. The Board may also include reserve funding in its budgeting for Single Family Home Expenses and Villa Expenses.

Reserve funds, if collected, shall be held in a separate account or accounts from the operating and other funds of the Association.

The reserve funds held in each account may be expended only for maintenance, repair, or replacement of those assets covered by the pooled reserve budget pursuant to which they were collected.

#### 9.7. Waiver of Use.

No Owner may exempt himself from personal liability for Assessments duly levied by the Association. No Owner may release the Lot owned by such Owner from the liens and charges hereof either by waiver of the use and enjoyment of the Common Area and the facilities thereon or by abandonment of such Owner's Home.

#### 9.8. Estoppel Certificates.

Within ten business (10) days after request by an Owner, purchaser or mortgagee, the Association shall provide a certificate stating whether all Assessments and other monies owed to the Association by the Owner with respect to the Lot have been paid. The Association may charge a reasonable fee for the preparation of the certificate, which fee must be stated in the certificate. The authority for the fee must be established in written resolution adopted by Board or in a written management contract.

## ARTICLE X DEVELOPMENT PLAN

#### 10.1. Verona Reserve.

Verona Reserve is a planned community comprised of Single Family Lots, Villas, and the property encompassing the Common Area, as more particularly defined by this Declaration.

#### 10.2. Common Area.

The Common Area within Verona Reserve shall consist of: (a) the property indicated on the Plat as Common Areas or as property reserved for or dedicated to the Association, and (b) any other property designated as Common Areas in this Declaration.

#### 10.2.1. Entranceway(s) and Entry Gate(s).

Verona Reserve includes entry gate(s). Such entranceway(s) and/or entry gate(s) shall be deemed as part of the Common Area, which shall be owned, maintained, repaired or replaced by the Association and the expense thereof shall be included as a Common Expense. All other portions of the entranceway(s) shall also be owned and maintained by the Association. The Association makes no representations whatsoever as to the security of the premises or the effectiveness of any entry gate(s). All Owners agree to hold the Association harmless from any loss or claim arising within Verona Reserve from the occurrence of a crime or other act. The Owners acknowledge that the entry gate(s) are designed to provide limited access control and to deter crime, not prevent it. No Owner shall do any act which may interfere with the performance by the Association of its obligations hereunder or to interfere with access to through the entranceway(s) and entry gate(s).

The Owners acknowledge that the entry gate(s) are designed to deter crime, not prevent it. IN THAT REGARD, THE ASSOCIATION MAKES NO REPRESENTATIONS WHATSOEVER AS TO THE SECURITY OF THE PREMISES OR THE EFFECTIVENESS OF ANY ENTRY GATE(S),

MONITORING SYSTEM OR SECURITY SERVICE WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE. ALL OWNERS, BY ACCEPTANCE OF A DEED OR TITLE TO A LOT, AGREE TO HOLD THE ASSOCIATION HARMLESS FROM ANY LOSS OR CLAIM ARISING FROM THE OCCURRENCE OF ANY CRIME OR OTHER ACT. THE ASSOCIATION SHALL NOT IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY OR SAFETY WITHIN THE PROPERTY, AND THE ASSOCIATION NOT **GUARANTEE** OR WARRANT, EXPRESSLY OR IMPLIEDLY. MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH MONITORING SYSTEM OR SECURITY SERVICE, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS, FIRES, DAMAGE, INJURY, DEATH OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME. THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN, IF ANY, EVEN IF CAUSED BY THE NEGLIGENCE OF THE ASSOCIATION. ALL MEMBERS, OWNERS AND OCCUPANTS OF ANY LOT OR HOME, AND TENANTS, GUESTS, AND INVITEES OF ANY OWNER ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD, DO NOT REPRESENT OR WARRANT THAT: (a) ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE), IF ANY, RECOMMENDED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE ARCHITECTURAL REVIEW COMMITTEE MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR (b) THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEM (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE) WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH MEMBER, OWNER AND OCCUPANT OF ANY LOT OR HOME, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD AND THE ARCHITECTURAL REVIEW COMMITTEE ARE NOT INSURERS OR GUARANTORS AND THAT EACH MEMBER, OWNER AND OCCUPANT OF ANY LOT OR HOME, AND EACH TENANT, GUEST AND INVITEE OF ANY MEMBER OR OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS OR HOMES, AND TO THE CONTENTS OF LOTS OR HOMES AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD AND THE ARCHITECTURAL REVIEW COMMITTEE HAVE MADE NO REPRESENTATIONS, WARRANTIES AND/OR GUARANTIES, NOR HAS ANY OWNER, MEMBER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS (WHETHER SAME ARE PROVIDED THROUGH THE COMMUNITY SYSTEMS OR OTHERWISE) RECOMMENDED OR INSTALLED, IF ANY, OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

#### 10.2.2. Roadways.

The "Roadways" are those portions of Verona Reserve designated on the Plats as a "Private R.O.W.," and which are reserved for or dedicated to the Association, and includes the entranceway and entry features but specifically excluding any street or roadway dedicated to the public on the Plats. Notwithstanding anything to the contrary on the Plats, the Roadways shall be used as private roads by the Association and the Owners, their family members, guests, lessees and invitees in accordance with the provisions of this Declaration, except for the approximately 300' portion of Portopalo Drive which is referenced in Section 7.2 hereof as subject to a Shared Facilities Agreement in favor of the neighboring commercial parcel known as Jacaranda Commons. The Roadways shall be

maintained, administered and owned by the Association. The landscaping features within the Roadways shall be maintained, administered and owned by the Association.

#### 10.2.3. Ponds.

The "Ponds" are those portions of Verona Reserve designated as "Open Space, Stormwater Area" on the Plats and include Tracts "A," "C," "G," "I," "K," "L" and "N," and shall always be kept and maintained as Ponds for water retention, drainage, irrigation and water management purposes in compliance with all applicable governmental and water management district requirements. The Ponds shall be part of the Common Areas and shall be maintained, administered, operated and ultimately owned by the Association. In furtherance of the foregoing, the Association, the SWFWMD and the County has an easement throughout all portions of Verona Reserve as may be necessary for the purpose of accessing, maintaining and administering the Ponds, and no Owner shall do any act which may interfere with the performance by the Association, the SWFWMD and the County of its obligations hereunder.

#### 10.2.4. Recreation Tracts.

Verona Reserve contains two (2) recreation areas which are designated as Tracts "L" and "O," Recreation, Open Space, Stormwater Area on the Plats (the "Recreation Tracts"). The Recreation Tracts and any Improvements constructed thereon shall be part of the Common Area and shall be used for recreational purposes by the Association, and the Owners and their family members, guests, invitees and tenants. The Recreation Tracts shall be kept and maintained by the Association for recreational uses or beautification and attendant uses (e.g., parking spaces within the Recreation Tracts shall be used for proper purposes by those using the recreational facilities but only while using such facilities), and shall be used for such purposes and not for residential, commercial or industrial construction of any kind. The Recreation Tracts shall be maintained, administered, operated and owned by the Association.

#### 10.2.5 Open Space.

The "Open Space" areas are those portions of the Property designated on the Plats as "Open Space," which include Tracts "A," "C," "D," "G," "I," "K," "L," "M," "N" and "O" and are to be used, kept and maintained as such by the Association, and the Owners within Verona Reserve, their family members, guests, invitees and tenants, in accordance with the provisions of this Declaration. The Open Space areas shall be owned by the Association, and shall be maintained, administered and operated by the Association in accordance with the provisions of this Declaration and the requirements of the appropriate governmental agencies. The Association has an easement throughout all portions of Verona Reserve as may be necessary for the purpose of accessing, maintaining and administering the Open Space areas, and no Owner shall do any act which may interfere with the performance by the Association of its obligations hereunder. No Owner may install landscaping, modify the irrigation system or any other improvements in the Open Space areas.

10.2.6. Surface Water and Storm Water Management System and Preservation Areas and Easements.

The Surface Water and Storm Water Management System is part of the overall drainage plan for Verona Reserve. Preservation Areas and easements encumbering all or part of the Common Area, and/or portions of the Property conveyed to Owners to preserve the natural condition of wetlands, uplands or buffer areas were designated on the Plats as Tracts "B," "E," "H" and "J." The Association shall have unobstructed ingress to and egress from all retention/detention ponds and Ponds as well as all Preservation Areas at all reasonable times to operate and maintain said ponds, Lakes and Preservation Areas in a manner consistent with its responsibilities. No Owner shall cause or permit any interference with such access and maintenance. No Owner shall utilize, in any way, any of the Verona Reserve

Surface Water and Storm Water Management System or incorporate such facilities in the Owner's development plans, without the express prior written consent of the Association, or as expressly authorized by this Declaration. The Association shall be responsible for the maintenance of the native habitat Preservation Areas and in existing or restored condition in accordance with the approved resource management plan and the County's Land Development Regulations.

The Association shall operate and maintain, as part of the Common Area, the Surface Water and Storm Water Management System for the Property, and comply with conditions of the SWFWMD Permit for the Surface Water and Storm Water Management System, including, without limitation, perpetual maintenance of all signage required by the SWFWMD Permit. The conditions of the SWFWMD Permit includes monitoring and record keeping schedules and maintenance.

Water quality data for the water discharged from the Property or into the surface waters of the State may be submitted to SWFWMD if required by SWFWMD. Parameters to be monitored may include those listed in Chapter 17-3 of the Florida Administrative Code. Analyses shall be performed according to procedures outlined in the current edition of Standard Methods for the Examination of Water and Wastewater by American Public Health Association of Methods for Chemical Analyses of Water and Wastes by the U.S. Environmental Protection Agency. If water quality data are required, the Association shall provide data as required on volume of water discharged, including total volume discharged during the days of sampling and total monthly discharge from the Property or into surface waters of the state.

The Association agrees to operate and maintain the system and has sufficient ownership so that it has control over all water management facilities authorized.

The Association shall hold and save SWFWMD harmless from any and all damages, claims, or liabilities which may arise by reason of the operation, maintenance or use of any facility authorized by the permit.

The Association shall at all times properly operate and maintain the systems of treatment and control (and related appurtenances) that are installed or used to achieve compliance with conditions of the permit, as required by SWFWMD. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by SWFWMD rules.

The Association specifically agrees to allow authorized SWFWMD personnel, upon presentation of credentials or other documents as may be required by law, access to the Property, at reasonable times, where the permitted activity is located or conducted; for the purposes of inspection and testing to determine compliance with the permit and SWFWMD regulations, such as:

- (a) Having access to and copying any records that must be kept under the conditions of the permit; and
- (b) Inspecting the facility, equipment, practices, or operations regulated or required under the permit; and
- (c) Sampling or monitoring any substances or parameters at any location reasonably necessary to assure compliance with the permit or SWFWMD rules; and
  - (d) Gathering of data and information.

Reasonable time may depend on the nature of the concern being investigated.

Establishment and survival of littoral areas provided for storm water quality treatment in wet detention systems shall be assured by proper and continuing maintenance procedures designed to promote viable wetlands plant growth of natural diversity and character. Following as-built approval, perpetual maintenance shall be provided for the permitted system.

The Association shall submit inspection reports in the form required by SWFWMD, in accordance with the permit issued by SWFWMD.

It shall be the responsibility of each Owner within the Property at the time of construction of a building, residence, or structure, to comply with the construction plans for the Surface Water and Storm Water Management System pursuant to the SWFWMD Rules, approved and on file with SWFWMD.

Owners are hereby notified that certain Property may be adjacent to wet detention ponds, jurisdictional wetlands, designated mitigation areas or designated Preservation Areas. It is the Owner's and Association's responsibility not to remove native vegetation that becomes established within the wet detention ponds, jurisdictional wetlands, designated mitigation areas or designated Preservation Areas abutting the Owner's Lot. Removal includes dredging, the application of herbicide and cutting. Owners and the Association should address any question regarding authorized activities within detention ponds, jurisdictional wetlands, designated mitigation areas or designated Preservation Areas to SWFWMD, Surface Water Permitting Department. SWFWMD may authorize removal of certain exotic or nuisance vegetation upon application by the Owners or the Association.

No Owner of a Lot within the Property may construct or maintain any building, residence, or structure, or undertake or perform any activity in the wet detention ponds, jurisdictional wetlands, designated mitigation areas or designated Preservation Areas described in the approved permit and recorded Plats of the Property, unless prior approval is received from the SWFWMD, the Association, and the County, if required.

The District has the right to take enforcement action, including a civil action for an injunction and penalties, against the Association to compel it to correct any outstanding problems with the Surface Water and Storm Water Management System facilities or in mitigation or Preservation Areas under the responsibility or control of the Association.

The Surface Water and Storm Water Management System is designed to provide drainage for the Property. The Association shall not have any liability whatsoever to any Owner for claims or damages alleged by an Owner due to water levels in the Ponds being below normal or otherwise unacceptable to the Owner. Aesthetic appearance of the Ponds is secondary to their intended drainage function, and during periods of prolonged drought or other unusual weather events water levels in the Ponds may recede, and the Association shall have no liability for such conditions.

## ARTICLE XI EASEMENTS

#### 11.1. Easements in Common Area.

Each Owner has a right and easement of use, access, and enjoyment in and to the Common Area, subject to:

- (a) The Governing Documents and any other applicable covenants;
- (b) The Board's right to:

- (i) adopt rules regulating Common Area use, including, without limitation, rules limiting the number of guests who may use the Common Area, and charge use fees for such use;
- (ii) suspend the right of an Owner and its guests and invitees to use any Common Area amenity (A) for any period during which any assessment or other charge against the Owner's Lot remains delinquent in excess of ninety (90) days, and (B) for a period not to exceed thirty (30) days for a single violation, or for a longer period in the case of any continuing violation, of the Governing Documents;
- (iii) dedicate or transfer all or any part of the Common Area, subject to any approval requirements set forth in this Declaration;
- (iv) mortgage, pledge, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred.

Any Owner may extend his or her right to use the Common Area to the members of his or her family, tenants, and social invitees, as applicable, subject to reasonable Board regulation. An Owner who leases his or her Home in accordance with this Declaration shall be deemed to have assigned all such rights to the tenants of such Home for the lease term and shall not have any right to utilize the Common Area during such term, except as necessary to access the Lot.

#### 11.2. Easements of Encroachment.

Easements for encroachment, and for maintenance and use of any permitted encroachment, shall exist between each Lot and any adjacent Common Area and between adjacent Lots. Such easement shall permit encroachment only by a structure or fixture (i) which has been built in accordance with this Declaration, and (ii) which is unintentionally constructed on another's property. An encroachment easement shall not exist if the encroachment results from willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

#### 11.3. Easements for Utilities, Etc.

(a) Installation and Maintenance. Association reserves non-exclusive easements throughout the Community (but not through a structure) to: (i) install utilities and infrastructure to serve the Community, including, without limitation, water, sewer, telephone, electric, gas, irrigation, cable and other systems for sending and receiving data and/or other electronic signals, drainage structures, facilities and systems, and security and similar systems and other Community Systems; (ii) install walkways, pathways and trails, curb cuts, driveways and paved areas, street lights, and signage on property which or the Association owns or within public rights-of-way or easements reserved for such purpose on a Plats; (iii) inspect, maintain, repair, and replace the utilities, infrastructure, and other improvements described above; (iv) access and read utility meters; and (v) for any other purpose in Association's sole discretion. The right, license, or easement granted to a utility supplier shall include the non-exclusive right to ingress and egress over any streets for access and maintenance of its equipment and facilities.

Association reserves the right to deny access to any utility or service provider, to the extent permitted by law, or to condition such access on negotiated terms.

(b) Interference. All work associated with the exercise of the easements described in this Section shall be performed in such a manner as to minimize, to the extent practicable, interference with the use and enjoyment of the property burdened by the easement. Upon completion of the work, the Person exercising the easement shall restore the property, to the extent reasonably practical, to the

condition existing prior to the work. The exercise of these easements shall not extend to permitting entry into the structures on any Lot, nor shall it unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant pursuant to Section 11.4 below.

#### 11.4. Easements for Maintenance, Emergency, and Enforcement.

The Association shall have easements over the Community as necessary for the Association to fulfill its maintenance responsibilities under this Declaration. The Association shall also have an easement and the right, but not the obligation, to enter upon any Lot for emergency, security, and safety reasons, to perform maintenance and to inspect for the purpose of ensuring compliance with and enforcing the Governing Documents. Such easement and right may be exercised by the Association through its officers, directors, committee members, employees, contractors, or agents in their capacities as such and by all emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours. The exercise of the Association's rights of access to the Home shall be accomplished by providing the Owner with fourteen (14) days' notice of the Association's exercise of its right of entry, with due respect for the rights of occupants to privacy and freedom from unreasonable annoyance, as well as with appropriate precautions to protect the personal property within the Home. The Association must then provide the Owner with a second notice seven (7) days prior to such entry by the Association. In the event of an emergency, whenever possible and prudent to the circumstances, 24 hour notification shall be delivered to the Owner prior to the Association entering the Home.

The Association, subject to any required notice, shall have an easement and right to enter a Lot to abate a Governing Document violation and/or to remove any structure, thing, or condition that violates the Governing Documents. Any costs incurred, including Legal Costs, shall be assessed against the Lot Owner as a Benefited Assessment.

#### 11.5. Easements for Maintenance of Bodies of Water and Flooding.

The Association, the SWFWMD, and the County and their successors, assigns, and designees, shall have the nonexclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within the Common Areas and the Community to (a) install, operate, maintain, repair, and replace pumps and other equipment to supply irrigation water to the Common Areas; (b) construct, maintain, repair, and replace structures and equipment used for retaining, detaining, and otherwise controlling water; and (c) maintain such areas in a manner consistent with the Community-Wide Standard and applicable legal requirements. The Association, the SWFWMD, and the County, and their successors, assigns, and designees shall have an access easement over and across any portion of the Community which abuts or contains bodies of water or wetlands to the extent reasonably necessary to exercise their rights under this Section.

The Association, and its successors, assigns and designees, shall have a perpetual, nonexclusive right and easement of access and encroachment over the Common Area and Lots (but not inside a Home or other structure) adjacent to or within fifty feet (50') of bodies of water and wetlands within the Community, in order to (a) temporarily flood and back water upon and maintain water over such portions of the Community; (b) alter in any manner and generally maintain the bodies of water and wetlands within the Common Areas; and (c) maintain and landscape the slopes and banks pertaining to such areas.

Anyone exercising these easements shall use reasonable care in and repair any damage resulting from their intentional exercise of the easements. Nothing herein shall be construed to make Association or any other Person liable for damage resulting from flooding due to natural occurrences or for other occurrences not reasonably foreseeable or under the control of Association or such other Person.

#### 11.6. Easements for Cross-Drainage.

All portions of the Community shall be burdened with easements for drainage of storm water runoff from other portions of the Community; however, no Person other than Association shall alter the drainage on any Lot to increase materially the drainage of storm water onto adjacent portions of the Community without the consent of the Owner(s) of the affected property, the SWFWMD, and the County.

### 11.7. Easement for Maintenance of Surface Water and Storm Water Management System.

The Association, the SWFWMD and the County shall have a perpetual, non-exclusive easement over all portions of the Surface Water and Storm Water Management System for access to operate, maintain, repair, or replace the system. By this easement, the Association shall have the right to enter upon any portion of any Lot and the Common Area which is a part of or adjacent to the Surface Water and Storm Water Management System, at a reasonable time and in a reasonable manner, to operate, maintain, repair, or replace the system as the SWFWMD or the County or any governmental agency or quasi-governmental body requires or permits. Additionally, the Association, the SWFWMD and the County shall have a perpetual, non-exclusive easement for drainage over the entire Surface Water and Storm Water Management System, and the owner of the pumps, pipes, and other apparatus comprising the system shall have an easement of access and maintenance as necessary for the operation, maintenance, repair, and replacement of such equipment.

#### 11.8. Sign Easement.

The Association shall have an easement (herein referred to as the "Sign Easement") over, upon, and across all areas for erection, installation, operation, maintenance, repair, and replacement of Community signs, walls, monuments, fencing, decorative improvements, and other entry features, together with landscaping, lighting, utility, and irrigation facilities. No Owner shall obstruct access to the Sign Easement, or install or remove any plant or other improvement or installation placed in the Sign Easement by the beneficiaries thereof, or obstruct the view of the Sign Easement from the adjacent street right-of-way. All Community signs, walls, monuments, entry features, landscaping, utility, irrigation and other permanent improvements installed in the Sign Easement are Common Area, and the Association shall maintain such Sign Easement and the improvements therein as part of the Common Area.

#### 11.9. Easement for Irrigation Equipment.

The Association shall have a perpetual, non-exclusive easement over, under and through all exterior portions of each Lot, except any area upon which buildings have been erected in accordance with Article IV, for the purpose of installing, maintaining, repairing, replacing and operating all irrigation equipment, systems and lines serving all or any portion of the Lots and/or Common Area.

#### 11.10. Private Roadways.

- (a) With regard to construction on any of the Lots by the Owners thereof, the contractors, subcontractors, laborers, materialmen, and other Persons providing construction services and materials to any such Lots shall have access to such Lots over the Roadways subject to such rules as the Association may adopt.
- (b) A perpetual, nonexclusive easement for access, ingress, and egress over the Roadways shall exist for law enforcement, firefighting, paramedic, rescue, and other emergency vehicles, equipment, and personnel; for school buses; for U.S. Postal Service delivery vehicles and personnel; for utilities (water, wastewater, etc.) and for vehicles, equipment, and personnel providing garbage collection service

to the Community provided that such easement shall not authorize any such Persons to enter the Community except while acting in their official capacities.

The existence of this easement shall not preclude the Association from maintaining gates or other devices or systems designed to limit general vehicular access to the Community, provided that the Association at all times maintains systems and/or procedures to permit the uncontested entry of Persons authorized to exercise the easements granted in this subsection without unreasonable interference or delay.

#### 11.11. Structural Cross Easements.

Cross easements of support and use over, upon, across, under, through and into the Common Structural Elements are hereby granted in favor of the Association and the Villa Owners and their designees for the continued use, benefit and enjoyment and continued support, service, maintenance, repair and design of all Villas and Common Structural Elements within any portion of the Property.

# ARTICLE XII NATURAL CONDITIONS AND PRESERVATION AREAS

#### 12.1. Natural Conditions.

- (a) The Community contains a number of manmade, natural, and environmentally sensitive areas that may serve as habitats for a variety of native plants and wildlife, including, without limitation, insects, venomous and non-venomous snakes and other reptiles, alligators, and other animals, some of which may pose hazards to persons or pets coming in contact with them. Each Owner and occupant of any Lot, and every Person entering the Community (i) acknowledges that such plants and wildlife are indigenous to the area and are not restrained or restricted in their movements within or through the Community; and (ii) assumes all risk of personal injury arising from the presence of such plants and wildlife within the Community. Neither the Association, nor the members, partners, affiliates, officers, directors, attorneys, agents, or employees of any of the foregoing, shall have any duty to take action to control, remove, or eradicate any plant or wildlife in the Community, nor shall they have any liability for any injury resulting from the presence, movement, or propagation of any plant or wildlife within or through the Community.
- (b) The natural areas described in subsection (a) above may also contain creeks, ponds, or intermittent pools of water, muddy areas, and underbrush, among other things, all of which are important to the ecological balance and maintenance of the area as a wildlife habitat. No Owner or occupant of a Lot shall enter upon, or permit their guests or any other person acting on their behalf to enter upon, or disturb such areas in any way without the Association's prior written approval.

#### 12.2. Preservation Areas.

As depicted on the Plats, certain tracts were identified as "Preservation Area." Unless otherwise approved in writing by Association, the SWFWMD, the County and any other governmental authorities having jurisdiction, the Preservation Areas shall be maintained in their natural state in perpetuity. No Owner, member of an Owner's household, or any other Person acting, or purporting to act, on behalf of any Owner, or for whom any Owner shall be responsible pursuant to this Declaration, shall disturb the natural environment of the Preservation Areas in any way without first obtaining the written consent of the Board properly approved by the adoption of a resolution describing in detail the exact activities to be conducted within the Preservation Areas, the times and dates when such activities are authorized to occur, and the identities of the Persons who are authorized to so act, together with the written consent of any governmental authority having jurisdiction over the proposed activity.

This restrictive covenant is intended in the broadest sense, and includes, but is not limited to, trimming, cutting, or mowing grass, shrubs, trees or other plants; placing grass clippings, landscape debris, household trash or other materials; storing materials, equipment, vehicles, boats, motor homes, trailers, or other items; erecting children's playhouses, tree houses, swings, or other permanent or temporary improvements; planting trees, shrubs, grass, or ground cover; releasing birds, snakes, reptiles, insects, or other animals; grading or excavating; cultivating or gardening; or dumping dirt, sand, rocks, gravel, or other inorganic or organic material on any part of a Preservation Area. No hunting or animal trapping, carrying or discharging of firearms, overnight camping or campfires, operation of motorcycles or so-called "all-terrain vehicles," "dirt bikes," or other motorized vehicles, implements, equipment, or conveyances are permitted within the Preservation Areas at any time.

Any Owner who violates the foregoing restrictive covenants shall be responsible for the cost of restoring the affected Preservation Area to the satisfaction of the Association, and any governmental authority having jurisdiction thereof, and the Association shall have the right to prohibit the offending party from further use or enjoyment of the Preservation Areas after prior notice and hearing before the Board. Notwithstanding the foregoing, the Owners shall have the right, without prior notice, to enter the Preservation Areas for hiking, birding, and other passive, nondestructive activities during the hours of dawn to dusk.

BECAUSE THE PRESERVATION AREAS ARE TO BE RETAINED IN THEIR NATURAL STATE, SUCH AREAS SHOULD BE CONSIDERED HAZARDOUS FOR RECREATIONAL ACTIVITIES.

THE ASSOCIATION HAS NO OBLIGATION TO PROVIDE SECURITY OR SUPERVISION FOR ANY PERSON USING A PRESERVATION AREA, AND ALL PERSONS USING A PRESERVATION AREA DO SO AT THEIR OWN RISK.

INSECTS, SNAKES, AND ANIMALS THAT MAY BE DANGEROUS TO HUMANS MAY INHABIT THE PRESERVATION AREAS.

OWNERS SHOULD NOT ALLOW CHILDREN OR PETS TO ENTER THE PRESERVATION AREA WITHOUT ADULT SUPERVISION.

THE ASSOCIATION SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY CONDITION OF A PRESERVATION AREA OR ANY INJURY OR DEATH OCCURRING THEREON.

THE ASSOCIATION SHALL HAVE THE RIGHT TO IMPOSE ADDITIONAL RULES AND REGULATIONS GOVERNING THE USE OF THE PRESERVATION AREAS OR FOR ANY INJURY OR DEATH OCCURRING THEREON.

IF THE PRESERVATION AREAS, OR THE TREES OR VEGETATION THEREON, ARE DAMAGED OR DESTROYED BY FIRE, WINDSTORM, FLOOD, DISEASE, OR OTHER NATURAL OR MANMADE EVENT, THE ASSOCIATION SHALL HAVE NO OBLIGATION TO REPAIR OR RESTORE THE DAMAGE OR DESTRUCTION, OR TO REMOVE ANY DEAD OR DAMAGED TREES OR OTHER VEGETATION.

#### ARTICLE XIII

#### VILLA PROVISIONS; PARTY WALLS AND OTHER SHARED STRUCTURES

- 13.1. General. The provisions contained in this Article shall only apply to the Villas located within Verona Reserve. The Villas, if any, shall be subject to these provisions in addition to all other provisions contained in this Declaration and the other Verona Reserve Documents and the other Association Documents.
- 13.2. Common Structural Elements. The Villa section of Verona Reserve includes buildings ("Building[s]") containing Villas, each of which shall contain Common Structural Elements which include, but are not limited to, the following (collectively, the "Common Structural Elements"):
- (a) Utility Lines. All utility lines, ducts, conduits, pipes, wires and other utility fixtures and appurtenances which are located on or within the Building and which directly or indirectly in any way service more than one (1) Home in the Building.
- Party Walls. All division walls ("Party Walls") between two (2) Homes located upon a Lot line between two (2) Homes, provided that the mere fact that such a division wall between two (2) Homes is found to be not on a Lot line shall not preclude that division wall from being a Party Wall. The Owners of the Homes adjacent to a Party Wall shall own such Party Wall as tenants in common. The Association, shall have any responsibility for the maintenance, repair or replacement of the Party Wall. No Owner shall make any hole or penetration of any Party Wall. Any Owner who causes damage to any Party Wall through his or her acts or omissions, or through the acts or omissions of the Owner's tenants. guests, invitees or members of the Owner's household or family, shall be liable to the Association and the other Owner(s) of the Party Wall for the cost of repairing such damage and restoring the Home and property of the other Owner(s) to the condition they were in immediately prior to such damage. If the Owner does not repair damages to a Party Wall that he or she is responsible for within thirty (30) days of the report in writing of such damage, the Association may cause the damage to be repaired and collect all costs from the responsible party. The Board may, in its sole and absolute discretion, elect to assist the Owners of Party Walls in the peaceful resolution of any disputes concerning the Party Walls through voluntary binding mediation. If the Board elects to assist by providing voluntary binding mediation for the Owners of the Party Wall, the Board shall have no liability whatsoever for the outcome of the mediation, or the failure of any Owner to respect the agreement but will have authority to cause the repairs to be made and collect all costs from the Owner found to be at fault if he or she refuses to make or pay for the repairs. No Association funds shall be expended to provide voluntary binding mediation services to the Owners of Party Walls, and such Owners shall agree to pay any expenses incurred for such mediation.
- (c) Roofing. The entire roof of the Building, any and all roof support structures, and any and all appurtenances to such roof and roof support structures, including, without limitation, the roof covering, roof trim, soffit and roof drainage fixtures, all of which are collectively referred to herein as the "Roofing."
- (d) Bearing Walls. Any and all walls or columns necessary to support the Building structure, all of which are collectively referred to herein as "Bearing Walls."
- (e) Exterior Finish. Any and all cementitious finish, trim, exterior sheathings and other exterior materials and appurtenances and paint on the exterior of the Building, all of which are collectively referred to herein as the "Exterior Finish."
- (f) Floor Slab. The entire concrete floor slab and all foundational and support structures and appurtenances thereto, all of which are collectively referred to as the "Floor Slab."

of which are collectively referred to as the "Entry Access Sidewalks." The Owners of the Homes sharing any Entry Access Sidewalks shall be jointly responsible for keeping the Entry Access Sidewalks clean and stain free. The Association shall only be responsible for the repair or replacement of any Entry Access Sidewalks and shall not be responsible for the daily type maintenance of any Entry Access Sidewalks. No Owner shall make any hole or penetration of any Entry Access Sidewalks or impede another Owner's access to his or her Home over any Entry Access Sidewalks. Any Owner who causes damage to any Entry Access Sidewalks through his or her acts or omissions, or through the acts or omissions of the Owner's tenants, guests, invitees or members of the Owner's household or family, shall be liable to the Association and the other Owner(s) who use the Entry Access Sidewalks for access to his, her or their Home(s) for the cost of repairing such damage and restoring the Entry Access Sidewalks and property of the other Owner(s) to the condition they were in immediately prior to such damage.

Should the Common Structural Elements or a part thereof extend beyond the Lot, same shall not be deemed to violate the provisions of this Declaration and such easements as may be necessary to accommodate and permit the Common Structural Elements as same shall be constructed and for the maintenance, repair and replacement thereof, are hereby imposed; provided, however, nothing herein shall be deemed to grant any Owner with the authority to install or construct any such Common Structural Elements that extend beyond the Lot.

In the event any Common Structural Element or part thereof located within a Villa requires maintenance, repair or replacement and the necessity for such maintenance, repair or replacement was not due to any act or failure to act on the part of the Owner of the Villa in question and the cost of such maintenance, repair or replacement would result in an inequitable and unfair burden upon any particular Villa as determined by the Board, the cost of such maintenance, repair or replacement shall be a Villa Expense shared by all of the Villas Owners.

- 13.3. Easements and Covenants Relating to Villas.
- (a) Utility Easements. Each Owner of a Villa grants to all other Owners owning a Villa in the same Building, a perpetual utility easement for water, sewer, power, telephone and other utility and service company lines and systems installed beneath or within the Villa.

Any expense for the necessary access of authorized personnel of the utility or service company to service lines affecting all Villas within a Building, and which are located beneath or within the Building shall be shared equally by each of the Owners of Villas in the Building affected; provided, however, that where such access by authorized personnel of the utility or service company is required because of the intentional or negligent misuse of the utility or service company line or system by an Owner of a Villa, his or her lessee, licensee, invitee, or agent, any expense arising therefrom shall be borne solely by such Owner.

- (b) Access Easement. Perpetual, nonexclusive easements of ingress and egress over, under and across any Villa Lots within Verona Reserve are hereby granted in favor of the Association which are necessary or convenient for enabling the Association, its employees, contractors and agents, to maintain the Villa Lots in accordance with this Article.
- (c) Structural Cross Easements. Cross easements of support and use over, upon, across, under, through and into the Common Structural Elements and an ingress/egress easement over the Shared Entry Access Sidewalks are hereby granted in favor of the Owners or their designees for the continued use, benefit and enjoyment and continued support, service, maintenance, repair, replacement and design

of all Homes, Common Structural Elements and the Shared Entry Access Sidewalks within any portion of the Property.

(d) Party Walls and Shared Roofing. Any party to said Party Wall, and such party's heirs, successors, and assigns, shall have the right to use same jointly with the other party(ies) to said Party Wall as herein set forth. The term "use" shall and does include normal interior usage such as paneling, plastering, decoration, erection of tangent walls and shelving but prohibits any form of alteration which would cause an aperture, hole, conduit, break or other displacement of the original concrete or other material forming said Party Wall.

The cost of maintaining each side of a Party Wall shall be borne by the Owner of the Villa using said side, except as otherwise provided herein.

No Owner of a Villa shall paint, refurbish or modify or authorize the painting, refurbishing or modification of the exterior surfaces or the roofing of his or her Villa without the consent of the Association.

(e) Fencing. In addition to any fence restrictions set forth in this Declaration, in the event an Owner of a Villa installs or constructs a fence on his/her Villa Lot in accordance with this Declaration, such fence shall include a gate so that the Association or its employees can access the fenced-in area to perform its maintenance responsibilities set forth herein.

#### 13.4. General Rules of Law to Apply.

Each wall, fence, driveway, or similar structure built as a part of the original construction on the Lots that serves any two adjoining Lots shall constitute a party structure. For the purposes of this Article, any fence that serves to enclose only one Lot or which is otherwise installed at the option of the Owner of a Lot shall not be deemed a party structure. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply to party structures.

#### 13.5. Maintenance; Damage and Destruction.

Unless otherwise specifically provided in additional covenants relating to such Lots, the Owners sharing the party structure shall share equally in the cost of necessary or appropriate party structure repairs and maintenance; however, painting and other aesthetic modifications visible only to one side of the structure shall be the responsibility of the Lot Owner with such visibility.

If a party structure is destroyed or damaged by fire or other casualty, then, to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner sharing the structure may restore it and be entitled to contribution for the restoration cost in equal proportions from other sharing owners. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

## ARTICLE XIV CHANGES IN OWNERSHIP OF LOTS

Any Owner desiring to sell or otherwise transfer title to his or her Lot shall give the Board written notice at least fourteen (14) days' prior to recording the deed of the name and address of the purchaser or transferee, the date on which transfer of title is to occur, and such other information as the Board may reasonably require.

## ARTICLE XV CHANGES IN COMMON AREA

#### 15.1. Condemnation.

Whenever any part of the Common Area is taken or conveyed under threat of condemnation by any authority having the power of eminent domain, the Board shall determine, in the exercise of its business judgment, whether each Owner is entitled to notice. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent practicable, unless, within sixty (60) days after such taking, Members entitled to cast at least 75% of the total Class "A" and Class "B" votes shall otherwise agree. Any such construction shall be in accordance with plans the Board approves. The provisions of Section 7.3 regarding funds for the repair of damage or destruction shall apply.

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

#### 15.2. Partition.

Except as permitted in this Declaration, the Common Area shall remain undivided, and no Person shall bring any action for partition of any portion of the Common Area without the written consent of all Owners and Mortgagees. This Section shall not prohibit the Board from acquiring and disposing of tangible personal property nor from acquiring and disposing of real property which may or may not be subject to this Declaration.

#### 15.3. Transfer or Dedication of Common Area.

The Association may convey, dedicate, or otherwise transfer portions of the Common Area to the County or to any other local, state, or federal governmental or quasi-governmental entity, with the consent of at least two-thirds of the Owners and such approval as may be required by Section 17.9.

## ARTICLE XVI AMENDMENT OF DECLARATION

#### 16.1. By the Members.

This Declaration may be amended in the following manner:

- (a) Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.
- (b) Resolution. A resolution for the adoption of a proposed amendment may be proposed either by the Board, or by not less than 20% of the voting interests of the Members of the Association.
- (c) Approval. Except as otherwise required by law, a proposed amendment shall be adopted if it is approved by not less than a two-thirds of the voting interests of the Members participating in person or by proxy at a duly noticed membership meeting but in no event by not less than eighty-three (83) voting interests.
- (d) Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate 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 a copy of the amendment is recorded in the Public Records of Sarasota County.

#### 16.2. By the Board.

- (a) Amendments By Board. The Board, by a two-thirds vote of the entire Board, may effect an amendment to the Declaration in any of the following circumstances:
- (i) To bring the Declaration into compliance with the provisions of subsequently enacted laws, rules or regulations adopted by governmental authority which, in the opinion of counsel for the Association, are reasonably likely to be applicable to the Association.
- (ii) If the Board determines, in the reasonable exercise of its judgment, that as a result of new, changing or evolving technology, materials, procedures, devices or standards the Declaration should be amended to take cognizance of such matters so that the overall intent of the Declaration shall not be frustrated by changing circumstances.
- (iii) If the Board determines, in the reasonable exercise of its judgment, that there is a scriveners error or other error or omission that results in an ambiguity, inconsistency or an incomplete provision, or if experience with a particular provision results in an ambiguity with respect to the practical application of such provision.
- Provided, however, that no Board adopted amendment to the Declaration (iv) pursuant to this Section shall go into effect until not fewer than sixty (60) days' notice of the amendment shall have been given to the owners. If, during the time between the giving of such notice and the proposed effective date stated therein, owners having not less than ten (10%) percent of all voting interests request in writing that a meeting of the owners be called, then and in such event, the Board shall call such meeting promptly, the purpose of which meeting shall be to determine whether or not the amendment adopted by the Board shall go into effect. Effectiveness of any amendment shall be suspended until the end of such meeting. At such meeting if a quorum is obtained, a majority of those present, in person or by proxy, may determine that the amendment adopted by the Board, or any part thereof, shall not be effective. If a quorum is not obtained at such meeting, or if at such meeting there is no majority vote of the owners participating in person or by proxy against such amendment, then the amendment shall go into effect at the later of the date specified in the notice, or the conclusion of such meeting. Thirty (30) days after the certificate of any amendment adopted by the Board pursuant hereto is recorded in the Public Records, the authority of the Board to adopt such amendment shall be conclusively presumed, shall be binding upon all owners, and may not be challenged in any court proceeding or otherwise.

#### 16.3. Approval by Southwest Florida Water Management District and Sarasota County.

Notwithstanding Sections 16.1 and 16.2, any amendment to this Declaration that alters any provision relating to the Surface Water and Storm Water Management System, beyond maintenance in its original condition, including the water management portions of the Common Areas, or amendment to this Section 16.3, must have the prior approval of the SWFWMD and the Sarasota County Engineer or its authorized designee.

### 16.4. Validity and Effective Date.

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

Any amendment shall become effective upon the earliest of (a) actual notice; (b) recording; or (c) later effective date specified in the amendment. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

The Board of Directors hereby certifies to	the accuracy of the regitals herein and executes this
Amended and Restated Declaration of Condominium this 20 day of Fele, 2018.	
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W/2 - 1C/- 200	
Milli Sheidg	Verona Reserve Community Association, Inc.
Witness signature	60 VC - /x
Darcie J. Sheidy	- Charles
Print name of witness	By: Eli Rapaport, President
Blunda Zolinos	Cadi Mana
Witness signature	- Jack I Jircen
Phonda Zaboruski	Attest: Jodi Mercer, Secretary
Print name of witness	
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STATE OF	
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The foregoing instrument was acknowledged before me this 2 day of Leb., 2018 by Eli Rapaport, as	
President, and by Jodi Mercer, as Secretary, of Verona Reserve Community Association, Inc., on behalf	
of the Association. They are personally known to me or have produced	
as identification. If no type of identification is indicated they are personally known to	
me.	1000
	& Mice Sheeder
Notary Public	
S DARCIE J. SHEIDY	
EXPIRES: April 06, 2021	

### EXHIBIT "A"

#### Land Submitted to Declaration

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ALL PROPERTY SHOWN ON THAT CERTAIN PLAT OF VERONA RESERVE REPLAT, RECORDED IN PLAT BOOK 48, PAGES 9 THROUGH 9E, OF THE PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA

# EXHIBIT "B" PLATS OF VERONA RESERVE

# Verona Reserve

BEING A REPLAT OF TRACTS 36, 42, 43, 44, 45, 48, 49 AND 50, AND A PORTION OF TRACTS 47, 51, 52, 53, 54 AND 55, VENICE FARMS, PLAT BOOK 2, PAGE 179, LYING IN SECTION 10, TOWNSHIP 39 SOUTH, RANGE 19 EAST, SARASOTA COUNTY FLORIDA

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LOCATION MAP

#### OPEN SPACE & STORWWATER AREAS

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THIS METROWEN PREPARED BY JOHN SCOTT RHODES, P.A.M. 48739

RHODES & RHODES

LAND SURVEYING, INC. 28109 BONTA GRANGE DRIVE - SURTE #107 BONTA SPRINGS, FL 34135 (239) 405-8166 FAX NO (239) 405-8163 FLOREDA BUSINESS LICENSE NO. (F 6897

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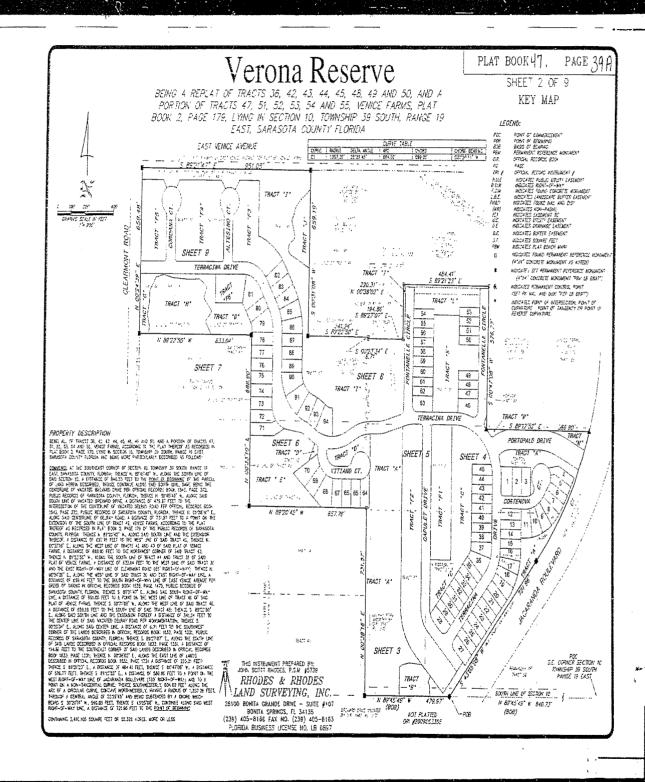
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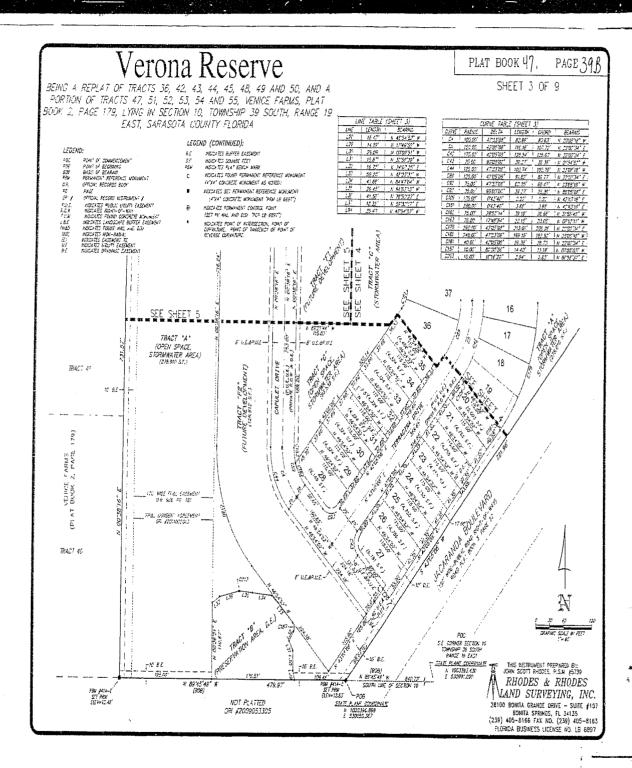
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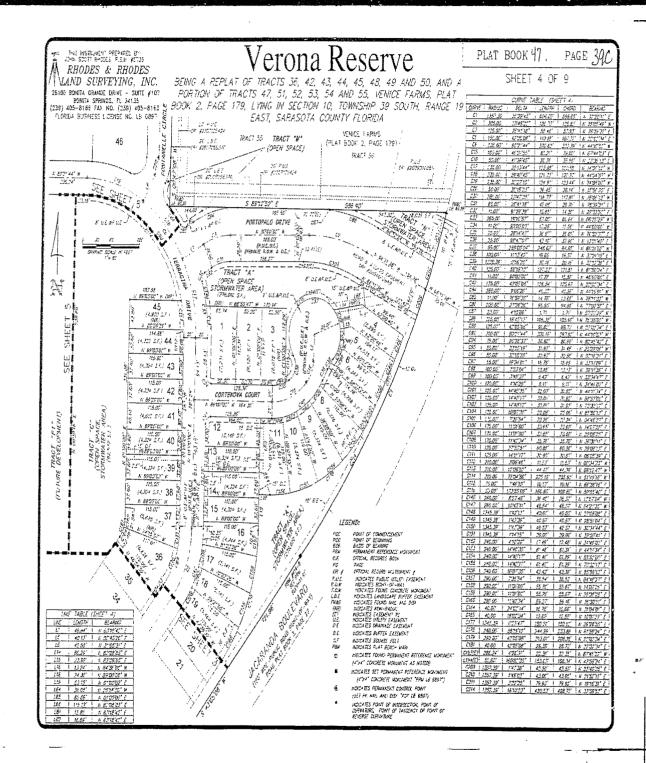


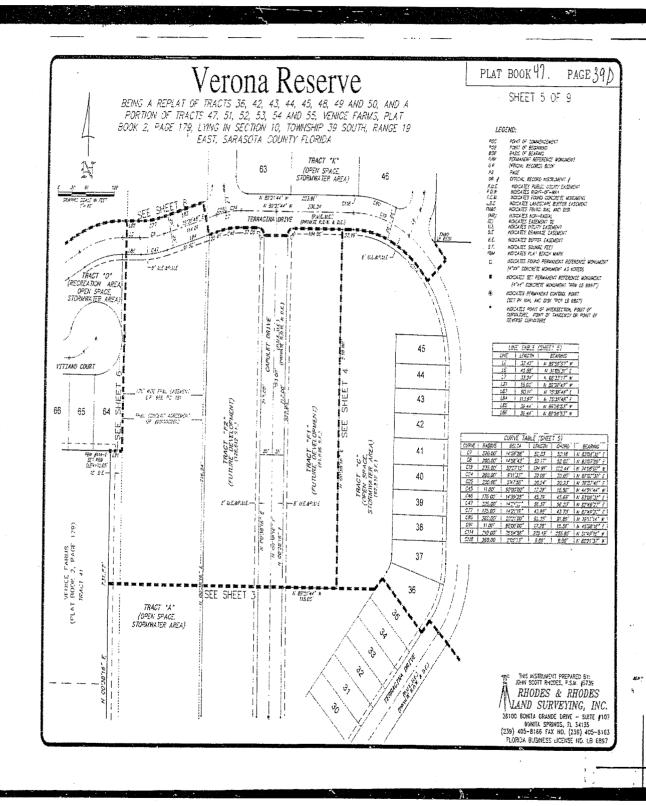
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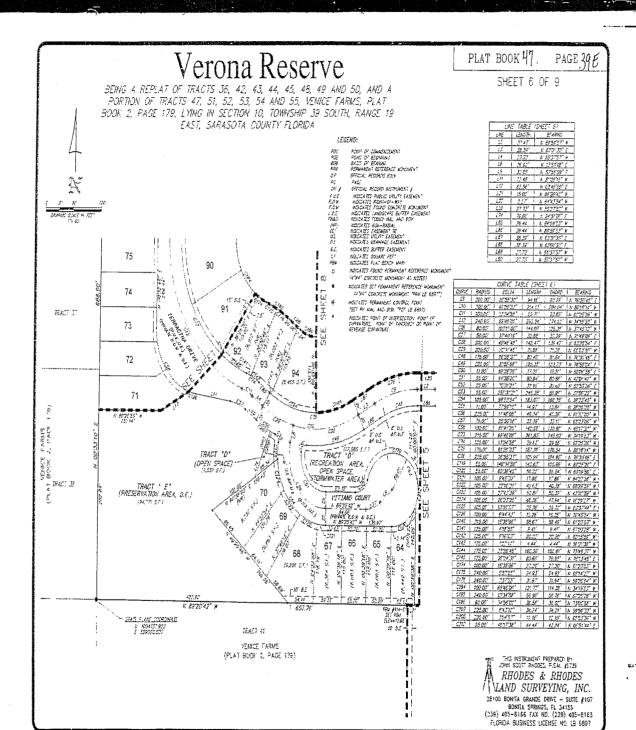
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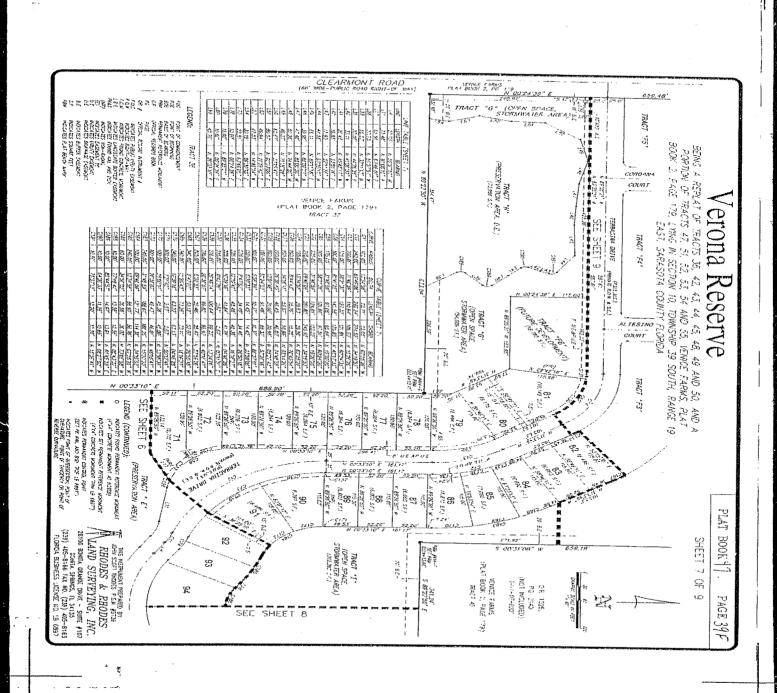


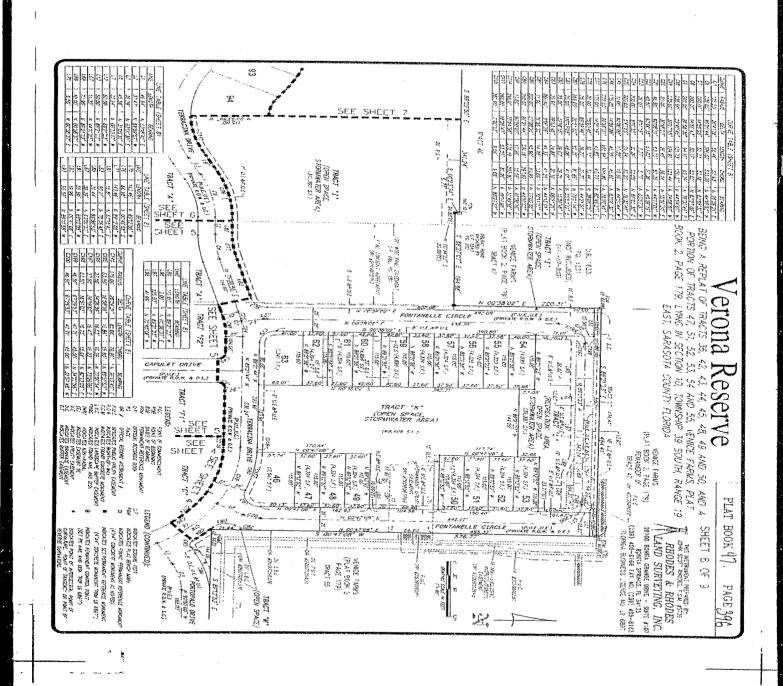


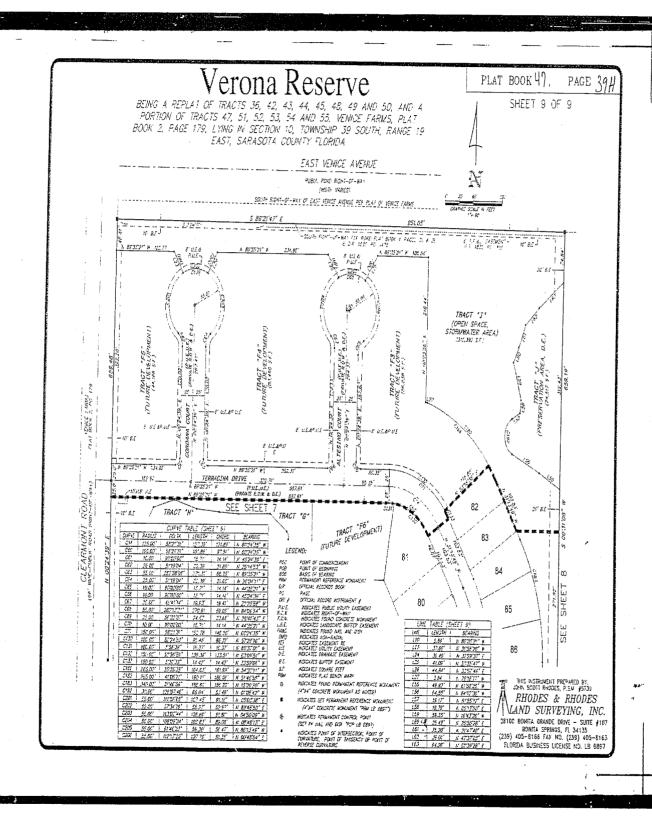












Verona Reserve Replat

BEING A REPLAT OF TRACIS "F1", "F2", "F3", "F4", "F5" AND "F6", VERONA RESERVE, PLAT BOOK 47, PAGES 39 THROUGH 39H, LYING IN SECTION 10, TOWNSHIP 39 SOUTH, RANGE 19 EAST, SARASOTA COUNTY FLORIDA PLAT BOOK 48,

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LOCATION MAP

#### OPEN SPACE & STORWWATER AREAS

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CERTIFICATE OF APPROVAL OF THE COUNTY SURVEYOR

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CERTIFICATE OF OWNERSHIP AND PRIVATE DEDICATION

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BY:
ANTHONY J. COUNTERN, WCC PRESIDENT

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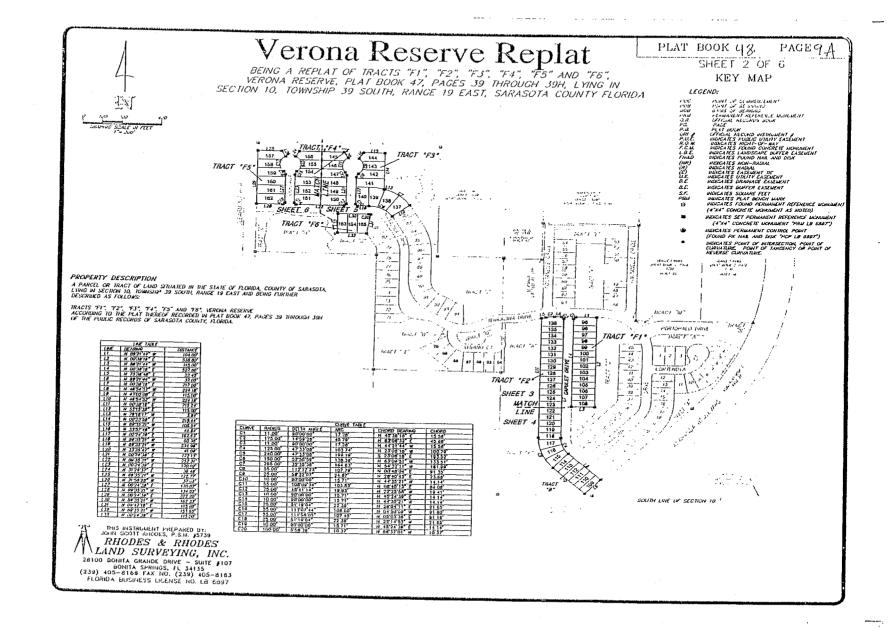
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CERTIFICATE OF APPROVAL OF COUNTY CLERK STATE OF FLURIDA

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> THIS INSTRUMENT PREPARED BY: JOHN SCOTT RHODES, P.S.M \$5739 RHODES & RHODES LAND SURVEYING, INC. 28100 BOHITA GRANDE DRIVE - SUITE 1107 BONITA SPRINGS, FL 34135 (239) 405-8166 FAX NO. (239) 405-8163 FLORIDA BUSINESS LICENSE NO. LO 6897



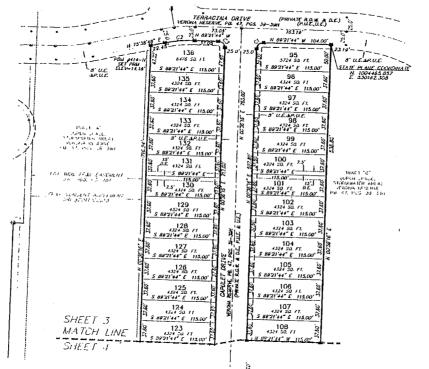
Verona Reserve Replat

PLAT BOOK US.

SHEET 3 OF 6

PAGE 9 B

BEING A REPLAT OF TRACTS "F1", "F2", "F3", "F4". "F5" AND "F6", VERONA RESERVE, PLAT BOOK 47, PAGES 39 THROUGH 39H, LYING IN SECTION 10, TOWNSHIP 39 SOUTH, RANCE 19 EAST, SARASOTA COUNTY FLORIDA

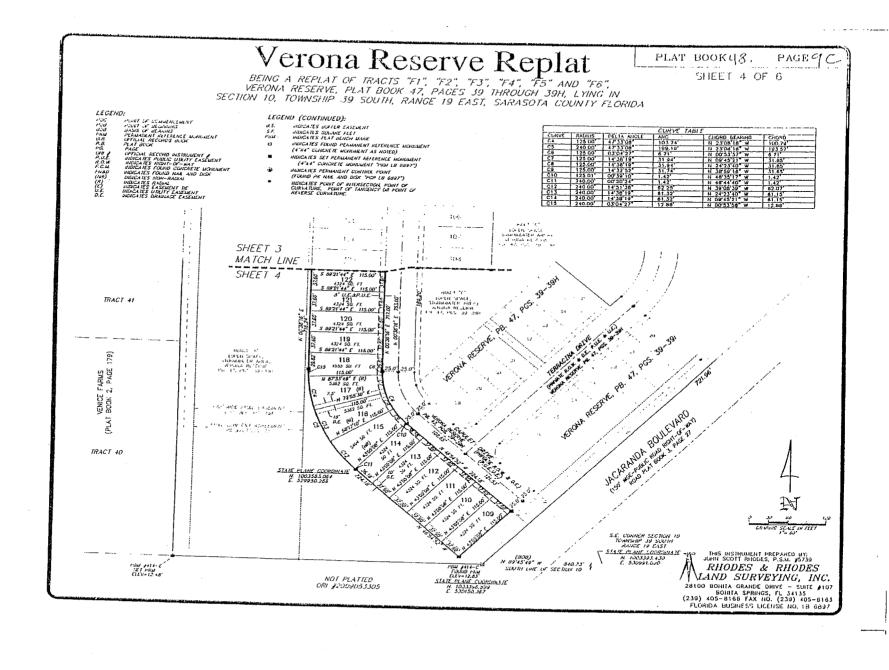


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> THIS INSTRUMENT PREPARED BY: JOHN SCOTT KHODES, P.S.M #5739 RHODES & RHODES LAND SURVEYING, INC.
> 28100 BOHITA STRANDE DRIVE - SUITE 1/107
> BOHITA SPRINGS, FL 34135
> (239) 405-8165 FAX NO. (239) 405-8163
> FLORIDA BULINESS LICENSE NO. LB 6017



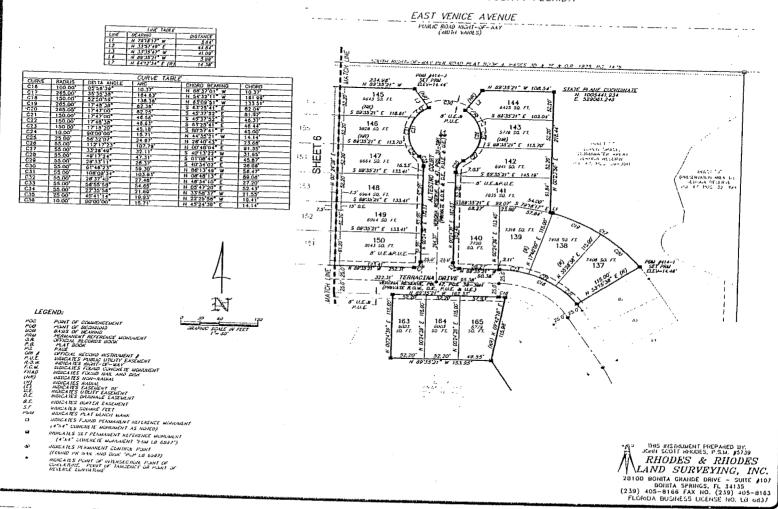
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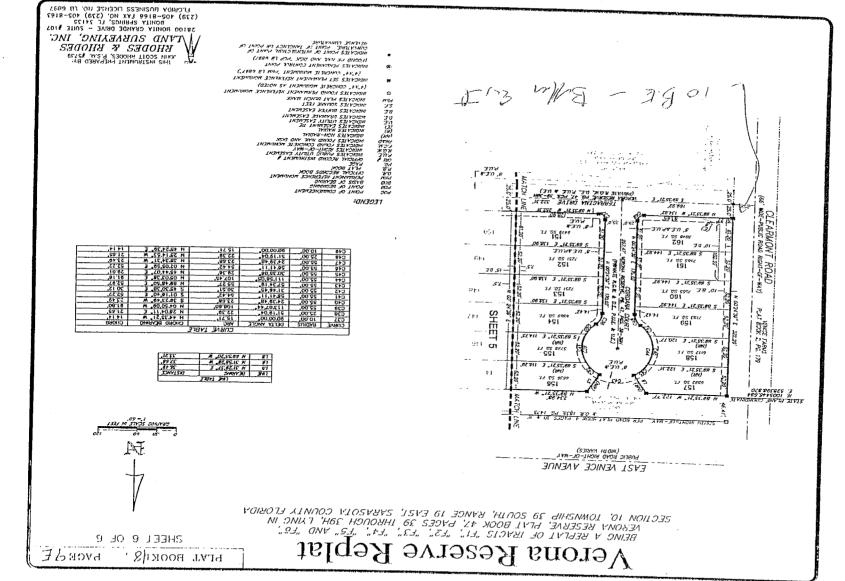
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SHEET 5 OF 6

Verona Reserve Replat

BEING A REPLAT OF TRACTS "F1", "F2", "F3", "F4", "F5" AND "F6",
VERONA RESERVE, PLAT BOOK 47, PAGES 39 THROUGH 39H, LYING IN
SECTION 10, TOWNSHIP 39 SOUTH, RANGE 19 EAST, SARASOTA COUNTY FLORIDA





#### EXHIBIT "C"

#### **USE RESTRICTIONS**

For purposes of these Use Restrictions, unless the context otherwise requires, Owner shall also include the family, invitees, guests, licensees, lessees and sublessees of any Owner, and any other permitted occupants of a Home. All the Property shall be held, used and enjoyed subject to the following limitations and restrictions:

- 1. Single-Family Use. The Homes shall be for single-family use only. No commercial occupation or activity may be carried on in Verona Reserve except as such occupation or activity is permitted under Section 3.1 of the Declaration. A family is defined to mean any number of persons related by blood, marriage or adoption or not more than two (2) unrelated persons living as a single housekeeping unit.
- 2. Nuisance. Subject to allowances for reasonable construction activities, no obnoxious or offensive activity shall be carried on, in or about the Lots or in or about any Improvements, or on any portion of Verona Reserve, nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any Owner. No use or practice shall be allowed in or around the Lots which is a source of annoyance to Owners or occupants of Homes or which interferes with the peaceful possession or proper use of the Lots or the surrounding areas. No loud noises or noxious odors shall be permitted in any Improvements or Homes. Without limiting the generality of any of the foregoing provisions, no horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles or any items which may unreasonably interfere with television or radio reception of any Owner shall be located, used or placed on any Lot, or exposed to the view of other Owners.
- 3. No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of any Lot or the Home thereon nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to any person using any portion of the Property. The Property will be subject to, and the Association and each Owner will conform to and observe, all laws, statutes, ordinances, rules and regulations of the United States of America, the State of Florida, the County, and any and all other governmental and public authorities and boards or officers of the same relating to such Property and any Improvements thereon or the use thereof. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction to any Lot or Home shall be corrected by, and at the sole expense of the Owner of such Lot.
- 4. Removal of Sod and Shrubbery; Alteration of Drainage, Etc. No Improvements (including, but not limited to, driveways and landscaping) and no sod, top soil, muck, trees or shrubbery shall be removed from Verona Reserve and no change in the condition of the soil or the level of the land of any Lot in Verona Reserve shall be made which would result in any permanent change in the flow or drainage of storm water within Verona Reserve without prior written consent of the Association and the ARC.
- 5. Addition of Landscaping; Modifications to the Irrigation System; Alteration of Drainage, Etc. If an Owner receives approval to install additional landscaping and modify the irrigation system to their Lot, the Owner is responsible for increased costs in the maintenance of the additional landscaping and the Association or the landscape maintenance company will bill the Owner directly for the additional maintenance and the Owner is responsible for payment of the increased maintenance. The installation of additional landscaping shall not result in any permanent change in the flow or drainage of storm water within Verona Reserve without prior written consent of the ARC and the Association.

- Antenna and Aerial. No outside television, radio, or other electronic towers, aerials, antennae, satellite dishes or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on any portion of the Property or upon any improvements thereon, unless expressly approved in writing by the Association, except that this prohibition shall not apply to those satellite dishes or antennas that are one (1) meter (39.37 inches) in diameter or less, and specifically covered by 47 C.F.R. Section 1.4000, as amended, promulgated under the Telecommunications Act of 1996, as amended from time to time. The Association is empowered to adopt rules governing the types of antennae which may be permitted and restrictions relating to safety, location and maintenance of antennae. The Association may also adopt and enforce reasonable rules limiting installation of permissible dishes or antennae to certain specified locations, and integrated with the Property and surrounding landscape, to the extent that reception of an acceptable signal would not be unlawfully impaired by such rules and provided the cost of complying with such rules would not unreasonably increase the cost of installation of permissible dishes or antennae. Any permissible dishes or antennae shall be installed in compliance with all federal, state and local laws and regulations, including zoning, land-use and building regulations. Further, any Owner desiring to install permissible dishes or antennae may, but is not obligated, submit plans and specifications for same to the Association to ensure compliance with the Association's rules governing the types of permissible antennae and restrictions relating to safety, location and maintenance of antennae.
- 7. Garbage and Trash. Each Owner shall regularly pick up all garbage, trash, refuse or rubbish around his or her Lot, and no Owner or resident shall place or dump any garbage, trash, refuse or other materials on any other portions of Verona Reserve, including any Common Area or any property contiguous to Verona Reserve. Trash containers, including recycle bins, garbage cans, and dog/or animal waste containers, cannot be left outside or stored on the outside on the property of any villa or single family home including the lanai. These receptacles can only be placed outside the residence for pick up by the waste management company on the day of, or the evening before, the scheduled collection, and must be removed from the outside of the residence and returned to the storage location within 24 hours of collection.
- 8. Radio Transmission. No ham radios or radio transmission equipment shall be operated or permitted to be operated within Verona Reserve without the prior written consent of the Association.
- Animals and Pets. Each Home is permitted to have three (3) domestic pets (i.e. dogs and cats) in the Home without the prior written permission of the Board. The restriction on the number of pets shall not apply to birds and fish. Permitted pets shall only be kept subject to and in accordance with such rules and regulations as shall be promulgated from time to time by the Association. However, under no circumstances will any dog whose breed is noted for its viciousness or ill-temper, in particular, the "Pit Bull" (as hereinafter defined), Presa Canario, or any crossbreeds of such breeds, be permitted on any portion of the Property. A "Pit Bull" is defined as any dog that is an American Pit Bull Terrier, American Staffordshire Terrier, Staffordshire Bull Terrier, or any dog displaying a majority of the physical traits of any one (1) or more of the above breeds, or any dog exhibiting those distinguishing characteristics which substantially conform to the standards established by the American Kennel Club or United Kennel Club for any of the above breeds. No exotic pet or any animal of any kind which has venom or poisonous defense or capture mechanisms, or if let loose would constitute vermin, shall be allowed on any portion of the Property. Pets may not be kept, bred or maintained for any commercial purpose. Any pet must be temporarily caged, carried or kept on a leash when outside of a Home. No pet shall be kept outside a Home or on any lanai, unless someone is present in the Home. No dogs will be allowed to urinate or defecate in any landscaped area, but only in special areas designated by the Association, if any, provided this statement shall not require the Association to designate any such area. An Owner shall immediately pick up and remove any solid animal waste deposited by his or her pet. The Owner shall compensate any person hurt or bitten by his or her pet and shall indemnify the Association and hold it harmless against

any loss or liability of any kind or character whatsoever arising from or growing out of having any animal within the Property. If a dog or any other animal becomes obnoxious to other Owners by barking or otherwise, the Owner thereof must cause the problem to be corrected; or, if it is not corrected, the Owner, upon written notice by the Association, will be required to permanently remove the animal from the Property. All pets must be registered, licensed and inoculated as required by law. The Association will promulgate rules and regulations from time to time designating other rules as necessary to regulate pets.

- 10. Temporary Buildings, Etc. No tents, trailers, shacks or other temporary buildings or structures shall be constructed or otherwise placed within Verona Reserve.
- 11. Stormwater Retention Ponds. No docks shall be constructed within or adjacent to a Pond. Owners are prohibited from using the Ponds for irrigation purposes. Swimming and watercraft are prohibited in the Ponds, however, fishing is permitted in the Ponds accessible from Common Areas on a "catch and release" basis only. All tackle, lines, or lures must be removed from the fish and the fish is to be returned to the water. Anyone fishing must be licensed to do so as may be required by the State or County.
- 12. Fences. No fence of any type, including invisible fencing, is permitted to be erected on a Lot without the prior written approval of the ARC.
- 13. Drainage or Utility Easements. No structures, trees or shrubs shall be placed on any drainage or utility easements without the prior written consent of the Association.
- 14. Additions and Alterations. No Home shall be enlarged by any addition thereto or to any part thereof, and no Owner shall make any improvement, addition, or alteration to the exterior of his or her Home, including, without limitation, the painting, staining, or varnishing of the exterior of the Home, without the prior written approval of the ARC as set forth in the Declaration, which approval may be withheld for purely aesthetic reasons.
- 15. Increase in Insurance Rates. No Owner may engage in any action which may reasonably be expected to result in an increase in the rate of any insurance policy or policies covering or with respect to any portion of the Property not owned by such Owner.
- 16. Mining, Drilling, or Excavation. There shall be no mining, quarrying or drilling for minerals, oil, gas or otherwise ("Mining Activity") undertaken on the Property.
- Maintenance of Property. The Property and Improvements thereon shall be kept in a good, safe, clean, neat and attractive condition, and all Improvements thereon shall be maintained in a finished, painted and attractive condition. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon any portion of the Property, no refuse or unsightly objects shall be allowed to be placed or permitted to remain anywhere thereon, and no grass on said Property shall be permitted to grow to a height in excess of four inches (4") for improved property and ten inches (10") for unimproved property. During construction of a Home or other Improvement upon any portion of the Property, the Owner thereof shall be required to maintain said property in a clean condition and to provide receptacles for the disposal of trash and rubbish as well as other construction debris. All such construction debris, refuse, unsightly objects and waste on a portion of the Property must be removed within thirty (30) days after the completion of construction of the Improvement on such portion of the Property, as evidenced by issuance of a certificate of occupancy, if applicable.

Upon the failure of an Owner(s) to (i) maintain the portion of the Property and any Improvement thereon which such party is responsible to maintain in accordance with the requirements of the Declaration and to the satisfaction of the Association and (ii) correct such deficiencies within fifteen (15)

days of written notice by the Association, unless a longer period is authorized by the Association, the Association may enter upon such portion of the Property and make such corrections as may be necessary.

The cost of such corrections shall be paid by the Owner who is required to perform such maintenance. If any Owner(s) fails to make payment within fifteen (15) days after requested to do so by the Association, then the payment requested shall be collected as a Benefited Assessment from such Owner and the Association shall be entitled to lien rights upon such Lot requiring such maintenance in accordance with the provisions of the Declaration.

- 18. Subdivision and Partition. No Lot on the Property shall be subdivided.
- 19. Casualty Destruction to Improvements. In the event a Home(s) and/or other Improvement(s) upon a Lot(s) is damaged or destroyed by casualty, hazard or other loss then, within a reasonable period of time after such incident, the Owner(s) thereof shall either commence to rebuild or repair the damaged Home(s) or Improvement(s) upon obtaining ARC approval, if required hereunder, diligently continuing such rebuilding or repairing activities to completion or, upon a determination by the Owner(s) thereof that the Home(s) or Improvement(s) will not be repaired or replaced, promptly clear the damaged Home(s) or Improvement(s) and grass over and landscape such Lot(s) as applicable, in a sightly manner consistent with Declarant's plan for beautification of Verona Reserve. Any damaged or destroyed Home(s) and other Improvements shall only be repaired or replaced with Home(s) and other Improvements of a similar size and type as those damaged or destroyed and without substantial alteration from what existed prior to the damage or destruction, unless the prior written approval of the ARC is obtained.
- 20. Common Area. Nothing shall be stored and/or constructed within or removed from any Common Area, except with the prior written approval of the Association.
- 21. Buffer Easement and Drainage Easement. No Improvement on a Lot shall be placed within a Buffer Easement and Drainage Easement, and any Improvement placed within the Buffer Easement and Drainage Easement shall be removed by the Association. The cost of such removal shall be paid by such Owner(s) as a Benefited Assessment.
- 22. Boats, Recreational Vehicles and Commercial Vehicles. No motor homes, trailers, recreational vehicles, boats, campers, vans or trucks used for commercial purposes, all-terrain vehicles and gas powered recreational vehicles, other than four-wheel passenger automobiles and other four-wheel passenger vehicles determined acceptable by the Association shall be permitted to be parked on any portion of Verona Reserve, except for trucks furnishing goods and services during the daylight hours and except as the Association may designate for such use by appropriate rules and regulations. The Association shall have the right to authorize the towing away of any vehicle in violation of these provisions with the costs to be borne by the owner or violator. In addition, the Board shall adopt rules and regulations from time to time regulating and limiting the size, weight, type and manner of operation of vehicles in Verona Reserve.
- 23. Vehicular Parking. Short term parking, defined as a maximum of eight (8) hours and occurring between 8 am -10 pm, is allowed on the streets if such parking does not interfere with mail delivery or ingress/egress of driveways. Sidewalks must not be blocked by vehicles in the driveway. Due to the width of streets in Verona Reserve, parking is allowed on only one side of the street. All vehicles must park in the direction of traffic flow. Overnight parking is only allowed in the driveways of residences. No overnight parking is permitted on the streets. Violations of the parking rules will be cause for fines/and or towing at the owner's expense.

No person, firm or corporation shall maintain or repair any vehicle (including, but not limited to,

four-wheel passenger automobiles) upon any portion of the Property; provided, however, the Association may make, or cause to be made, such repairs if necessary in regard to vehicles used in connection with construction, sales, or management at Verona Reserve. Vehicles which are missing one or more wheels, have one or more deflated tires, are not in an operating condition, or do not have current valid license plates shall not remain upon any portion of the Property for more than two (2) consecutive days. No Owner or his or her family members, guests, invitees or lessees or their family members, guests, or invitees shall be permitted to keep any vehicle on the Property which is deemed to be a nuisance by the Association.

- 24. Window Decor. No newspaper, aluminum foil, sheets or other temporary window treatments shall be permitted, except for periods not exceeding two (2) weeks after an Owner or a lessee first moves into a Home or when permanent window treatments are being cleaned or repaired. Window tinting is permitted provided that the type and method of tinting is first approved by the ARC.
- 25. Hurricane Shutters. All Homes were constructed with aluminum hurricane shutters. No other hurricane shutters may be installed without the prior written consent of the ARC, which consent may not be unreasonably withheld. If the installation of hurricane shutters is made which does not conform with the specifications approved by the ARC, then the hurricane shutters will be made to conform by the ARC at the Owner's expense or they shall be removed.

Approved hurricane shutters shall not be installed or closed, as applicable, before a declaration of emergency by the Governor of Florida or the issuance of a hurricane watch by the National Hurricane Center encompassing the Verona Reserve location, and shall be removed no later than twenty (20) days after the cessation of a hurricane watch or warning for same ("Hurricane Shutter Time Period"), however, if the hurricane shutters are clear in color they shall be allowed to remain installed or closed, as applicable, if the Owners are absent during hurricane season.

Each Owner who plans to be absent from his or her Home during the hurricane season must prepare his or her Lot prior to such Owner's departure by (a) removing all furniture, potted plants and other movable objects from his or her porch, lanai, or patio, if any; (b) designating a responsible firm or individual satisfactory to the Association to install and remove hurricane shutters in accordance with the Hurricane Standards and the Hurricane Shutter Time Period requirements; and (c) designating a responsible firm or individual satisfactory to the Association to care for the Home should the Home suffer hurricane damage. Such firm or individual shall contact the Association for clearance to install or remove hurricane shutters pursuant to the Declaration.

26. Landscaping, Lawn Décor, and Improvements. No Improvements of any kind including, without limitation, any building, shed, play structure, basketball hoops, soccer goals, swing sets, athletic/play equipment, wall, topographical feature, mailbox, lawn sculpture, potted plant, fence, swimming pool, or screened enclosure, shall be erected, placed or maintained, and no addition, alteration, modification or change to such Improvement shall be made without the prior written approval of the ARCB, including, but not limited to, painting the Home. As to exterior painting of single family homes, the ARC shall have the discretion to approve: (1) the color originally placed by Declarant on the painted surface, or (2) a color(s) that currently exists within the community's exterior paint color schemes.

Verona Reserve is a limited maintenance community and as such, additional plantings by owners are limited. A list of the community's existing plant materials and acceptable plantings will be available on the Verona Reserve website. The request by an owner to plant non-invasive flowers and plants at the owner's expense in the existing mulched beds of an owner's property will only be considered if the following conditions are met. All requests must be submitted in writing to the ARC for its consideration and approval. Before any landscaping changes are made, the owner must submit the ARC application and a diagram showing existing plantings, and identification of the plants from the approved list showing

where the plants will be located. Owners should also be aware of the location of irrigation drip lines and sprinkler heads. Preparation of materials for the ARC applications will be done at the owner's expense. Owners making changes to the existing beds will be responsible for restoring mulch to its original state, the cost for any repairs to the irrigation lines and sprinkler heads that were damaged during installation, and the full cost of replacing these plantings. Owners assume all responsibility for any liability or injury to the owner or contractors. The Association will only be responsible for the replacement of plants, when deemed necessary, that were part of the original landscape plan provided to each owner at the time they received their closing documents or were approved as replacement plants by the ARC with an express statement in the application approval to the effect that the Association would be responsible for the replacement of the plant. Owners with additional plantings which have not been approved must meet these guidelines or be removed by the owners at their own expense.

- 27. Verona Reserve Landscape Lighting Guidelines. All new pathway/walkway or other landscape lighting must have prior written approval of the ARC. The following guidelines must be followed: (a) lighting must be solar or electrical (b) lighting must be located in the mulch area (c) lights must not exceed 24" in height and must be either black, dark bronze or brushed nickel (d) lights must look like typical lanterns and cannot look like fish, birds, trees, moons, stars, or other atypical items (e) electrical lights must be UL approved. Flood lights and spotlights must all be in the mulch area. All lights are the maintenance responsibility of the lot owner and wires must be located away from the trimming and edging area. The Association accepts no responsibility or liability for any lights.
- 28. Basketball Backboards. No garage, roof mounted, portable or in-ground mounted basketball backboards are permitted.
- 29. Water Supply. No individual water supply system for drinking purposes or household use shall be permitted on any Lot, including for irrigation or sprinkler purposes.
- 30. Sewage Disposal. No individual sewage disposal system shall be permitted on the Property.
- 31. No yard sales or neighborhood sales shall be permitted on any Lot or any other area in Verona Reserve unless approved in writing by the Board.
- 32. All powered vehicles capable of exceeding 5 miles per hour are prohibited from use on the Verona Reserve property unless they are licensed, registered, and insured. Specifically, any motorcycle, moped, or motorized scooter used in Verona Reserve may only be driven by a licensed driver, and must be registered and insured in accordance with Florida law. Specifically exempted from this regulation are electric personal assistive mobility devices as defined under Florida Statute, Section 316.003(83); and any other bona-fide "assistive technology devices" as defined in Florida Statute, Section 427.802(1); and any special mobile equipment as defined under Florida Statute, Section 316.003(48) provided that such equipment may not be operated in a manner that creates a traffic hazard, or which poses a threat of harm to the user of such equipment.
- 33. Compliance with Governing Documents. Each Owner and their family members, guests, invitees, and lessees and their family members, guests and invitees shall be bound by and abide by the Governing Documents. The conduct of the foregoing parties shall be considered to be the conduct of the Owner responsible for, or connected in any manner with, such individual's presence within Verona Reserve. Such Owner shall be liable to the Association and shall pay the cost of any maintenance, repair or replacement of any real or personal property located on the Common Area rendered necessary by his or her act, neglect or carelessness, or by that of any other of the foregoing parties as a Benefited Assessment.
  - 34. No Implied Waiver. The failure of the Association to object to an Owner's or other

party's failure to comply with the covenants or restrictions contained herein or any other Governing Document (including the rules now or hereafter promulgated) shall in no event be deemed a waiver by the Association, or of any other party having an interest in the Property of its right to object to same and to seek compliance in accordance with the provisions of the Governing Documents.

## AMENDED AND RESTATED ARTICLES OF INCORPORATION OF

### VERONA RESERVE COMMUNITY ASSOCIATION, INC.

WHEREAS, the original Articles of Incorporation of Verona Reserve Community Association, Inc. were filed with the Florida Department of State on November 3, 2010, and were amended on November 20, 2015, and

WHEREAS, the entire Board of Directors approved these Amended and Restated Articles of Incorporation, including amendments, at a duly noticed Board meeting, and

WHEREAS, not less than a majority of the voting interests of the entire membership of the Association approved the amendments and these Amended and Restated Articles at a membership meeting held on February 15, 2018, and

WHEREAS, the number of membership votes cast for the amendments were sufficient for approval under the corporation documents and applicable law.

**NOW THEREFORE**, the following are adopted as the Amended and Restated Articles of Incorporation of Verona Reserve Community Association, Inc.

### ARTICLE I NAME OF CORPORATION AND MAILING ADDRESS

The name of this corporation shall be Verona Reserve Community Association, Inc., hereinafter referred to as Association. The address of the Association shall be 530 US Hwy 41 Bypass South, Venice, Florida 34285. The Directors of the Association may change the location of the principal office or mailing address from time to time.

### ARTICLE II PURPOSES

The general nature, objects, and purposes of the Association are as follows:

- 1. To administer and enforce the Declaration of Covenants, Conditions, Restrictions and Easements for Verona Reserve, as amended (Declaration), and governing documents authorized thereunder, including the Use Restrictions, Bylaws, Rules and Regulation and Architectural Guidelines.
- 2. To take such action as may be deemed appropriate to promote the health, safety, enjoyment, and welfare of the owners of the property within the Subdivision.
- 3. To add, replace, improve, maintain, and repair common areas within the Subdivision for the benefit of the members of the Association.
- 4. To operate without profit and for the sole and exclusive benefit of its members.

### ARTICLE III POWERS

The Association shall have powers and privileges granted to a corporation not for profit under the laws of the State of Florida, all the powers and privileges of a homeowner association under Chapter 720, Florida Statutes, and all powers reasonably necessary to implement and effectuate the purposes of the Association,

except as may be limited or otherwise provided by these Articles or the Declaration.

### ARTICLE IV MEMBERS

The qualification of the members, the manner of their admission to membership and termination of such membership, and voting by members shall be as set forth in the Bylaws and Declaration.

### ARTICLE V DIRECTORS

A Board of Directors shall manage the affairs of the Association. The qualifications, method of election, and powers of the Board of Directors shall be as set forth in the Bylaws.

### ARTICLE VI OFFICERS

The officers designated in the Bylaws shall administer the affairs of the Association.

### ARTICLE VII BYLAWS

The Bylaws may be altered, amended, or rescinded by the members in the manner provided by such Bylaws.

### ARTICLE VIII INDEMNIFICATION OF OFFICERS AND DIRECTORS

- 1. Indemnity. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director, officer or committee member of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceedings, unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that the person did not act in good faith, nor in a manner reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, that the person had reasonable cause to believe his or her conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any action, suit or proceedings by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. It is the intent of the membership, by the adoption of this provision, to provide the most comprehensive indemnification possible to their officers, directors and committee members as permitted by Florida law.
- 2 Advances. Expenses incurred in defending an administrative, civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceedings upon receipt of an undertaking by or on behalf of the affected director, officer, or committee member to repay such amount unless it shall ultimately be determined that the person is entitled to be indemnified by the Association as authorized herein, or as otherwise permitted by law.
- 3. Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a director, officer, or committee member and

shall inure to the benefit of the heirs and personal representatives of such person.

4. Insurance. The Association shall purchase and maintain adequate insurance on behalf of any person who is or was a director, officer, or committee member against any liability asserted against such persons and incurred by such persons in any such capacity, or arising out of their status as such, whether or not the Association would have the power to indemnify such person against such liability under the provisions of this Article. Notwithstanding anything in this Article to the contrary, the provisions herein provided for indemnification shall only be applicable to the extent insurance coverage does not apply or is insufficient.

### ARTICLE IX AMENDMENT TO ARTICLES OF INCORPORATION

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

- A. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is considered.
- B. A resolution for the adoption of a proposed amendment may be proposed either by vote of not less than a majority of the entire membership of the Board of Directors, or by not less than twenty (20%) percent of the total voting interests of the members of the Association.
- C. Except as otherwise required by law, a proposed amendment to these Articles of Incorporation shall be adopted if it is approved by vote of not less than a majority of the entire membership of the Board of Directors and by vote of not less than two-thirds of the voting interests of the members represented in person or by proxy at a duly noticed membership meeting.
- D. An amendment shall become effective upon filing with the Secretary of State and recording a copy in the Public Records of Sarasota County, Florida.

### ARTICLE X TERM

The term of the Association shall be perpetual.

### ARTICLE XI REGISTERED AGENT AND ADDRESS

The Association has appointed Chad M. McClenathen, P. A., 783 S. Orange Ave., Suite 210, Sarasota, Florida 34236 as its registered agent and registered address under the laws of the State of Florida. The Board may change the registered agent and registered office from time to time as permitted by law.

The recitals set forth in these Amended and Restated Articles of Incorporation are true and correct and are certified as such by the Board of Directors on this 25 day of February, 2018.

Verona Reserve Community Association, Inc.

By: Eli Rapaport, President

# AMENDED AND RESTATED BYLAWS OF VERONA RESERVE COMMUNITY ASSOCIATION, INC.

WHEREAS, Verona Reserve Community Association, Inc. (Association) is the not-for-profit corporation in charge of the operation and control of a residential community known as Verona Reserve, according to the Declaration of Covenants, Conditions, Restrictions and Easements for Verona Reserve, as recorded at Official Records Instrument # 2011015198, 158 Pages of the. Public Records of Sarasota County, Florida as amended (Declaration), and

WHEREAS, the Bylaws of the Association were recorded as an exhibit to the Declaration and amended in Official Records Instrument # 2015144735, 3 Pages of the Public Records of Sarasota County, and

WHEREAS, it was determined that it was necessary and prudent to amend the Bylaws in order to comply with changes in the laws, and improve the document, and to record the Amended and Restated Bylaws, and

WHEREAS, these Amended and Restated Bylaws were adopted by not less than a majority of the entire membership of the Board of Directors at a duly noticed Board meeting, and

WHEREAS, membership approval of the Amended and Restated Bylaws is not required.

**NOW THEREFORE**, the following are adopted and recorded as the Amended and Restated Bylaws of Verona Reserve Community Association, Inc.

- 1. <u>Identity</u>. These are the Bylaws of Verona Reserve Community Association, Inc., a corporation not for profit incorporated under the laws of the State of Florida, organized for the purpose of administering a residential subdivision located in Sarasota County, Florida.
  - 1.1 <u>Mailing and Principal Address</u>. The address shall be 530 US Hwy 41 Bypass South, Venice, Florida 34285, or at such other place as may be designated by the Board from time to time.
  - 2. <u>Definitions</u>. The terms used herein shall have the same definitions as stated in the Declaration, as amended, unless the context requires otherwise.
  - 3. Members. The members of the Association shall be the record owners of legal title to the Lots.
    - 3.1 <u>Qualifications</u>. Membership shall become effective upon the recording in the Public Records of a deed or other instrument evidencing the member's legal title to one or more Lots.
    - 3.2 <u>Voting Rights: Voting Interests</u>. The members of the Association are entitled to one (1) vote for each Lot owned by them. The total number of votes ("voting interests") is equal to the total number of Lots (165).

The vote allocated to a Lot is not divisible. The right of a member to vote may be suspended by the Association for the nonpayment of monetary obligations owed to the Association that are delinquent in excess of 90 days, in which event all quorum and voting requirements shall be adjusted accordingly based on the reduced number of voting interests until such time as the suspended voting interest(s) is reinstated. The following persons shall be authorized to cast a vote on behalf of a Lot depending on the specified

### ownership interests:

- (a) If a Lot is owned by one natural person, that person has the right to cast the vote on behalf of the Lot.
- (b) If a Lot is owned jointly by two or more persons, any of the record owners may cast the vote on behalf of the Lot.
- (c) If a Lot is subject to a life estate, any of the life tenants may cast the vote on behalf of the Lot, or the holder(s) of the remainder interest may cast the vote.
- (d) If the owner of a Lot is a corporation, any officer of the corporation may cast the vote on behalf of the Lot.
- (e) If a Lot is owned by a partnership, any general partner may cast the vote on behalf of the Lot.
- (f) If a limited liability company owns a Lot, any member or managing member may cast the vote on behalf of the Lot.
- (g) If a Lot is owned by a trustee(s), the vote for the Lot may be cast by any trustee of the trust, or by any grantor or beneficiary of the trust provided the grantor or beneficiary occupies the Lot.

In a situation where two or more persons are authorized to cast a vote on behalf of a Lot, it shall be presumed that the person casting the vote has the consent of all such persons. In the event the persons who are authorized to vote on behalf of a Lot do not agree among themselves how their one vote shall be cast, that vote shall not be counted.

- 3.3 <u>Approval or Disapproval of Matters.</u> Whenever the decision of a Lot Owner is required upon any matter, whether or not the subject of an Association meeting, such decision may be expressed by any person authorized to cast the vote of such Lot at an Association meeting as stated in Section 3.2, unless the joinder of all Owners is specifically required.
- Termination of Membership. The 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 Subdivision during the period of membership, nor does it impair any rights or remedies which the Association may have against any former member arising out of or in any way connected with such membership and the covenants and obligations incident thereto.

### 4. <u>Members' Meetings: Voting.</u>

- Annual Meeting. The annual members' meeting shall be held in Sarasota County on the date, at the place and at the time determined by the Board from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than fourteen (14) months after the last preceding annual meeting. The purpose of the meeting shall be to elect directors and to transact any other business authorized to be transacted by the members.
- 4.2 <u>Special Meetings</u>. Special members' meetings may be held in Sarasota County and may be called by the President, Vice President, or by a majority of the Board of the

Association, and must be called by the Association upon receipt of a written request from twenty percent (20%) of the voting interests. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

Notice of Meeting: Waiver of Notice. Notice of a meeting of members shall state the time, place, date, and the purpose(s) for which the meeting is called. The notice shall include an agenda. The notice of any members' meeting shall be provided to every member by one of the following methods: (1) mailed postpaid and correctly addressed to the member's address shown in the current records of the Association, or (2) be hand delivered to the member who must in that event sign a receipt, or (3) be electronically transmitted to a correct facsimile number or electronic mail address at which the member has consented to receive notice. Each member bears the responsibility of notifying the Association of any change of address. Consent by a member to receive notice by electronic transmission shall be revocable by the member by written notice to the Association. The mailing of the notice shall be affected not less than fourteen (14) days prior to the date of the meeting. Notice must also be posted continuously at the Subdivision for not less than 14 days before the meeting. Proof of notice shall be by affidavit retained as an official record.

Notice of specific meetings may be waived before or after the meeting and the attendance of any member shall constitute such member's waiver of notice of such meeting, except when attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

- 4.4 Quorum. A quorum at members' meetings shall be obtained by the presence, either in person or by proxy, of persons entitled to cast thirty (30%) percent of the voting interests.
- 4.5 <u>Majority Vote</u>. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Owners for all purposes, except where otherwise provided by law, the Declaration, the Articles or these Bylaws.
- Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote, but shall only be valid for the specific meeting for which originally given and any lawful adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it. A proxy must be filed in writing, signed by the person authorized to cast the vote for the Lot and filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. Holders of proxies must be persons eligible to cast a vote on behalf of a Lot as set forth in Section 3.2 of these Bylaws, or a spouse or domestic partner of an eligible voter. For purposes hereof, a "domestic partner" which shall mean a person who resides with and has a personal relationship with the Lot Owner and is designated by the Lot Owner as such.

An executed facsimile appearing to have been transmitted by the proxy giver, or a photographic, or equivalent reproduction of a proxy is a sufficient proxy. Owners may retroactively cure any alleged defect in a proxy by signing a statement ratifying the Owner's intent to cast a proxy vote and ratifying the vote cast by his or her proxy.

Attendance at membership meetings is limited to members, board members, persons holding one or more proxies in accordance with these Bylaws, and persons invited by the Board to attend a meeting, including but not limited to, management personnel, counsel to

the Association, accountants, engineers and other professionals. An owner may not invite any person to attend a meeting and may not use a general or special power of attorney for purposes of attempting to authorize a non-lot owner to attend a membership, committee or board meeting of the Association.

- 4.7 <u>Adjourned Meetings</u>. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present in person or by proxy may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting.
- 4.8 <u>Order of Business</u>. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:
  - (a) Call to order by President;
  - (b) At the discretion of the President, appointment by the President of a chairperson of the meeting (who need not be a member or a Director);
  - (c) Calling of the roll, certifying of proxies, and determination of a quorum, or in lieu thereof, certification and acceptance of the preregistration and registration procedures establishing the owners represented in person, by proxy;
  - (d) Proof of notice of the meeting or waiver of notice;
  - (e) Reading and disposal of any unapproved minutes;
  - (f) Reports of officers;
  - (g) Reports of committees;
  - (h) Appointment of inspectors of election;
  - (i) Election of Directors;
  - (i) Unfinished business;
  - (k) New business;
  - (1) Owner comments.
  - (m) Adjournment.

Such order may be waived in whole or in part by direction of the President or the chairperson.

- 4.9 <u>Minutes of Meeting</u>. The minutes of all meetings of Owners shall be kept available for inspection by Owners or their authorized representatives at any reasonable time. The Association shall retain these minutes for a period of not less than seven years. Minutes for each meeting must be reduced to written form within thirty (30) days after the meeting date.
- 4.10 <u>Action Without a Meeting</u>. Anything to the contrary herein notwithstanding, to the extent lawful, any action required or permitted to be taken at any annual or special meeting of

members may be taken without a meeting, provided the Association provides a letter or similar communication to each member that explains the proposed action. The communication shall include a form of consent to permit each member to consent to the proposed action, and instructions on consent procedures. The Association may proceed with the proposed action without further notice and without a vote at a membership meeting provided consents in writing, setting forth the action so taken, shall be signed by the members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of members at which a quorum of members entitled to vote thereon were present and voted. If the requisite number of written consents are received by the Secretary within ninety (90) days after the earliest date which appears on any of the consent forms received, the proposed action so authorized shall be of full force and effect as if the action had been approved by vote of the members at a meeting of the members held on the ninetieth (90th) day. Within thirty (30) days after obtaining such authorization by written consent, notice must be given to members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. Members may also consent in writing to actions taken at a meeting by providing a written statement to that effect and their vote shall be fully counted as though they had attended the meeting.

#### 5. Board of Directors.

Number and Tenure. The affairs of the Association shall be governed by a Board of not less than three or more than nine directors, and shall be fixed at five (5) members until changed by adoption of a membership resolution. All directors shall be elected to two-year terms, provided however, that either the Board of Directors or the membership shall have the authority to temporarily assign a one or two year term to one or more director positions if necessary to reimplement a scheme of staggering the Board, to promote continuity of leadership, so that approximately one-half of the Board members are elected each year.

Given that Verona Reserve is composed of two Classes of Members, and it is the desire of the membership to have representation on the Board from each Class, there shall be two (2) Directors who shall be Class A Members and two (2) directors who shall be Class B Members. The fifth member of the Board shall be an at-large director who must be either a Class A or B Member. The at-large member shall be the person who receives the most votes at an election after the representative(s) of the two Classes are elected. However, notwithstanding the requirement for representation from each of the Classes, in the event there is no eligible candidate from a Class to fill a vacancy, the vacancy can be filled for that term by election of any eligible person from the other Class.

- Qualifications. Every director must be at least 18 years of age and an owner of a Lot or Villa in Verona Reserve, or a spouse or domestic partner of an eligible voter. For purposes hereof, a "domestic partner" which shall mean a person who resides with and has a personal relationship with the Lot Owner and is designated by the Lot Owner as such. No more than one person from a Lot may serve on the Board at the same time. The statement in subsection 4.2 hereof that requires directors to be Members of a certain Class shall be interpreted to include a spouse or domestic partner of the Class Member as permitted in this subsection 5.2.
- 5.3 <u>Election of Directors</u>. The following procedures shall apply to director elections:

- (a) Any eligible person desiring to be a candidate may submit a self-nomination, in writing, not less than forty (40) days prior to the scheduled election and shall automatically be entitled to be listed on the ballot.
- (b) The ballot prepared for the annual meeting shall list all director candidates by Class A and Class B in alphabetical order by surname. Ballots shall be mailed to all voting interests with notice of the annual meeting and may be returned to the Association prior to the meeting, or cast at the meeting. All Members may vote on each Director position no matter their Class.
- (c) There shall be no nominations from the floor on the date of the election.
- (d) The election shall be by plurality vote based upon votes from all members of the Association (the nominees receiving the highest number of votes are elected). Tie votes shall be broken by agreement among the candidates who are tied, or if there is no agreement, by lot, such as the flipping of a coin by a neutral party.
- (e) No election shall be necessary if the number of candidates is less than or equal to the number of vacancies. The candidates shall automatically be elected and their names announced at the annual meeting.
- 5.4 <u>Vacancies on the Board</u>. If the office of any director becomes vacant for any reason, a successor or successors to fill the remaining unexpired term or terms shall be appointed or elected as follows:
  - (a) If a vacancy is caused by the death, disqualification or resignation of a director, a majority of the remaining directors, even though less than a quorum, shall appoint a successor, who shall hold office for the remaining unexpired term, or at the Board's discretion, until the next annual meeting so that the members may elect a replacement. The authority of the Board to fill a vacancy shall include the right to appoint any eligible person to a vacant position if there is no representative from a Class that is willing to serve to replace a director from that Class.
  - (b) If a vacancy occurs as a result of a recall and less than a majority of the directors are removed, the vacancy may be filled by appointment by a majority of the remaining directors, though less than a quorum. If vacancies occur as a result of a recall in which a majority or more of the directors are removed, the vacancies shall be filled in accordance with procedural rules adopted by the Department of Business and Professional Regulation, Division of Condominiums, governing the method of selecting successors, and providing procedures for the operation of the Association during the period after the recall but prior to the designation of successor directors sufficient to constitute a quorum.
- 5.5 <u>Removal of Directors</u>. Any or all Directors may be removed with or without cause by a majority of the voting interests of the entire membership. The question shall be determined separately as to each Director sought to be removed. All recall proceedings shall be in accordance with the provisions of Section 720.303(10), Fla. Stat.
- Organizational Meeting. An organizational meeting of the Board shall be held within ten (10) days of each annual meeting at such place and time as shall be fixed by the Directors. Notice of the organizational meeting shall be posted at the designated location on the subdivision property at least 48 continuous hours in advance of the meeting.

5.7 Regular Meetings. Regular meetings of the Board shall be held in Sarasota County at such times as shall be determined by a majority of the Directors. The President, Secretary, or a majority of the Board shall have the authority to place an item on the agenda for any regular or special board meeting. Except for meetings with the Association's attorney with respect to proposed or pending litigation when the meeting is held for the purpose of seeking or rendering legal advice, and meetings of the Board to discuss personnel matters, all meetings of the Board shall be open to all Owners who may participate in accordance with the written policy established by the Board. Notice of such meetings shall be posted at the Subdivision at least forty-eight (48) continuous hours in advance for the attention of the members of the Association, except in the event of an emergency in which case the notice shall be posted as soon as practicable after the need for emergency meeting is known to the Association. All notices shall include an agenda for all known substantive matters to be discussed. Written notice of any meeting at which the annual budget or a special assessment will be considered shall be provided to the Owners via one of the methods set forth in Section 4.3 of these Bylaws and posted at the Subdivision not less than 14 continuous days prior to the meeting. Copies of the budget shall be provided with the notice, or as to a special assessment, the notice shall state the nature, estimated cost, and description of each purpose to be funded by the special assessment. Evidence of compliance with this 14-day notice shall be by affidavit by the person providing the notice, and filed among the official records of the Association.

Attendance at Board meetings is limited to lot owners, board members, and persons invited by the Board to attend a meeting, including but not limited to, management personnel, counsel to the Association, accountants, engineers and other professionals. A unit owner may not invite any person to attend a Board meeting and may not use a general or special power of attorney for purposes of attempting to authorize a non-lot owner to attend a membership, committee or board meeting of the Association.

- 5.8 <u>Special Meetings</u>. Special meetings of the Board may be held in Sarasota County and may be called by the President, or Vice President, and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Special meetings of the Board shall be noticed and conducted in the same manner as provided herein for regular meetings. Members representing not less than twenty (20%) percent of the total voting interests may petition for an item of business to be discussed at a Board meeting.
- Notice to Board Members/Waiver of Notice. Notice of Board meetings shall be given to Board members by telephone or one of the methods set forth in Section 4.3 of these Bylaws, which notice shall state the time, place, and purpose of the meeting, and shall be transmitted not less than forty-eight (48) hours prior to the meeting. Any Director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.
- Ouorum. Except as provided in Section 5.4 hereof, a quorum at Directors' meetings shall consist of a majority of the entire Board participating in person or via conference phone call or other electronic participation. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board, except when approval by a greater number of Directors is specifically required by the Declaration, the Articles or these Bylaws. Directors may not vote by proxy. Directors may vote by secret ballot for the election of officers. At all other times, a vote or abstention for each Director

present shall be recorded in the minutes. Directors may not abstain from voting except in the case of an asserted conflict of interest.

- Adjourned Meetings. If, at any proposed meeting of the Board, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder. At any newly scheduled meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.
- 5.12 <u>Joinder in Meeting by Approval of Minutes.</u> A member of the Board may submit in writing his or her agreement or disagreement with any action taken at a meeting that the member did not attend, but such action may not be used as a vote for or against the action taken and may not be used for the purposes of creating a quorum.
- 5.13 <u>Presiding Officer</u>. The presiding officer at the directors' meetings shall be the President (who may, however, designate any other person to preside). In the absence of the presiding officer, the directors present may designate any person to preside.
- 5.14 Order of Business. If a quorum has been attained, the order of business at directors' meetings, as applicable, shall be:
  - (a) Call to order by President;
  - (b) At the discretion of the President, appointment by the President of a chairperson of the meeting (who need not be a member or a Director);
  - (c) Proof of due notice of meeting;
  - (d) Calling of the roll and determination of a quorum,
  - (e) Reading and disposal of any unapproved minutes;
  - (f) Report of officers and committees;
  - (g) Election of officers:
  - (h) Unfinished business;
  - (i) New business;
  - (j) Owner comments;
  - (k) Adjournment.

Such order may be waived in whole or in part by direction of the President, or the presiding officer.

Minutes of Meetings. The minutes of all meetings of the Board shall be kept in a book available for inspection by Owners, or their authorized representatives, at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years. Minutes for each meeting must be reduced to written form within thirty (30) days after the meeting date.

5.16 Executive Committee: Other Committees. The Board may, by resolution duly adopted, appoint an Executive Committee to consist of two or more members of the Board. Such Executive Committee shall have and may exercise all of the powers of the Board in management of the business and affairs of the Association during the period between the meetings of the Board insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the common expenses required for the affairs of the subdivision, (b) to determine the assessments payable by the Owners to meet the common expenses, (c) to adopt or amend any rules and regulations, (d) to fill vacancies on the Board or (e) to borrow money.

The Board of Directors may by resolution create other committees and may invest in such committees such powers and responsibilities as the Board shall deem advisable. The Board may authorize the President to appoint committee members, and designate the chairpersons of each committee. Committee members shall serve at the pleasure of the Board and may be removed by the Board at any time.

Any committee authorized to take final action on behalf of the Board regarding (1) the approval or disapproval of architectural decisions or (2) the authorization of expenditures of Association funds, shall conduct their affairs in the same manner as provided in these Bylaws for Board meetings. All other committees may meet and conduct their affairs in private without prior notice or Owner participation. Notwithstanding any other law or documentary provision, the requirement that committee meetings be open to the Owners is inapplicable to meetings between a committee and the Association's attorney with respect to proposed or pending litigation when the meeting is held for the purpose of seeking or rendering legal advice, and committee meetings held for the purpose of discussing personnel matters.

- 6. <u>Powers and Duties</u>. The Board shall have the powers and duties necessary for the administration of the affairs of the Subdivision and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these Bylaws may not be delegated to the Board by the Owners. Such powers and duties of the Board shall include the following:
  - (a) Operating and maintaining the common areas, including surface water and drainage facilities and systems.
  - (b) Determining the common expenses required for the operation of the subdivision and the Association.
  - (c) Collecting the assessments for common expenses from Owners.
  - (d) Employing and dismissing the personnel necessary for the maintenance and operation of the common areas.
  - (e) Adopting and amending rules and regulations concerning the operation and use of lots and common areas.
  - (f) Maintaining accounts at depositories on behalf of the Association and designating the signatories.
  - (g) Purchasing Lots at foreclosure or other judicial sales, in the name of the Association, or its designee.

- (h) Enforcing obligations of the Owners.
- (i) Borrowing money, pledge regular or special assessments as collateral, and assign rights of collection to the lender in the event of a default under the loan, when required in connection with the operation of the Association or the maintenance, repair, replacement or improvement of the common areas; provided, however, that approval by not less than two-thirds (2/3rds) of the voting interests of those members who are present in person or by proxy at a duly noticed and convened membership meeting shall be required for the borrowing of any sum in excess of ten (10%) percent of the annual budget of the Association, including reserves.
- (j) Levying fines against Owners for violations of the rules, regulations and restrictions enforced by the Association to govern the conduct of persons at the Subdivision, including violations of the terms and conditions of the Declaration, Bylaws, or Rules and Regulations. The Board may levy a fine against an Owner, not to exceed \$100.00 for each violation by the Owner, or his or her tenants, guests or visitors, and a separate fine for each day of a continued violation up to an aggregate fine of no more than \$2,500.00, provided, however, written notice of the nature of the violation and an opportunity to attend a hearing shall be given prior to the imposition of the initial fine. No written notice or hearing shall be necessary for the levy of a separate fine for continued violations if substantially similar to the initial violation for which notice and a hearing was provided. The Board shall have the authority to adopt rules, regulations, and policies to fully implement its fining authority.

The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:

- 1. A statement of the date, time and place of the hearing:
- 2. A statement of the provisions of the governing documents that have allegedly been violated; and
- 3. A short and plain statement of the matters asserted by the Association.

The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. The hearing shall be conducted before a panel of three (3) Owners appointed by the Board (sometimes referred to as the compliance committee or panel), none of whom may then be serving as a director, officer, or employee of the Association, or be a spouse, parent, child, brother, or sister of an officer, director, or employee. In no event shall more than one person from the same Lot be appointed to the compliance panel, and no person from a Lot may be appointed if another representative of that Lot is then serving on the Board.

If the panel, by majority vote, which may be taken by secret ballot, does not agree with the fine, it may not be imposed and the Association shall not collect from the owner any costs, expenses, or attorney fees relating to the attempt to levy a fine.

If the panel, by majority vote, which may be taken by secret ballot, determines to approve the levy of a fine, the fine shall be imposed. The Association shall notify the Owners in writing of the levy and imposition of the fine(s). The Owners shall have thirty (30) days

after the date of the notification letter to pay the fines in full. In the event the Owners fail to pay all fines within the stated deadline, the Association shall have the right to file a lien against a Lot in the event the total amount of fines is \$1,000 or more. The Association shall have the right to seek a personal money judgment and/or foreclose its lien. The Owner shall be liable for all attorney fees and costs incurred by the Association incident to the levy and collection of the fine, including foreclosure of the lien, if applicable. Any partial payments received by the Association shall be first applied against attorney fees, then costs, then the unpaid fines.

The minutes of the hearing shall contain a statement of the results of the hearing, and the fine, if any, that was imposed.

(k) Suspend, for a reasonable period of time, the right of an Owner, or an Owner's tenant, guest, or invitee, to use the common areas, common facilities, or any other Association property, for failure to comply with the governing documents or rules and regulation, provided that no suspension shall prohibit an Owner or tenant from having vehicular and pedestrian ingress to and egress from a Lot, including but not limited to, the right to park a motor vehicle.

The due process requirements, including the right to a hearing before a hearing panel, as set forth above in subsection 'j' as to fining, shall be applicable to suspensions under this subsection 'k'.

The due process requirements provided herein for suspensions shall not apply to suspensions of voting rights or use rights due to a unit owner being more than 90 days delinquent in paying a monetary obligation to the Association, which may be imposed by action at a duly noticed Board meeting. Upon approval, the Association shall notify the unit owner and, if applicable, the unit's occupant, licensee, or invitee by mail or hand delivery.

- (1) Contracting for the maintenance of the common areas, and management services. All contracts for the purchase, lease or renting of materials or equipment, all contracts for services, and any contract that is not to be fully performed within one year, shall be in writing. For so long as required by law, the Association shall obtain at least two competitive bids for any contract which requires payment exceeding ten (10%) percent of the total annual budget of the Association (except for contracts with employees of the Association, management firms, attorneys, accountants, architects, engineers, or landscape architects), unless the products and services are needed as the result of any emergency or unless the desired supplier is the only source of supply within the county serving the Association. The Board need not accept the lowest bid.
- (n) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these Bylaws (ii) all powers incidental thereto, and (iii) all other powers granted by statute or other law to a Florida corporation not for profit.
- (o) Convey a portion of the common areas to a condemning authority for the purpose of providing utility easements, right-of-way expansion, or other public purposes, whether negotiated or as a result of eminent domain proceedings.

#### 7. Emergency Board Powers.

In the event of any "emergency" as defined in Section 7(g) below, the Board may exercise the emergency powers described in this section, and any other emergency powers authorized by Sections 617.0207 and 617.0303, Florida Statutes, as amended from time to time.

- (a) The Board may name as assistant officers persons, which assistant officers shall have the same authority as the executive officers to whom they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Association.
- (b) The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.
- (c) During any emergency the Board may hold meetings with notice given only to those directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The director or directors in attendance at such a meeting shall constitute a quorum. Notice of such meetings shall also be posted on the subdivision property, if possible, as soon as practicable after the need for emergency meeting is known to the Association.
- (d) Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association shall bind the Association, and shall have the rebuttable presumption of being reasonable and necessary.
- (e) Any officer, director, or employee of the Association acting with a reasonable belief that his or her actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of willful misconduct.
- (f) These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.
- (g) For purposes of this Section only, an "emergency" exists only during a period of time that the subdivision, or the immediate geographic area in which the Subdivision is located, is subjected to:
  - (1) a state of emergency declared by local civil or law enforcement authorities:
  - (2) a hurricane warning;
  - (3) a partial or complete evacuation order;
  - (4) federal or state "disaster area" status; or
  - (5) a catastrophic occurrence, whether natural or manmade, which seriously damages or threatens to seriously damage the physical existence of the subdivision, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or act of terrorism.

An "emergency" also exists for purposes of this section during the time when a quorum of the Board cannot readily be assembled because of the occurrence of a catastrophic event, such as a hurricane, earthquake, act of terrorism, or other similar event. A determination by any two (2) directors, or by the President, that an emergency exists shall have presumptive quality.

#### 8. Officers.

- 8.1 Executive Officers. The executive officers of the Association shall be a President, Vice-President, a Treasurer, and a Secretary. The President and Vice-President must be Directors. All officers shall be elected by the Board and may be peremptorily removed at any meeting by concurrence of a majority of all of the directors. A person may hold more than one (1) office, except that the President may not also be the Secretary or Treasurer. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association.
- 8.2 <u>President</u>. The President shall be the chief executive officer of the Association, and shall have all of the powers and duties that are usually vested in the office of president of an Association.
- 8.3 <u>Vice-President</u>. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President, and shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice-president of the Association and as may be required by the directors or the President.
- 8.4 <u>Secretary</u>. The Secretary shall keep the minutes of all proceedings of the directors and the members, shall attend to the giving of all notices to the members and directors and other notices required by law, shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed, and shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an Association and as may be required by the directors or the President.
- 8.5 <u>Treasurer</u>. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness, shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board for examination at reasonable times. The Treasurer shall submit a Treasurer's report to the Board at reasonable intervals and shall perform all other duties incident to the office of treasurer and as may be required by the directors or the President. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board.
- 8.6 <u>Delegation</u>. The Board may delegate any or all of the functions of the Secretary or Treasurer to an agent, committee or employee, provided that the Secretary or Treasurer shall in such instance generally supervise the performance of such functions.
- 9. <u>Compensation</u>. Neither Directors nor officers shall receive compensation for their services as such, nor shall a Director or officer contract, directly or indirectly, to provide goods or services to the Association.
- 10. <u>Resignations</u>. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon its receipt unless a later date is specified in the resignation, in which event the resignation shall be effective from such date unless withdrawn. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Lots owned by any Director or officer, or the occurrence of any other event that would make a Director or officer ineligible to serve in that capacity, shall constitute a resignation

of such Director or officer without need for a written resignation. Any officer or Director delinquent in the payment of any monetary obligation to the Association in excess of 90 days shall constitute a resignation of such Director or officer without need for a written resignation. The unexcused absence from three (3) consecutive Board meetings shall also constitute a resignation of such Director without need for a written resignation.

- 11. <u>Fiscal Matters</u>. The provisions for fiscal management of the Association set forth in the Declaration shall be supplemented by the following:
  - Budget. The Board shall prepare and approve an annual budget of common expense for the Subdivision. The annual assessments payable under the budget shall be due and payable in full on or before March 31 of the budget year, or on such other due date(s) as may be established from time to time by the Board. If an annual budget has not been adopted by the first of the year, it shall be presumed that the annual assessment is the same as the prior year.
  - 11.2 <u>Reserves</u>. The Board may establish one or more reserve accounts for deferred maintenance and capital improvements. Funding formulas for reserves shall be based on either a separate analysis of each of the required assets, or a pooled analysis of two or more of the required assets, in the reasonable discretion of the Board. Separate reserve accounts may be funded and maintained, as necessary, for the Villas.
  - 11.3 <u>Contingency Account.</u> In addition to the reserves described in Section 11.2 above, the Board may establish one or more contingency accounts in the operating budget for contingencies, operating expenses, repairs, minor improvements, or special projects. These contingency funds may be used to offset cash flow shortages, provide financial stability, and avoid the need for special assessments on a frequent basis. The amounts proposed to be so funded shall be included in the proposed annual budget. These funds may be spent for any purpose approved by the Board.
  - Special Assessments. Special assessments may be levied by the Association as provided in Section 9.3 of the Declaration to meet unusual, unexpected, unbudgeted, or non-recurring expenses. Special assessments are due on the day specified in the resolution approving such assessments. The notice of any Board meeting at which a special assessment will be considered shall be given as provided in Section 5.7 above; and the notice to the Owners that the assessment has been levied must contain a statement of the purpose(s) of the assessment. The funds collected must be spent for the stated purpose(s) or returned to the members as provided by law. All special assessments shall be secured by a lien in the same manner as regular assessments per the Declaration.
  - Insurance or Fidelity Bonds. The President, Secretary and Treasurer, and all other persons who are authorized to disburse Association funds shall be insured or bonded in such amounts as may be required by law or otherwise determined by the Board. The premium on such insurance or bonds is a common expense.
  - Financial Reports. The Board shall, as a minimal requirement, prepare a report showing in reasonable detail the financial condition of the Association as of the close of the fiscal year, and an income and expense statement for the year, detailed by accounts. The Board must if required by law and not waived by the membership, and may otherwise in their discretion, engage a CPA and have a more comprehensive analysis accomplished. The annual financial report shall be mailed or delivered to the members not later than June 1 of each year. In lieu of the distribution of financial reports as provided herein, the Association may mail or deliver to each member not later than June 1 a notice that a copy

- of the financial report will be mailed or hand delivered to the Owner, without charge, upon receipt of a written request from the Owner.
- 11.7 <u>Fiscal Year</u>. The fiscal year for the Association shall be the calendar year. The Board may adopt a different fiscal year in accordance with law and the regulations of the Internal Revenue Service.
- 11.8 <u>Depository</u>. The depository of the Association shall be such bank, banks or other federally insured depository as shall be designated from time to time by the Board and in which the monies of the Association shall be deposited not to exceed the amount of federal insurance available provided for any account. Only persons authorized by the Board shall make withdrawal or transfers of monies from those accounts. All funds shall be maintained separately in the Association's name.
- 12. <u>Roster of Lot Owners</u>. The Association shall maintain a list of Owners and their addresses. Only Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other owners shall produce adequate evidence of their ownership interest in a Lot and shall waive in writing notice of such meeting.
- Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the law, the Declaration, the Articles, these Bylaws, or rules and regulations adopted from time to time by the Board to regulate the participation of Owners at Board, membership and committee meetings, and to otherwise provide for orderly corporate operations, provided however, failure to comply with Roberts' Rules shall not invalidate otherwise valid acts.
- 14. <u>Amendments</u>. These Bylaws may be amended in the following manner:
  - 14.1 <u>Notice</u>. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered.
  - Resolution. A resolution for the adoption of a proposed amendment may be proposed either by the Board, or by not less than 20% of the voting interests of the Association.
  - Approval. Except as otherwise required by law, a proposed amendment to these Bylaws shall be adopted if it is approved by not less than a majority of the voting interests of the members participating in person or by proxy at a duly noticed membership meeting.
  - 14.4 Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, which certificate 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 a copy of the amendment is recorded in the Public Records of Sarasota County.
  - Amendments by Board. The Board, by a majority vote of the entire Board, may effect an amendment to the Bylaws in any of the following circumstances:
    - (a) To bring the Bylaws into compliance with the provisions of subsequently enacted laws, rules or regulations adopted by governmental authority which, in the opinion of counsel for the Association, are reasonably likely to be applicable to the Association.

- (b) If the Board determines that as a result of new, changing or evolving technology, materials, procedures, devices or standards the Bylaws should be amended to take cognizance of such matters so that the overall intent of the governing documents shall not be frustrated by changing circumstances.
- (c) If the Board determines, in the reasonable exercise of its judgment, that there is a scriveners error or other error or omission that results in an ambiguity, inconsistency or an incomplete provision, or if experience with a particular provision results in an ambiguity with respect to the practical application of such provision.

Provided, however, that no Board adopted amendment to the Bylaws pursuant to this Section shall go into effect until not fewer that sixty (60) days notice of the amendment shall have been given to the owners. If, during the time between the giving of such notice and the proposed effective date stated therein, owners having not less than ten (10%) percent of all voting interests request in writing that a meeting of the owners be called, then and in such event, the Board shall call such meeting promptly, the purpose of which meeting shall be to determine whether or not the amendment adopted by the Board shall go into effect. Effectiveness of any amendment shall be suspended until the end of such meeting. At such meeting if a quorum is obtained, a majority of the voting interests participating in person or by proxy, may determine that the amendment adopted by the Board, or any part thereof, shall not be effective. If a quorum is not obtained at such meeting, or if at such meeting there is no majority vote against such amendment, then the amendment shall go into effect at the later of the date specified in the notice, or the conclusion of such meeting. Thirty (30) days after the certificate of any amendment adopted by the Board pursuant hereto is recorded in the Public Records, the authority of the Board to adopt such amendment shall be conclusively presumed, shall be binding upon all owners, and may not be challenged in any court proceeding or otherwise.

- Rules and Regulations. The Board may, from time to time, adopt, amend, or add to rules and regulations governing the use of common areas, and the operation of the Association. However, any Board-promulgated rule may be rescinded or amended upon the vote of not less than a majority of the voting interests of the members participating in person or by proxy at a duly noticed membership meeting, Copies of adopted, amended or additional rules and regulations shall be furnished by the Board to each Owner not less than thirty (30) days prior to the effective date thereof, and shall be valid and enforceable notwithstanding whether recorded in the public records.
- 16. <u>Construction</u>. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.
- 17. <u>Captions</u>. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these Bylaws or the intent of any provision hereof.
- 18. <u>Document Conflict</u>. If any irreconcilable conflict should exist, or hereafter arise, the provisions of the Declaration shall take precedence over the Articles of Incorporation, which shall prevail over the provisions of these Bylaws, which shall prevail over the rules and regulations.
- 19. <u>Social Activities.</u> The Board shall have the authority to expend, in each fiscal year, not more than one (1%) percent of the Association operating budget for social activities, including without limitation, parties held for the benefit of owners, residents, and employees of the Association, get well cards, flowers, and similar social activities, all of which shall be a common expense of the Association.

20. Exceptions Due To Two Classes of Members. In recognition that the Association has two classes of members, it may be necessary from time to time for the Lot owners to vote at a membership meeting, or take action in writing in lieu of a meeting, on a matter that affects only that class of members. In those instances, all procedural requirements in these Bylaws may be modified, as necessary, to permit the class of members to proceed without participation by the other members of the Association. For example, and without limitation, if the Class B members are voting to consider the waiver or partial funding or reserves for the Villas, all quorum, notice, and voting requirements shall be altered to permit the Class B members to vote on reserves for the Villas (but not common areas) without regard to the other members of the Association.

In witness whereof, Verona Reserve Community Association, Inc. has executed these Amended and Restated Bylaws this 28 day of February, 2018.

Verona Reserve Community Association, Inc.

By: Eli Rapaport, President