

**SECOND AMENDED AND RESTATED
DECLARATION OF COVENANTS AND RESTRICTIONS FOR
SUN TERRACE AT THE LAKES**

THIS DECLARATION OF COVENANTS AND RESTRICTIONS is made this 7th day of February, 1990, by the SUN TERRACE AT THE LAKES HOMEOWNERS ASSOCIATION, INC., a Florida corporation not-for-profit, hereinafter called the "ASSOCIATION".

The Association is the owner of the real property described in Exhibit "A" attached to this Declaration, and incorporated into this Declaration by reference. The Association intends by this Declaration to impose restrictions upon certain properties to mutually benefit all owners of residential properties within the restricted property. The Association desires to provide a flexible, manageable, and reasonable procedure for the restricted property, and to establish a method for the administration, maintenance, preservation, use, and enjoyment of the restricted property.

The Association declares that the property restricted by this Declaration and any additional property which may be subjected to this Declaration by a subsequent amendment shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property subjected to this Declaration. The easements, covenants, conditions and restrictions found in this Declaration shall be binding on all persons or entities, and their heirs, successors, and assigns, having any right, title, or interest in the property subjected to this Declaration.

ARTICLE I
DEFINITIONS

1. "Articles" shall mean the Articles of Incorporation of the Association (hereinafter defined). A true and correct copy of the Articles is attached hereto, made a part hereof, and is marked Exhibit "B".

2. "Assessment" means a share of the funds which are required for the payment of Association Expenses, which from time to time is assessed against Members (hereinafter defined) of the Association.

3. "Association" shall mean and refer to the Sun Terrace at The Lakes Homeowners Association, Inc., its successors and assigns.

4. "Association Expenses" shall mean and include the actual and estimated expenses of operating the Association and the Property Owners Association (hereinafter defined), including any reasonable reserve, all as may be found to be necessary and appropriate by the Board and by the Property Owners Association pursuant to the Homeowners Documents (hereinafter defined).

5. "Association Property" shall mean all real and personal property transferred to the Association for the benefit of all Members.

6. "Board" shall mean the Board of Directors of the Association.

7. "By-Laws" shall mean the By-Laws of the Association. A true and correct copy of the By-Laws is attached hereto, made a part hereof, and marked Exhibit "C".

8. "Common Area" shall mean those areas of real property shown on the plat of The Lakes at St. Lucie West (hereinafter defined), together with all improvements thereto, which are devoted to the common use and enjoyment of the Members of the Association. The term "Common Area" may sometimes be used interchangeably with the term "Association Property". The Common Area shall consist of:

A. All portions of the Property (hereinafter defined), which are submitted to this Declaration and are dedicated to the Association, that are not Patio Homes;

B. All portions of the Property that are not dedicated to a governmental entity or to the public for a public use, if any.

9. "Community Development District" shall mean and refer to the St. Lucie West Service District, a local unit of special-purpose government which may be created in accordance with Florida Statutes, Chapter 190, to provide certain community services to the area in which the Property is located.

10. "County" shall mean St. Lucie County, Florida.

11. "Declaration" shall mean the covenants, conditions, restrictions, easements, and all other terms set forth in this document, and as may be amended from time to time.

12. Intentional Omitted

13. "General Plan of Development" shall mean that portion of the plan of The Lakes at St. Lucie West dedicated to the Association and submitted to this Declaration, initially or by Subsequent Amendment (hereinafter defined), as approved by the appropriate governmental agencies, and which shall represent the development plan and general uses of the Property.

14. "Homeowners Documents" means in the aggregate this Declaration, the Articles, the By-Laws of the Association, as well as the Declaration of Covenants and Restrictions for The Lakes at St. Lucie, the Articles of Incorporation for the Lakes at St. Lucie Property Owners Association, Inc. ("Property Owners Association" or "POA"). The By-Laws of the Property Owners Association, the Declaration of Covenants, Conditions, the St. Lucie West Hazardous Materials Management Plan (dated April 21, 1988), and all of the instruments executed in connection with the General Plan of Development.

15. "Institutional Mortgagee" shall mean any lending institution having a first lien on a patio home, including any of the following institutions: an insurance company or subsidiary thereof, a federal or state savings and loan association, a federal or state building and loan association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a federal or state banking association, the St. Lucie County Housing Authority or similar entity, a real estate investment trust, or any mortgage banking company authorized to do business in the State of Florida.

16. "Member" shall mean a member of the Association.
17. "Occupant" shall mean the occupant of a patio home who shall be the owner, or their respective guest(s).
18. "Owner" shall mean the fee simple record title holder or holders of any Patio Home Lot (hereinafter defined), whether one or more persons or entities, but excluding any person or entity that has any interest in a Patio Home Lot merely as security for the performance of an obligation.
19. "Patio Home" shall mean the structure and underlying real property, for which a certificate of occupancy has been received. Each patio home is located in a structure containing four (4) separate patio homes. Each patio home is designed and intended for use and occupancy solely as a single family residence.
20. "Patio Home Lot" shall include the patio home, use of two parking spaces, and membership interests in the Association.
21. "Property" shall mean all of the real and personal property subject to this Declaration. The real property initially submitted to this Declaration is described in Exhibit A.
22. "Roads" shall mean and refer to any street or thoroughfare which is constructed by Developer through or adjacent to the Common Areas, and which is dedicated to the Property Owners Association, whether same is designated, for example, by way of illustration and not as limitation, as a street, avenue, boulevard, drive, place, court, road, terrace, way, circle, lane, or similar designation.
23. "Rules and Regulations" shall mean the rules and regulations, which are attached to and incorporated into this Declaration as Exhibit "D", and as may be adopted by the Board or by the Property Owners Association from time to time by resolution or by motion carried.
24. "Single Family" means one person or a group of two or more persons living together and interrelated by bonds of consanguinity, marriage, or legal adoption, or not more than two persons living together who may or may not be interrelated.
25. "Special Assessment" shall mean and refer to those assessments levied in accordance with the further terms of this Declaration.
26. "Subsequent Amendment" shall mean an amendment to this Declaration which subjects additional property to this Declaration, or which withdraws property previously submitted to this Declaration. Such subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on any land submitted by a Subsequent Amendment to the provisions of this Declaration.
27. Intentionally Omitted.

28. "Sun Terrace at The Lakes" is the name given to a planned unit development located in Port St. Lucie, Florida.

29. "Sun Terrace at The Lakes Homeowners Association, Inc." shall mean that certain entity created to maintain, manage, and control the Common Areas. It shall be referred to as the "Association", but it may also be referred to as the "Homeowners Association" or "HOA".

30. "The Lakes at St. Lucie West" is the name given to a planned unit development located in Port St. Lucie, Florida, which has been platted in the County under the same name.

31. "The Lakes at St. Lucie West Property Owners Association, Inc." shall mean that certain entity created to hold, maintain, manage, and control certain property for the benefit of the Members and other Persons. It shall be referred to as the "Property Owners Association" or "POA".

32. "Transfer Date" shall mean the date that the Developer relinquishes the right to appoint a majority of the Directors to the Board, and conveys legal title to the Common Area to the Association. The transfer date shall occur 120 days after the Developer has closed the sales of all of the patio homes contemplated by the general plan of development, or after the Developer elects to relinquish its control of the Association, whichever shall first occur.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

1. Initial Property. The Property which is initially subject to the easements, covenants, conditions, and restrictions imposed by this Declaration is described in Exhibit A.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

1. Mandatory Membership. The owner of the fee simple title of record of each patio home shall be a mandatory member of the Homeowners Association, and the Property Owners Association.

2. Homeowners Association. Each patio home owner shall become a member of the Homeowners Association upon acceptance of the special warranty deed to his patio home. As a member of the Homeowners Association, the owner shall be governed by the Articles of Incorporation and the By-Laws of the Homeowners Association; and shall be entitled to one (1) vote for each patio home owned. The rights and privileges of membership may be exercised by a Member, subject to the provisions of this Declaration and the By-laws. The membership rights of a patio home owned by a corporation or partnership shall be exercised by the individual designated by the owner in a written instrument provided to the secretary of the Homeowners Association.

3. Property Owners Association. Each patio home owner shall become a member of the Property Owners Association upon acceptance of the special warranty deed to his patio home. As a member of the Property Owners Association, the owner shall be governed by the Articles of Incorporation and the By-Laws of the Property Owners Association; and shall be entitled to one (1) vote for each patio home owned. The rights and privileges of membership may be exercised by a Member, subject to the provisions of this Declaration and the By-Laws. The membership rights of a patio home owned by a corporation or partnership shall be exercised by the individual designated by the owner in a written instrument provided to the secretary of the Property Owners Association.

ARTICLE IV **USE OF PROPERTY**

1. Single Family Residence; Leases Prohibited. The patio homes shall be used solely as single family residences and meet The City of Port St. Lucie, Florida Zoning Code Sec. 158.082, which addresses Maximum occupancy for all residential districts. The leasing of patio homes is prohibited. For the purpose of this provision, a patio home will be considered leased whenever it is occupied by someone other than the patio home owner(s), their parents or children, for more than fourteen (14) days in any twelve (12) month period when the patio homeowner(s) are not also in residence (Note: this complies with Article I, Section 24 of this Declaration).

2. Nuisance. The patio home owner shall not permit any nuisance to exist upon his property so as to be detrimental to any other property or to its owners. No patio home owner shall make or permit any noise that will disturb or annoy the occupants of any other patio home, or do or permit anything to be done which will interfere with the rights, comfort or convenience of other patio home occupants

No patio home shall have any substance, obnoxious odor or cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property or to the development as a whole. No obnoxious or offensive activity shall be carried on in any patio home, nor shall anything be done thereon tending to cause a nuisance to any person using any property adjacent to the patio home. There shall not be maintained any plants, animals, devices or things of any sort whose activities or existence in any way is obnoxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the properties. A nuisance must be reported to the property manager in writing.

3. Uses Affecting Insurance. No patio home owner shall do or permit any act or failure to act which shall cause any insurance policy on the patio homes to become void or suspended, nor which would cause any increase in premiums payable by the Homeowners Association.

4. Subdivision. The patio home shall not be further sub-divided or separated by any owner; and no portion less than all of any such patio home, nor any easement or other interest granted herein, shall be conveyed or transferred by an owner; provided, however, that this shall

not prevent corrective deeds, deeds to resolve boundary disputes and other similar corrective instruments.

5. No Commercial Use. The patio home shall not be used in any trade, business, professional or commercial capacity.

6. Animals and Pets. No animals shall be raised, bred, or kept in any patio home, except that dogs, cats, or other household pets may be kept in the patio home, provided they are not kept, bred, or maintained for any commercial purpose, or in numbers deemed unreasonable by the Board.

No Owner shall be permitted to maintain in his or her patio home a bull terrier (pit bull) or any dog or dogs of mean or of violent temperament or otherwise evidencing such temperament. Pets shall not be permitted in any of the Common Areas unless under leash. Each pet owner shall be required to clean up after his or her pet. Each patio home owner shall be strictly liable to the Association, and shall indemnify the Association, and hold it harmless against any loss or liability resulting from his, his guests', or his family member's ownership of a pet. If a dog or any other animal becomes obnoxious to other patio home owners by barking or otherwise, the patio home owner shall remedy the problem.

Notwithstanding the foregoing, no animal may be kept in the patio home or lanai which results in a nuisance or is obnoxious to the community. An obnoxious animal situation must be reported to the property manager in writing for any action to be taken to resolve this situation.

Obnoxious in this situation is synonymous with disagreeable, irksome, troublesome, annoying, irritating, vexatious, displeasing, uncomfortable, distressing, nasty, horrible, appalling, terrible, awful, dreadful, hateful, detestable, miserable, abominable, execrable, odious, invidious, objectionable, offensive, repugnant, repulsive, repellent, revolting, disgusting, distasteful, nauseating, unsavory, unpalatable, and ugly to elaborate for some clarity.

Restricted breeds and noise restrictions are in accordance with the City of PSL laws. Owners of pets are referred to "Violations & Citations 92.279(a) and 92.99" for further clarification including tabs regarding Pet Licensing and additional information.

7. Window. All draperies, curtains, shades, or other window coverings installed in a patio home, and which are visible from the exterior of a patio home shall have a white backing unless otherwise approved in writing by the Board. No sign, notice, or advertisement shall be inscribed or exposed on or at any window or other part of a patio home or common areas without the prior written approval of the Board. One (1) "Open House" sign immediately adjacent to a patio home for sale may be posted only on the day and during the time of the open house. Patio home owners may place a company provided security or other type safety placard immediately in the 4' x 2' area outside the entrance screen door of the patio home.

8. Vehicles. All authorized vehicles are to have a Sun Terrace "ST" parking decal unless permitted in accordance with the procedures described in the Rules and Regulations, no motorcycle, all-terrain vehicle (excluding passenger cars with four-wheel drive, i.e. Jeeps, Broncos, Blazers, and similar vehicles), trailer, boat, camper, motorhome, bus, commercial truck or van, or other similar vehicle shall be permitted within the confines of the general plan of

development, except for trucks delivering goods or furnishing services, and except upon such areas as the Board may, in its sole discretion, allow. In the event that there is a dispute concerning the type of vehicle, then the State of Florida vehicle registration shall control.

ST parking decals may be obtained at the property manager's office during regular posted business hours. A copy of the owner's current vehicle registration is required to obtain decal. It is important to update your vehicle information and obtain a new ST decal if you purchase a new vehicle.

Residents whose vehicles do not have ST parking decals may be fined or the vehicle may be towed at the patio home owner's expense. Resident's extended visitors need to register with the property manager to obtain a "Visitor Tag" or a fine could be imposed and the vehicle towed at the patio home owner's expense. Because all parking in Sun Terrace is outside and is highly visible, vehicle owners are asked to keep their vehicles in good repair and running order. If your vehicle has been damaged in an accident or is aging with rust, vehicles owners will need to make necessary repairs or could face fines. Vehicles must be operable and cannot be abandoned in your parking spot or in any visitor spot in the community. Vehicles with ST decal or visitor tag are required to be mechanically sound and able to be moved or the owner could face fines or may be towed at owner's expense. Vehicles need to have a current license plate and ST decal or could face fines or may be towed at owner's expense.

In addition, if a vehicle owner has their vehicle covered it must be a cover specifically designed for covering vehicles. All covers must be maintained in good condition. This means there are no tears, or tape repairing tears on cover. Patio home owners that use a vehicle cover must notify the property manager with the name and phone number of responsible person if patio home vehicle owner will not be on property for extended periods of time. NO TARPS are permitted at any time. The Association shall have the right to authorize the towing away of any vehicles in violation of this rule with the costs to be borne by the vehicle owner or violator. All vehicle owners are responsible for ensuring that their vehicles can be removed from Sun Terrace at the Lakes upon notice from the Association.

9. Exterior Modifications. The exterior walls, roof, and courtyard screen enclosure shall not be painted, stained, decorated, or modified by any owner in any manner, without the prior written consent of the Association, which consent may be withheld on purely aesthetic grounds within the sole discretion of the Board.

10. Hurricane Shutters. Each patio home owner who intends to be absent from his home during the hurricane season (June 1 - November 30 of each year) and has professionally installed hurricane shutters may close and shall prepare his home prior to his departure by doing the following:

A. Removing all furniture, potted plants, and other movable objects from his patio; and

B. Designating a responsible person or firm, satisfactory to the Association, to care for his home should it suffer hurricane damage. Such person or firm shall also contact the Association for permission to install temporary hurricane shutters, which must be removed

when no longer necessary for storm protection. At no time shall “temporary” hurricane shutters be permanently installed, without the prior written consent of the Board.

C.* Storm shutter placement. Hurricane protective devices that impede egress, light, and/or ventilation in a closed/secured position on occupied buildings must be removed no later than fourteen (14) days after the termination of a hurricane event (watch, warning, or actual hurricane or tornado) unless:

- a. A hurricane or tropical storm watch occurs in the fourteen (14) day period, at which point the fourteen (14) day period begins anew the day after the hurricane or tropical storm conditions have subsided;
- b. Hurricane or tropical storm watch conditions are predicted to occur within forty-eight (48) hours after the fourteenth day;
- c. The structure is used for residential purposes, but no person is in residence.

*All above Sections under C. from City Storm Regulations for Hurricane Shutters – Sec. 41.10m

11. Lighting. Except for seasonal Christmas decorative lights, which may be displayed between Thanksgiving Day and January 10 only, all exterior lights must be approved by the ACC.

12. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of the Properties. Exterior sculpture, fountains, flags, and similar items must be approved by the ACC.

13. Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless it is an integral and harmonious part of the architectural design of a structure, as reasonably determined by the ACC.

14. Lakes and Water Bodies. All lakes, ponds, and streams within the Properties shall be aesthetic amenities only, and no other use thereof, including, without limitation, fishing, boating, swimming, playing, or use of personal flotation devices, shall be permitted. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of lakes, ponds, or streams within the Properties.

15. Recreational Facilities. All recreational facilities and playgrounds furnished by the Property Owners Association or erected within the Properties, if any, shall be used at the risk of the user, and neither the Association nor the POA shall be held liable to any Person for any claim, damage, or injury occurring thereon or related to use thereof.

16. Rules and Regulations. The patio home owners shall abide by each and every rule and regulation promulgated from time to time by the Board and by the Property Owners Association. This includes, without limitation, rules adopted by the Board of Directors to assist with specific common area projects. The Board shall give an owner in violation of the Rules and Regulations of the Association, written notice of the violation by U.S. Mail, and fifteen (15) days

in which to cure the violation. Should the Association be required to seek enforcement of any provision of this Declaration or the Rules and Regulations and need to take immediate action, then the offending patio home owner (for himself or for his family, guests or invitees) shall be liable to the Association for all costs incurred to correct said violation and shall be liable to the Association for all costs incurred in the enforcement action, including reasonable attorneys' fees, whether incurred in trial or appellate proceedings or otherwise.

17. Enforcement Actions. Should the Association be required to seek enforcement of any provision of the Declaration or the Rules and Regulations, then and in that event, the offending patio home owner (for himself or for his family, guests or invitees) shall be liable to the Association for all costs incurred in the enforcement action, including reasonable attorneys' fees, whether incurred in trial or appellate proceedings or otherwise.

ARTICLE V **COMMON AREAS**

1. Title to Common Area. Association shall be responsible for the management, maintenance, and operation of the Common Areas, and for the payment of all real estate taxes, if any, and other assessments which are liens against the Common Area, from and after the recording of this Declaration.

2. Annexation of Additional Property. The Association shall have the power and authority to acquire and annex to the Common Areas other interests in real and personal property, as it may deem beneficial to the Members, and approved by the required number of residents through the required voting process. Any property acquired pursuant to this section shall be annexed to the Common Areas by means of an instrument in writing recorded in the public records of the County.

3. Rules and Regulations Governing Use of Common Areas. The Board of the Property Owners Association shall promulgate rules and regulations governing the use of the Common Areas. Such rules and regulations, and all provisions, restrictions, and covenants as now or hereinafter provided, including, without limitation, all architectural and use restrictions contained in this Declaration, may be enforced by legal or equitable action as provided in this Declaration.

4. Traffic Regulation. The Board shall have the right to post motor vehicle speed limits throughout the Common Areas. The Board may also promulgate rules and procedures for the enforcement of the traffic regulations, including, without limitation, the assessment of fines against Owners who violate the traffic regulations and against Owners whose family members, guests, invitees, licensees, employees, or agents violate the traffic regulations. The Board shall give an Owner in violation of the Traffic Regulation, written notice of the violation by U.S. Mail. Fine to be determined by the violation and current Association Fine Schedule. The fines shall be collected as an individual assessment from the Owner who violates the traffic regulations, or from the Owner whose family members, guests, invitees, licensees, employees, or agents

violate the traffic regulations. Before any fine shall be effective, the Owner shall be entitled to notice and an opportunity to be heard by the Conveyance Committee under the direction of the Board.

5. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE VI **EASEMENTS**

1. Easements for Owners. The Association hereby grants a perpetual non-exclusive easement to the patio home owners, their families, guests upon, over, and across the Common Areas. The Association hereby ~~grants~~ declares an additional perpetual non-exclusive easement to the Association over, across, and under all portions of the General Plan of Development for the purpose of performing the maintenance and repair requirements of the Association as described in this Declaration.

2. Easements for Utilities. The Association hereby also grants a perpetual non-exclusive easement to all utility or service companies servicing the Property upon, over, across, through, and under the Common Areas and other portions of the Property on which utility facilities may be located for ingress, egress, installation, replacement, repair, and maintenance of all utility and service lines and systems including, but not limited to water, irrigation, sewer, gas, telephone, electricity, television cable or communication lines and systems. It shall be expressly permissible for the Association or the providing utility or service company to install and maintain facilities and equipment on said property, to excavate for such purposes and to affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of the patio homes, providing such company restores any disturbed area to the condition existing prior to their activity; provided, however, that no utility service line or system may be installed or relocated within the common areas without the consent of the Association.

3. Easements for Encroachments. The Association hereby grants an easement for encroachment in the event any improvements upon the common areas now or hereafter encroaches upon a patio home, or in the event that any patio home now or hereafter encroaches upon the common area, as a result of minor inaccuracies in survey, construction, reconstruction, or due to settlement or movement or otherwise. The encroaching improvements shall remain undisturbed as long as the encroachment exists. This easement for encroachment shall also include an easement for the maintenance and use of the encroaching improvements. Provided, however, that at no time shall there be any encroachment onto surface water management systems, without the written consent of the South Florida Water Management District.

ARTICLE VII
MAINTENANCE

1. Association's Responsibility.

A. Common Areas. The Association shall maintain and keep in good repair the Common Areas. The maintenance of the Common Areas shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all plantings and sodding of Common Area road rights-of-way; all perimeter plantings and sod; right-of-way, perimeter, and other Association irrigation facilities and pumps; dumpster screening; perimeter walls; bridges; lakes; water features; drainage easements and other easements; road and identification signage; Common Area security facilities and equipment (if any); drainage facilities and water control structures; water and lake treatment facilities; Association parking facilities; sidewalks; sod, landscaping and other flora located on the common Areas; and other structures and improvements situated upon the Common Area. The cost to the Association of maintaining the Common Areas shall be assessed equally among the patio home owners, as part of the Association Expenses pursuant to the provisions of this Declaration.

B. Patio Home Exterior surfaces The Association shall at all times be responsible for the maintenance and care of the exterior surfaces of the patio homes. The term exterior of the patio home shall include, but not be limited to 1) the normal maintenance of the common roof, such as cleaning, refinishing or recovering, and original skylights 2) gutter and downspout cleaning, repair and replacement, including vents, fascia or, soffit 3) exterior walls, exterior wall security lights/fixtures, and water main shut-off, exterior hose bib and electrical outlets (both located at sides of building by A/C). The cost to the Association of maintaining the exterior surfaces and the additional Sections listed for the patio homes shall be assessed equally among the patio home owners, as part of the Association Expenses pursuant to the provisions of this Declaration.

The Association shall not be responsible for 1) for the patio screen enclosure frame, maintaining the structural integrity of the patio screen enclosure frame including the installation of any additional supports to the lanai screen frames (hurricane supports) 2) for the maintenance repair or replacement of the two lanai hose bibs, and lanai electrical outlets, 3) exterior steel doors (main entrance and storage room), the 4 sliding glass doors and any sliding glass door roller(s), 4) screens including sliding door screens, and entrance screen door on any patio home, nor shall the Association be responsible for the replacement of any glass including bathroom window, frame, and hardware and the storage room window and frame.

The Association is not responsible for any drainage problems caused by a patio home owner's alterations to the lanai. This includes, without limitation, cementing and patio block installation. The Association is not responsible without limitation to the interior plumbing / piping and electrical / hard wiring repairs.

The Association shall maintain skylights and sun tubes that were part of the original construction of the patio home. Owners are responsible for maintaining, repairing, and replacing any skylights and sun tubes installed after the original construction. However,

notwithstanding the foregoing, the Association may replace skylights or sun tubes when it replaces the roofs. The owner is responsible for maintaining, repairing, and replacing the skylight or sun tube after the installation is complete.

In addition, maintenance, repair and replacement of any screens, glass, steel doors and/or door frames, windows, or patio light bulbs, and the maintenance of any landscaping or shrubbery located within the patio of a patio home or immediate 4' x 2' area on either side of their entrance screen door shall be the responsibility of a patio home owner.

C. Public Property. The Association may maintain property which it does not own, including, without limitation, property dedicated to the public, if the Board determines that such public property maintenance is necessary or desirable. However, if the cost of such maintenance will exceed 5% of the budgeted gross expenses of the Association for that fiscal year, the maintenance must be approved by a majority of the voting interest.

2. Owner's Responsibility. The patio home owner's maintenance obligations include, without limitation, the following items. Each Owner shall ensure that the patio and interior of the patio home is kept in a clean, orderly and sanitary condition at all times. Each owner shall maintain his or her own patio home in a manner consistent with all applicable covenants. Each Owner is responsible for all plumbing / piping and electrical / hard wiring. Each owner shall maintain the one lanai hose bibs, lanai electrical outlets, exterior steel doors (main entrance and storage room), and/or door frames, windows, sliding glass door and any sliding glass door roller(s), screens including sliding door screens, and entrance screen door and door sweep on any patio home, screen, glass, frame, and hardware of bathroom window, the lanai screen frame, and replace same when it is necessary; patio screen enclosure frame, maintaining the structural integrity of the patio screen enclosure frame including the installation of any additional supports to the lanai screen frames (hurricane supports), including without limitation the cleaning and painting of the lanai floor and keeping floor side drains cleaned. Any maintenance, painting, repair or replacement of all items as listed herein must be done in a manner consistent with all applicable covenants and maintain the original appearance and color as when originally built and meet current Building Codes.

The maintenance of any landscaping or shrubbery located within the patio of a patio home shall be the responsibility of the patio home owner. Each Owner is allowed to personalize the immediate 4' x 2' area on either side of their entrance screen door and will be responsible to maintain any plantings within this 4' x 2' area at chair rail height. Owners may place a company provided security or other type safety placard immediately in this 4' x 2' area outside their entrance screen door.

Note: if no owner changes are made to this 4' x 2 area the HOA will maintain when doing the normal landscape work. No other personalization adjacent to or in near proximity to each individual patio home is allowed and if done will be notified of violation. Personalization examples include but are not limited to: solar or hard-wired yard lights either along walkway, mounted to building or trees or by other means, statues, flags, potted plants.

The patio home owner is allowed to have outdoor type furniture, such as but not limited to, outdoor patio table, patio chairs and cushions, lounge chairs and cushions, patio umbrella, patio side tables, patio side table lights, outdoor patio rugs, welcome mat, plants, grills, and

patio storage chest. Handi-cap items such as wheelchair, walker, and mobility scooter are permitted. Accessibility ramps will need an Architectural Change Form. Any outdoor activity items/toys such as but not limited to bicycles, shall be kept to a minimum and stored in storage closet or under lanai overhang area when not in use. Any wall art, TV, or other similar type items will need an Architectural Change Form approved by the Board of Directors in advance. One (1) hose may be attached to hose bib.

No indoor type of furniture will be allowed in lanai. No sun sails allowed. The lanai shall not be used for storage of any building material, yard or construction tools or equipment such as, but not limited to ladders, wheelbarrow, shovels, buckets, plastic bins, boxes, table saw, saw horses, grinders, drill press, etc.

If Owner does not correct violation, correction will be done by the Board at Owner's expense. Any and all personalization to this area must be submitted by an Architectural Change Request and approved by the board. Each Owner's responsibility shall be enforced by the Declaration of Covenants and Restrictions for Sun Terrace at the Lakes and more specifically Article IV, section 16 and 17.

A. Party Walls. The patio homes comprising each building are residential homes with common walls, known as "party walls", between each home that adjoins another home. The center line of a party wall is the common boundary of the adjoining home. The cost of maintaining each side of a party wall shall be borne by the patio home owner using said side, except as otherwise provided herein.

B. Use of Party Walls. Each common wall in a patio home shall be a party wall, and any party to said wall, his heirs, successors, and assigns shall have the right to use same jointly with the other party to said 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 forming said party wall.

C. Common Roofing. The entire roof of the patio home building, any and all roof structure support, and any and all appurtenances to such structures, including without limitation, the roof covering, roof trim, and roof drainage fixtures, shall be collectively referred to as "common roofing".

D. Damage. If a patio home is damaged through an act of God or other casualty, the affected patio home owner shall promptly have his home repaired and rebuilt substantially in accordance with the architectural plans and specifications of the patio home building. The Association shall have the right to specially assess all members of the Association if insurance proceeds are insufficient to repair or rebuild the affected patio homes in accordance with this paragraph. The assessment and collection of any special assessment authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Association expenses.

In the event such damage or destruction of a party wall or common roof is caused solely by the neglect or willful misconduct of a patio home owner, any expense incidental to the repair or reconstruction of such wall or common roof shall be borne solely by such wrongdoer. If the patio homeowner refuses or fails to pay the cost of such repair or

reconstruction, the Association shall have the right to complete such repair and reconstruction substantially in accordance with the original plans and specifications of the affected building, and the Association shall thereafter have the right to specially assess said patio home owner for the costs of such repair and re-construction. The assessment and collection of such assessment authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Association Expenses.

E. Modifications. No patio home owner shall authorize the painting, refurbishing or modification of the exterior surfaces of his patio home or of the patio home building. Normal maintenance of the exterior surfaces, such as pressure cleaning, repainting and refinishing, shall be done uniformly at the same time for the entire patio home building by the Association and as an Association expense. Normal maintenance of the common roof, such as cleaning, refinishing or recovering, shall be done uniformly at the same time for the entire common roof by the Association and as an Association expense.

F. Failure to Maintain. In the event a patio home owner shall fail to maintain the premises and the improvements thereon, as provided herein, the Association, after notice to the Owner, shall have the right to enter upon any patio home to assess and correct damage and to repair, maintain and restore the exterior of the patio home and any other improvements erected thereon. All costs related to such correction, repair or restoration shall become a Special Assessment against such patio home; provided, however, except when entry is required due to an emergency situation, the Association shall afford the owner reasonable notice and an opportunity to cure the failure to maintain prior to entry.

Patio home owner is responsible for maintaining and trimming any shrubs and plants inside their lanai to keep them from becoming overgrown. The Board may in its sole discretion authorize the trimming of overgrown shrubbery and plants away from the screen and frame at patio home owners expense. Such expense shall be an individual assessment.

ARTICLE VIII **ASSESSMENTS**

1. Creation of Assessments. There are hereby created assessments for Association Expenses as may from time to time specifically be authorized by the Board to be commenced at the time and in the manner set forth in this Article. There shall be two (2) types of assessments: (a) Assessments to fund Association Expenses for the benefit of all Members of the Association; and (b) Special Assessments as described in paragraph 3 below.

A. Equal Assessments. Assessments shall be levied equally on all patio homes. Special Assessments shall be levied as provided in paragraph 3 below. Each owner, by acceptance of his or her deed is deemed to covenant and agree to pay these assessments.

B. Certificate of Payment. The Association shall, upon demand at any time, furnish to any Owner liable for any type of assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any

particular patio home. Such certificate shall be conclusive evidence of payment to the Association of such assessment. The Association may require the advance payment of a nominal processing fee for the issuance of such certificate.

C. Monthly Payments. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors which may include, without limitation, acceleration of the annual Assessment for delinquent Members. Unless the Board otherwise provides, the Assessments shall be payable monthly.

D. No Waiver. No owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration and not limitation, by non-use of Common Areas or abandonment of the patio home. The obligation to pay assessments is a separate and independent covenant on the part of each owner. No diminution of abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of the County or other governmental authority.

E. Subsidy Contracts. The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services or materials or a combination of services and materials with other entities for the payment of some portion of the Association Expenses as expressed by this Declaration or the By-Laws. (see Article V item 5. Implied Rights)

2. Computation of Assessments. It shall be the duty of the Board, at least sixty (60) days before the beginning of the fiscal year, to prepare a budget covering the estimated costs of operating the Association during the coming year. The budget shall include and shall separately list Association Expenses. The Board shall cause a copy of the budget and the amount of assessments to be levied against each patio home for the following year to be delivered to each Owner at least thirty (30) days prior to the end of the current fiscal year. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in the By-Laws.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

The budget shall include, without limitation, the following listed line items:

A. Taxes. All taxes levied or assessed upon the Common Areas, if any, by any and all taxing authorities, including all taxes, charges and assessments, imposition and liens for public improvements, special charges and assessments; and, in general, all taxes on personal property and improvements which are now and which hereinafter may be placed in the

Common Area, including any interest penalties and other charges which may accrue on such taxes.

B. Utility Charges. All charges levied for utility services to the Common Areas, whether supplied by a private or public firm including, without limitation, all charges for water, gas, electricity, telephone, sewer and any other type of utility or service charge.

C. Insurance. The premiums on any policy or policies of insurance required under this Declaration, together with the costs of such other policies of insurance, as the Board, with the consent of the Owners at any meeting thereof, shall determine to be in the best interest of the Association.

D. Insurance Trustee. All expenses necessary to retain and continue to retain a lending institution in the county, having a trust department to act as "Insurance Trustee". The functions of the Insurance Trustee shall include holding all original policies purchased by the Association, being named as loss payee, distributing proceeds of such insurance, assisting in the reconstruction of improvements from insurance premiums and performing such other functions as shall be agreed upon.

E. Maintenance, Repair and Replacement. All expenses necessary to meet the Association's responsibility to maintain the Common Areas in accordance with the requirements of this Declaration.

F. Property Owners Association. Certain recreational facilities have been constructed for the joint use and benefit of the patio home owners and for the use and benefit of certain Bedford Unit owners and Lakeside owners located in a planned unit development known as The Lakes at St. Lucie West. These recreational facilities shall be owned, operated, and maintained by the Property Owners Association. All patio home owners, as well as all Bedford Unit owners and Lakeside owners shall be assessed and shall pay on an equal basis the expenses of the Property Owners Association. The POA assessments shall be paid by the patio home owners to the Association, which shall thereafter remit such assessments to the Property Owners Association.

G. Miscellaneous expenses. The costs of administration for the Association, including any secretaries, bookkeepers and other employees necessary to carry out the obligations and covenants of the Association under the Declaration, including the collection of sums owed by a particular patio home. Bulk rate charges for cable television may be assessed as Association Expenses, if the Association becomes a party to a single billing service for cable television services. In addition, the Association may retain a managing company or contractors to assist in the operation of the Association and to perform or assist in the performance of certain obligations of the Association hereunder. The fees or costs of any management company or contractor so retained shall be deemed to be part of the Association's expense.

H. Indemnification Included also is the cost to the Association to indemnify its officers and members of the Board for all costs and expenses whatsoever incurred in pursuance of their duties, obligations and functions hereunder. Any such Association expense shall be reallocated amongst the patio home owners and not the Institutional Mortgagees.

I. Reserve funds. The costs to establish an adequate reserve fund for replacement and/or capital refurbishment of the Common Areas and the payment of other Association Expenses (the "capital contributions") in the amounts determined proper and sufficient by the Board, if any. Each owner acknowledges, understands and consents that capital contributions are the exclusive property of the Association as a whole, and that no Owner shall have any interest, claim or right to any such capital contributions or funds composed of the same. The Association shall be responsible for maintaining the capital contribution in a separate reserve account and to use such funds only for capital costs and expenses as aforesaid.

3. Special Assessments.

A. Consent of Members. In addition to the assessments authorized in paragraph 1 of this Article, the Association may levy a Special Assessment or Special Assessments; provided, such assessment shall have the affirmative vote or written consent of 66 2/3% of the Members voting on any proposed assessment. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

B. Repairs. The Association may levy a Special Assessment to obtain all sums necessary to repair, replace, construct or reconstruct ("repair") any buildings or improvements located in the Common Areas damaged by any casualty to the extent insurance proceeds are insufficient for repair. Any difference between the amount of insurance proceeds received on behalf of the Association with respect to repair and the actual cost of the repair ("repair sums") shall be an Association Expense for which the Association shall levy a Special Assessment against all Owners to obtain the funds necessary to pay for such repair sums within ninety (90) days from the date such damage was incurred. The Association shall establish an account with an Institutional Mortgagee located in the County, and deposit into such account all repair sums and all insurance proceeds collected by the Insurance Trustee so that the amounts on deposit will equal the costs of repair. The Association shall proceed so that repairs shall be completed within one (1) year from the date of damage, if possible.

C. Reimbursements. The Association may also levy a Special Assessment against any Member to reimburse the Association for costs incurred in bringing a Member into compliance with the provisions of the Declaration, any amendments thereto, the Articles, By-Laws, and the Rules and Regulations, which Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing.

4. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to each patio home at the time that a certificate of occupancy is issued for the home by the appropriate governmental authority. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first annual assessment shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on a home.

5. Subordination of the Lien to First Mortgagees. The lien of assessments, including interest, late charges, and costs (including attorney's fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any patio home as provided in this Declaration. The sale or transfer of any patio home shall not affect the assessment lien. However, the sale or transfer of any home pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such home from lien rights for any assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record obtains title pursuant to remedies under the Mortgage, its liability for Association Expenses or assessments accruing prior to the acquisition of title shall be governed by Section 720.3085, Florida Statutes, as may be amended from time to time. Any other person or entity that acquires a patio home pursuant to the remedies under a first Mortgage is liable for all unpaid Association Expenses, assessments, late charges, interest, and attorney's fees coming due prior to the acquisition of title. All Association Expenses or assessments not collectible shall be deemed to be Association Expenses collectible from Owners of all the patio homes, including such acquirer, its successors and assigns.

6. Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from the payment of Assessments and Special Assessments:

- A. All Common Areas; and
- B. All property dedicated to and accepted by any governmental authority or public utility.

7. Transfer Fee. Each patio home owner, upon acquiring title to a patio home, shall pay to the Association an amount equal to three (3) months' Assessments for the patio home as a transfer fee. The transfer fee will be used to subsidize the reserve funds. The transfer fee will be subject to the requirements as to the Florida 720 statues as amended from time to time. Notwithstanding the foregoing, a Trustee acquiring title to a patio home for the purposes of estate planning by the grantor of the patio home or spouses and children of a patio home owner acquiring title by inheritance, devise or gift, shall not be required to pay the transfer fee provided for herein.

ARTICLE IX **ARCHITECTURAL CONTROL**

No residence, fence, wall or other structure shall be commenced, erected or maintained upon the common area or patio home property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, location, and costs of the same have been submitted to and approved in writing as to harmony of external design and location in relation to the surrounding structures and topography by the Board. In the event the Board fails to approve or disapprove such design and location within thirty (30) days after such plans and specifications are submitted to it, then approval shall be deemed granted and this article shall be deemed to have been fully complied with; provided the size and location of the residence, fence, wall or structure are not in violation

of any other of the covenants and provisions of this Declaration. Further, the Board does not have the right to approve of plans that are in violation of any municipal or county ordinance and/or regulations and/or the Southern Standard Building Code. Further, should the municipality, county, and/or the Southern Standard Building Code require as a condition precedent, approval of a municipality, county, and/or a regional commission, said approval shall be a condition precedent to submission to the Board. The Architectural Committee shall be a committee serving the community responsible to the Board of Directors of the Association for their final approval.

ARTICLE X **ESTABLISHMENT AND ENFORCEMENT OF LIENS**

1. Lien for Assessments. All assessments, together with interest at a rate not to exceed the highest rate allowed by Florida law as computed from the date the delinquency first occurs, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the patio home against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Person who was the Owner of such patio home at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first Mortgagee who obtains title to a patio home pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title. The Board may suspend the voting rights and use of common property of a Member for nonpayment of any assessment. (this meets Florida Chapter 617) *see 3. A. Late Charge

2. Effective Date of Lien. Said lien shall be effective only from and after the time of 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 recording, there shall exist a perfected lien for unpaid assessments prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Upon full payment of all sums secured by that lien and costs and fees accrued, the party making payment shall be entitled to a recordable Satisfaction of Lien.

3. Remedies. In the event any Owner shall fail to pay his or her assessments within (15) days after the same becomes due, the Association, through its Board, shall have all of the following remedies to the extent permitted by law.

A. Late Charge. To impose a late charge not in excess of \$25.00.

B. Acceleration of Assessments. To accelerate the entire amount of any assessments for the remainder of the year notwithstanding any provisions for the payment thereof in installments.

C. Attorney's Fees and Costs. To advance on behalf of the Owner funds to accomplish the needs of the Association and the amount or amounts of money so advanced, including reasonable attorneys' fees and expenses which might have been reasonably incurred because of or in connection with such advance, including costs and expenses of the Association if it must borrow to pay expenses because of said owner, together with interest at the highest rate allowable by law, may thereupon be collected or enforced by the Association and such advance or loan by the Association shall not waive the default.

D. Action in Equity. To file an action in equity to foreclose its lien at any time after the effective date thereof. The lien may be foreclosed by an action in the name of the Association in a like manner as the foreclosure of a mortgage on real property.

E. Action at Law. To file an action at law to collect said assessments, plus interest at the highest rate allowable by law plus costs and attorneys' fees, without waiving any lien rights or rights of foreclosure by the Association.

4. Rights upon Foreclosure. The Association, acting on behalf of the Owners, shall have the power to bid for the patio home at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which the patio home is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be assessed or levied on it; and (c) each other patio home shall be charged, in addition to its usual assessment, its equal prorata share of the assessment that would have been charged such home had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Association Expenses and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

ARTICLE XI **INSURANCE**

1. Casualty. The Association shall maintain a master policy or policies to insure all patio homes and improvements on the real property against casualty loss. This coverage shall insure 100% of the current replacement-cost of the common area improvements, personal property and supplies, if any, and the individual patio homes, and shall be in such amounts so that the insured will not be a co-insurer except under deductible clauses required to obtain coverages at a reasonable cost. The Association shall also maintain a casualty policy or policies to insure all common area improvements and Association personal property, if any.

A. Policy Exclusions. The coverages will EXCLUDE the following:

- (i) Land, foundations, excavations or other items that are usually excluded from insurance coverage;
- (ii) Floor, wall, and ceiling coverings; and
- (iii) Any increase in the value of a home as a result of special improvements, alterations and betterments not common to comparable homes.

- (iv) Appliances in each patio home, such as dishwasher washer, dryer, refrigerator, oven, range, and microwave;
- (v) Cabinets and countertops installed in each patio home;
- (vi) Personal property in the patio home;
- (vii) Electrical fixtures; interior hard wiring
- (viii) Water heaters; interior water lines (piping)
- (ix) Water filters;
- (x) Window treatments, including without limitation curtains, drapes, blinds, hardware, and similar window treatment components.
- (xi) Patio screen enclosures, including the screens and cage/frame; and main screen entrance door. Glass sliding doors (4 sets) and frames.
- (xii) Any improvements or alterations to original structure;

B. Policy Inclusions. The coverage will INCLUDE the following:

- (i) Loss or damage by fire or other hazards covered by a standard extended coverage endorsement;
- (ii) All other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement;
- (iii) Agreed Amount and Inflation Guard Endorsement, when it can be obtained;
- (iv) Demolition Cost Endorsements, Contingent Liability from Operation of Building Laws Endorsement, and Increased Cost of Construction Endorsement;
- (v) Steam Boiler Endorsement, if applicable, providing at least \$50,000.00 coverage for each accident at each location;
- (vi) A standard mortgagee clause naming, when appropriate, the Federal National Mortgage Association (FNMA) or the servicers for mortgages held by FNMA, their successors and assigns;
- (vii) Non-load-bearing interior walls;

C. Policy Waivers. When appropriate and possible, the policies shall waive the insurer's right to:

- (i) Subrogation against the Association and against the patio home owners, individually and as a group;

(ii) The prorata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk; and

(iii) Avoid liability for a loss that is caused by an act of the Board, or by a member of the Board or by one or more patio home owners.

D. Other Provisions. In addition, the policy shall provide that:

(i) Any Insurance Trust Agreement will be recognized;

(ii) The policy shall be primary, even if a patio home owners has other insurance that covers the same loss; and

(iii) The named insured shall be the Association for the use and benefit of the patio home owners. The “loss payable” clause should show said Association or the designated insurance trustee as the trustee for each patio home owner and each patio home owner’s mortgage.

E. Patio Owner Casualty Insurance. Each patio owner must maintain insurance for the protection of the interior portions of the patio home and any other portion of the patio home not covered by the insurance obtained by the Association pursuant to this Section. Patio owners are also responsible for maintaining insurance for the protection of their personal property. The Association may request proof of insurance from patio owners in the form of certificates of insurance. Patio owners shall provide certificates of insurance within ten (10) days of a request from the Association.

F. Miscellaneous. All property insurance deductibles and other damages in excess of property insurance coverage under the property insurance policies maintained by the Association are a common expense of the Association, except that:

(i) A patio owner is responsible for the costs of repair or replacement of any portion of the property not paid by insurance proceeds if such damage is caused by intentional conduct, negligence, or failure to comply with the terms of the Declaration or the rules of the Association by a patio owner, the members of his or her family, patio owner occupants, guests, or invitees, without compromise of the subrogation rights of the insurer.

(ii) The provisions of subparagraph (i) regarding the financial responsibility of a patio owner for the costs of repairing or replacing other portions of the property also apply to the costs of repair or replacement of personal property of other patio owners or the association, as well as other property, whether real or personal, which the patio owners are required to insure.

(iv) The Association is not obligated to pay for reconstruction or repairs of property losses as a common expense if the property losses were known or should have been known to a patio owner and were not reported to the Association until after the insurance claim of the Association for that property was settled or resolved with finality, or denied because it was untimely filed.

2. Reconstruction and Repair after Casualty.

A. Determination. Under ordinary circumstances homes which are damaged by casualty shall be reconstructed and repaired. If a dispute arises as to whether a patio home should be repaired or reconstructed, the Board of Directors, with approval of the oldest unsatisfied mortgagee having an effective lien thereon, shall make the determination to repair or reconstruct. The adjoining owners shall be bound by this determination. The affected patio home owner shall promptly pay the required deductible for the patio home owner's insurance and the Association shall promptly pay the required deductible for the Association's insurance. The patio home owner shall have his home repaired and rebuild substantially in accordance with the architectural plans and specifications of the patio home building. The Association shall have the right to specially assess all members of the Association if the Association's insurance proceeds are insufficient to repair or rebuild the portion of the affected patio homes insured by the Association, in accordance with this paragraph. The assessment and collection of any special assessment authorized pursuant to this paragraph shall be made in accordance with the assessment powers and lien rights of the Association for Association expenses.

B. Plans and Specifications. Although it is impossible to anticipate all problems which may arise from a casualty, the intent is to try to assure that the General Plan of Development is maintained by requiring damaged homes to be rebuilt or repaired and that unsightly and dangerous conditions are remedied as soon as possible. Any reconstruction and repair must be substantially in accordance with the plans and specifications for such property as originally constructed, or if none, then according to plans and specifications approved by the Board, and if the damaged property is a patio home building, by the owners of not less than seventy-five percent (75%) of such building. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair for which the Association is responsible, or if at any time during that work or upon completion of the work the funds available for payment of the costs are insufficient, assessments shall be made by the Association against all patio home owners in sufficient amounts to provide funds for the payment of those costs. The Assessments shall be made as an Association Expense, except that the cost of construction, reconstruction and repair occasioned by special improvement made at the request of the owner and not common to other homes shall be assessed to such patio home owner.

3. Public Liability Coverage. The Association shall obtain comprehensive general liability coverage insuring the Association against any and all claims and demands made by any person or persons for injuries received in connection with the operation and maintenance of the Common Areas and improvements located thereon, or for any other risk insured against by such policies which the Association, in its sole discretion, determines to insure against. Each policy purchased by the Association shall have limits of not less than \$1,000,000.00 covering all claims for personal injury and property damage arising out of a single occurrence. The liability coverage shall include protection against liability for non-owned and hired automobiles, and liability of hazards related to usage. In addition, the coverage shall include protection against liability that results from actions related to employment contracts in which the Association is a party. All such policies will name the Association as insured party under such policy or policies. The original of each policy shall be held by the Board or in the office of the Insurance Trustee.

4. Fidelity Bond Coverage. The Association shall obtain Fidelity Bonds covering officers, directors, employees and other persons who handle or are responsible for handling Association funds. The Fidelity Bonds (or insurance) shall meet the following requirements.

A. Association as Obligee. All such fidelity insurance or bonds shall name the Association as an obligee; and

B. Amount of Insurance. Such fidelity insurance or bonds shall be written in the amount equal to at least 150% of three months operating expenses of the Association, and the amount in reserve as of the end of each fiscal year of the Association; and

C. Waivers. Such fidelity insurance or bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or a similar expression; and

D. Notice of cancellation. Such insurance or bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premiums) without at least thirty (30) days prior written notice of the servicer or the insured

5. Flood Insurance. If any part of the common areas are in a special flood hazard area, as defined by the Federal Emergency Management Agency, the Association shall insure same. The coverage shall be 100% of the current replacement cost of any common area improvements or structures and other insurable common property, or the maximum coverage available for such improvements, structures, or property under the National Flood Insurance Program.

6. Insurer. All insurance shall be issued by a company authorized to do business in the State of Florida.

7. Named Insured. The named insured shall be the Association individually and as trustee for patio home owners covered by the policy without naming them, and shall include Institutional Mortgagees who hold mortgages upon homes covered by the policy whether or not the mortgagees are named. The Board may authorize the Insurance Trustee to maintain the policies and receive any proceeds of such policies.

8. Premiums. Premiums on policies purchased by the Association shall be paid as an Association Expense. However, if the amount of a premium is increased because a patio home or its appurtenances is misused or abandoned then the owner of such patio home is liable for the amount of such increase. The Association will furnish evidence of premium payment to each mortgagee upon request.

9. Insurance Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the patio home owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association as trustee or to such institution in Florida with trust powers as may be designated as Insurance Trustee by the Board. The Trustee shall hold the proceeds for the benefit of the patio home owners and their mortgagees in the following shares:

A. Share of Proceeds. An undivided share for each patio home owner, that share being the same as such patio home owner's undivided share in the Association Expenses.

B. Mortgagees. If a mortgagee endorsement of an insurance policy has been issued as to a patio home, the share of the patio home owner shall be held in trust for the mortgagee and such owner, as their interests may appear; however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any patio home shall be reconstructed or repaired, and unless provided by the terms of the mortgage, no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distribution of proceeds made to the patio home owner and the mortgagee.

10. First Mortgagees. This Article is additionally for the benefit of first mortgagees of patio homes and may not be amended without the consent of all such mortgagees.

11. Policy cancellation. All insurance policies purchased by the Association shall require the insurer to notify in writing the Association or the designated Insurance Trustee and each first mortgagee named in any mortgage clause at least 10 days before it cancels or substantially changes the coverage.

12. Association as Agent. The Association is irrevocably appointed agent for each patio home owner and for each mortgagee or other lienor of a patio home, and for each owner of any other interest in the property, to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

ARTICLE XII **ENFORCEMENT OF DECLARATION**

The enforcement of this Declaration may be by proceeding at law for damages or in equity to compel compliance with its terms, or to prevent violation or breach of any of the covenants or terms herein. The Association, or any individual may, but shall not be required to, seek enforcement of the Declaration. Any individual who seeks enforcement of the Declaration shall by his actions be deemed to have indemnified the Association from all liabilities resulting from his actions. Should the party seeking enforcement be the prevailing party in any action, then the person against whom enforcement has been sought shall pay all costs and reasonable attorneys' fees at all trial and appellate levels to the prevailing party.

ARTICLE XIII **AMENDMENTS**

1. Consent of Owners. With the exception of Subsequent Amendments, which may be made at any time; after the Amendment Date, this Declaration may be amended with the affirmative vote or written consent by 66 2/3% of all patio home owners voting on any proposed amendment.

2. Limitation on Amendments. No amendment to the Article entitled "Assessments" or to the Article entitled "Enforcement and Establishment of Liens", and no other amendment shall be effective which shall, in a material fashion impair or prejudice the rights or priorities of any owner, or any institutional mortgagee under this Declaration without the specific written approval of the owner, or institutional mortgagee affected thereby. In addition, any amendment which would affect the surface water management system, including the water management portions of the Common Areas, must have the prior approval of the South Florida Water Management District.

3.. Effective Date of Amendments. An amendment to the Declaration shall become effective upon the recordation amongst the public records of the County. Per Florida Statutes.

ARTICLE XIV **PARKING SPACES**

1. Assignment of Use. The Association has the right to assign the use of two numbered parking spaces to a particular patio home. The assignment and use shall be made by describing the particular parking spaces by reference thereto in a document entitled "Assignment of Use of Parking Space" which shall be delivered at the same time the patio home is transferred. The use of the two parking spaces shall be used by the said patio home owner and shall not be renumbered or transferred by or to any other patio home owner. If a patio home owner has more than two vehicles, a ST parking sticker shall be obtained for each additional vehicle. Additional patio home owner's vehicles shall park in any unnumbered parking spaces.

2. Use of Assigned Parking Spaces. The assigned parking spaces are reserved for the exclusive use of owners, their family members, invitees, and guests. The remainder of the parking spaces shown on the plat of the general plan of development will be set aside for guest parking and additional patio home owner vehicle. All parking spaces shall be used in accordance with the rules and regulations as may be promulgated from time to time by the Board. All parking spaces shall be maintained and repaired uniformly as an Association expense. However, the patio home owner is ultimately responsible for cleanliness of their parking spaces due to oil, rust or debris from their vehicle/vehicles.

3. Transfer of Parking Spaces. Every home shall have the use of at least two (2) parking spaces and no transfer shall be made which shall deprive any home of such use.

ARTICLE XV **CONVEYANCES**

In order to assure a community of congenial residents and thus protect the value of the dwellings in the general plan of development, the sale of patio homes shall be subject to the following provisions:

1. Notice to Association. .Any patio home owner wishing to transfer ownership or possession of their patio home, must submit an Intent to Sell form at least 14 days prior to the

date of such transfer. Instructions for executing such forms may be obtained from the property manager or on the Sun Terrace website. Except as provided below, it is not the intention of this Article to grant to the Association a right of approval or disapproval of purchasers. It is, however, the intent of this paragraph to impose an affirmative duty on the patio home owners to keep the Association fully advised of any changes in occupancy or ownership for the purposes of facilitating the management of the Association's membership records. As this Article is a portion of the Declaration which runs with the land, any transaction which is conducted without compliance with this Article may be voidable by the Association.

2. Association Approval. Upon receipt of a copy of the contract for sale, the Association shall within ten (10) business days, issue a Certificate indicating the Association's approval of the transaction. In the event of a sale it shall then be the responsibility of the purchaser of the patio home to furnish the Association with a recorded copy of the deed of conveyance indicating the owner's mailing address for all future maintenance bills and other correspondence from the Association. Provided, however, prior to the issuance by the Association of a Certificate indicating the Association's approval of the transaction, the purchaser shall be required to execute a copy of the Rules and Regulations acknowledging that he takes title subject to and agrees to abide by the Rules and Regulations.

3. Delinquent Patio home owners. Notwithstanding the provisions above, in the event that a patio home owner is delinquent in paying any assessment, or the patio home owner or his buyer, family, guests, agents, licensees or invitees are not in compliance with any provisions of the Declaration, the Association has the right to disapprove of any sale until any delinquent assessment is paid and/or until any violation of any provision of the Declaration is corrected.

ARTICLE XVI **MORTGAGEE PROVISIONS**

The following provisions are for the benefit of holders of first Mortgages on Units in the Properties. The provisions of this Article apply to the Homeowners Documents, notwithstanding any other provisions contained therein.

1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provide written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the patio home number, therefore becoming an "eligible holder"), will be entitled to timely written notice of:

A. Condemnation Loss. Any condemnation loss or any casualty loss which affects a material portion of the Common Areas or which affects any patio home on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;

B. Delinquent Assessments. Any delinquency in the payment of assessments or charges owed by a patio home owner subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled

to written notice from the Association of any default in the performance by an owner of any obligation under the Homeowners Documents which is not cured within sixty (60) days;

C. Insurance Lapse. Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

D. Action Requiring Consent. Any proposed action which would require the consent of a specified percentage of eligible holders of first mortgages.

2. Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least two-thirds (2/3) of the first Mortgagees or Members representing at least two-thirds (2/3) of the total Association vote entitled to be cast thereon consent, the Association shall not:

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

B. Assessments. Change the method of determining the obligations, assessments, or other charges which may be levied against a patio home;

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

D. Insurance Lapse. Fail to maintain insurance, as required by this Declaration; or

E. Use of Insurance Proceeds. Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement or reconstruction of such property.

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

3. No Priority. No provision of the Homeowners Documents gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any patio home in the case of distribution to such owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Areas.

4. Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Patio home.

5. Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

6. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request.

7. Financial Statements. Any holder of a first mortgage shall be entitled, upon written request after reasonable notice, to a financial statement of the Association for the immediately preceding fiscal year.

ARTICLE XVII **TERMINATION**

1. Consent to Termination. This Declaration may be terminated upon the affirmative written consent of eighty percent (80%) of all patio home owners, and upon the affirmative written consent of all institutional mortgagees holding mortgages encumbering patio homes.

2. Termination Documents. If this Declaration is terminated in accordance herewith, it is hereby declared by each and every owner of a patio home by acquiring title to his home covenants and agrees, that the termination documents shall require:

A. Use of Patio Homes. That all patio homes shall continue to be used solely as a single family residence.

B. Common Areas. All common areas shall be owned and held in equal shares by the patio home owners as tenants in common, and each patio home owner shall remain obligated to pay his prorata share of expenses to continually maintain the common areas.

3. Limitation on Termination. The patio home owners and their grantees, successors, and assigns by acquiring title to a patio home covenant and agree that no termination of this Declaration shall be made for a period of twenty-five (25) years from the date of recordation of this Declaration. This Declaration and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the subject property and inure to the benefit of the Association, the owners, institutional mortgagees and their respective legal representatives, heirs, successors, and assigns for said period. After this period, the Declaration shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the

termination of such twenty-five (25) year term or any such ten (10) year extension there is recorded amongst the Public Records of the County, an instrument signed by at least eighty percent (80%) of all institutional mortgagees holding mortgages encumbering patio homes agreeing to terminate this Declaration, upon which event this Declaration shall, be terminated upon the expiration of twenty-five (25) years or the ten (10) year extension thereof during which the termination instrument is recorded.

4. Water Management System. If the Association is terminated, the property consisting of the surface water management system operated and maintained as part of the common areas shall be conveyed to an appropriate agency of local government, and if not accepted thereby, then it must be conveyed to a similar non-profit corporation.

ARTICLE XVIII **MISCELLANEOUS**

1. No Waiver. The failure of the Association, or any owner to object to an owner's or other person's failure to comply with the Covenants and Restrictions contained herein shall in no event be deemed a waiver of any right to object to same and to seek compliance therewith in accordance with the provisions herein.

2. Headings. Article and paragraph captions inserted throughout this Declaration are intended only as a matter of convenience and for reference only and in no way shall such captions or headings define, limit or in any way affect any of the terms and provisions of this Declaration.

3. Pronoun. Whenever the context requires, any pronoun used herein may be deemed to mean the corresponding masculine, feminine or neuter form thereof and the singular form of any nouns or pronouns herein may be deemed to mean the corresponding plural form thereof and vice versa.

4. Severability. In the event any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect.

5. Homeowners Documents. The Association is required to make available to patio home owners and to lenders, holders, insurers or guarantors of any first mortgage, current copies of the Declaration, Articles of Incorporation, By-Laws, Rules and Regulations and other such documents governing the general plan of development, or the Association, as well as the books, records, and financial statements of the Association. "Available" shall be defined as obtainable for inspection, upon written request after reasonable notice, during normal business hours or under such other reasonable circumstances.

6. Street Lighting. The Common Area street lighting will be obtained by the Developer from Florida Power & Light Company. The Developer shall secure, by a letter of credit or other acceptable financial assurance, the street lighting for a period of not more than

one (1) year after the Transfer Date. The Association shall be responsible and liable for any financial assurances required by Florida Power & Light Company at the expiration of said period.

7. Cable Television. Each patio home shall be wired for connection to cable. If the Association is a party to an agreement for single bill ("bulk") service, such bulk rate charges shall be an Association Expense to be included in the assessments levied on all patio homes.

This Second Amended and Restated Declaration of Covenants and Restrictions for Sun Terrace at the Lakes has been approved by the Board of Directors and the membership by vote sufficient for approval.

IN WITNESS WHEREOF, the undersigned has caused these presents to be executed in its name, by its president and secretary, and its corporate seal affixed on this ____ day of April 2022.

WITNESSES AS TO PRESIDENT:

**SUN TERRACE AT THE LAKES
HOMEOWNERS ASSOCIATION, INC.**

Printed Name: _____

By: _____
Mariellen Thomas, President

Printed Name: _____

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this ____ day of April 2022, by **Mariellen Thomas**, as President of Sun Terrace at the Lakes Homeowners Association, Inc. [] who is personally known to me, **or** [] who has produced identification [Type of Identification: _____].

Notarial Seal

Notary Public

WITNESSES AS TO SECRETARY:

**SUN TERRACE AT THE LAKES
HOMEOWNERS ASSOCIATION, INC.**

Printed Name:_____

By: _____
Judith Masa, Secretary

Printed Name:_____

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this ____ day of April 2022, by Judith Masa, as Secretary of Sun Terrace at the Lakes Homeowners Association, Inc. [] who is personally known to me, **or** [] who has produced identification [Type of Identification: _____].

Notarial Seal

Notary Public