

# ZAHRADA I, a Condominium

Condominium Documents

**PROSPECTUS**  
**FOR**  
**ZAHARADA I, A CONDOMINIUM**

**THIS PROSPECTUS CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.**

**THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.**

**ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THE PROSPECTUS AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.**

**THIS CONDOMINIUM WILL BE CREATED AND UNITS WILL BE SOLD IN FEE SIMPLE INTERESTS.**

**THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

For further information, see Article VI of the Declaration of Condominium attached hereto as Exhibit 1.

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE CONDOMINIUM ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

For further information, see Section 718.301, Florida Statutes, and Article III of the By-Laws of the Condominium Association, a copy of which are attached as Exhibit E to the Declaration of Condominium, which is attached hereto as Exhibit 1.

**THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

For further information, see Section 6.10 of the Declaration of Condominium attached hereto as Exhibit 1.

**PROSPECTUS FOR**  
**ZAHRADA I, A CONDOMINIUM**

I. Introduction. Zahrada I, LLC, a Florida limited liability company (hereinafter referred to as the "Developer") presents herewith its Prospectus for the establishment of a plan of condominium ownership with respect to certain lands and improvements to be constructed thereon located in Sarasota County, Florida, in accordance with the provisions of the Declaration of Condominium for Zahrada I, a Condominium (hereinafter referred to as the "Declaration"), to be recorded by the Developer in the Public Records of Sarasota County, Florida.

II. Description of Condominium.

A. Name and Location. The name of the Condominium is Zahrada I, a Condominium (the "Condominium"). The Condominium is or will be located in the City of Sarasota. The legal description of the land to be submitted to condominium ownership as part of this Condominium is found on the Plat, which is attached as Exhibit "B" to the Declaration, which is attached as Exhibit 1 to this Prospectus. The address for the Condominium is 1542 4<sup>th</sup> Street, Sarasota, Florida, 34236.

B. Description of Condominium Property.

(1) As more specifically provided for hereinbelow, the Condominium will be developed in one (1) phase. The Condominium shall consist of one (1) Condominium building that contains a total of six (6) Residential Units, and six (6) Commercial Units. The Condominium building shall consist of a minimum of six (6) Residential Units, and a maximum of six (6) Residential Units. The square footage of the Residential Units contained within the Condominium shall not be less than 1,000 square feet, or exceed 7,000 square feet. The square footage of the Commercial Units shall not be less than 100 square feet, or exceed 2,000 square feet. Each Residential Unit in the Condominium shall include not less than one (1) bedroom, or exceed a total of five (5) bedrooms. Each Residential Unit in the Condominium shall include not less than one full bathroom, or contain more than five (5) full bathrooms. The maximum number of buildings containing Residential Units within the Condominium shall not exceed one (1) building, nor shall the maximum number of Residential Units in the Condominium exceed six (6) Residential Units. A copy of the Unit Floor Plan, Plot Plan, Legal Description and Boundary Survey for the Condominium are attached as Exhibit "B" to the Declaration.

(2) Prior to the recordation of the Declaration of Condominium, the Developer reserves the right to make additional floor plans available, and to modify the design, elevation, size, configuration, location and directional bearing of the buildings and Units in from that shown on the Condominium Plat.

(3) The estimated latest completion date of constructing, finishing and equipping the Condominium is May 30, 2020. Under no circumstances shall Developer be liable for any damages or inconvenience caused because of the failure to complete construction by said date, regardless of the reason or cost for the delay.

C. Use of Condominium Facilities. The maximum number of Residential Units that will use facilities in common with the Condominium is six (6).

III. Interests Created.

**THE CONDOMINIUM IS CREATED AND BEING SOLD AS FEE SIMPLE INTERESTS.**

No time-share estates are or will be created with respect to any Unit in the Condominium.

IV. Recreational Facilities To Be Used Only By Unit Owners.

A. Swimming Pools. Each Unit will include a separate swimming pool that will be constructed and located in the approximate locations shown on the Condominium Plat. Each swimming pool will be a Limited Common Element appurtenant to the Unit designated on the Plat.

B. Parking Spaces. Each Residential Unit shall be assigned one (1) specific enclosed parking garage located within the interior of the building of the Condominium, as more particularly shown and identified on the Plat. Each assigned parking garage shall be deemed a Limited Common Element appurtenant to the Residential Unit to which it is assigned. Each Residential Unit Owner shall maintain the parking garage assigned to his particular Unit at his sole cost and expense. No Commercial Unit shall have the right to access or use any parking garage located within the Condominium.

C. Other Common Elements. Access ways, landscaping, internal utility distribution and collection lines will all be constructed in the Common Elements. Title to internal utility distribution and collection lines may, in the discretion of the Developer, be conveyed to public or private utilities, and perpetual easements for the construction, maintenance and repair of such distribution systems may be given to such utilities.

D. Estimated Date of Use. The estimated date when each recreational and other commonly used facility listed herein will be available for use by the Unit owners is May 30, 2020.

E. Additional Facilities. The Developer will provide only the facilities herein described.

V. No Facilities Used In Common With Other Condominiums. There will be no Condominium facilities used in common with other condominiums, community associations or planned unit developments which require payment of the maintenance and expenses of such facilities, either directly or indirectly by Unit owners.

VI. No Recreational Lease Or Associated Club Membership. There is no recreational facilities lease associated with this Condominium, nor is there a mandatory club membership associated with this Condominium.

VII. Leasing of Units by Developer. At this time, the Developer does not have a formal plan to lease any units within the Condominium.

**THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

VIII. Management. At this time, it is anticipated that the Condominium Association shall be managed by a professional management company. In the future, the Condominium Association shall have the right to vote to manage the Condominium with or without the assistance of a professional management company.

IX. Control of Board of Administration of Association.

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

When Unit Owners other than the Developer own fifteen percent (15%) or more of the Units that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third of the members of the Board of Administration of the Association. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Administration upon the first of the following events to occur: (i) three years after fifty percent (50%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or (ii) three months after ninety percent (90%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or (iii) when all the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or (iv) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (v) when the Developer files a petition seeking protection in bankruptcy; or (vi) when a receiver for the Developer is appointed by a circuit court and is not discharged within 30 days after such appointment, unless the court determines within 30 days after appointment of the receiver that transfer of control would be detrimental to the Association or its members; or (vii) seven years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit in the Condominium which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first; or, in the case of an Association that may ultimately operate more than one Condominium, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first, for the first Condominium it operates; or, in the case of an Association operating a phase condominium created pursuant to Florida Statute 718.403, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first. The Developer is entitled to elect at least one member of the Board of Administration as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Units in the Condominium operated by the Association.

See Article IV of the Bylaws for the Zahrada I Condominium Association, Inc., a non-profit Florida corporation.

X. Transfer Restrictions.

**THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

See Article VI of the Declaration of Condominium for Zahrada I, a Condominium.

XI. Not a Phase Condominium. This is not a phase Condominium.

XII. Assessments and Association.

A. Each Unit shall share in the ownership of and the responsibility for the Common Elements, Common Surplus and Common Expenses of the Condominium as set forth in Exhibit "C" to the Declaration.

B. Each Unit shall have one (1) vote in the affairs of the Condominium.

C. The Association and Unit owners shall have a perpetual non-exclusive easement for utilities, drainage and ingress and egress over, under and through the Common Areas.

D. Exhibit "B" to the Declaration reflects the number and general size of the Units intended, at this time, to be included in the Condominium, subject, however, to the reserved right of Developer, in its sole discretion, to vary the number and size of the Units in the Condominium. Developer reserves the right to modify the design, elevation, size, configuration, location, and directional bearing of the building, improvements and Units within the Condominium from that shown on the Condominium Plat. The actual size and configuration of any Unit depends on the floor plan selected for the Unit. Developer's intent in reserving the right to modify certain plans is to accommodate to a reasonable extent the preferences of the purchasers of Units within the Condominium. To the extent not otherwise provided for in the Declaration, the Developer's right to establish the floor plans for Units in the building and to otherwise modify the Units in the building and to otherwise modify the design, elevation, size, configuration, location, and directional bearing of the building and the Units contained therein, shall terminate upon the recording of a surveyor's certificate certifying to the substantial completion of the building and the Units and establishing the building's end Units (as-built) location and dimensions.

XIII. Use Restrictions. The restrictions to be imposed on Units concerning the use of Condominium property is summarized as follows:

A. No Unit Owner shall keep or maintain more than two (2) pets or animals in a Unit, or on the Common Elements of the Condominium, without the prior written consent of the Board of Administration of the Association. See Paragraph 6.6 of the Declaration for more specific information.

B. Other specific restrictions relate to: the display of signs on any Unit; the use of antennas, satellite dishes and other receiving dishes; vehicle parking; clotheslines and garbage receptacles outside of a Unit; the emission of objectionable noises and odors; and any activities which would constitute a health, safety or fire hazard, or which would increase insurance rates. Pursuant to Florida Statute §718.113(4), any Unit Owner may display one portable, removable United States flag in a respectful way, and on Armed Forces' Day, Memorial Day, Flag Day, Independence Day and Veterans' Day may display in a respectful way portable, removable official flags, not larger than 4½' x 6' which represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard. With the exception of Developer-owned Units, no Residential Unit may be divided and no structural alterations or exterior aesthetic alterations or changes may be made without consent of the Board of Administration of the Association. The Association has the irrevocable right of access to each Unit during reasonable hours, when necessary, for the maintenance, repair, or replacement of any Common Elements or of any portion of a Unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the Common Elements or to a Unit or Units. For detailed provisions regarding restrictions, see Article VI of the Declaration.

XIV. Utilities And Services. The following are the projected utilities and services to be provided and the projected person or entity furnishing the utility or service:

A.	SEWAGE:	City of Sarasota Utilities
B.	WASTE DISPOSAL:	City of Sarasota Waste Management Dept.
C.	WATER SUPPLY:	City of Sarasota Utilities
D.	STORM DRAINAGE:	City of Sarasota Utilities
E.	ELECTRICITY:	Florida Power & Light
F.	TELEPHONE:	Comcast/Verizon
G.	CABLE TELEVISION:	Comcast/Verizon

To the extent not utilized within the Common Elements of the Condominium, all charges for electricity, telephone, cable and gas shall be the sole responsibility of the Unit Owner served by such utilities. All water, sanitary sewage, waste disposal and storm drainage charges, as well as all utility charges incurred as a result of the Common Elements, shall be deemed a Common Expense of the Condominium.

XV. Common Ownership and Common Expenses. Each Unit Owner's ownership of, and responsibility for, the Common Elements, Common Surplus and the Common Expenses shall be shared as set forth in Exhibit "C" to the Declaration.

XVI. Estimated Operating Budget. See Exhibit 3 to this Prospectus.

XVII. Estimated Closing Expenses. As closing expenses, each initial purchaser in this Condominium shall pay the "Closing Charge" in the amount of one and three-quarters (1.75%) of the Purchase Price of the Unit to cover costs, expenses and fees to be incurred by the Seller in connection with the closing, including title search, title exam and owner's title insurance premium at minimum promulgated rates; settlement fee; document preparation and review; administration and closing fees; courier, express mail, archiving, photocopying and facsimile fees; recording fees for the Deed; and documentary stamps on the Deed. In addition, each purchaser will pay to the Condominium Association, as a working capital contribution, an amount equal to two (2) months Assessments at the time of closing, as well as all other prorated Association dues then due and owing. All other closing expenses of the purchaser, including but not limited to the purchaser's attorneys' fees, mortgagee title insurance premium, mortgage loan closing costs, utility deposits, and other expenses incurred at the request of purchaser, shall be paid directly by the purchaser.

XVIII. Evidence of Developer's Interest. Developer is the fee simple title holder of the Property which is intended to be developed as the Condominium. Attached as Exhibit 7 to this Prospectus is evidence of the Developer's ownership interest in the Condominium Property.

XIX. Easement Description. In addition to the various easements to be provided for in the Declaration, the Condominium Property may be made subject to easements in favor of various public and/or private utilities. Any easement in favor of a public or private utility or similar company or authority may be granted by the Developer or the Association on a "blanket" basis, or by use of a specific legal description.

For more details, refer to the Declaration of Condominium, as well as the Plat Plan contained therein. The easements provided for in the Declaration of Condominium, and the Florida Condominium Act are not summarized here.



XX. Community Association. The Owners in this Condominium are not required to be members of any other community association.

XXI. The Developer. Zahrada I, LLC, a Florida limited liability company, is the Developer of the Condominium. Zahrada I, LLC, a Florida limited liability company, is a newly formed entity that has not previously had any experience in the area of condominium development.

XXII. Easements. There are no other existing or intended easements located, or to be located on, the Condominium Property other than those set forth in the Declaration of Condominium, and the Exhibits thereto. While no further easements are intended to be located on the Condominium Property at this time, the Developer hereby expressly reserves unto itself the right to grant such easements as set forth in the Declaration of Condominium, as amended from time to time.

XXIII. Defined Terms. All capitalized terms not specifically defined herein shall have the same meaning as that ascribed to it in the Zahrada I Declaration of Condominium.

## **EXHIBITS TO THE PROSPECTUS**

- I. Exhibit I – Declaration of Condominium**
- **Exhibit A to Declaration – Legal Description**
  - **Exhibit B to Declaration – Condominium Plat**
  - **Exhibit C to Declaration – Unit Share of Common Elements and Expenses**
  - **Exhibit D to Declaration – Association Articles of Incorporation**
  - **Exhibit E to Declaration – Association Bylaws**
- II. Exhibit II – Frequently Asked Questions and Answers**
- III. Exhibit III – Proposed Operating Budget**
- IV. Exhibit IV – Form Purchase and Sale Agreement**
- V. Exhibit V – Fully Executed Escrow Agreement**
- VI. Exhibit VI – Form Deed**
- VII. Exhibit VII – Certificate of Developer’s Interest in Land**

**EXHIBIT 1 TO PROSPECTUS OFFERING**

This Instrument Prepared By:  
Sam D. Norton, Esq.  
Norton, Hammersley, Lopez & Skokos, P.A.  
1819 Main Street, Suite 610  
Sarasota, Florida 34236

**DECLARATION OF CONDOMINIUM**

**OF**

**ZAHRADA I, A CONDOMINIUM**

This Declaration of Condominium of Zahrada I, a Condominium, is made, entered into and submitted this \_\_\_\_ day of \_\_\_\_\_, 2019, by Zahrada I, LLC, a Florida limited liability company, hereinafter referred to as the “Developer,” for itself, its grantees, designees, successors, substitutes and assigns. Developer makes and agrees to the following declarations, submittal statements, terms, provisions, conditions, easements, reservations, limitations and covenants:

**ARTICLE I**

**Purpose and Submittal Statement**

The purpose of this Declaration is to submit, and the Developer hereby submits, the fee simple title to the land described in Exhibit “A” hereto and all improvements erected or to be erected thereon, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, located on and intended for use in connection therewith to the condominium form of ownership and use in the manner provided by Chapter 718, Florida Statutes, as amended, herein referred to as the “Condominium Act” as it exists on the date of recording this Declaration, excluding therefrom, however, all public utility installations, cable television lines and other similar equipment, if any, owned by the utility furnishing services to the Condominium. The covenants and restrictions contained in this Declaration shall run with the land and be binding upon and inure to the benefit of all present and future owners of Condominium Parcels. The acquisition of title to a Unit, or any interest in the Condominium Property, or the lease, occupancy, or use of any portion of the Condominium Property shall constitute an acceptance and ratification of all provisions of this Declaration as it may be amended from time to time, and shall signify agreement to be bound by its terms. No time-share estates are or will be created with respect to any Unit in the Condominium.

**ARTICLE II**

**Identification**

2.1. Name and Address. The name by which this Condominium Property is to be identified is Zahrada I, a Condominium, and its address is 1542 4<sup>th</sup> Street, Sarasota, Florida 34236.

2.2. The Land. The legal description of the Land owned by Developer in fee simple, which is hereby submitted to the condominium form of ownership, is the land lying in Sarasota

County, Florida, more particularly described in Exhibit "A" attached hereto, together with and subject to the easements, encumbrances, restrictions of record and other matters set forth therein or hereinafter described in this Declaration or any of the exhibits hereto. The Developer and the Developer's surveyor may make non-material changes and corrections in the legal description of the Land.

### **ARTICLE III** **Definitions**

3.1. Assessment. "Assessment" means a share of the funds required for the payment of Common Expenses, as well as Residential Limited Common Expenses and Commercial Limited Common Expenses, which from time to time are assessed against the Unit Owners.

3.2. Association. "Association" means Zahrada I Condominium Association, Inc., a Florida corporation not for profit, which is responsible for the operation and management of the Condominium, and its successors and assigns.

3.3. Board of Administration. "Board of Administration" or "Board" means the Board of Directors of the Association who are responsible for the administration and management of the Association.

3.4. Board of Directors. "Board of Directors" means the Board of Directors of the Association.

3.5. Building. "Building" means the structures on the Condominium Property in which the Units are located, and, where the context requires, the other buildings, if any, located in the Condominium, if any.

3.6. Bylaws. "Bylaws" means the Bylaws of the Association existing from time to time.

3.7. Commercial Limited Common Elements. "Commercial Limited Common Elements" mean and refer to: (a) all areas (if any) identified as such in the Plat attached hereto as Exhibit "B," (b) all access and hallways exclusively serving the Commercial Units (if any), and (c) any mechanical rooms and utility conduits exclusively serving the Commercial Units.

3.8. Commercial Limited Common Expenses. "Commercial Limited Common Expenses" shall have the same meaning given to it in Section 4.3.6 below.

3.9. Commercial Units. "Commercial Units" shall mean and refer to the Units designated by the prefix CU – as identified in the Plat attached hereto as Exhibit "B." References herein to "Units" or "Parcels" shall include the Commercial Units unless the context would prohibit or it is otherwise expressly provided. Notwithstanding anything herein to the contrary, the designation of a Unit as "Commercial" is for ease of reference only, and shall not be deemed to limit or define its permitted use.

3.10. Common Elements. "Common Elements" means the portions of the Condominium Property which are not included in the Units. Some components of the Condominium which are

typical “Common Elements” of a condominium have instead been designated (both herein and on the Plat) as Residential Common Elements, Residential Limited Common Elements, Commercial Common Elements and/or Commercial Limited Common Elements. References herein and on the Plat to Common Elements shall include the Residential Common Elements, Residential Limited Common Elements, Commercial Common Elements and the Commercial Limited Common Elements, unless the context would prohibit, or it is otherwise expressly provided.

3.11. Common Expenses. “Common Expenses” means all expenses and assessments which are properly incurred by the Association for or relating to the Condominium and all expenses for which Unit Owners are liable to the Association. Common Expenses shall include, but are not limited to, the following:

3.11.1. Costs and expenses of administration of the Condominium and the Association and costs and expenses of maintenance, operation, repair and/or replacement of Association Property and the Common Elements (including the Limited Common Elements, except as otherwise expressly provided in this Declaration), and of all portions of the Units to be maintained by the Association, including, but not limited to:

3.11.1.1. Fire, other casualty, flood, liability, workers’ compensation and other insurance as provided herein.

3.11.1.2. Administrative costs and expenses of the Association, including professional fees and expenses.

3.11.1.3. Costs and expenses of water supply, sewage disposal and treatment service to the Common Elements and electricity to service the Common Elements and the Association Property (costs and expenses of water supply and sewage disposal and treatment service to the individual Units shall not be Common Expenses, but shall be the responsibility of individual Units), cost and expenses of pest control service to the Common Elements, cost and expense of garbage disposal and trash removal service to the Common Elements (cost and expense of garbage disposal and trash removal service to the Units shall not be Common Expenses, but shall be the responsibility of individual Units), and the costs and expenses of other utilities which are not metered to the individual Condominium Units.

3.11.1.4. Labor, materials and supplies used for or in conjunction with the maintenance, operation, repair and replacement of Association Property and the Common Elements and Limited Common Elements except as otherwise expressly provided herein.

3.11.1.5. Costs and expenses of repairing damages to the Condominium Property in excess of insurance coverage.

3.11.2. Costs and expenses of management of the Condominium, including the following:

3.11.2.1. Salary of a manager, if any, his or her assistants and agents, and related employer taxes and employee benefits, if any.

3.11.2.2. Management fees payable to an outside management company, if any.

3.11.2.3. Other expenses incurred in the management of the Condominium Property.

3.11.3. The cost and expense of acquiring, owning, managing, operating, maintaining, repairing and replacing all land, improvements and personal property owned or leased by the Association and such additional land, improvements and personal property as may be purchased by the Association through action of the Board of Administration.

3.11.4. All other costs and expenses that may be duly incurred by the Association through its Board of Administration from time to time in operating, protecting, managing and conserving the Condominium Property and in carrying out its duties and responsibilities as provided by the Condominium Act, this Declaration or the Bylaws.

3.11.5. All other costs and expenses declared Common Expenses by provisions of the Condominium Act, this Declaration or the Bylaws.

3.11.6. Any valid charge against the Condominium Property as a whole.

3.11.7. The heating and air-conditioning equipment servicing a particular Unit shall be deemed a Limited Common Element appurtenant to the Unit being served by such equipment. The cost and expense of maintaining, repairing, servicing and replacing all heating and air-conditioning equipment servicing a particular Unit, whether located within or outside of a Unit, shall not be a Common Expense, but shall be the individual expense of the Owner(s) of the Unit being served by such equipment. All lines and conduits running from any such heating and air-conditioning equipment shall also be deemed Limited Common Elements appurtenant to the Unit being served by such lines and conduits, the cost and expense of which for maintenance, repair, servicing and replacing shall be the individual expense of the Owner(s) of the Unit being served by such equipment.

3.11.8. Notwithstanding anything to the contrary, references herein to Common Expenses shall include both Residential Limited Common Expenses and Commercial Limited Common Expenses, unless the context would prohibit, or it is otherwise expressly provided.

3.12. Common Surplus. "Common Surplus" means the excess of all receipts of the Association collected on behalf of a Condominium, including, but not limited to, assessments, rents, profits, and revenues on account of Common Elements, over the Common Expenses.

3.13. Condominium. "Condominium" means all of the Condominium Property as a whole when the context so permits, as well as the meaning stated in the Florida Condominium Act.

3.14. Condominium Documents. "Condominium Documents" means this Declaration of Condominium and all recorded exhibits hereto, as amended from time to time.

3.15. Condominium Parcel. “Condominium Parcel” means a Unit together with the undivided share in the Common Elements which is appurtenant to the Unit.

3.16. Condominium Plat. “Condominium Plat” or “Plat” means the survey, plot plan and plat annexed hereto as Exhibit “B” and incorporated herein by this reference.

3.17. Condominium Property. “Condominium Property” means the lands, leaseholds, and personal property that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights.

3.18. Declaration or Declaration of Condominium. “Declaration” means this Declaration, as it may be amended from time to time.

3.19. Developer. “Developer” means Zahrada I, LLC, a Florida limited liability company, its designees, successors, substitutes and assigns.

3.20. Improvements. “Improvements” means all structures and all portions thereof, and artificial changes to the natural environment (exclusive of landscaping), located on the Condominium Property, including, but not limited to, each building.

3.21. Institutional Lender or Institutional First Mortgagee. “Institutional Lender” or “Institutional First Mortgagee” means and shall be construed to include, but not be limited to, banks, savings and loan associations, insurance companies, mortgage bankers, mortgage brokers, agencies of the U.S. Government, the Federal National Mortgage Association (“FNMA”), the Federal Home Loan Mortgage Corporation (“FHLMC”), the Veterans Administration (“VA”) and construction lender(s) for the Condominium, and other lenders generally regarded in the lending profession as institutional lenders, including affiliates thereof, holding a mortgage on the Condominium or any portion thereof or on a Unit or Units.

3.22. Land. “Land” means the real property owned by the Developer in fee simple (and easements, if any) being submitted to condominium ownership by this Declaration as Zahrada I, a Condominium, including airspace lying above and subterranean space lying below such surface.

3.23. Limited Common Elements. “Limited Common Elements” means those Common Elements, if any, which are reserved for the exclusive use of a certain Unit or Units to the exclusion of other Units as specified in this Declaration or in any Exhibits hereto. References herein and on the Plat to Limited Common Elements shall include the Limited Common Elements of both the Residential Units and the Commercial Units, unless the context would prohibit, or it is otherwise expressly provided.

3.24. Occupant. “Occupant” means a person or persons in lawful possession of a Unit, including, where the context permits or requires, the Owner or Owners thereof.

3.25. Operation. “Operation” or “Operation of the Condominium” means and includes the administration, repair, maintenance, replacement and management of the Condominium Property.

3.26. Residential Limited Common Elements. “Residential Limited Common Elements” shall mean and refer to: (a) all areas (if any) identified as such in the Plat attached hereto as Exhibit “B,” (b) all access and hallways exclusively serving the Residential Units (if any), and (c) any mechanical rooms and utility conduits exclusively serving the Residential Units.

3.27. Residential Limited Common Expenses. “Residential Limited Common Expenses” shall have the meaning given to it in Section 4.3.5 below, and shall include, without limitation: (a) all expenses incurred by the Association for the operation, maintenance, repair, replacement or protection of the Residential Limited Common Elements, (b) all reserves required by the Act (to the extent not properly waived) or otherwise established by the Association with respect to any Residential Limited Common Elements, (c) the cost of the master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract, to the extent that the same shall exclusively service the Residential Units, and (d) the cost of any bulk contract for broadband, telecommunications, satellite and/or internet services, if any, to the extent that the same shall exclusively service the Residential Units.

3.28. Residential Unit. “Residential Unit” shall mean and refer to each of the Units other than the Commercial Units.

3.29. Singular, Plural, Gender. Whenever the context so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.

3.30. Special Assessment. “Special Assessment” means any assessment levied against Unit Owners other than the assessment required by a budget adopted annually.

3.31. Surface Water Management System. “Surface Water Management System” or “Surface Water Management System Facilities” means the surface water management system located on the Condominium Property that is approved and regulated by Southwest Florida Water Management District.

3.32. Unit. “Unit” means a part of the Condominium Property which is subject to exclusive ownership, and except where specifically excluded, or the context otherwise requires, shall be deemed to include both the Residential Units and the Commercial Units.

3.33. Unit Floor Plans. “Unit Floor Plans” or “Floor Plan” means the Condominium Floor Plans for this Condominium, and annexed hereto as Exhibit “B” and incorporated herein by this reference.

3.34. Unit Owner. “Unit Owner” means a record owner of legal title to a Condominium Parcel.

3.35. Utility Services. As used in the Condominium Act and as construed with reference to this Condominium, and as used in the Declaration, Articles and Bylaws, utility services shall include, but not be limited to, electric power, gas, hot and cold water, heating, refrigeration, air-conditioning, garbage, trash and sewage disposal, cable television and internal telephone and security system, if any.



3.36. Voting Interests. “Voting Interests” means the voting rights distributed to and held by the Association’s members pursuant to the Condominium Act and this Declaration.

**ARTICLE IV**  
**Description of Condominium**

4.1. Survey, Graphic Description of Improvements and Plot Plan. A survey of the Land, a graphic description of the Improvements in which Units are located and a Condominium Plat thereof, which together with this Declaration are in sufficient detail to identify the Common Elements and each Unit and provide an accurate representation of their relative locations and approximate dimensions, appear on that certain Condominium Plat of the Condominium being recorded herewith in Condominium Book \_\_\_\_\_, at Page \_\_\_\_\_, of the Public Records of Sarasota County, Florida, a copy of which is annexed hereto as Exhibit “B,” and which Plat is hereby incorporated herein by reference. The Unit Floor Plans are depicted in Exhibit “B” to this Declaration. The configuration, location, and size of each Unit whose construction has been substantially completed as of the recording of this Declaration, and the Floor Plan for each such Unit, is shown in Exhibit “B” to this Declaration.

In the event the actual physical location of any Unit at any time does not precisely coincide with the Condominium Plat and subsequent amendments, the actual physical locations shall control over the locations, dimensions and descriptions contained in the Condominium Plat and subsequent amendments. In the event of a total or substantial destruction of a Building, the location, dimensions and descriptions of the Unit(s) contained therein as set forth in the Condominium Plat and subsequent amendments will control.

4.2 Common Elements. The Common Elements of the Condominium shall include the following:

4.2.1. The Land described herein and all Improvements thereon, except for Units as shown on the aforementioned Condominium Plat and except for the Limited Common Elements.

4.2.2. The Property and installations in connection therewith required for the furnishing of Utility Services to more than one Unit or to the Common Elements or to a Unit other than the Unit containing installations, including easements through the Unit necessary to provide such Utility Services; provided, however, Developer reserves the ownership of all main utility lines and equipment and all central television antenna signal distribution wires, lines and equipment that are presently in existence or later installed by Developer within the boundaries of this Condominium and reserves the right to convey the same to the Association, Sarasota County or an agency thereof, Florida Power & Light Company, other entities providing Utility Services to the Condominium, or such other person or legal entity as Developer may deem appropriate.

4.2.3. There is also appurtenant to each of the Units, easements, as needed, for encroachments benefiting such Unit resulting from minor construction deviations or variations and shifting and settling processes and easements, as needed, for storm water drainage and runoff from roofs from Units on to other Units and Common Elements. The streets, walks and other rights-of-way serving the Units as part of the Common Elements necessary to provide reasonable access to the

public ways are hereby made subject to non-exclusive easements for ingress and egress for the benefit of the Units and for the benefit of the Developer, its successors and assigns for the purpose of providing vehicular and pedestrian ingress and egress to the Units and to property contiguous to the Condominium and for the purpose of installation, maintenance, repair and replacement of the utilities serving the Condominium and any property contiguous to the Condominium.

4.2.4. The vault detention system and related equipment and facilities (collectively, the “Vault System”) shown and depicted on the Condominium Plat shall be deemed a Common Element of the Condominium. The purpose of the Vault System is to treat and manage excess stormwater runoff. The Vault System shall be primarily located below ground level, but may be accessed from each Residential Unit. Easements shall exist through each Residential Unit to access, maintain, repair and replace the Vault System. The Vault System easement shall be in favor of the Association, as well as all utility companies servicing the Condominium. Further, at the request of the Developer, the Association, and each Unit Owner, shall promptly consent, sign and deliver an easement or other agreement that shall permit any adjacent property owner to connect to and utilize the Vault System (the “Shared Use Agreement”), upon terms and conditions that are deemed acceptable to the Developer in its sole and absolute discretion. No Unit Owner or the Association shall have any right or standing to object to a Shared Use Agreement that is approved by the Developer for any reason.

4.3. Limited Common Elements. In addition to the areas designated on the Plat as Limited Common Elements, the following shall be deemed to be Limited Common Elements, the use of which shall be limited to those Unit Owners to whom such use is assigned by or pursuant to the provisions of this Declaration, amendments thereto, or assignments executed by the Developer or by the Association:

4.3.1. Entry Areas. Each entry area shown on the Condominium Plat as a Limited Common Element shall be a Limited Common Element reserved for the exclusive use of the Unit which it adjoins, as designated on the Condominium Plat.

4.3.2. Windows, Screens and Doors. All windows, screens and doors and garage doors, including all hardware, locks and framings therefore, serving a Unit that are located outside the boundaries of the Unit shall be Limited Common Elements, reserved for the exclusive use of the Unit.

4.3.3. Porches, Balconies, Planters, Pools and Lanais. Any porch, balcony, planter, pool or lanai attached to and serving exclusively a Unit shall be deemed a Limited Common Element as shown and depicted on the Condominium Plat. The Unit Owner shall be responsible for all maintenance, cleaning, repair, replacement and painting of such areas. No porch or lanai may be carpeted, covered or enclosed in any way without the prior written approval of the Board of Administration. The maintenance, repair and replacement of such approved carpeting, covering or enclosure shall be the responsibility of the Unit Owner. Maintenance, repair and replacement of screening, where permitted, shall be the responsibility of the Unit Owner. Each Unit Owner shall ensure that its Limited Common Element planter, pool and pool deck, and all landscaping and pool water that is included within such areas, are maintained in a neat, clean and orderly condition. The Board of Administration may promulgate certain rules and regulations governing the use and maintenance of such Limited Common Element porches, balconies, planters, pools and lanais, as

well as the height and type of landscaping that may be installed in any such planters, from time to time. In the event that any Unit Owner shall fail to maintain its Limited Common Element porch, balcony, planter, pool or lanai to the standard required by the Board of Administration, then the Board of Administration shall have the right to maintain the same on behalf of the applicable Unit Owner, as well as have the right to institute a lien against any such Owner's Unit to ensure the repayment of all amounts expended by the Board in curing such failure or enforcing the terms and conditions of the Condominium Documents, to the extent permitted by applicable Florida law.

4.3.4. Parking Garages and Elevators. Each parking garage and elevator shown on Exhibit "B" attached hereto shall be deemed a Limited Common Element, and shall be assigned to the particular Unit designated as such on the Plat. Notwithstanding anything to the contrary, each Unit Owner shall maintain, repair and replace its Limited Common Element parking garage and elevator, as well as the doors, mechanical equipment and interior areas that services such parking garage and elevator, at its sole cost and expense. No Commercial Unit shall have the right to access or use any parking garage or elevator located within the Condominium. Each Unit Owner acknowledges and agrees that a portion of the parking facilities and elevator may be located below the federal flood plain, and, by accepting the assignment of a parking space and elevator, each Owner, for such Owner and the Owner's tenants, guests and invitees, hereby expressly assumes any responsibility for loss, damage or liability resulting therefrom.

4.3.5. Others. Any part of the Common Elements that is connected to and exclusively serves a single Unit, and is specifically required in this Declaration to be maintained, repaired or replaced by, or at the expense of, the Unit Owner, shall be deemed a Limited Common Element, whether specifically described above or not.

4.3.6. Residential Limited Common Elements. The Residential Limited Common Elements shall be deemed Limited Common Elements appurtenant to each and every of the Residential Units (to the exclusion of the Commercial Units). Except only as provided below, all of the costs of operating, maintain, insuring, repairing, replacing and altering the Residential Limited Common Elements (the "Residential Limited Common Expenses") shall be borne solely by the Residential Unit Owners. Without limiting the generality of the foregoing, the Residential Limited Common Expenses shall include, without limitation, all sums described in Section 3.27 above, and: (i) any and all utility charges associated with the Residential Limited Common Elements (and if same are not separately metered, the Association shall make a reasonable allocation for such purposes), (ii) costs for landscaping, maintenance and replacement in, on and around the Residential Limited Common Elements, (iii) costs for repairs to pavers or other ground or floor coverings, and (iv) the cost of all personnel assisting in the operation and/or maintenance of the Residential Limited Common Elements. The Residential Limited Common Expenses shall not, however, include, any necessary repairs, maintenance, replacements or alterations to the structural components of the Building, or any roofing or waterproofing membranes of the Building (all of which shall be deemed a general Common Expense, and allocated to both the Residential and Commercial Units). The Residential Limited Common Expenses shall be assessed against each of the Residential Units, with each bearing a fractional portion thereof as described on Exhibit "C," attached hereto. The Residential Limited Common Elements shall be maintained by the Association.

4.3.7. Commercial Limited Common Elements. The Commercial Limited Common Elements shall be deemed Limited Common Elements appurtenant to each and every of the

Commercial Units (to the exclusion of the Residential Units). Except only as provided below, all of the costs of operating, maintaining, insuring, repairing, replacing and altering the Commercial Limited Common Elements (the "Commercial Limited Common Expenses") shall be borne solely by the Commercial Unit Owners. Without limiting the generality of the forgoing, the Commercial Limited Common Expenses shall include, without limitation: (i) any and all utility charges associated with the Commercial Limited Common Elements (and if the same are not separately metered, the Association shall make a reasonable allocation for such purposes), (ii) the costs of all personnel assisting in the operation and/or maintenance of the Commercial Limited Common Elements, and (iii) any and all costs related to trash compacting and/or recycling from any portion of the Commercial Limited Common Elements and/or solely attributable to the Commercial Units (if any), whether lease payments (if such equipment is leased) or otherwise. The Commercial Limited Common Expenses shall be assessed against each of the Commercial Units, with each bearing a fractional portion thereof as described on Exhibit "C," attached hereto. The Commercial Limited Common Elements shall be maintained by the Association. Notwithstanding anything to the contrary, any manager and/or personnel hired or retained to administer the Commercial Limited Common Elements shall be subject to the prior written approval of a majority of the Commercial Unit Owners and shall serve at the direction of the Commercial Unit Owners (as directed by the affirmative action of a majority of the Commercial Unit Owners). Similarly, the Association shall, if so instructed by a majority of the Commercial Unit Owners, hire and retain a manager and/or other personnel (said manager and/or personnel to be designated by a majority of the Commercial Unit Owners) and/or enter into contracts and/or agreements for services that shall benefit the Commercial Units, provided that said manager and/or personnel and or contracts and/or agreements shall serve only the Commercial Units and/or the Commercial Limited Common Elements, and the costs of same shall be deemed a Commercial Limited Common Expense.

4.4. Easements. Each of the following easements are hereby granted, reserved and otherwise created in favor of the Developer, its grantees, successors and assigns, and the Unit Owners and other Occupants of Units in this Condominium and their guests and invitees (and in favor of public or private utility companies serving the Condominium, but as to such utility companies only where expressly specified in the Condominium Plat or by separate instrument executed by the Association and of record or recorded subsequent to the date hereof) and are covenants running with the title to the Condominium Property, and notwithstanding any of the other provisions of this Declaration, may not be amended or revoked and shall survive the termination of the Condominium and the exclusion of any of the Land of the Condominium from the Condominium to the extent reasonably required to enable the companies to provide their respective services.

4.4.1. Utilities and Drainage. Drainage easements and easements for all water, sewer, electrical, telephone, cable T.V. and other utility lines, vaults, mains and drainage ditches, lines and structures, previously, now or hereafter providing service to the Condominium and/or the Units, the installation, repair, maintenance and replacement thereof and as may subsequently be required for utility services in order to adequately serve the Condominium and/or all Units. Specifically, and notwithstanding anything herein to the contrary, easements shall exist through a Unit to access the below-ground vault shown and depicted on Plat (the "Vault"). The Vault and other utility easements referenced herein are and shall also be in favor of all utility companies servicing the Condominium to the extent reasonably required to enable the companies to provide their respective services.

4.4.2. Pedestrian and Vehicular Traffic. For pedestrian traffic over, through and across all sidewalks, jogging paths, bicycle paths, other paths, walks and lanes, as the same may from time to time exist upon the Common Elements, and, for vehicular traffic over, through and across the private streets, roads and drives, and such other portions of the Common Elements as may from time to time be paved and intended for such purposes, but the same shall not give or create in any person the right to drive or park upon any portions of the Condominium Property except those intended to be used for such purposes and reasonably suited therefor. This easement shall also be in favor of police, fire, emergency and service personnel while providing services to the Condominium or the Unit Owners. This easement shall not include those areas designated as Limited Common Elements.

4.4.3. Encroachments. If (a) any portion of the Common Elements encroaches upon any Unit; (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements; or (c) any encroachment shall hereafter occur as a result of (i) construction of the Improvements, (ii) settling or shifting of the Improvements, (iii) any alteration or repair to the Common Elements made by or with the consent of the Association, or (iv) any repair or restoration of the Improvements (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Improvements shall stand.

4.4.4. Support and Use for Party Walls. Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements. Where a common or equal wall serves two (2) or more Units, each Unit so served shall have a non-exclusive easement of use and support of such party wall.

4.4.5. Construction; Maintenance. The Developer (including its designees, contractors, successors and assigns ) shall have the right, in its and their sole discretion from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of completing the construction thereof, or any part thereof, or any Improvements or Units located or to be located thereon, provided such activity does not prevent or unreasonably interfere, in the opinion of the Developer, with the use or enjoyment by the Unit Owners of the Condominium Property.

4.4.6. Sales and Promotional Activity. For as long as there are any unsold Units in the Project, the Developer, its designees, successors and assigns, shall have the right to use any such Units and all parts of the Common Elements for model apartments and sales/administrative offices, to show model apartments and any unsold Units and the Common Elements to prospective purchasers and tenants, to erect on the Condominium Property signs and other promotional display materials, to advertise Units for sale or lease and for any other similar purposes the Developer deems appropriate in its sole opinion.

4.4.7. Maintenance and Repairs. An easement and right of the Association or its designees to enter over, through and upon all the Condominium Property for the purpose of maintaining, repairing and replacing any portions of the Condominium that are the responsibility of the Association; provided, however, that entry into a Unit, except in the case of an emergency, shall be permitted only with the consent of the Unit Owner or pursuant to legal process.

4.4.8. Reservation of Additional Rights in Developer. Until such time as Developer has completed the Condominium together with the construction of all permitted improvements, and sold all of the Units contained within the Condominium Property, easements, including but not necessarily limited to, ingress and egress, utilities and drainage easements are hereby reserved and shall exist through, in, over and upon the Condominium Property as may be required, convenient or desirable by Developer for the completion of the contemplated development of the Condominium and the permitted improvements thereupon, and the sale of the Units.

4.4.9. Commercial Unit Easements. A non-exclusive easement is hereby reserved over, through and across all necessary portions of the Condominium to and in favor of the Owners from time to time of the Commercial Units, and their guests, tenants, employees and invitees, to allow for and permit reasonable pedestrian ingress and egress to and from the Commercial Units. Further, an easement is hereby reserved over, under, through and across those portions of the Condominium Property (if any) identified on the Plat attached hereto as Exhibit "B," to and in favor of the Owners from time to time of the Commercial Units, and their guests, tenants, employees and invitees.

4.5. Association's Right to Amend and Create Additional Easements. The Association shall at all times have the right, power and authority to declare and create, convey and dedicate, modify and amend, from time to time, without joinder and consent of any Unit Owner, mortgagee, or lienor, reasonable easements over, upon, in and through the Condominium Property for drainage, utility or other purposes and for ingress and egress provided, however, that at the time of the creation of such easements and at the time of the modification or Amendment of any such easements, such easements and such modifications and Amendments shall not unreasonably interfere with the peaceful and lawful use and enjoyment of the Condominium Property and the Units by the Unit Owners.

4.6. Amendment to Declaration to Reflect Substantial Completion. All persons having any interest or rights in or acting with reference to this Condominium, whether as contract purchasers, grantees, mortgagees, lienors or otherwise, acknowledge and agree that if, at the time of the execution and recording of this Declaration and the Exhibits attached hereto and the Condominium Plat, the Condominium or any part thereof is not substantially completed, they irrevocably agree for themselves and their heirs, grantees, personal representatives, successors and assigns that the Developer by itself has the right to amend this Declaration and the Exhibits as may be necessary or desirable from time to time to identify, locate dimensions, and submit the improvements, Units and Common Elements as and when the construction of each portion thereof is substantially completed. At such time as the construction of the Condominium or any portion thereof is substantially completed, the Declaration shall be amended to reflect such substantial completion and to include the certificate(s) required by the Florida Condominium Act. Such an Amendment when signed and acknowledged by the Developer shall constitute an Amendment to this Declaration, without approval of the Association, other Unit Owners or contract vendees, lienors or mortgagees of Units or of the Condominium or any other person, whether or not elsewhere required for an Amendment.

4.7 Common Boundary and Easement Agreement. The Condominium is subject to that certain Common Boundary and Easement Agreement dated on or about October 10, 2018, by and

between Rosemary District Development, LLC (“RDD”), and 1719 Property, LLC (“1719LLC”), recorded in Official Records Instrument Number 2018143989, of the Public Records of Sarasota County, Florida (the “Agreement”). Pursuant to the Agreement, the parties have the right to construct improvements along the common boundary line of the subject properties. Further, RDD has the right to install a below ground Footer (as defined in the Agreement) within the Easement Premises located on the 1719 Property (as defined in the Agreement), and 1719LLC shall have the right to access and utilize the portion of the Footer that is located within the Easement Premises for any purpose associated with the construction, maintenance, repair and replacement of any improvements located on the 1719 Property. The foregoing is merely a summary of some of the terms and conditions of the Agreement. The Agreement encumbers the subject Property, runs with the land, and is binding upon the Developer, and all applicable successors and assigns of the Developer, specifically including, without limitation, the Association, Unit Owners, and mortgagees. All present and future parties to the Agreement shall reasonably cooperate with 1719LLC to effectuate the intent, terms and conditions of the Agreement.

## **ARTICLE V**

### **The Units**

5.1. The Units. The Units of the Condominium are more particularly described in this Declaration and in the Condominium Plat attached as Exhibit “B” to this Declaration, and the rights and obligations of the Unit Owners are established as provided herein.

5.2. Unit Identification. There shall be a total of six (6) Residential Units and six (6) Commercial Units (which may be further subdivided as provided for herein) located within one (1) building. The Residential Units in the Condominium shall be known as Units: 101, 102, 103, 104, 105 and 106. The Commercial Units in the Condominium shall be known as Units: CU-1, CU-2 , CU-3, CU-4, CU-5 and CU-6.

5.3. Unit Boundaries. Each Unit shall include that part of the Building containing the Unit which lies within the boundaries of the Unit, which boundaries shall be determined in the following manner:

5.3.1. Upper and Lower Boundaries. The upper and lower boundaries of the Units shall be the following boundaries extended as horizontal planes, when necessary, to intersect with the perimetrical boundaries described below.

5.3.1.1. The upper boundaries shall be the lower surface of the unfinished ceiling slab.

5.3.1.2. The lower boundaries shall be the upper surface of the unfinished floor slab.

5.3.2. Perimetrical Boundaries. The perimetrical boundaries of Units shall be the following boundaries extended as vertical planes when necessary to intersect with the upper and lower boundaries described above.

5.3.2.1. Exterior Building Walls. The perimetrical boundaries shall be the inner most unfinished surface of the exterior wall of the building containing such Unit.

5.3.2.2. Interior Building Walls. The perimetrical boundaries shall be the inner most unfinished surface of the interior walls separating units.

5.3.3. Boundaries - Further Defined. The boundaries of the Unit shall not include all of those spaces and improvements lying within the undecorated and/or unfinished inner surfaces of the perimeter walls and those surfaces above the undecorated finished ceilings of each Unit, and those surfaces below the undecorated finished floor of each unit, and further shall not include those spaces and improvements lying within the undecorated and/or unfinished inner surfaces of all interior bearing walls and/or bearing partitions, columns or any other portion of the building which contributes to its support.

5.3.4. Apertures. Where there are openings in any boundary, including, without limitation, windows, doors and skylights, the boundaries of the Unit shall extend to the interior unfinished surfaces of the coverings of such openings, and their frameworks thereof. Therefore, windows, doors, screens and all framings, casings and hardware therefor, are excluded from the Unit, and shall be maintained, repaired and replaced by the Association as a Common Expense.

5.3.5. Utilities. The Unit shall not be deemed to include any pipes, wiring, ducts or other utility installations that are physically within the above-described boundaries, but which serve other units or the Common Elements. Such utility installations shall be Common Elements.

5.3.6. Exceptions. In cases not specifically covered in this Section 5.3., or in any case of conflict or ambiguity, the graphic depictions of the Unit boundaries set forth in Exhibit "B" to this Declaration shall control in determining the boundaries of a unit, except the provisions of 5.3.5. above shall control over Exhibit "B."

5.4. Appurtenances to Each Unit. The owner of each Unit shall have certain rights and own a certain interest in the Condominium Property, including, without limitation, the following:

5.4.1. An undivided ownership share in the Land and other Common Elements and the Common Surplus, as specifically set forth herein.

5.4.2. Membership and voting rights in the Association, which shall be acquired and exercised as provided in the Articles of Incorporation and Bylaws of the Association, attached hereto as Exhibits "D" and "E" respectively.

5.4.3. The exclusive right to use the Limited Common Elements reserved for the Unit, and the non-exclusive right to use the Common Elements.

5.4.4. Other appurtenances as may be provided by law or by this Declaration and its exhibits.

5.5. Ownership of Common Elements and Common Surplus. When there is a purchase of a Condominium Unit in this Condominium, the Unit Owner becomes vested in a fee simple interest



in and to the subject Condominium Unit. The undivided percentage interest and share of the Common Elements and the Common Surplus of the Condominium, and the percentage share of the Common Expenses appurtenant to each Unit within the Condominium, is as set forth in Exhibit "C," attached hereto.

5.6. Air Conditioning and Heating. In the event a heating and air conditioning system serving only one Unit is located outside the boundaries of the Unit, then such equipment shall be deemed to be a Limited Common Element reserved for the exclusive use of such Unit, and the maintenance, repair and replacement shall be the responsibility and obligation of the Unit Owner served by such equipment.

5.7. Restraint Upon Separation and Partition. The undivided share of ownership in the Common Elements and Common Surplus appurtenant to a Unit cannot be conveyed or encumbered separately from the Unit and passes with the title to the Unit, whether or not separately described. No Unit Owner may maintain an action for partition of the Common Elements. The shares in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to the Units.

5.8. Liability for Common Expenses. The owner of each Unit shall be liable for a proportionate share of the Common Expenses, such share being the same as the undivided share of the Common Elements appurtenant to the Unit.

5.9. Alteration of Boundaries by Developer. The Developer hereby reserves the absolute right, in its sole discretion, without the consent or approval of any Unit Owner(s), mortgagees(s) or other lienors, contract vendee(s), the Association or any other person(s), to modify, move, alter, amend or change the boundaries of any Units owned by the Developer (including any Residential or Commercial Units owned by the Developer) in such a manner as to, among other things, include additional rooms or spaces in one Unit and exclude them from the other Unit, and to increase the size of one such Unit and to decrease the size of the other, and to combine two abutting Units into one Unit, or subdivide any existing Residential or Commercial Unit into two separate Units, provided the Developer shall own all such Units and if any such Units are encumbered shall have obtained the consent of the mortgagee thereto. Notwithstanding anything contained herein to the contrary, no amendment to this Declaration may change the configuration or size of any Unit owned by an owner other than the Developer in any material fashion unless the record owner of the Unit, and all record owners of liens affecting said Unit, and at least a majority of the record owners of all other Units, consent to the amendment.

The Developer also reserves the absolute right, in its sole discretion, without the consent or approval of any Unit Owner(s), mortgagee(s) or other lienor(s), contract vendee(s), the Association or any other person(s), to change, alter, modify or amend the interior design arrangement, number of rooms and layout of all Units, so long as the Developer owns and has not encumbered the Units so altered, or, if encumbered, has obtained the consent of such mortgagee to such change, alteration, modification or Amendment.

5.10. Amendment of Declaration by Developer. The Developer shall reflect any change, modification, alteration or Amendment in the boundaries of any such Units owned by the Developer, or any change in the interior design, layout or arrangement of Units owned by the Developer, or any

combination of two or more Units into one Unit, or any subdivision any existing Residential or Commercial Unit into two separate Units (all as described in Article 5.9 above), by filing an Amendment to the Condominium Plat prepared by a licensed Florida surveyor and an Amendment to the Condominium Declaration.

In the event such an Amendment changes the boundary lines between two (2) abutting Units, or shall subdivide any existing Residential or Commercial Unit into two separate Units, then such Amendment to the Declaration shall redistribute the interest in the Common Elements and share of the Common Surplus accordingly.

In the event the Developer by such Amendment combines two or more Units to create one new and larger Unit, the interest in the Common Elements and the Common Surplus and the share of the Common Expenses previously assigned and appurtenant to the Units being combined shall be appropriately recalculated by the Developer and assigned to the new and larger Unit.

Such Amendment to the Declaration shall be executed with the formality required by law for the execution of a deed, need be signed by the record owner(s) of the Unit(s), the mortgagee(s) holding a mortgage on the Unit(s), and at least a majority of all other unit owners affected, and shall be filed and recorded in the Public Records of Sarasota County, Florida, and shall be effective from and after the date it is file and recorded.

Such Amendment to the Condominium Plat need be executed only by a licensed Florida Land Surveyor, and shall be filed in the Condominium Plat Book of Sarasota County, Florida.

## **ARTICLE VI**

### **Use and Occupancy Restrictions**

6.1. Use and Occupancy Restrictions. In order to provide for the congenial and harmonious use and occupancy of the Condominium Property and to protect the value of the Units, the use and occupancy of the Condominium Property and each Unit shall be in accordance with the provisions hereinafter set forth.

6.2. Occupancy and Use of Units. Each of the Residential Units shall be used and occupied as a single family residence only, except as may be otherwise herein expressly provided. Under no circumstances may more than one family reside in a Residential Unit at one time.

6.3. Corporations, Partnerships and Other Entities. The sale transfer or lease of a Residential Unit to a corporation, partnership, trust or other entity shall be conditioned upon the prior designation by the purchaser, transferee or tenant, as the case may be, of the one single family or individual that will use the Residential Unit as a single family residence. No transient or general tourism type use of a Residential Unit by a corporation, partnership, trust or other entity shall be permitted. The single family or individual designated as the user and occupant of the Residential Unit owned by a corporation, partnership, trust or other entity shall not be changed more than twice during any one calendar year except in connection with the approved sale, transfer or lease of the Residential Unit. Use of a Residential Unit owned by a corporation, partnership, business, trust or other entity by others than the designated single family or individual shall be subject to the same

restrictions and limitations contained in the Declaration and/or the Rules and Regulations of the Association on the leasing, lending and/or loaning of Residential Units that are applicable to the other Residential Units.

6.4. Subdivision of Units Prohibited. Except as expressly reserved to the Developer, no Residential may be divided or subdivided for purposes of sale, transfer or lease.

6.5. Prohibitions. No owner, tenant or other occupant of a Unit shall:

6.5.1. Paint or otherwise change the appearance of the exterior of the Unit or the Building or of any exterior wall, door, window, screen patio, balcony, terrace or any other exterior surface; place any sunscreen, blinds or awning on any terrace or exterior surface or opening without prior written approval of the Board; place any draperies, blinds or curtains at or over the windows or doors of any Unit without a solid, light color exterior liner acceptable to the Board; tint, color or otherwise treat or apply anything to any window or door which will adversely or materially change or affect the uniform exterior appearance of the Building in the opinion of the Board; plant, place or maintain any plant or Landscaping outside of a Unit except upon prior written approval of the Board and except for designated planting decks, if any, shown on the Condominium Plat annexed hereto as Exhibit "B"; erect or install any exterior lights or signs; place any signs or symbols in or on windows or doors; erect, place or attach any structures or fixtures within or to the Common Elements; nor any of the foregoing without the prior written consent of the Board. Notwithstanding the foregoing, each Residential Unit Owner may paint and otherwise reasonably decorate its Limited Common Element pool deck and outdoor amenity areas, without the prior approval of the Board; provided, however, that any such paint and decoration is not readily observable to the general public or other Owners within the Condominium, and is otherwise acceptable in the reasonable opinion of the Board.

6.5.2. Except as otherwise provided for herein, make any structural alterations to any Unit or to the Common Elements provided, however, this shall not prevent the erection, removal or modification of non-support carrying interior partitions wholly within the Unit; nor fasten any fixtures, or objects to walls, floors or ceilings that would damage any structural portions of the Common Elements or utilities or electrical lines or heating or air conditioning ducts or mains;

6.5.3. Fail to conform to and abide by the Declaration and Bylaws and the uniform Rules and Regulations in regard to the use of the Units, the Association Property and the Common Elements which may be adopted from time to time by the Board, or fail to allow the Association to enter the Unit at any reasonable time, when necessary for maintenance, repair or replacement of Common Elements or emergency repairs necessary to prevent damage to Common Elements or another unit(s).

6.5.4. Erect, construct or maintain any wires, aerials, antennas, satellite dishes, receiving dishes, garbage or refuse receptacles or other equipment or structures on the exterior of the Building or the Unit or on any of the Common Elements, except with the prior written consent of the Board.

6.5.5. Obstruct ingress or egress to the other Units or the Common Elements.

6.5.6. Hang or display any laundry, garments or other unsightly items or objects which are visible outside of the Unit.

6.5.7. Allow anything to remain in the Common Elements which would be unsightly or hazardous.

6.5.8. Allow any rubbish, refuse, garbage or trash to accumulate in places other than the receptacles provided therefor, and each Unit, the Association Property and the Common Elements shall at all times be kept in a clean, safe and sanitary condition.

6.5.9. Make use of the Common Elements and/or Association Property in such a manner as to abridge the equal rights of the other Unit Owners to their use and enjoyment, except as otherwise expressly provided herein and except for the Limited Common Elements as herein provided.

6.5.10. Subject a Unit to a partition action in any court and all Unit Owners do by their acceptance of a conveyance of such Unit, waive any right to maintain or bring such an action.

6.5.11. Park, maintain or keep commercial vehicles, trucks, campers, trailers, mobile homes, motor homes, recreational vehicles, and similar vehicles in any parking area or elsewhere in the Condominium, except those that are necessary to service or do business with the Commercial Units, or other service vehicles during the time their occupants are actually serving a Unit or the Common Elements; provided, however, this shall not prevent small sailboats, windsurfers and similar water-oriented recreational equipment from being stored in the Owner's enclosed parking garage or elsewhere with the prior written approval of the Board and subject to rules and regulations governing such storage adopted by the Board; nor shall this prevent the maintenance and parking of such vehicles as may be essential and necessary to transport handicapped persons such as their wheelchairs or other similar devices. This section shall not relate to, nor prevent, any Owner from parking a motorcycle and/or moped in the Owner's designated parking garage in the Condominium.

6.5.12. Use any garage, terrace, landing or stairway or the Common Elements for outdoor cooking of any nature, except balconies appurtenant to a Unit and those areas, if any, designated by the Board for such purposes and designated by this Declaration for such use.

6.5.13. Permit the installation of any objects or flooring in a Unit the weight of which (together with any padding or insulating materials), would exceed the approved load limit for the area involved.

6.5.14. Install or permit the installation of storm or other shutters, awnings, shades or coverings over exterior windows, glass doors or other exterior surfaces without the prior written approval of the Board of Directors. Notwithstanding the foregoing, Hurricane Shutters may be installed pursuant to Hurricane Shutter Specifications promulgated by the Board, or otherwise permitted under the Florida Condominium Act.

6.5.15. Notwithstanding anything else contained herein to the contrary, any Unit Owner may display one portable, removable United States flag in a respectful way, pursuant to Florida Statute Section 718.113(4), and on Armed Forces' Day, Memorial Day, Flag Day,

Independence Day and Veterans' Day may display in a respectful way portable, removable official flags, not larger than 4½' x 6' which represent the United States Army, Navy, Air Force, Marine Corps or Coast Guard.

6.5.16. No Commercial Unit shall be used or leased for any of the following purposes: restaurant; bar, night club; coffee shop; massage parlor unless incidental to a hair salon or spa use; the storage of food or beverage other than for use by the occupants thereof; any other activity which creates noise which may be heard outside of the Commercial Unit; gaming including bingo and video games; lingerie parlors or businesses exhibiting nude dancers/staff/models; adult book stores; sale of sexually oriented materials; palm readers, astrologers, or other occult sciences; violation of governmental rules and regulations; or the keeping pets or animals within a Commercial Unit other than temporarily and accompanied by a business patron. The provisions of this Section 6.5.16 shall only apply to the Commercial Units located within the Condominium.

6.6. Pets Restricted. Residential Unit Owners and the tenants or occupants of the Residential Unit may keep and maintain two (2) household pets per Residential Unit. No Unit Owner, tenant or occupant of the Unit thereof may keep or maintain any additional pets or animals in a Unit, the Condominium Property, or on the Common Elements, without the prior written consent of the Board. Consent, if given, may be revoked at any time. No pets shall be allowed to roam free upon the Condominium Property, or otherwise become a nuisance to the other Unit Owners. Further, all pets must be leashed at all times when not located in the Residential Unit. No goats, pigs, chickens, pigeons, livestock, or any other obnoxious animals, fowl or reptiles shall be kept or permitted to be kept as household pets. If, in the reasonable opinion of the Board, a permitted pet has become a nuisance, then the Board shall provide written notice to the Owner of the problem and the requested action to be taken by the Owner of such pet. The Board shall have the right to require the pet to be removed permanently from the Condominium Property upon the Owner's receipt of not less than three (3) written notices concerning the same pet and issue, and the Owner's failure to adequately address the issue, to the Board's reasonable satisfaction, within thirty (30) days of the Owner's receipt of the third and final written notice to the Unit Owner. No Commercial Unit Owner, tenant or occupant of a Commercial Unit shall be permitted keep or maintain any pets within their Commercial Unit, unless temporarily and accompanied by a business patron.

6.7. Common Elements. The Common Elements shall be used only for the purpose for which they are intended in the furnishing of services and facilities for the enjoyment of the Units and their occupants and as otherwise herein provided.

6.8. Nuisances. No nuisance as defined by the Association shall be allowed upon the Condominium Property. Nor shall any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents be allowed, except for the sales, administrative, marketing and promotional activities of the Developer.

6.9. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property nor any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

6.10. Leasing or Loaning of Residential Units. Leasing or renting of a Residential Unit by a Residential Unit Owner is not prohibited but is restricted. No portion of a Residential Unit, other

than an entire Residential Unit, may be rented. The minimum lease term is ninety (90) consecutive days, and no Residential Unit may be leased more than three (3) times in any calendar year, with the commencement date of the lease determining the year in which the lease is made. No lease may begin sooner than thirty (30) days after the commencement of the last lease. In no event shall a Unit be licensed as a public lodging establishment or advertised or leased in such manner so as to cause the Unit or the Condominium to be classified as a public lodging establishment under Chapter 509, Florida Statutes. Notwithstanding anything contained herein to the contrary, nothing herein or in the remainder of this Declaration shall serve to create or constitute a Resort Condominium or Public Lodging Establishment under Florida law.

The lease of a Residential Unit for a term of six (6) months or less may be subject to a tourist development tax assessed pursuant to Section 125.0104, Florida Statutes. A Residential Unit Owner leasing his or her Unit for a term of six (6) months or less agrees, and shall be deemed to have agreed, for such Residential Unit Owner, and his or her heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, the Developer, and all other Unit Owners, harmless from and to indemnify them for any and all costs, claims, damages, expenses or liabilities whatsoever arising out of the failure of such Residential Unit Owner to pay any applicable tourist development tax, and/or any other tax or surcharge imposed by the State of Florida with respect to rental payments or other charges due under the lease, and such Residential Unit Owner shall be solely responsible for and shall pay to the applicable taxing authority, prior to delinquency, the tourist development tax and/or any other tax or surcharge due with respect to rental payments or other charges due under the lease.

Every lease of a Residential Unit shall specifically provide (or, if it does not, shall be automatically deemed to provide) that a material condition of the lease shall be the tenant's full compliance with the covenants, terms, conditions and restrictions of this Declaration (and all Exhibits hereto), and any and all current or subsequent rules and regulations of the Association, if any. The Residential Unit Owner shall be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the Common Elements resulting from acts or omissions of any tenant (as determined in the sole discretion of the Association), and to pay any claim for injury or damage to the Condominium caused by the negligence of the tenant, and special Assessments may be levied against the Residential Unit Owner therefor.

The Association may by rule and regulation require any Residential Unit Owner desiring to rent or lease a Residential Unit to submit in writing to the Association a letter setting forth the name of the lessee, and supply such information as may be required by the Association. All leases shall be, as are hereby made, subordinate to any lien filed by the Association, whether prior to or subsequent to such lease.

The Board of Administration of the Association may by rule and regulation restrict and limit the loaning or lending of Residential Units by the Residential Unit Owners. Tenants may not loan or lend the Residential Unit they are renting.

During the period of time that a Residential Unit is leased or loaned to others, the Residential Unit Owner and the Residential Unit Owner's family or guests shall not have the right to use or

occupy the Association Property or Common Elements of the Condominium except as a guest in the presence of the tenant or occupant of the Residential Unit.

Except as otherwise specifically provided for herein, this Section 6.10 shall not apply to any Commercial Units, and the Commercial Units may be leased on any terms that may be desired by the Commercial Unit Owners.

6.11. Surface Water Management System Facilities Restrictions. No construction activities may be conducted relative to any portion of the Surface Water Management System Facilities. Prohibited activities include, but are not limited to: digging or excavation; depositing fill, debris or any other material or item; constructing or altering any water control structure; or any other construction to modify the Surface Water Management System Facilities. If the project includes a wetland mitigation area, as the same is defined in section 1.7.24 of Southwest Florida Water Management District's Basis of Review, or a wet detention pond, no vegetation in these areas shall be removed, cut, trimmed or sprayed with herbicide without specific written approval from the Southwest Florida Water Management District. Construction and maintenance activities which are consistent with the design and permit conditions approved by the Southwest Florida Water Management District in the Environmental Resource Permit issued by the Southwest Florida Water Management District may be conducted without specific written approval from the Southwest Florida Water Management District. The operation and maintenance of the Surface Water Management System Facilities, as well as the reinspection reporting, shall be performed in accordance with the terms and conditions of the Environmental Resource Permit issued by the Southwest Florida Water Management District. The Southwest Florida Water Management District has the right to take enforcement measures, including a civil action for injunction and or penalties, against the Association to compel it to correct any outstanding problems with the Surface Water Management System Facilities. The restrictions shall be in effect for at least 25 years, with automatic renewal periods thereafter.

6.12. Rules and Regulations. Uniform Rules and Regulations concerning the use of the Units the Association Property and the Condominium Property, including the Project's recreational facilities, if any, may be made and amended from time to time by the Association, in the manner provided in the Articles or Bylaws. Copies of such Rules and Regulations and amendments thereto shall be furnished by the Association to all Unit Owners, occupants and Institutional Lenders on request.

6.13. Proviso. Notwithstanding anything herein contained, until Developer has sold and/or transferred all of the Units in the Condominium, neither the Unit Owners nor the Association nor the use of the Condominium Property shall interfere with the sale or lease of the Units. Developer may make such use of the unsold Units and Common Elements as may facilitate such completion and sale or lease, including, but not limited to, maintenance of a sales office, a model, the showing of the property, the display of signs, and the right to have a rental/lease program if economic conditions so warrant.

**ARTICLE VII**  
**Maintenance, Repair, Replacement:**  
**Additions, Alterations and Improvements**

7.1. Maintenance, Repair, Replacement, Additions, Alterations and Improvements. The responsibility for the maintenance, repair and replacement of the Condominium Property and restrictions upon additions, alterations and improvements thereto shall be as hereinafter provided.

7.2. Maintenance, Repair and Replacement By the Association. The Association shall maintain, repair and replace, as part at the Association's Common Expenses:

7.2.1. All portions of a Unit (except interior surfaces and coverings) contributing to the support of the Building in which the Unit is located, which portions shall include, but not be limited to, exterior walls and interior demising or party walls of the Building, roofs, structural components, floor and ceiling joists and slabs, load-bearing columns and load-bearing walls.

7.2.2. All conduits, ducts, plumbing, pipes, wiring and other facilities for the furnishing of utility services contained in the portions of a Unit to be maintained by the Association, and all such conduits, ducts, plumbing, pipes, wiring and other facilities contained within a Unit that service part or parts of the Condominium other than or in addition to the Unit within which they are contained.

7.2.3. All air conditioning and heating equipment providing service to the Common Elements, and, the master cooling tower and appurtenant facilities and equipment, if any, but not the heating and air-conditioning equipment serving only a particular Unit.

7.2.4. All exterior surfaces, including windows, doors, screens and glass, as well as all framings, casings and hardware therefor, shall be maintained by the Association as a Common Expense.

7.2.5. All incidental damage caused to a Unit by the work procured on behalf of the Association shall be repaired promptly at the expense of the Association.

7.2.6. All grounds, landscaping, and recreational facilities and amenities throughout the Condominium. However, notwithstanding the foregoing, each Residential Unit Owner shall be responsible for maintaining all plants and landscaping contained within such Owner's Limited Common Element planter, at its sole cost and expense.

7.2.7. Notwithstanding anything to the contrary, whenever in the judgment of the Board of Directors, the Common Elements, the Association Property, or any part of either, shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of ten percent (10%) of the then applicable budget of the Association in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by a majority of the voting interests represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Common Elements, the Association Property, or any part of either, costing in the aggregate ten percent (10%) of the then applicable budget of the Association or less in a calendar



year may be made by the Association without approval of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements or Association Property shall constitute a part of the Common Expenses and shall be assessed to the Unit Owners as Common Expenses. In addition, whenever, in the judgment of the Board of Directors, the Residential Limited Common Elements shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of ten percent (10%) of the then applicable budget of the Association in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by a majority of the Residential Units' voting interests represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Residential Limited Common Elements costing in the aggregate ten percent (10%) of the then applicable budget of the Association or less in a calendar year may be made by the Association without approval of the Residential Unit Owners. The cost and expense of any such additions, alterations or improvements to the Residential Limited Common Elements shall constitute a part of the Residential Limited Common Expenses, and shall be assessed to the Residential Unit Owners, as a Residential Limited Common Expense.

7.2.8. Whenever, in the judgment of the Board of Directors, the Commercial Limited Common Elements shall require capital additions, alterations or improvements (as distinguished from repairs and replacements) costing in excess of ten percent (10%) of the then applicable budget of the Association in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by a majority of the Commercial Units' voting interests represented at a meeting at which a quorum is attained. Any such additions, alterations or improvements to such Commercial Limited Common Elements costing in the aggregate ten percent (10%) of the then applicable budget of the Association or less in a calendar year may be made by the Association without approval of the Commercial Unit Owners. The cost and expense of any such additions, alterations or improvements to the Commercial Limited Common Elements shall constitute a part of the Commercial Limited Common Expenses, and shall be assessed to the Commercial Unit Owners, as a Commercial Limited Common Expense. For purposes of this section, "aggregate in any calendar year" shall include the total debt incurred in that year, if such debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is required to be made beyond that year.

7.2.9. The Association shall be responsible for the payment of all municipal charges for potable water, waste water, and fire service fees and charges that are assessed against the Condominium from time to time (collectively, the "Municipal Assessments"). The Association may either separately assess each Unit Owner for its equitable share of the Municipal Assessments (as determined in the reasonable discretion of the Association from time to time), or may determine the amount of each Unit Owner's share of the Municipal Assessments by virtue of a separate utility meter for each Unit, which may be installed and maintained by the Association in its discretion.

7.2.10. To the extent required by the City of Sarasota (or other applicable municipal agency), the Association shall maintain the trees and landscaping located on the north side of the adjacent right-of-way to the Condominium, the area of which is more particularly shown and identified on the Plat (the "Adjacent Landscaping Area"). The Adjacent Landscaping Area is not located on the Condominium Property, but shall nonetheless be preserved and maintained by the

Association as a Common Expense. In lieu of directly paying the cost of the maintenance, upkeep and irrigation of the Adjacent Landscaping Area directly, the Association may (in its discretion) reimburse the owner of the Adjacent Landscaping Area for the reasonable cost of same.

7.3. Maintenance, Repair and Replacement By the Unit Owner. The obligation and responsibility of each Unit Owner for maintenance, repairs and replacement, at the Unit Owner's sole cost and expense, shall be as follows:

7.3.1. To maintain, repair and replace, all portions of the Unit (except the portions to be maintained, repaired and replaced by the Association), including, but not limited to, paint, finishes, floor coverings, wall and/or ceiling coverings, wallpaper and decoration of all interior walls, floors and ceiling coverings, all built-in shelves, cabinets, counters, storage areas and closets; all refrigerators, stoves, ovens, disposals, dishwashers, and other kitchen equipment; all appliances in the Unit; all bathroom fixtures, equipment and apparatus; all landscaping and plants located within the interior of a Unit; all doors and windows including sliding glass doors, except those that are designated as Limited Common Elements; all non-load bearing and non-structural room partitions and dividers; and all furniture, furnishings and personal property contained within the Unit. In the event an Owner fails to properly maintain and repair the Unit or fulfill the obligations under this Article, the Association, at the direction of the Board of Administration, may make such repairs as the Board may deem necessary and the cost thereof shall be recovered from such defaulting Unit Owner. The Association shall be entitled in any action for collection from such Unit Owner to recover the cost of any repairs it shall make, plus interest at the highest lawful rate per annum and reasonable attorneys' fees and expenses incurred by the Association in the collection thereof. Such work shall be done without disturbing the rights of other Unit Owners.

7.3.2. To regularly service, inspect, and maintain such air conditioning and heating system in a clean and good working order and to repair and replace the air conditioning and heating system that services the Unit or Units, located in the Unit or outside the Unit, and the conduits and lines from such equipment to the Unit.

7.3.3. Each Unit Owner shall promptly report to the Association any defects, damage or need for repairs for which the Association is responsible that comes to the attention of the Unit Owner.

7.4. Additions, Alterations or Improvements by the Unit Owners. The following restrictions shall apply to additions, alterations, and improvements by any Unit Owners:

7.4.1. No Unit Owner shall make any additions, alterations or improvements in or to the Common Elements, or to any Limited Common Element, unless otherwise provided herein specifically to the contrary.

7.4.2. No Unit Owner shall paint or otherwise decorate or change the appearance or architecture of all or any portion of the exterior of the Building, the Unit or the Limited Common Elements or Common Elements without the prior written consent of the Board of Administration, except as may be otherwise expressly provided herein.

7.4.3. The Board shall have the obligation to answer any written request by a Unit Owner for approval of such additions, alterations or improvements in such Unit Owner's Limited Common Elements within thirty (30) days after such request and all additional information requested by the Board is received, and the failure to so answer within the stipulated time shall constitute the Board's consent, provided that during such period, the Board shall have the absolute right, with or without cause, to reject any such request.

7.4.4. The proposed additions, alterations and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise.

7.4.5. Once approved by the Board, such approval may not be revoked thereafter.

7.4.6. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed for such Owner, and his heirs, personal representatives, successors and assigns, to indemnify and hold the Association and all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and such Unit Owner shall be solely responsible for the maintenance, repair, replacement and insurance thereof as may be required by the Association.

7.4.7. If the Owner fails to construct the addition, alteration or improvement in the manner approved, the Owner shall be obligated to make all corrections necessary and if such Owner fails to do so, the Association, upon notice to the Owner, may make such corrections and demand payment from such Owner all the cost of such correction and to seek collection therefrom upon nonpayment.

7.4.8. The Board may appoint an Architectural Control Committee to assume the foregoing functions on behalf of the Board.

7.5. Additions, Alterations or Improvements by Commercial Unit Owners. Notwithstanding anything to the contrary set forth in Section 7.4 or other portions hereof, the Developer and each Commercial Unit Owner shall have the right, without the consent or approval of the Board of Directors or other Unit Owners, to make alterations, additions or improvements to the interior of any Unit owned by it or them (including, without limitation, the removal of interior - non-structural - walls, windows, doors, floors, ceilings and other non-structural portions of the improvements, and/or the installation of interior divider walls and/or signs). Further, Developer reserves the right, without the consent or approval of the Board of Directors or other Unit Owners, to combine or subdivide the Commercial Units from time to time in accordance with Sections 5.9 and 5.10 hereof. The Commercial Unit Owner making or causing to be made any such additions, alterations or improvements to the interior of its Unit agrees, and shall be deemed to have agreed, for such Owner, and his or her heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, the Developer and all other Unit Owners harmless from and to indemnify them for any liability or damage to the Condominium and/or Association Property and expenses arising therefrom and shall be solely responsible for the maintenance, repair and insurance thereof from and after the date of installation or construction thereof.

## ARTICLE VIII

### Assessments

8.1. Assessments. The Association has the power to levy and collect Assessments against each Unit Owner in order to provide the necessary funds for proper operation and management of the Condominium and for the operation of the Association, including, but not limited to, regular Assessments for each Unit's share of the Common Expenses as set forth in the annual budget, assessments levied by the Association against the Residential Units to meet the Residential Limited Common Expenses, and assessments levied by the Association against the Commercial Units to meet the Commercial Limited Common Expenses, and Special Assessments for non-recurring or unbudgeted Common Expenses. The Association may also levy special charges against any individual Unit for any amounts other than Common Expenses which are properly chargeable against such Unit under this Declaration or the Bylaws of the Association. The making and collection of Assessments against the Unit Owners for the Common Expenses shall be pursuant to the Condominium Act, the Bylaws of the Association and the provisions hereinafter provided. Pursuant to Florida Statute Section 718.112(2)(f)(2), reserves for the fiscal year when the Association is created, will be, and are hereby, waived by Association action. The Developer, pursuant to Section 718.112(2)(f)(2), Florida Statutes, may cast votes to waive reserves for the first two (2) fiscal years of the operation of the Association.

8.2. Share of Common Expenses. Each Unit shall be liable for its proportionate share of the Common Expenses of the Condominium as set forth in Exhibit "C," attached hereto.

8.3. Annual Budget of Common Expenses. The Annual Budget of Common Expenses for the Association and the Condominium shall be adopted by the Board.

8.4. Right of Association to Collect Interest and Late Charges. The Association shall have the right to collect interest on and late charges on delinquent Assessments. The rate of interest and the amount of the late charges payable shall be uniform, shall not exceed those permitted by law and shall either be set forth in the Bylaws of the Association or, if not, shall be established from time to time by the Board.

8.5. Interest, Late Charges, Application of Payment. Assessments and installments of such Assessments paid on or before ten (10) days after the date when due shall not bear interest, but all such sums not paid on or before ten (10) days after the date when due shall bear interest at the maximum rate of interest allowed by law from the date when due until paid and shall be subject to late charges as determined by the Board from time to time. The late fee shall be in addition to interest and shall be in an amount equal to the greater of \$25.00 or five percent (5%) of each installment of the assessment of each delinquent installment that the payment is late. All payments upon account shall be first applied to interest, if any, and then to any late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent Assessment. All interest collected shall be credited to the general expense account.

8.6. Right of Association to Accelerate Assessments. In the event a Unit Owner becomes more than thirty (30) days delinquent in the payment of any installment of an Assessment and a Claim of Lien is recorded in the Public Records of Sarasota County, Florida, the Association shall have the option and right, in addition to all other rights and remedies it may have with respect to the

delinquent Assessment, of accelerating the obligation of such delinquent Owner to pay (i.e. the due date of) the remaining balance of the Assessments due from the Unit Owner for the current fiscal year of the Association. The entire accelerated Assessment shall be due, at the Association's option, upon its execution and recording of its Claim of Lien in the Public Records of Sarasota County, Florida, and mailing of its Notice of Acceleration to the delinquent Unit Owner. Such delinquent Unit Owner shall also be obligated to promptly pay any and all interim Assessment increases occurring after the acceleration of the unpaid installments (i.e. the balance) of the Assessment by the Association.

8.7. Lien For Assessments. There shall be a lien on each Unit for unpaid Assessments, together with interest as provided by the Condominium Act, which shall also secure the costs, expenses and reasonable attorney's fees incurred by the Association incident to the collection of such Assessments and/or the preparation, enforcement and foreclosure of such lien, whether suit is filed or not, and, whether such legal fees are for negotiations, trial, appellate or other legal services. The lien is perfected upon recording a Claim of Lien in the Public Records of Sarasota County, Florida, stating the description of the Condominium Parcel, the name of the record Owner, the name and address of the Association, the Assessments past due and the due dates. The lien is in effect until barred by law. The Claim of Lien secures all unpaid Assessments and charges coming due prior to the entry of a Certificate of Title. Upon full payment, the person making the payment is entitled to a satisfaction of the lien.

8.8. Priority of Lien. Except as set forth herein, the lien is effective from and shall relate back to the date of recording of this Declaration of Condominium. However, as to first mortgages of record, the lien is effective from and after recording of the Claim of Lien. No lien shall continue for a longer period than one (1) year after the Claim of Lien has been recorded unless, within that time, an action to enforce the lien is commenced in a court of competent jurisdiction.

8.9. Foreclosure of Lien. The Association may bring an action in its name to foreclose its lien for unpaid Assessments in the manner provided in the Condominium Act, and may also bring an action to recover a money judgment for the unpaid Assessments without waiving any lien rights. The Association is entitled to recover its reasonable attorney's fees and costs incurred in either a lien foreclosure action or an action to recover a money judgment for unpaid Assessments.

8.10. Rental Pending Foreclosure. In any action involving a foreclosure of a lien for Assessments, the Owner of a Unit subject to the lien may be required by the Court in its discretion, if occupying the Unit during the pendency of the foreclosure, to pay reasonable rental for the Unit during the period of such occupancy and the Association shall be entitled to the appointment of a receiver to collect the same.

8.11. Transfer of Ownership of Foreclosed Unit. If a foreclosure action is brought against the Owner of a Condominium Parcel and the interest of the Owner in the Condominium Parcel is sold, the Owner's membership shall be canceled and membership shall be issued to the purchaser at the foreclosure sale.

8.12. Liability for Assessments Upon Transfer of Unit. A Unit Owner is jointly and severally liable with the previous Owner for all unpaid Assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the Owner may have to recover from

the previous Owner the amounts paid by the Owner. The liability of a first mortgagee or its successor or assignees who acquire title to a Unit by foreclosure or by deed in lieu of foreclosure for the unpaid Assessments that became due prior to the mortgagee's acquisition of title is to be determined pursuant to Section 718.116 of the Florida Condominium Act, as amended.

8.13. Certificate As To Assessments. Within fifteen (15) days after request by a Unit Owner, Unit purchaser or mortgagee, the Association shall provide a certificate stating whether all Assessments and other monies owed to the Association by the Unit Owner with respect to the Condominium Parcel have been paid. Any person other than the Owner who relies upon such certificate shall be protected thereby.

8.14. Schemes or Devices to Avoid Liability for Assessments. The liability of a Unit Owner or Unit Owners for Assessments may not be avoided or abated by the Unit Owner(s) by waiving or abandoning, either voluntarily or involuntarily, the use of the Unit or the Common Elements or by an interruption in or an interference with the availability of or use of the Unit or Common Elements to the Unit Owner.

8.15 Guarantee. Developer hereby guarantees that the Assessment for Common Expenses of the Condominium for the period beginning upon the date of the first conveyance of a Unit to an Owner other than the Developer and ending December 31st of that same year (the "First Guaranty Period") will not exceed \$1,100.00 per Unit per month. Developer reserves the right, at its discretion, to provide for an additional guarantee of Common Expenses for an additional one (1) year period (the "Second Guaranty Period") upon the condition that any Assessment for the subsequent year will not exceed \$1,400.00 per Unit per month for the period beginning January 1<sup>st</sup> of the year following the expiration of the First Guaranty Period and ending December 31<sup>st</sup> of that same year. Developer reserves the right, at its discretion, to provide for an additional guarantee of Common Expenses for an additional one (1) year period (the "Third Guaranty Period") upon the condition that any Assessment for the subsequent year will not exceed \$1,700.00 per Unit per month for the period beginning January 1<sup>st</sup> of the year following the expiration of the Second Guaranty Period and ending December 31<sup>st</sup> of that same year. Developer reserves the right, at its discretion, to provide for an additional guarantee of Common Expenses for an additional one (1) year period (the "Fourth Guaranty Period") upon the condition that any Assessment for the subsequent year will not exceed \$2,000.00 per Unit per month for the period beginning January 1<sup>st</sup> of year following the expiration of the Third Guaranty Period and ending December 31<sup>st</sup> of that same year. Each of the foregoing guarantees only apply to that portion of the budget without reserves (i.e., the guarantees do not include a guarantee of reserves). Developer agrees to pay any amount of Common Expenses (excluding reserves) incurred during the guarantee period in excess of the Assessments received from other Unit Owners at the applicable guaranteed level. In consideration for this guarantee, Developer shall be excused from the payment of its share of the Common Expenses with respect to any Units owned by it during the guarantee period, as provided by Section 718.116(9)(a)(1) Florida Statutes. Any Common Expenses incurred during the period of time in which the Developer has guaranteed the level of Assessments resulting from a natural disaster or an act of God occurring during the stated period of time referenced herein, which are not covered by the proceeds from insurance maintained by the Association, may be assessed against all Unit Owners owning Units on the date of such natural disaster or act of God, and their respective successors and assigns, including the Developer with respect to the Units owned by the Developer. In the event of such an Assessment, all Units shall be assessed in accordance with Section 718.115(2), Florida Statutes.

**ARTICLE IX**  
**Association**

9.1. Association. The operation of the Condominium shall be by Zahrada I Condominium Association, Inc., a corporation not for profit under the laws of the State of Florida, which shall fulfill its functions pursuant to the provisions herein set forth. Notwithstanding anything hereinafter contained or implied to the contrary, the Association shall fulfill its functions and obligations without discriminating against any Unit Owner or any group of Unit Owners.

9.2. Articles of Incorporation of the Association. A copy of the Articles of Incorporation of the Association is attached to this Declaration as Exhibit "D."

9.3. Powers. The Association shall have all of the powers and duties reasonably necessary to operate the Condominium Property as set forth in the Condominium Act, this Declaration and the Articles of Incorporation and Bylaws of the Association, and as the same may be amended from time to time. It shall also have the power prior to and subsequent to the recording of this Declaration to acquire and enter into agreements whereby it acquires leaseholds, memberships and other possessory or use interests in real and personal property, including, but not limited to country clubs, club houses, and other recreational facilities, whether or not contiguous to the Land of the Condominium, intended to provide for the enjoyment, recreation or other use or benefit of Unit Owners and to declare the expenses of rental, membership fees, operation, replacements and other undertakings in connection therewith to be Common Expenses and may make such covenants and restrictions respecting the use of the facilities not inconsistent with the Condominium Act as may be desired. The Association shall also have the power to contract for the management of the Condominium and to delegate to the manager all of the powers and duties of the Association except such as are specifically required by this Declaration, the Bylaws of the Association or the Condominium Act to have the approval of the Board or the membership of the Association.

9.4. Additional Powers of Association. The Association shall have the irrevocable right of access into any Unit during reasonable hours when necessary to make emergency repairs and to do other work necessary for the proper maintenance, repair or replacement of any Common Elements of the Condominium. The Association shall also have the right and power to grant and relocate easements, licenses and permits over the Common Elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium. The Association shall also have the power to adopt and amend rules and regulations governing the details of the operation and use of the Condominium Property.

9.5. Obligations of the Association. The Association shall have all of the obligations imposed upon it by the Condominium Act. In addition, the Association shall make available to Unit Owners and to all Institutional Lenders holding a mortgage on any Unit in the Condominium and to insurers of any mortgages current copies of the Declaration, the Articles of Incorporation of the Association, the Bylaws of the Association, the Rules and Regulations, or other items within the official records for inspection during normal business hours and copying thereof at the expense of the inspecting party. The right to inspect the records includes a right to make or obtain photocopies at the reasonable expense of the person seeking copies.

The Association shall also make available to prospective purchasers current copies of the Declaration of Condominium, the Articles of Incorporation of the Association, the Bylaws of the Association, the Rules and Regulations of the Condominium and the most recent annual financial statement of the Association. The Association may charge a reasonable fee for such copies.

If the Federal Housing Administration, Veterans' Administration, Federal National Mortgage Association or Federal Home Loan Mortgage Corporation owns or insures a mortgage on a Unit in the Condominium, the Association shall prepare and furnish to such agency upon request an audited financial statement of the Association for the immediately preceding fiscal year of the Association.

It is the responsibility of the Association to operate and maintain the Surface Water Management System.

9.6. Bylaws. The administration and management of the Association and the operation of the Condominium Property shall be governed by the Bylaws, a copy of which is attached as Exhibit "E" to this Declaration.

9.7. Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for the injury or damage, other than the cost of maintenance and repair which shall be shared equally by all Units, caused by any latent condition of the property to be maintained by the Association, or caused by the elements or other owners or persons.

9.8. Restraint Upon Assignment of Shares and Assets. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, encumbered or transferred in any manner, except as an appurtenance to the Unit.

9.9. Approval or Disapproval of Matters. Whenever a decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such Owner in an Association meeting, unless the joinder of all record Owners is specifically required by this Declaration, the Articles of Incorporation of the Association or the Bylaws of the Association.

9.10. Membership and Voting Interests and Rights. All Unit Owners in the Condominium are and must be members of the Association. The Owner(s) of each Unit shall be entitled to cast one (1) vote for each Unit owned as provided in the Bylaws of the Association.

9.11. Right of Association to Cancel Contracts. To the extent provided for pursuant to Florida Statute 718.302, the Association shall have the right to terminate any contract or lease entered into by the Association prior to the turnover of the control of the Association by the Developer.

9.12. Developer's Right to Control and Manage Association During Development and Sales Period. The Developer has and hereby reserves the right to control the management and operation of the Condominium and the affairs and decisions of the Association and its Board of



Administration during the development and sales period of the Condominium by electing initially all and thereafter a majority of the Directors of the Association in accordance with Section 718.301 of the Condominium Act and the Articles of Incorporation of the Association attached as Exhibit "D" hereto.

9.12.1. When Unit Owners other than the Developer own 15 percent or more of the Units in a Condominium that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect no less than one-third of the members of the Board of Administration of the Association. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Administration of the Association, upon the first of the following events to occur:

9.12.1.1. Three years after 50 percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or

9.12.1.2. Three months after 90 percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or

9.12.1.3. When all the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or

9.12.1.4. When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or

9.12.1.5. When the Developer files a petition seeking protection in bankruptcy; or

9.12.1.6. When a receiver for the Developer is appointed by a circuit court and is not discharged within 30 days after such appointment, unless the court determines within 30 days after appointment of the receiver that transfer of control would be detrimental to the Association or its members; or

9.12.1.7. Seven years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit in the Condominium which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first; or, in the case of an Association that may ultimately operate more than one Condominium, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first, for the first Condominium it operates; or, in the case of an Association operating a phase condominium created pursuant to Florida Statute 718.403, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first.

The Developer is entitled to elect at least one member of the Board of Administration of the Association as long as the Developer holds for sale in the ordinary course of business at least 5 percent of the Units. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned Units in the same manner as any other Unit Owner except for purposes of requiring control of the Association or selecting the majority members of the Board of Administration.

9.12.2. Notwithstanding the foregoing, the Developer may terminate such right of control at any time by relinquishing and waiving such right in writing and turning over control of the Board of Administration and the Association to the Unit Owners, who shall accept such turnover.

9.12.3. During the period the Developer retains such control, the Developer shall have the right to take all actions, make all decisions, and do all things on behalf of the Association, to the extent permitted in Chapter 718, Florida Statutes, including but not limited to, the right to enter into contracts on behalf of the Association for the purchase of property and for maintenance, operation and management of the Association and the Condominium, the maintenance, repair and replacement of the Condominium and property and facilities serving the Condominium, the determination of budgets and assessments and the levy and collection of Assessments against the Unit Owners and the enactment and enforcement of Uniform Rules and Regulations governing the ownership, occupancy and use of the Units and the Condominium Property.

9.12.4. While exercising such control and management, however, the Developer shall observe the format and formalities of the Association's corporate regime and structure, including maintenance of all required minutes, books and records and the provision of the Condominium Act and any rule promulgated thereunder.

## **ARTICLE X**

### **Insurance, Repair and Rebuilding**

10.1. Insurance. The insurance, other than title insurance, which shall be carried upon the Condominium Property and the property of the Unit Owners shall be governed by the provisions hereinafter set forth.

10.2. Authority to Purchase; Named Insured. The Association shall have the following responsibilities:

10.2.1. The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Association Property, and the Condominium Property required to be insured by the Association pursuant to the Condominium Act. A copy of each policy of insurance in effect shall be made available for inspection by the Unit Owners at all reasonable times.

10.2.2. All hazard policies issued to protect the Condominium Buildings shall provide that the word "building" wherever used in the policy shall include, but shall not necessarily be limited to, fixtures, installations, or additions comprising that part of the Building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual Units initially

installed, or replacements thereof of like or quality, in accordance with the original plans and specifications, or as existed at the time the Unit was initially conveyed if the original plans and specification are not available. However, the word “building” shall not include floor coverings, wall coverings or ceiling coverings. With respect to the coverage provided for by this paragraph, the Unit Owners shall be considered additional insureds under the policy.

10.2.3. All insurance policies upon the Condominium Property shall be purchased by the Association and the named insured shall be the Association, individually, and for the use and benefit of the Unit Owners, naming them and their mortgagees as their interests may appear. Provisions shall be made for the issuance of mortgage endorsements and memoranda of insurance to the mortgagees of Unit Owners.

10.3. Mortgagee Approval. So long as an Institutional first Mortgagee shall hold a mortgage upon at least a majority of the Units in the Condominium, such mortgagee shall have the right to approve the insurer on all insurance policies covering the Condominium Property, and the Association shall submit to the mortgagee proof of payment of the annual premiums on all such insurance policies purchased by the Association. If the Association fails to procure any of the requisite insurance coverages hereunder and to pay the premiums therefor, the Institutional Lender will have the right to order and pay for the policies and be subrogated to the assessment and lien rights of the Association with respect to such payment. This subparagraph shall be construed as a covenant for the benefit of, and may be endorsed by, any such Institutional First Mortgagee.

10.4. Casualty. All of the facilities in the Condominium, including all Buildings and improvements and all personal property belonging to the Association or a part of the Common Elements, shall be insured in an amount equal to the full insurable value or 100% of their then current replacement cost excluding land, foundations, excavations and other items that are usually excluded from such insurance coverage, as determined annually by the Board of Directors of the Association. Such coverage shall afford protection against:

10.4.1. Loss or damage by fire, all other hazards normally covered by the standard extended coverage endorsement, including windstorm, and all other perils customarily covered in similar types of projects, including those covered by the standard “all risk” endorsement;

10.4.2. “Master” or “blanket” policy of flood insurance if the Condominium or any portion thereof is located in a special flood hazard area, as defined by the Federal Emergency Management Agency or its successors, in an amount not less than the lesser of (i) the maximum coverage available at subsidized rates under the National Flood Insurance Program for all Buildings and other insurable property within the Condominium located within the special flood hazard area, or, (ii) 100% of current replacement cost thereof, if available.

10.4.3. Such other risks as from time to time shall be customarily covered with respect to Buildings similar in construction, location and use as the Buildings on the land, including, but not limited to, vandalism and malicious mischief.

The casualty policy shall contain a waiver of the right of subrogation against Unit Owners individually, a provision that the insurance is not prejudiced by any act or neglect of

individual Unit Owners which is not in the control of the Unit Owners collectively and a provision that the policy is primary in the event the Unit Owner has other insurance covering the same loss.

10.5. Public Liability. A comprehensive general liability insurance policy shall be carried on the Common Elements and all other areas under the supervision of the Association in an amount of at least \$1,000,000 for bodily injury, death and property damage for any single occurrence, with excess coverage of at least \$5,000,000. The liability insurance shall provide coverage for death, bodily injury and property damage that results from the operation, maintenance or use of the Common Elements and any liability related to employment contracts to which the Association is a party. Additional public liability insurance shall be determined by the Board of Administration of the Association, including, but not limited to, hired automobile and non-owned automobile coverages and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.

10.6. Workers' Compensation. Workers' Compensation insurance shall be carried to meet the requirements of the law.

10.7. Other Insurance and Special Endorsements. The Association shall carry such other insurance and special endorsements (i) the FHA, VA, FNMA and/or the FHLMC may require as a condition to continued Project approval so long as any such organization holds or insures a mortgage in the Condominium, and (ii) the Board of Administration shall determine from time to time to be desirable.

10.8. Notice of Cancellation or Changes; Premium. All insurance policies purchased by the Association shall require the insurer to give the Association and each holder of a first mortgage on a Unit in the Condominium prior written notice before it cancels or substantially changes the coverage for the Condominium. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.

10.9. Association as Agent. The Association is irrevocably appointed agent for each unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium Property, to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon the payment of claims.

10.10. Reconstruction and Repair. If any part of the Condominium Property shall be damaged by casualty, it shall be reconstructed or repaired immediately unless it is determined in the manner elsewhere provided that the Condominium shall be terminated. Notwithstanding anything herein contained or implied to the contrary, if the Condominium or any part thereof is damaged by fire or other casualty, such damage shall be restored and repaired according to the original plans and specifications to the extent possible with the available insurance proceeds.

10.11. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original Building, or if not, then according to plans and specification approved by the Board of Administration of the Association.

10.12. Responsibility. If damage is caused by a Unit Owner for which the responsibility of maintenance and repair is that of the Unit Owner, then the Unit Owner shall be responsible for all

such reconstruction and repair after casualty. Insurance proceeds shall be applied to such reconstruction and repair, except for damage or destruction caused by the intentional or negligent act or omission of a Unit Owner which shall be the responsibility of that Unit Owner to the extent not covered by insurance.

10.13. Estimates of Cost. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

10.14. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, the funds for the payment of the costs thereof are insufficient, the Association shall pay over sufficient amounts to provide funds to pay the estimated costs, which amount shall be part of the Common Expenses of the Association assessed against Unit owners.

10.15. Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance and funds collected by the Association from assessments against Unit Owners, shall be disbursed in payment of such costs in the manner required by the Board of Administration of the Association. The first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds, and if there is a balance in the construction fund after payment of all costs of reconstruction and repair for which the fund is established, such balance shall be distributed to the Association as Common Surplus.

10.16. Institutional Lender's Right to Advance Premiums. Should the Association fail to pay such premiums when due, or should the Association fail to comply with other insurance requirements of the Institutional lender holding the greatest dollar volume of Unit mortgages, such Institutional Lender(s) shall have the right, at its option, to order insurance policies and to advance such sums as are required to maintain or procure such insurance, and to the extent of the money so advanced, the mortgagee(s) shall be subrogated to the assessment and lien rights of the Association against the individual Unit Owners for the payment of such item of Common Expense.

10.17. Personal Insurance. Each individual Unit Owner shall be responsible for purchasing, at his, her, or it's own expense, liability insurance to cover accidents occurring within the Unit or on that Unit's Limited Common Elements, insurance coverage for all personal property, and insurance coverage for all policies issued to individual Unit Owners shall provide that the coverage afforded by such policies is excess over the amount recoverable under any other policy covering the same property without rights of subrogation against the Association.

10.18. General Requirements. If available, and where applicable, the Association shall endeavor to obtain policies which provide that the insurer waives its rights of subrogation as to any claims against Unit Owners, the Association, their respective servants, agents and guests. Insurance companies authorized to do business in the State of Florida shall be affirmatively presumed to be good and responsible companies and the Board of Administration of the Association shall not be responsible for the quality or financial responsibility of the insurance companies, provided they are licensed to do business in the State of Florida.

10.19. Equitable Relief. Any Unit Owner and any Institutional Lender owning and holding a mortgage encumbering a Unit in this Condominium shall have the right to petition a court having equity jurisdiction in and for equitable relief relating to the provisions, rights and obligations of this Article.

10.20. Damage by Unit Owner. In the event any damage not covered by insurance is caused to any Unit and/or the Common Elements by a Unit Owner or a tenant, occupant, guest, licensee or invitee thereof or any pet of the foregoing, such damage shall be repaired solely at the cost and expense of the Unit Owner.

## **ARTICLE XI**

### **Maintenance of Community Interest**

11.1. Maintenance of Community Interests. In order to maintain a community of congenial and compatible residents who are personally and financially responsible and thus protect the value of the Units, the transfer of Units by any owner other than the Developer or an Institutional lender shall be subject to the following provisions so long as the Condominium exists and the Units in useful condition exists upon the Land, which provisions each Unit Owner covenants to observe.

11.2. Notice to Association. Within thirty (30) days following the sale, transfer or conveyance of a Unit, the Unit Owner making such sale, transfer or conveyance shall notify the Association of same along with the name and address of the person or entity to which the Unit will be sold, transferred or conveyed.

11.3. Time Share Estates. No time share estates will or may be created in Zahrada I, a Condominium, or any Unit thereof.

## **ARTICLE XII**

### **Purchase of Units by Association**

12.1. Purchase of Units by Association. The Association shall have the power to purchase Units in the Condominium and to otherwise acquire and hold, lease, mortgage and convey the same only in accordance with the following provisions:

12.2. Decision. The decision of the Association to purchase a Unit and to acquire, hold, lease, mortgage and convey the same shall be made by its Board of Administration, without approval of its membership.

12.3. Limitation. If at any one time the Association shall be the owner or contract purchaser or two (2) or more Units, it may not purchase any additional Units without the prior written approval of 70% of the Voting Interests of members eligible to vote thereon. A member whose Unit is the subject matter of the proposed purchase shall be eligible to vote thereon, and the Association may vote the votes attributable to the Units it owns. Provided, however, that the foregoing limitation shall not apply to Units to be purchased at public sale resulting from a foreclosure of the Association's lien for delinquent assessments where the bid of the Association does not exceed the amount found due the Association, or to be acquired by the Association in lieu of foreclosure of such lien if the consideration therefor does not exceed the cancellation of such lien.

**ARTICLE XIII**  
**Compliance and Default**

13.1. Compliance and Default. Each Unit Owner and occupant of a Unit shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation, Bylaws and Rules and Regulations adopted pursuant thereto and as these documents may be amended from time to time. Failure of a Unit Owner or occupant to comply shall entitle the Association or other Unit Owners to the relief provided for herein, in addition to the remedies provided by the Florida Condominium Act.

13.2. Enforcement. Pursuant to the Florida Condominium Act, the Association shall have the right to access each Unit during reasonable hours, when necessary, for maintenance, repair or replacement of any common elements or of any portion of a Unit to be maintained by the Association pursuant to this Declaration, or as necessary to prevent damage to the common elements to a Unit or Units.

13.3. Fines. The Association may levy reasonable fines against a Unit Owner for failure of the owner of the Unit or its occupant, licensee or invitee to comply with any provisions of the Declaration, the Bylaws, or the Rules and Regulations of the Association. No fine shall become a lien against a Unit. No fine shall exceed the maximum allowed by law, nor shall any fine be levied against any Unit Owner except after the giving of not less than 14 days' prior written notice and opportunity for a hearing to the Unit Owner and, if applicable, its tenants, licensee or invitees. The hearing shall be held before a committee of other Unit Owners. If the committee does not agree with the proposed fine suggested by the Association, then and in that event, the fine shall not be levied against the Unit Owner. No fine may be levied against an unoccupied Unit.

13.4. Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by the Unit Owner's act, neglect or carelessness, or by that of any member of such Unit Owner's family, such Unit Owner's, guests, servants, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association.

13.5. Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms or provisions of the Declaration, the Bylaws or the Rules and Regulations adopted pursuant thereto, as they may be amended from time to time, or for a declaratory judgment relating to the rights of the Association or Unit Owners thereunder, the prevailing party shall be entitled to recover the costs and expenses of the proceeding and reasonable attorneys' fees to be awarded by the court, whether for trial, appellate or other legal services.

13.6. No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation, the Bylaws, or the Rules and Regulations adopted shall not act as a waiver of any other violations.

**ARTICLE XIV**  
**Amendments**

14.1. Amendments. Except as otherwise specifically provided herein and except as otherwise specifically reserved by or to the Developer herein, this Declaration of Condominium may be amended only in the manner hereinafter set forth.

14.2. Notice. Notice of the subject matter of a proposed Amendment shall be included in the notice of all meetings at which a proposed Amendment shall be included in the notice of all meetings at which a proposed Amendment is to be considered.

14.3. Resolution of Adoption. A resolution adopting a proposed Amendment may be proposed by either the Board of Administration of the Association or by at least thirty percent (30%) of the Voting Interests of the Association. Directors and members not present in person or by proxy at the meetings considering the Amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as otherwise required by the Florida Condominium Act and except as elsewhere provided, such approvals must be by not less than 70% of the Voting Interests of the entire Membership of the Association.

14.4. Limitation on Amendments. No Amendment shall adversely affect the right of the Developer, its heirs, personal representatives, successors, assigns, grantees, designees or nominees to complete the development, construction and sale of this Condominium.

No Amendment that would alter or interfere with the rights of the Developer hereunder or which would increase the Developer's obligations hereunder shall be effective without the prior written consent of the Developer. No Amendment shall delete or modify all or any portion of this Article 14 without the prior written consent of the Developer, its heirs, personal representatives, successors, assigns, grantees, designees or nominees.

Any Amendment which affects the Surface Water Management System, including the water management portions of the common areas, must have the prior written approval of the Southwest Florida Water Management District.

14.5. Execution and Recording. Except as specifically provided herein, a copy of each such Amendment shall be attached to a certificate by the Association certifying that the Amendment was duly adopted, which certificate shall be executed by the appropriate officers of the Association with all the formalities of a deed. Any such Amendment shall be effective only when such certificate and copy of the Amendment are recorded in the Public Records of Sarasota County, Florida.

14.6. Additional Rights of Developer to Amend Declaration. The Developer reserves the right to amend this Declaration and/or any of the Exhibits hereto, without the joinder or consent of the Association, the Unit Owners, Institutional Mortgagees, or any other person if such Amendment (a) is necessary for the creation of a valid Condominium under the Florida Condominium Act or to correct deficiencies in the Condominium documents by including items required by the Florida Condominium Act; (b) is necessary to correct a scrivener's or preparer's or recording error or omission; or (c) does not materially and adversely affect the property rights of Unit Owners. Any



such Amendment need only be signed by the Developer and recorded in the Public Records of Sarasota County, Florida.

14.7. Amendments Affecting Commercial Units. Notwithstanding anything herein to the contrary, no amendment may be adopted to this Declaration, the Articles, the Bylaws, or any rules and regulations governing the Condominium Property (other than an amendment adopted by the Developer alone pursuant to any reserved rights it may have under this or any other documents) which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Owner(s) from time to time of the Commercial Units, without the consent of four fifths (4/5ths) of all voting interests in the Condominium.

## **ARTICLE XV**

### **Termination**

15.1. Termination. The Condominium may be terminated in the manner provided for in the Florida Condominium Act.

15.2. Proviso. Notwithstanding any provision to the contrary in this Declaration, approval of a plan of termination by the holder of a recorded mortgage lien affecting a Condominium Unit is not required unless the plan of termination will result in less than the full satisfaction of the mortgage lien affecting the Condominium Unit. If such approval is required and not given, a holder of a recorded mortgage lien who objects to the plan of termination may contest the plan as provided in Florida Statute § 718.117. At the time of sale, the lien shall be transferred to the proportionate share of the proceeds assigned to the Condominium Unit in the plan of termination or as subsequently modified by the court.

15.3. Reconstruction Prohibited. If the Condominium Property shall be damaged by casualty to the extent applicable building, zoning, and/or land use regulations effectively prohibit reconstruction and/or repair of the Condominium Property, the Condominium shall be terminated. Insurance proceeds arising out of such casualty under this Section shall be distributed in proportion to each Unit Owner's interest and share of the Common Elements and Common Surplus of the Condominium, or as otherwise provided in accordance with the Condominium Act and this Declaration.

## **ARTICLE XVI**

### **Institutional Lenders**

16.1. Institutional Lender Consent. Except as otherwise specifically provided for herein, this Declaration may be amended without the consent or joinder of any Institutional Lenders, unless the amendment materially affects the rights or interests of any Institutional Lenders, or as otherwise required by the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation. In the event that any amendment to this Declaration requires the consent or joinder of some or all of the Institutional Lenders, as provided for above, then and in that event, the Institutional Lenders consent or joinder may not be unreasonably withheld.

16.2. Additional Rights of Institutional First Mortgagees. In addition to all other rights herein set forth, Institutional First Mortgagees shall have the right, upon written request to the

Association to: (1) Examine the Association's books; (2) receive notice of Association meetings and attend such meetings; (3) receive notice of an alleged default by any Unit Owner, for whom such Mortgagee holds a mortgage, which is not cured within thirty (30) days of notice of default to such Unit Owner; and (4) receive notice of any substantial damage or loss to any portion of the Condominium Property.

## **ARTICLE XVII** **Severability**

17.1. Severability. The invalidity in whole or in part of any covenant or restriction, or any section, subsection, sentence, clause, phrase or word, or other provision in this Declaration of Condominium, the Exhibits attached hereto and the Articles of Incorporation, Bylaws and Rules and Regulations of the Association shall not affect the validity of the remaining portions thereof.

## **ARTICLE XVIII** **Additional Rights of Developer**

18.1. Election, Removal and Replacement of Directors and Officers of Association. Developer hereby reserves unto itself, its successors, designees and assigns during the development and sale period, the exclusive right to elect, to remove and to replace, from time to time, the officers and directors of the Association appointed by the Developer (who need not be Unit Owners), as provided in the Articles of Incorporation of the Association. The Developer may terminate such rights earlier than provided in the Articles of Incorporation by voluntarily relinquishing control of the election of the Board of Administration to the Unit Owners at any time.

18.2. Developer's Right to Delete or Modify. The Developer may delete or modify the provisions of any of these Articles by filing an Amendment hereto without the consent or approval of the Association, Unit Owners, any mortgagee or lienor or any other person if required to do so by the FHA, the VA, the FNMA or the FHLMC as a condition to Project approval or continued Project approval by such agency.

18.3. Miscellaneous. The Developer reserves the right to use the name "Zahrada I" and all similar names in connection with future developments.

18.4. Developer's Rights Inure to Benefit of Its Designees, Successors and Assigns. All powers, privileges easements, right, reservations, restrictions and limitations herein reserved or otherwise created for the benefit of the Developer shall inure to the benefit of the Developer's designees, successors and assigns, and to such Land or portion thereof owned by it.

## **ARTICLE XIX** **Representation**

19.1 Representation. Developer makes no representations or warranties, either expressly or impliedly, as to any Unit, or as to any other portion of the Condominium, other than those expressly provided for herein, or otherwise required pursuant to Section 718.203, Florida Statutes. No warranties shall be implied, nor shall any such warranties be relied upon by any Unit Owner, other than the warranties provided by Section 718.203, Florida Statutes. Developer does not

guarantee or warrant that any Unit Owner will realize any economic benefit from the purchase of a Unit within this Condominium. As to any implied warranties which cannot be disclaimed, either in whole or in part, incidental and consequential damages are hereby specifically disclaimed, and Developer shall have no responsibility for any incidental or consequential damages, including, but not limited to, any claims for personal injury, property damage, or emotional distress.

## **ARTICLE XX** **Miscellaneous**

20.1. Mold and Mildew Awareness and Preventions. As part of the Association's and the Board's responsibility for maintenance and repair of the Condominium Property as set forth in this Declaration and the Unit Owner's responsibility to maintain his Unit, there are many ways that the Association and the Board and Unit Owners can help to control moisture and mold located on, under, within or adjacent to the Condominium Property, including, but not limited to, the Units, the Common Elements and Limited Common Elements. The following is a list of suggestions, which is not meant to be inclusive:

20.1.1. Owners and other Occupants should keep indoor humidity levels as low as possible by running the air conditioning unit at a comfortable level. Remember, the cooler the air is, the less humidity it will hold, thereby limiting the growth of mold and mildew.

20.1.2. Use of a dehumidifier by Owners and Occupants is a great way to keep the humidity levels lower than normal when needed.

20.1.3. Owners can install a humidistat to existing air conditioning control systems, and this is also an excellent way to keep the humidity levels lower when an indoor space is left unoccupied for extended periods of time.

20.1.4. There are numerous brands of moisture absorbent chemicals available to Owners and Occupants, which can help keep the humidity inside the Unit at a proper level while indoor space is unoccupied for short periods of time.

20.1.5. Owners and other Occupants should not run air conditioners with windows open. The air conditioning system is not designed to keep up with the moisture and heat load this condition will generate. When windows are left open, there is a risk of saturating everything inside the indoor space (walls, furniture, carpeting, etc.) with more moisture than the air conditioning system is designed to remove. Remember, mold needs moisture to survive. The drier the indoor space, the better off the indoor space will be.

20.1.6. Owners, their tenants and other Occupants must fix leaking plumbing and any other source of unwanted water immediately. If the source of the leak is not within the Unit or not the responsibility of the Owner, then the leak must be reported in writing immediately to the Association.

20.1.7. Owners, tenants and other Occupants must maintain proper humidity levels in Units. Equipment that conditions the air, such as air conditioners, dehumidifiers and ventilation systems, should be operated year round.

20.1.8. Owners must have major appliances and equipment, such as heating, ventilating and air conditioning systems inspected, cleaned and serviced regularly by a qualified professional.

20.1.9. Owners, tenants and other Occupants must clean and dry refrigerator, air conditioner and dehumidifier drip pans and filters regularly.

20.1.10. The Association and/or the Board should respond promptly when they see or have called to their attention signs of moisture or mold in areas for which the Association has responsibility.

20.1.11. Moisture must not be allowed to stand or make contact with carpet, furniture and cellulose-based materials, such as wood, drywall or other non-tile, non-plastic or non-metal materials.

20.1.12. All water damaged areas and items must be immediately dried in order to prevent or minimize mold growth.

20.1.13. If mold develops, the party responsible should clean up the mold by washing off hard surfaces with a commercial strength cleaner and mold/mildew inhibitor (such as "Tile Air II" or "Miltrol" from the Marinize Product Corporation) or equal, making sure to follow directions as specified.

20.1.14. Depending upon the nature and extent of the mold infestation, trained professionals may be needed to assist in the remediation effort.

20.1.15. Whenever Units will be unoccupied for any length of time, Owners must arrange not only for appropriate temperature and humidity settings, but must also arrange for the periodic inspection of their Unit so that it can be inspected and monitored to be sure the equipment maintaining temperature and humidity is working properly, and to observe and promptly report or address, as indicated, any leaks than may contribute to mold and mildew growth, cause other damage, or both.

20.1.16. Mold that is not properly and adequately removed may reappear.

20.1.17. There are no clear, comprehensive standards for the way in which to deal with mold and mildew, nor what are acceptable levels of exposure. Standards and recommendations from governmental agencies and others are likely to change with time. While the foregoing may be consistent with what is known at the time the Declaration is initially recorded, new standards and recommendations may evolve over time. Unit Owners and the Association have a responsibility to monitor those changing standards and recommendation and to act responsibly and prudently within the context of those changing standards and recommendations.

Mold and mildew will be present within the Condominium Property, as mold, mildew and other contaminants have been present in our environment essentially forever. Mold thrives and grows particularly in damp and warm conditions, such as those found in Florida.

The foregoing guidelines and suggestions are intended to assist the Association and, in particular, the Unit Owners, in minimizing the growth of mold and mildew, but they in no way will prevent or eliminate the presence of mold, mildew or other contaminants. To the extent that mold or mildew may pose a problem for some individuals, following the foregoing suggestions may be of help, but does not assure that one with a particular sensitivity to mold or other contaminants will be insulated from them.

The Association and each Owner acknowledges and agrees that the Developer shall not be liable to the Association or to any Owner, tenant, or other Occupant, for any special, incidental or consequential damages based on any legal theory whatsoever, including but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of mold, mildew and/or microscopic spores located on, under, within or adjacent to the Condominium Property, including, but not limited to, the Units, Common Elements and Limited Common Elements, unless caused by the sole gross negligence or willful misconduct of the Developer. The Association, on behalf of itself and its Owner members, tenants, invitees, licensees and any other Occupants, hereby releases and agrees to indemnify, defend and hold harmless the Developer and its officers, directors, partners, members, successors and assigns from and against any and all claims, actions, damages, causes of action, liabilities and expenses (including, without limitation, attorneys' fees and costs of enforcing this release and indemnity) for property damage, injury or death resulting from the exposure to microscopic spores, mold and/or mildew and from any loss of resale value due to the presence and/or existence of mold, mildew and/or microscopic spores. Similarly, each Owner, tenant and other Occupant agrees that neither the Association, nor its directors or officers are liable to any Owner, tenant or other Occupant for any special, incidental or consequential damages based on any legal theory whatsoever, including but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of mold, mildew and/or microscopic spores located on, under, within or adjacent to the Condominium Property, including, but not limited to, the Units, Common Elements and Limited Common Elements, unless caused by the sole gross negligence or willful misconduct of the Association or its directors or officers.

20.2. Notices. All notices to the Association required or desired hereunder or under the Bylaws of the Association shall be sent by certified mail (return receipt requested) to the Association c/o its office at the Condominium, or to such other address as the Association may hereafter designate from time to time by notice in writing to all Unit Owners. Except as provided specifically in the Condominium Act, all notices to any Unit Owner shall be sent by first class mail to the Condominium address of such Unit Owner, or such other address as may have been designated by him from time to time, in writing, to the Association. All notices to mortgagees of Units shall be sent by first class mail to their respective addresses, or such other address, as may be designated by them from time to time in writing to the Association. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of change of address, which shall be deemed to have been given when received, or five (5) business days after proper mailing, whichever shall first occur.

20.3. Interpretation. The Board shall be responsible for interpreting the provisions hereof and of any of the Exhibits attached hereto. Such interpretation shall be binding upon all parties unless wholly unreasonable. An opinion of counsel that the interpretation adopted by the Association is not unreasonable shall conclusively establish the validity of such interpretation.

20.4. Exhibits. There is hereby incorporated in this Declaration any materials contained in the Exhibits attached hereto which under the Act are required to be part of the Declaration.

20.5. Signature of President and Secretary. Wherever the signature of the President of the Association is required hereunder, the signature of a Vice-President may be substituted therefore, and wherever the signature of the Secretary of the Association is required hereunder, the signature of an Assistant Secretary may be substituted therefor, provided that the same person may not execute any single instrument on behalf of the Association in two separate capacities.

20.6. Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this Declaration, the Exhibits attached hereto or applicable Rules and Regulations adopted pursuant to such documents, as the same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

20.7. Waiver. No provisions contained in this Declaration shall be deemed to have been waived by reason of any failure to enforce the same, without regard to the number of violations or breaches which may occur.

20.8. Ratification. Each Unit Owner, by reason of having acquired ownership (whether by purchase, gift, operation of law or otherwise), and each occupant of a Unit, by reason of his occupancy, shall be deemed to have acknowledged and agreed that all of the provisions of this Declaration, and the Articles and Bylaws of the Association, and applicable Rules and Regulations, are fair and reasonable in all material respects and are fully enforceable in accordance with their terms.

20.9. Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all or no genders.

20.10. Captions. The captions herein and in the Exhibits attached hereto are inserted only as a matter of convenience and for ease of reference and in no way defines or limits the scope of the particular documents or any provision thereof.

20.11. Disclosures. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. The foregoing notice is provided in order to comply with state law and is for informational purposes only. The Developer has not in the past nor intends to conduct in the future any radon testing with respect to the Condominium and specifically disclaims any and all representations or warranties as to the absence of radon gas or radon producing conditions in connection with the Condominium.

[SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, the Developer has caused this Declaration to be duly executed, and its corporate seal to be hereunto affixed this \_\_\_\_ day of \_\_\_\_\_, 2019.

Signed, sealed and delivered

**ZAHRADA I, LLC, A FLORIDA LIMITED LIABILITY COMPANY**

in the presence of

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

As Its: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**“DEVELOPER”**

STATE OF FLORIDA  
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, the undersigned authority duly authorized to take acknowledgments, personally appeared \_\_\_\_\_, as the \_\_\_\_\_ of Zahrada I, LLC, a Florida limited liability company, and he acknowledged before me that he executed the foregoing instrument as such \_\_\_\_\_ for and on behalf of said limited liability company as its free act and deed and swore (or affirmed) before me that the facts contained therein are true and correct.

WITNESS my hand and official seal in the County and State as aforesaid this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public  
State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**JOINDER AND CONSENT OF ASSOCIATION**

ZAHRADA I CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereby joins in and consents to the foregoing Declaration of Condominium, and all Exhibits thereto; agrees to all the terms and conditions thereof; and in its own behalf and in behalf of all present and future Unit Owners in the Condominium accepts all of the provisions therein and assumes all of the obligations, responsibilities, duties and burdens imposed upon it therein.

IN WITNESS WHEREOF, the Association has hereunto set its hand and seal the \_\_\_\_ day of \_\_\_\_\_, 2019.

Signed, sealed and delivered  
presence of:

ZAHRADA I CONDOMINIUM  
ASSOCIATION, INC., a Florida corporation  
not for profit

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

As its: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**“ASSOCIATION”**

STATE OF FLORIDA  
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, the undersigned authority duly authorized to take acknowledgments, personally appeared \_\_\_\_\_, as \_\_\_\_\_ of Zahrada I Condominium Association, Inc., a Florida corporation not for profit, and he acknowledged before me that he executed the foregoing instrument as such \_\_\_\_\_ for and on behalf of said company as its free act and deed and swore (or affirmed) before me that the facts contained therein are true and correct.

WITNESS my hand and official seal in the County and State as aforesaid this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public  
State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_



**CONSENT BY MORTGAGEE**

\_\_\_\_\_, the owner and holder of a Mortgage dated \_\_\_\_\_ and recorded in Official Records Instrument Number \_\_\_\_\_ of the Public Records of Sarasota County, Florida, encumbering all or a portion of the real property described as the "Land" hereby consents to the recordation of the Declaration of Condominium of Zahrada I, a Condominium, and to the establishment thereby of the Condominium upon the mortgaged property.

IN WITNESS WHEREOF, the undersigned has caused this Consent to be executed this \_\_\_\_ day of \_\_\_\_\_, 2019, by and through its authorized officer.

Signed, sealed and delivered  
presence of:

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
As its: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

"MORTGAGOR"

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

I HEREBY CERTIFY that on this day, before me, the undersigned authority duly authorized to take acknowledgments, personally appeared \_\_\_\_\_ to me known to be the \_\_\_\_\_ of \_\_\_\_\_, and he acknowledged before me that he executed the foregoing instrument as such officer for and on behalf of said \_\_\_\_\_ as its free act and deed through authority of its Board of Directors and that he affixed thereto the corporate seal of said corporation.

WITNESS my hand and official seal in the County and State as aforesaid this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Notary Public  
State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**EXHIBIT "A"**

**Legal Description of the Land**

LOTS 11, 13 AND 15, BLOCK 19, PLAT OF THE TOWN OF SARASOTA, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 1, PAGE 21, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA, AND ALSO RECORDED IN PLAT BOOK A, PAGES 29 AND 30, OF THE PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA.

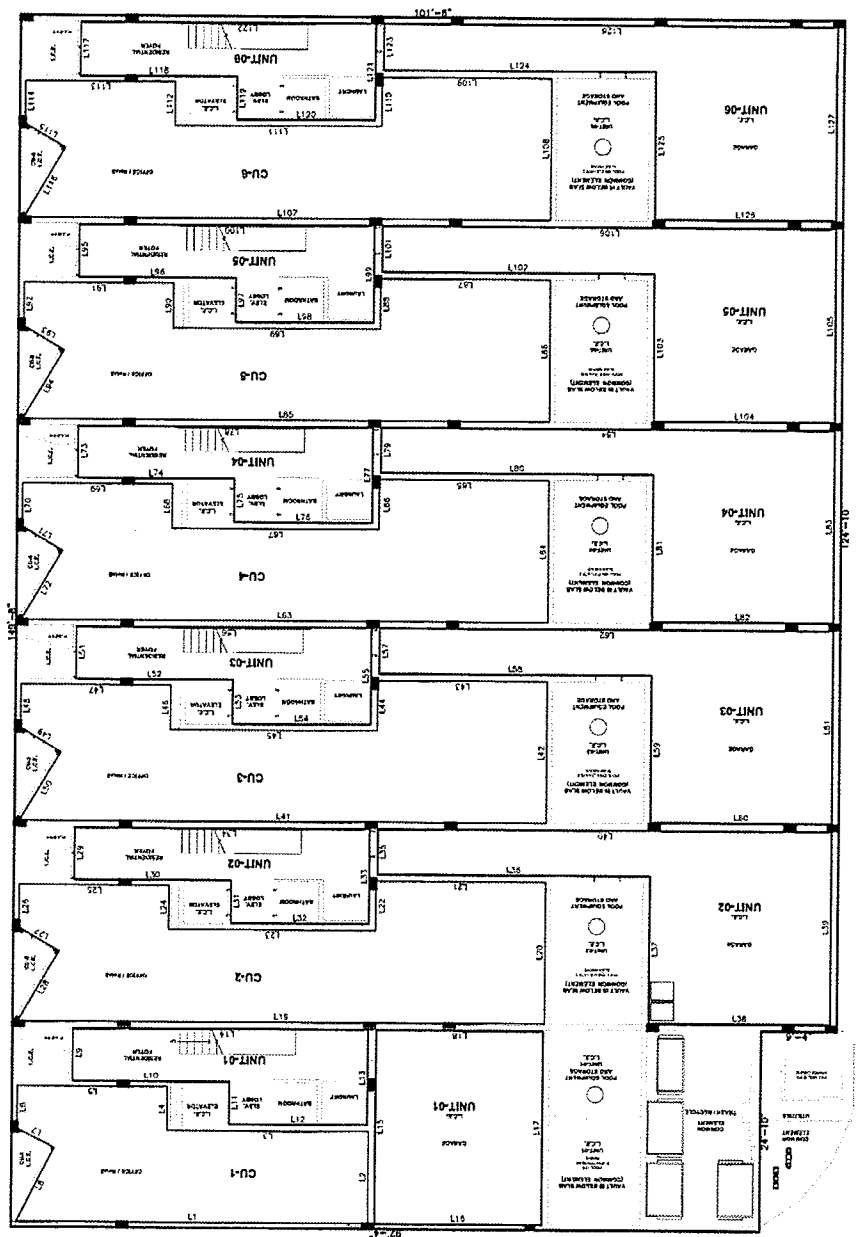
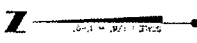
**EXHIBIT "B"**

**Condominium Plat**





**ZAHRA DA I, A CONDOMINIUM**  
IN SECTION 19, TOWNSHIP 36 SOUTH, RANGE 18 EAST,  
CITY OF SARASOTA, SARASOTA COUNTY, FLORIDA



**PALMER LAND SURVEYING, L.L.C.**  
Professional Land Surveyors  
1437 Tailfeast Road  
Sarasota, FL 34243  
(941) 527-0142 (ph) • (941) 538-6799 (fax)

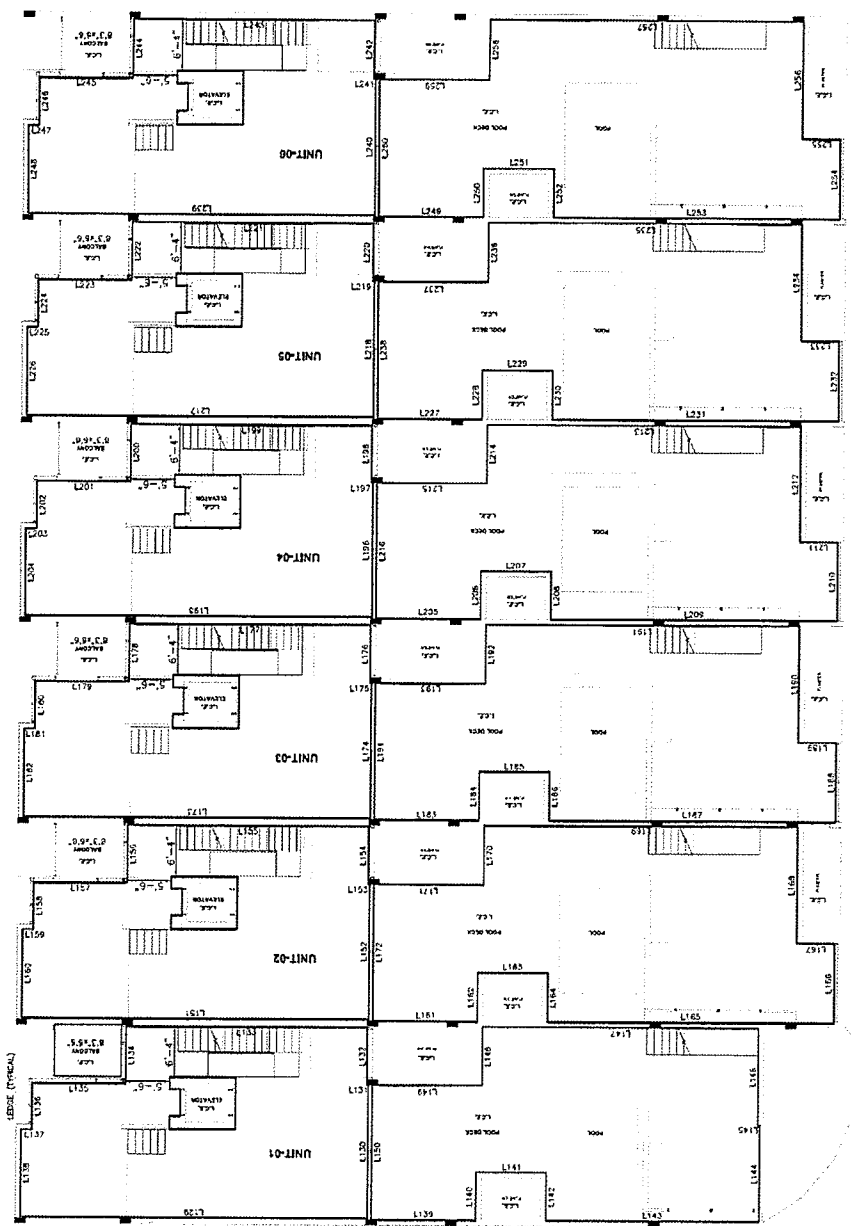
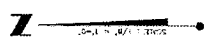
**GRAPHIC FLOOR PLAN  
(FIRST FLOOR)**

**NOTES:**  
1. THE DIMENSIONS OF THIS PLAN ARE INDICATED THEREIN.  
2. FROM THE ARCHITECTURAL PLANS, AS SHOWN ON SHEET 1, GENERAL  
3. FOR DIMENSIONS AND FINISHES, REFER TO THE ARCHITECTURAL PLANS, SHEET  
4. UNIT-01, UNIT-02, UNIT-03, UNIT-04, UNIT-05, UNIT-06.

**LEGEND:**  
UNIT BOUNDARY LINE  
COMMON AREA  
UNIT-01 THROUGH UNIT-06

ENCLOSURE 3 ZAHRA-D-I

**ZAHRADA I, A CONDOMINIUM**  
IN SECTION 19, TOWNSHIP 36 SOUTH, RANGE 8 EAST,  
CITY OF SARASOTA, SARASOTA COUNTY, FLORIDA



**PALMER LAND SURVEYING, I.L.C.**  
Professional Land Surveyors  
1437 Tallevast Road  
Sarasota, FL 34243  
(941) 527-0142 (ph) • (941) 538-6799 (fax)

**GRAPHIC FLOOR PLAN  
(SECOND FLOOR)**

- NOTES:**
1. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
  2. DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
  3. DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
  4. DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.

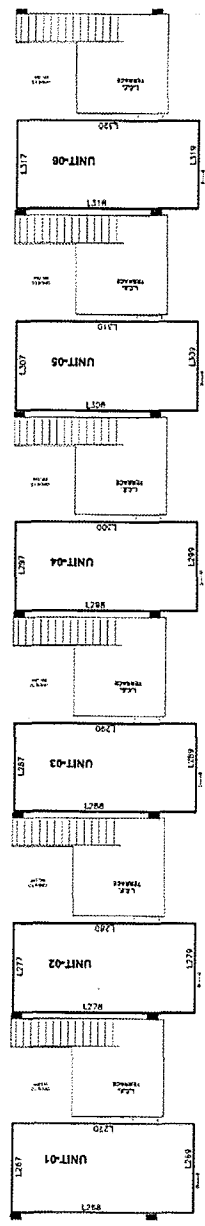
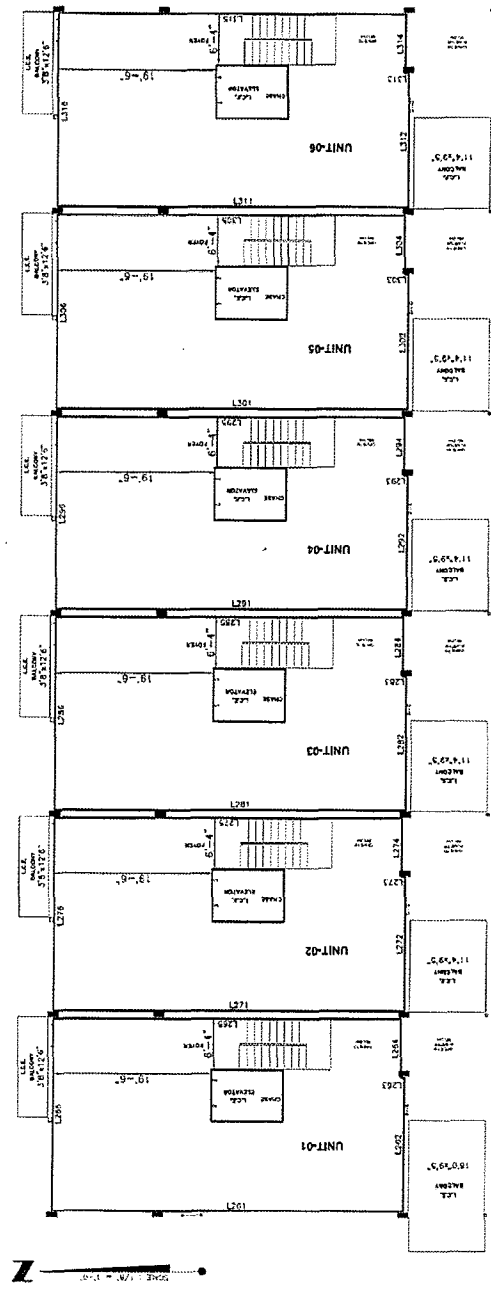
**LEGEND:**  
D.F. - DOWN-TO-UP ELEVATOR  
U.P. - UP-TO-DOWN ELEVATOR  
L.C. - LIFT CLOSET  
L.C. - LIFT CLOSET

GRAPHIC "B" 2004-01

# ZAHRADA I, A CONDOMINIUM

IN SECTION 19, TOWNSHIP 36 SOUTH, RANGE 18 EAST,  
CITY OF SARASOTA, SARASOTA COUNTY, FLORIDA

GRAPHIC SCALE IN FEET  
0 4 8 12 16



**PALMER LAND SURVEYING, L.L.C.**  
Professional Land Surveyors  
14.37 Tallevest Road  
Sarasota, FL 34243  
(941) 527-0142 (ph) • (941) 538-6799 (fax)

GRAPHIC FLOOR PLAN  
(THIRD FLOOR)

**LEGEND:**  
1. DIM. ROOMS, ELEV. AND AREA OF EACH UNIT AND COMMON AREAS  
2. DIMENSIONS, AREA, AND AREA OF EACH UNIT AND COMMON AREAS  
3. DIMENSIONS, AREA, AND AREA OF EACH UNIT AND COMMON AREAS

**NOTES:**  
1. UNITS ARE TO BE USED AS RESIDENTIAL UNITS  
2. UNITS ARE TO BE USED AS RESIDENTIAL UNITS  
3. UNITS ARE TO BE USED AS RESIDENTIAL UNITS





**EXHIBIT "C"**  
**Unit Share of Common Elements, Common Surplus and Common Expenses**  
**Residential Units:**

	<b><u>Unit #:</u></b>	<b><u>Unit Sq. Footage:</u></b>	<b><u>All Units Sq. Ft.</u></b>	<b><u>% Ownership of Common Elements, Common Surplus and Common Expenses:</u></b>
	101	2,414.16	19,746.79	12.23%
	102	2,415.04	19,746.79	12.23%
	103	2,415.04	19,746.79	12.23%
	104	2,415.04	19,746.79	12.23%
	105	2,415.04	19,746.79	12.23%
	106	2,415.04	19,746.79	12.23%
Total	6 Units			
Total Sq. Ft. for Residential Units		14,489.36		73.38%

**Commercial Units:**

	<b><u>Unit #:</u></b>	<b><u>Unit Sq. Footage:</u></b>	<b><u>All Units Sq. Ft.</u></b>	<b><u>% Ownership of Common Elements, Common Surplus and Common Expenses:</u></b>
	CU-1	566.48	19,746.79	2.87%
	CU-2	938.19	19,746.79	4.75%
	CU-3	938.19	19,746.79	4.75%
	CU-4	938.19	19,746.79	4.75%
	CU-5	938.19	19,746.79	4.75%
	CU-6	938.19	19,746.79	4.75%
Total:	6 Units			
Total Sq. Ft. for Commercial Units:		5,257.43		26.62%
				100%

**EXHIBIT "C"**

<b><u>Unit Number:</u></b>	<b><u>Unit Type:</u> Residential Units Sq. Ft.</b>	<b><u>% Ownership of Residential Common Elements, Residential Common Surplus and Residential Common Expenses:</u></b>
101	2,414.16	16.66%
102	2,415.04	16.67%
103	2,415.04	16.67%
104	2,415.04	16.67%
105	2,415.04	16.67%
106	2,415.04	16.67%
TOTAL: 6 Units	14,489.36	100%

<b><u>Unit Number:</u></b>	<b><u>Unit Type:</u> Commercial Units</b>	<b><u>% Ownership of Commercial Common Elements, Commercial Common Surplus and Commercial Common Expenses:</u></b>
CU-1	566.48	10.75%
CU-2	938.19	17.85%
CU-3	938.19	17.85%
CU-4	938.19	17.85%
CU-5	938.19	17.85%
CU-6	938.19	17.85%
TOTAL: 6 Units	5,257.43	100%

**EXHIBIT "D"**

**Articles of Incorporation of the Condominium Association**



November 20, 2018

FLORIDA DEPARTMENT OF STATE

Division of Corporations

ZAHRADA I CONDOMINIUM ASSOCIATION, INC.

1819 MAIN STREET, SUITE 610

SARASOTA, FL 34236US

The Articles of Incorporation for ZAHRADA I CONDOMINIUM ASSOCIATION, INC. were filed on November 19, 2018, and assigned document number N18000012229. Please refer to this number whenever corresponding with this office.

This document was electronically received and filed under FAX audit number H18000329174.

To maintain "active" status with the Division of Corporations, an annual report must be filed yearly between January 1st and May 1st beginning in the year following the file date or effective date indicated above. It is your responsibility to remember to file your annual report in a timely manner.

A Federal Employer Identification Number (FEI/EIN) will be required when this report is filed. Apply today with the IRS online at:

<https://sa.www4.irs.gov/modiein/individual/index.jsp>.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding corporations, please contact this office at (850) 245-6052.

Sincerely,  
Nadira D McClees-Sams  
Regulatory Specialist II  
New Filings Section  
Division of Corporations

Letter Number: 218A00023791

P.O BOX 6327 - Tallahassee, Florida 32314

Florida Department of State  
Division of Corporations  
Electronic Filing Cover Sheet

**Note: Please print this page and use it as a cover sheet.** Type the fax audit number (shown below) on the top and bottom of all pages of the document.

((H18000329174 3))



H180003291743ABC2

**Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page.** Doing so will generate another cover sheet.

To: Division of Corporations  
Fax Number : (850)617-6381

13259-1  
MPI/SRW

From: Account Name : NORTON, HAMMERSLEY, LOPEZ & SKOKOS, P.A.  
Account Number : I20010000202  
Phone : (941)954-4691  
Fax Number : (941)954-2128

\*\*Enter the email address for this business entity to be used for future annual report mailings. Enter only one email address please.\*\*

Email Address: corporation@nhlslaw.com

FLORIDA PROFIT/NON PROFIT CORPORATION  
ZAHRADA I CONDOMINIUM ASSOCIATION, INC.

Certificate of Status	0
Certified Copy	0
Page Count	08
Estimated Charge	\$70.00

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Corporate Filing Menu

Help

H180003291743

**ARTICLES OF INCORPORATION OF  
ZAHRADA I CONDOMINIUM ASSOCIATION, INC.  
A NON-PROFIT FLORIDA CORPORATION**

We, the undersigned hereby associate ourselves together for the purpose of becoming a corporation not for profit under the laws of the State of Florida, by and under the provisions of the Statutes of the State of Florida, providing for the formation, liability, rights, privileges and immunities of a corporation not for profit.

ARTICLE I  
NAME, ADDRESS AND REGISTERED AGENT

Section 1. Name and Principal Office. The name of the corporation shall be Zahrada I Condominium Association, Inc., a non-profit Florida corporation. For convenience the corporation shall be referred to in these Articles as the "Association." The initial principal offices of the Association shall be located at 1819 Main Street, Suite 610, Sarasota, Florida 34236.

Section 2. Registered Office and Registered Agent. The street address of the initial registered office of the Association is 1819 Main Street, Suite 610, Sarasota, Florida 34236. The name of the Association's initial registered agent is Sam D. Norton. Esq.

ARTICLE II  
DEFINITIONS

Unless a contrary intent is apparent, terms used in these Articles of Incorporation shall have the same meaning as set forth in the Declaration of Condominium for Zahrada I, a Condominium (the "Declaration"), to be recorded in the Public Records of Sarasota County, Florida, with respect to the land described therein.

ARTICLE III  
PURPOSE

Section 1. Purpose. The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act for the maintenance, operation and management of Zahrada I, a Condominium (the "Condominium"), located in Sarasota County, Florida. The Condominium is being developed and sold by Zahrada I, LLC, a Florida limited liability company (the "Developer").

Section 2. Distribution of Income. The Association shall make no distribution of income to and no dividend shall be paid to its member, directors or officers.

Section 3. No Shares of Stock. The Association shall not have or issue shares of stock.

ARTICLE IV  
POWERS AND DUTIES

Section 1.     Common Law and Statutory Powers. The Association shall have and exercise all rights and powers conferred upon corporations not for profit under the laws of the State of Florida consistent with these Articles and the Declaration.

Section 2.     Specific Powers. The Association shall also have all of the powers and authority reasonably necessary or appropriate to carry out the duties imposed upon it by the Declaration, including, but not limited to, the following:

- (a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as defined in the Declaration;
- (b) To fix, levy, collect and enforce payment by any lawful means, of all charges or assessments and assessment liens pursuant to the terms of the Declaration, to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the corporation, including all licenses, taxes for governmental charges levied or imposed against the property of the corporation;
- (c) To acquire (by gift, purchase or lease), to own, hold, improve, insure, build upon, operate, maintain, replace and to repair, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, and to contract improvements and to repair, remodel and demolish the same, on any property that is owned or leased by the Association;
- (d) To borrow money, and with the consent of two-thirds (2/3) of each of its members, mortgage, pledge, deed and trust, or hypothecate any or all of its real or personal property, including any lien rights it may have, as security for money borrowed or debts incurred;
- (e) To make and amend reasonable Rules and Regulations respecting the use of any property or facilities over which the Association may have control, jurisdiction or administrative responsibilities, and to provide the penalties for the violation of any such Rules and Regulations; provided, however, that all such Rules and Regulations and amendments thereto (except for the initial Rules and Regulations which may be adopted by the first Board of Administration) shall be approved by not less than seventy-five percent (75%) of the votes of the entire membership of the Association before same shall become effective;
- (f) To contract for the maintenance of such recreational facilities, and other areas and improvements as may be placed under the jurisdiction of this Association either by the Declaration or by resolution adopted by the Association's Board of Administration;



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- (g) To employ such legal counsel, accountants and other agents or employees as may be deemed necessary for the protection and furtherance of the interests of the Association and of its members and to carry out the purposes of the Association;
- (h) To purchase insurance upon the Condominium property and insurance for the protection of the Association and its members as unit owners;
- (i) To enforce by legal means the provisions of the Florida Condominium Act, the Declaration, these Articles, the Bylaws of the Association and the Rules and Regulations for use of the property of the Condominium, if any;
- (j) To contract for the management of the Condominium and to delegate to such manager all powers and duties of the Association, except such as are specifically required by the Declaration to have the approval of the membership of the Association;
- (k) To purchase units in the Condominium, and to acquire and hold, lease, mortgage and convey the same, subject, however, to the provisions of the Declaration and the Bylaws of the Association relative thereto; and
- (l) To operate and maintain common property, specifically the surface water management system as permitted by the Southwest Florida Water Management District, including all lakes, retention areas, water management areas, ditches, culverts, structures and related appurtenances.

ARTICLE V  
MEMBERSHIP

Section 1. Members. The members of the Association shall consist of the record owners of units in the Condominium.

Section 2. Developer as Member. The Developer shall be a member of the Association so long as the Developer owns any portion of the Condominium property that the Developer intends to be subjected to the terms of the Declaration, or so long as the Developer holds a mortgage encumbering any portion of the Condominium property.

Section 3. Change of Membership. After receiving any approval of the Association required by the Declaration, change of membership in the Association shall be established by the recording in the Public Records of Sarasota County, Florida, of a deed or other instrument establishing a change of record title to a unit in the Condominium. The owner designated by such instrument thereby automatically becomes a member of the Association and the membership of the prior owner shall terminate. In the event of death of any Owner Member, his membership shall be automatically transferred to his heirs or successors in interest.

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Section 4. Limitation on Transfer of Shares of Assets. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the member's unit.

ARTICLE VI  
VOTING RIGHTS

The owner of each unit in the Condominium shall have one (1) full vote, which vote shall be cast by a designated owner as provided for in the Declaration.

ARTICLE VII  
BOARD OF ADMINISTRATION

Section 1. Directors. The affairs of the Association shall be managed by a Board of Directors, referred to as the Board of Administration, consisting of the number of Directors determined by the Bylaws, which shall in no event be more than seven (7) Directors and not less than three (3) Directors, and in the absence of such determination shall consist of three (3) Directors.

Section 2. First Board of Administration. The names and addresses of the persons who are to initially act in the capacity of Directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
John M. Dunn	1819 Main Street, Suite 610 Sarasota, Florida 34236
Darrell Rhea	1819 Main Street, Suite 610 Sarasota, Florida 34236
Frank Lambert	1819 Main Street, Suite 610 Sarasota, Florida 34236

Section 3. Term and Election. Unless contrary provisions are made by law, each Director's term of office shall be for one (1) year, provided that all Directors shall continue in office until their successors are duly elected and installed. The Directors shall be elected at the annual meeting of the members in the manner determined by the Bylaws of the Association. Directors may be removed and vacancies on the Board of Administration shall be filled in the manner provided by the Bylaws of the Association.

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ARTICLE VIII  
OFFICERS

The affairs of this Association shall be administered by the officers designated herein. The officers shall be elected by the Board of Directors and shall serve at the pleasure of the Board of Administration. The names and addresses of the officers who shall serve until their successors are designated by the Board of Administration are as follows:

<u>Office</u>	<u>Name</u>	<u>Address</u>
President	John M. Dunn	1819 Main Street, Suite 610 Sarasota, Florida 34236
Vice President	Darrell Rhea	1819 Main Street, Suite 610 Sarasota, Florida 34236
Treasurer / Secretary	Frank Lambert	1819 Main Street, Suite 610 Sarasota, Florida 34236

ARTICLE IX  
SUBSCRIBERS

The names and business addresses of the subscribing Incorporators to the Articles of Incorporation are:

<u>Name</u>	<u>Address</u>
Sam D. Norton, Esq.	1819 Main Street, Suite 610 Sarasota, FL 34236

ARTICLE X  
INDEMNIFICATION

Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities; including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a part or in which he may become involved by reason of his being or having been a Director or Officer of the Association, whether or not he is a Director or Officer at the time such expenses are incurred, except when the Director or Officer is guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Board of Administration approves such settlement and reimbursement as being for the

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best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE XI  
BYLAWS

The first Bylaws of this corporation shall be adopted by the Board of Administration and may be altered, amended or rescinded by the members in the manner provided by the Bylaws.

ARTICLE XII  
AMENDMENTS

Section 1. Amendments. Amendments to these Articles may be made and adopted upon the following conditions:

- (a) A notice of the proposed amendment shall be included in the notice of the Members' meeting which shall consider the amendment. The meeting may be the annual meeting or a special meeting;
- (b) There is an affirmative vote of two-thirds (2/3) of the membership votes entitled to be cast; and
- (c) A copy of each amendment shall be certified by the Secretary of State and shall be recorded in the Public Records of Sarasota County, Florida in accordance with the Florida Condominium Act.


Section 2. Limitation. No amendment shall make any changes which would in any way affect any of the rights, privileges, power or options herein provided in favor of, or reserved to, Developer, unless Developer joins in the execution of the amendment, and no amendment shall be made that is in conflict with the Florida Condominium Act or the Declaration.

ARTICLE XIII  
TERM

The term of the Association shall be perpetual unless the Condominium is terminated pursuant to the provisions of the Declaration and in the event of such termination, the corporation shall be dissolved in accordance with the law. Upon dissolution of the Association, the property consisting of the surface water management system shall be conveyed to an appropriate agency of the local government; or, if not accepted by the agency, then the surface water management system shall be dedicated to a similar non-profit corporation.

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IN WITNESS WHEREOF, I, the undersigned subscriber to these Articles of Incorporation, have hereunto set my hand and seal this 15<sup>th</sup> day of November, 2018.



Sam D. Norton, as Subscribing Incorporator

STATE OF FLORIDA  
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of November, 2018, by Sam D. Norton, as sole Incorporator of Zahrada I Condominium Association, Inc., a non-profit Florida corporation, on behalf of the non-profit corporation. He is personally known to me.



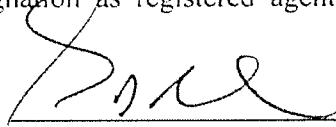
MICHAEL P. INFANTI  
NOTARY PUBLIC  
STATE OF FLORIDA  
Comm# FF167158  
Expires 2/3/2019

  
Notary Public  
Print Name: Michael P. Infanti  
My Commission Expires: 2/3/19

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**ACCEPTANCE BY REGISTERED AGENT**

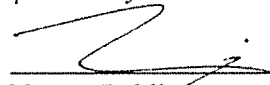
The undersigned hereby accepts the designation as registered agent of the foregoing corporation.

  
\_\_\_\_\_  
Sam D. Norton, as Registered Agent

STATE OF FLORIDA  
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of November, 2018, by Sam D. Norton, as registered agent, who is personally known to me.

 MICHAEL P. INFANTI  
NOTARY PUBLIC  
STATE OF FLORIDA  
Comm# FF167158  
Expires 2/3/2019

  
\_\_\_\_\_  
Notary Public  
Print Name: Michael P. Infanti  
My Commission Expires: 2/3/19

**EXHIBIT "E"**

**Bylaws of the Condominium Association**

**BYLAWS**  
**OF ZAHRADA I CONDOMINIUM ASSOCIATION, INC.,**  
**a non-profit Florida corporation**

ARTICLE I  
NAME AND LOCATION

Section 1. IDENTITY - These are the Bylaws of Zahrada I Condominium Association, Inc., a non-profit Florida corporation ("Association"), formed for the purpose of administering Zahrada I, a Condominium ("Condominium"), which is located in Sarasota County, Florida, upon the lands described in the Declaration of Condominium.

Section 2. OFFICE - The office of the Association shall be at the Condominium.

Section 3. FISCAL YEAR - The fiscal year of the Association shall be the calendar year.

Section 4. SEAL - The seal of the Association shall bear the name of the Association, the word "Florida," the words "Corporation not for profit," and the year of incorporation.

ARTICLE II  
MEMBERS' MEETINGS

Section 1. ANNUAL MEMBERS' MEETINGS shall be held at the Condominium or at such other convenient location as may be determined by the Board of Administration, at such hour and upon such date each year as may be determined by the Board, for the purpose of electing Directors and of transacting business authorized to be transacted by the members.

Section 2 SPECIAL MEMBERS' MEETINGS shall be held whenever called by the President, Vice-President, or by a majority of the Board of Administration, and when called by written notice from ten percent (10%) of the entire membership. As to the meeting required when Unit Owners other than the Developer are entitled to elect a member or members of the Board of Administration, the meeting may be called and notice given by any Unit Owner if the Association fails to do so.

Section 3. NOTICE OF MEMBERS' MEETINGS - Notice of the annual meetings shall be sent to each Unit Owner by United States mail or by hand delivery at least fourteen (14) days prior to the annual meeting. A post office certificate of mailing shall be obtained and retained as proof of such mailing. Written notice of the meeting shall also be posted in a conspicuous place on the Condominium property at least fourteen (14) continuous days preceding the annual meeting.

The Board of Administration shall also mail a meeting notice and copies of the proposed annual budget of common expenses to the Unit Owners not less than fourteen (14) days prior to the meeting at which the budget will be considered.



Notice of a special meeting to elect a Director or Directors from the Unit Owners other than the Developer is specified in Article 3, Section 2(d) of these Bylaws.

Notice of a special meeting called by the Board at the written request of ten percent (10%) of the owners because of a budget exceeding 115% of that of the preceding year requires not less than fourteen (14) days written notice to each Unit Owner.

Notice of other special meetings not covered above shall be in writing and mailed to each member first class, postage pre-paid not less than ten (10) days prior to the meeting. However, Unit Owners may waive notice of specific meetings and may take action by written agreement without meetings where it is in the best interest of the Condominium to do so.

All notice of meetings shall state clearly and particularly the purpose or purposes of the meeting.

Section 4. A QUORUM at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall not constitute the presence of such member for the purpose of determining a quorum. Decisions made by owners of a majority of the Units represented at a meeting at which a quorum is present shall be binding and sufficient for all purposes except an amendment to the Condominium documents or such other decision as may by law or said documents require a larger percentage in which case the percentage required in the documents or law shall govern.

Section 5. EACH UNIT shall have one indivisible vote, and the vote of the owners of a unit owned by more than one person (except husband and wife either of whom may cast the vote) or by a corporation or other entity shall be cast by the person named in a certificate signed by all of the owners of the unit and filed with the Secretary of the Association. The certificate shall be valid until revoked by a subsequent certificate. If such a certificate is not on file, the vote of such unit shall not be considered in determining the requirement for a quorum nor for any other purpose.

Section 6. LIMITED PROXIES - Votes may be cast in person or by limited proxy, to the extent provided for in Section 718.112(2)(b)(2), Florida Statute.

Section 7. APPROVAL OR DISAPPROVAL of a Unit Owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who would cast the vote of such owner if in an Association meeting.

Section 8. ADJOURNED MEETINGS - If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present. Notwithstanding the foregoing, any such adjourned meeting must be duly noticed.

Section 9. THE ORDER OF BUSINESS AT THE ANNUAL MEMBERS' MEETINGS, and, as far as applicable at all other members' meetings, shall be:

- (a) Collect all ballots not yet cast;
- (b) Election of Chairman of the meeting, unless the President or Vice-President of the Association is present then he (or she) shall preside;
- (c) Calling of the roll and certifying of proxies;
- (d) Proof of Notice of meeting or waiver of notice;
- (e) Reading and disposing of any unapproved minutes;
- (f) Reports of Directors;
- (g) Reports of Committees;
- (h) Election of Directors;
- (i) Unfinished business;
- (j) New business; and
- (k) Adjournment.

ARTICLE III  
BOARD OF ADMINISTRATION

Section 1. MEMBERSHIP - The affairs of the Association shall be managed initially by a Board of three (3) Directors selected by the Developer. Boards selected subsequent to the time members other than the Developer are entitled to elect a majority of the Directors shall be composed of any odd number of Directors that the Owners may decide but shall never be comprised of more than seven (7) directors. Other than Directors selected by the Developer, each Director shall be a person entitled to cast a vote in the meetings of the Association. The Developer shall be entitled to select at least one Director, as long as it holds at least five (5%) percent of the Units that will ultimately be operated by the Association for sale in the ordinary course of business.

Section 2. DESIGNATION OF DIRECTORS shall be in the following manner:

(a) Members of the Board of Administration except those selected by the Developer shall be elected by a majority of those present and voting at the annual meeting of the members of the Association or at a special meeting called for pursuant to Article 3 Section 2(d) of these Bylaws and Florida Statute 718.301;

(b) Except as to vacancies provided by removal of Directors, vacancies in the Board of Administration occurring between annual meetings of members shall be filled as provided by law;

(c) Any Directors may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all of the voting interests in accordance with the Condominium Act; and

(d) (i) When Unit Owners other than the Developer own fifteen percent (15%) or more of the Units that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third of the members of the Board of Administration of the Association. Unit Owners other than the Developer are entitled to elect not

less than a majority of the members of the Board of Administration upon the first of the following events to occur: (i) three years after fifty percent (50%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or (ii) three months after ninety percent (90%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or (iii) when all the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or (iv) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (v) when the Developer files a petition seeking protection in bankruptcy; or (vi) when a receiver for the Developer is appointed by a circuit court and is not discharged within 30 days after such appointment, unless the court determines within 30 days after appointment of the receiver that transfer of control would be detrimental to the Association or its members; or (vii) seven years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit in the Condominium which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first; or, in the case of an Association that may ultimately operate more than one Condominium, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first, for the first Condominium it operates; or, in the case of an Association operating a phase condominium created pursuant to Florida Statute 718.403, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to Florida Statute 718.104(4)(e), or the recording of an instrument that transfers title to a Unit which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such Unit, whichever occurs first. The Developer is entitled to elect at least one member of the Board of Administration as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Units in the Condominium operated by the Association;

(ii) Within seventy-five (75) days after Unit Owners other than the Developer are entitled to elect a member or members of the Board of Administration, the Association shall call and give not less than sixty (60) days notice of an election for the members of the Board of Administration; and

(iii) When Unit Owners other than the Developer elect a majority of the members of the Board of Administration of the Association, the Developer shall relinquish control of the Association, and shall simultaneously deliver to the Association all property of the Unit Owners, and of the Association held by or controlled by the Developer, except the financial records described in Florida Statute Section 718.301(4)(c), which shall be delivered prior to or not more than ninety (90) days after the Developer relinquishes control of the Association, all as more particularly specified in Florida Statute Section 718.301.

Section 3. THE TERM OF EACH DIRECTOR'S SERVICE shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided. Provided however, that in order to provide a

continuity of experience, the members at the first annual meeting after the Developer has relinquished control of the Association may vote to give up to one-third of the Board members terms of one year, the second third of the Board members terms of two years and the remaining Board members terms of three years so that a system of staggered terms will be initiated.

Section 4. THE ORGANIZATION MEETING of the newly elected Board of Administration shall be held at such place and time as shall be fixed by the Directors, provided a quorum shall be present.

Section 5. REGULAR MEETINGS OF THE Board of Administration may be held at such time and place as shall be determined from time to time, by a majority of the Directors, but not less than quarterly. Notice of regular meetings shall be given to each Director personally or by mail, or telephone, at least seven (7) days prior to the day named for such meeting.

Section 6. SPECIAL MEETINGS OF THE DIRECTORS MAY BE called by the President and must be called by the Secretary at the written request of one-third of the Directors. Not less than fourteen (14) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, except in an emergency.

Section 7. WAIVER OF NOTICE - Any Director may waive notice of a meeting before, at or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

Section 8. MEETING OF THE Board of Administration shall be open to all unit owners to attend and participate as provided for in accordance with Chapter 718, Florida Statutes, and notice of meetings, which notice shall specifically include an identification of agenda items, shall be posted conspicuously on the Condominium property forty-eight (48) continuous hours in advance for the attention of Unit Owners, except in an emergency. Any items not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board.

Section 9. A QUORUM AT DIRECTORS' meetings shall consist of a majority of the entire Board of Administration. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board. If at any meeting of the Board there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business may be transacted which might have been transacted without further notice.

Section 10. THE PRESIDING OFFICER at Directors' meeting shall be the President of the Board if such an officer has been elected; and if none, then the Vice-President shall preside. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

Section 11. DIRECTORS SHALL SERVE WITHOUT PAY, but shall be entitled to reimbursement for expenses reasonably incurred.

ARTICLE IV  
POWERS AND DUTIES OF THE BOARD OF ADMINISTRATION

Section 1. All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium and these Bylaws shall be exercised exclusively by the Board of Administration, or its duly authorized agents, contractors or employees subject only to the approval by Unit Owners when such is specifically required. Such powers and duties of the Directors shall include but shall not be limited to the following:

Section 2. TO MAKE AND COLLECT ASSESSMENTS AGAINST members to defray the costs of the Condominium.

Section 3. TO USE THE PROCEEDS OF ASSESSMENTS in the exercise of its powers and duties.

Section 4. THE MAINTENANCE, REPAIR, REPLACEMENT AND OPERATION of the Condominium property.

Section 5. THE RECONSTRUCTION OF IMPROVEMENTS AFTER CASUALTY and further improvement of the property.

Section 6. TO APPROVE OR DISAPPROVE PROPOSED TRANSACTIONS in the manner provided by the Condominium Declaration.

Section 7. TO ENFORCE by legal means the provisions of applicable laws, the Condominium documents, the Bylaws of the Association, and the regulations for the use of the property in the Condominium and to assess reasonable penalties and fines as against Unit Owners for violation of the Bylaws and the Rules and Regulations as promulgated by the Board of Administration.

Section 8. TO CONTRACT FOR MANAGEMENT of the Condominium.

Section 9. TO PAY TAXES AND ASSESSMENTS which are liens against any part of the Condominium other than individual Units and the appurtenances thereto, and to assess the same against the unit subject to such liens.

Section 10. TO CARRY INSURANCE for the protection of the Unit Owners and the Association against casualty and liabilities.

Section 11. TO PAY THE COST OF ALL POWER, WATER, SEWER and other utility services rendered to the Condominium and not billed to owners of individual Units.

Section 12. TO EMPLOY PERSONNEL and designate other officers for reasonable compensation and grant them such duties as seems appropriate for proper administration of the purposes of the Association.

Section 13. TO BRING SUIT, EXECUTE CONTRACTS, DEEDS, MORTGAGES, LEASES and other instruments by its officers and to own, convey and encumber real and personal property.

#### ARTICLE V OFFICERS

Section 1. THE EXECUTIVE OFFICERS of the Association shall be the President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected annually by and from the Board of Administration and who may be permanently removed by a majority vote of the Directors at any meetings. Any person may hold two or more offices except that the President shall not also be the Secretary or Assistant Secretary.

Section 2. THE PRESIDENT shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of a corporation. Additionally, the President shall represent and exercise all rights belonging to the Association including, but not being limited to, attending all meetings of the membership of that Association and casting the vote of this Association thereat on all matters coming before that membership.

Section 3. THE VICE-PRESIDENT shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

Section 4. THE SECRETARY shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of the Association and as may be required by the Directors or the President. The Assistant Secretary will perform the duties of the Secretary when the Secretary is absent.

Section 5. THE TREASURER shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the members; he shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of the Treasurer of a corporation.

Section 6. THE COMPENSATION of all officers and employees of the Association shall be fixed by the Board of Administration. This provision shall not preclude the Board of Administration from employing a Director as an employee of the Association or preclude the

contracting with a Director for the management of the Condominium, provided the Director first obtains a Community Association Managers License, as required by Chapter 468 of the Florida Statutes.

ARTICLE VI  
WEIGHT OF VOTES

WEIGHT OF VOTES cast by members of the Association shall be one vote for each unit.

ARTICLE VII  
WRITTEN AGREEMENT

THE BOARD OF DIRECTORS and Unit Owners may act by written agreement, without meetings, to the extent permitted by the Florida Condominium Act, Chapter 718, Florida Statutes, in effect at the time of any such action.

ARTICLE VIII  
MINUTES

MINUTES OF ALL MEETINGS OF Unit Owners and of the Board of Administration shall be kept in a businesslike manner and the records of all receipts and expenditures, minutes and all other records shall be available for inspection by Unit Owners and Board members at all reasonable times.

ARTICLE IX  
RULES AND REGULATION

The Board of Administration may adopt reasonable rules and regulations to be uniformly applied to all members of the Condominium governing the details of the operation and use of the common elements. Such rules and regulations may be amended or rescinded only at any regular or special meeting of the members by vote of at least seventy-five percent (75%) of the entire membership.

ARTICLE X  
FISCAL MANAGEMENT

FISCAL MANAGEMENT shall be in accordance with the Declaration of Condominium for Sansara, a Condominium, the Articles of Incorporation, and the following provisions:

Section 1. BUDGET -

(a) A proposed annual budget of common expenses shall be prepared by the Board of Administration which shall include all anticipated expenses for operation, maintenance and administration of the Condominium including insurance, management fees, if any, and which shall include a reserve for deferred replacement maintenance and depreciation, unless waived annually by a majority vote. It will contain a reasonable allowance for contingencies, and provide funds for all unpaid operating expense previously incurred. The Developer of the Condominium has waived reserves for the initial period of time provided for in the Declaration of Condominium.

(b) A copy of the proposed annual budget shall be mailed or hand delivered to the Unit Owners not less than fourteen (14) days prior to a meeting of the owners at which the budget will be considered together with a notice of the meeting. Should a quorum fail to be present or represented at the meeting or fail to adopt the budget presented or a revised budget, then and in that event the Directors shall have the authority to adopt a budget.

(c) The first budget shall be made by the Association.

Section 2. ASSESSMENTS - The shares of the Unit Owners of the common expenses shall be made payable monthly in advance, and shall become due on the first day of each calendar month. The amounts shall be no less than are required to provide funds in advance for payment of all the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred.

Section 3. EMERGENCY ASSESSMENTS - Assessments for the expenses of emergencies which cannot be paid from the contingency account shall be made only by the Board of Administration and the time of payment shall likewise be determined by them.

Section 4. ASSESSMENT ROLL - The assessments for common expenses according to the budget shall be set forth upon a roll of the Units which shall be available for inspection at all reasonable times by Unit Owners. Such roll shall indicate for each unit the name and address of the owner, the assessments paid and unpaid. A certificate made by a duly authorized representative of the Directors as to the status of a unit's account may be relied upon for all purposes by any person for whom made other than the Unit Owner.

Section 5. LIABILITY FOR ASSESSMENTS - A Unit Owner shall be liable for all assessments coming due while he is the owner of a unit prior to conveyance, shall be jointly and severally liable for all unpaid assessments due and payable up to the time of such voluntary conveyance. Such liability may not be avoided by a waiver of the use or enjoyment of any common elements, or by abandonment of the unit for which the assessments are made, per Florida Statute 718.116.

Section 6. LIEN FOR ASSESSMENTS - The unpaid portion of an assessment which is due together with interest thereon and reasonable attorney's fees for collection, shall be secured by a lien upon:

(a) THE UNIT, and all appurtenances thereto when a notice claiming the lien has been recorded by the Association in accordance with the requirement of Florida Statute 718.116. Such lien shall be subordinate to any prior recorded mortgage on the unit;

(b) COLLECTION -

(i) INTEREST - APPLICATION OF PAYMENT - Assessments paid on or before ten (10) days after the date due shall not bear interest, but all sums not paid on or before ten



(10) days shall bear interest at the highest legal rate chargeable to an individual under Florida Statutes then in existence, from the date due until paid plus a late charge in an amount not to exceed \$25.00 or five (5%) percent of each installment of the assessment for each delinquent installation that the payment is late. All payments upon account shall be first applied to interest, then to any late charge, then to any costs and reasonable attorneys' fees incurred in collection, and then to the delinquent assessment. All interest and late charges collected shall be credited to the common expense account;

(ii) SUIT - The Association, at its option, may enforce collection of delinquent assessment accounts by suit at law or by foreclosure of the lien securing the assessments, or by any other remedy available under the laws of the State of Florida, and in either event the Association shall be entitled to recover the payments which are delinquent at the time of judgment or decree, together with interest thereon at the highest legal rate chargeable to an individual under Florida Statutes then in existence, and all costs incident to the collection and the proceeding, including reasonable attorney's fees. Per Florida Statutes Section 718.116(6)(b), the Association must deliver or mail by certified mail to the Unit Owner a written notice of its intention to foreclose the lien thirty (30) days before commencing foreclosure.

Section 7. ACCOUNTS - All funds shall be maintained separately in the name of the Association, but they shall be held in trust for the Unit Owners in the respective share in which they are paid and shall be credited to accounts from which shall be paid the expenses for which the respective assessments are made. These accounts shall be as follows:

(a) COMMON EXPENSE ACCOUNT - to which shall be credited collections of assessments for all common expenses;

(b) ALTERATION AND IMPROVEMENT ACCOUNT - to which shall be credited all sums collected for alteration and improvement assessments, if any;

(c) CONTINGENCY ACCOUNT - to which shall be credited all sums collected for contingencies and emergencies. Reserve and operating funds of the Association may be commingled for purposes of investment. Commingled operating and reserve funds shall be accounted separately, and a commingled account shall not, at any time, be less than the amount identified as reserve funds.

Section 8. THE DEPOSITORY of the Association shall be such bank or banks in Florida as shall be designated from time to time by the Directors and in which the monies from such accounts shall be withdrawn only by checks signed by such persons as are authorized by the Directors. Reserve accounts, however, may be placed in money market certificates or daily cash reserve accounts with stock brokers to earn higher interest. Notwithstanding the foregoing, the Association shall comply with the requirements of Chapter 718, Florida Statutes, with regard to investments and depository institutions.

Section 9. The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the Association. As used in this section, the term "persons who control or disburse funds of the Association, includes, but is not limited to, those individuals authorized to sign checks, and the President, Secretary, and Treasurer of the Association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the Association or its management agent at any one time. The Association shall bear the cost of bonding.

#### ARTICLE XI FINES

The Association may levy reasonable fines against a unit owner for failure of the unit owner or its occupants, licensees or invitees to comply with any provision of the Declaration, the Bylaws or the Rules and Regulations of the Association. No fine shall become a lien against a unit. No fine shall exceed the maximum allowed by law, nor shall any fine be levied against any unit owner except after the giving of not less than fourteen (14) days' prior written notice and an opportunity for a hearing to the unit owner and, if applicable, its tenants, licensee or invitees. The hearing shall be held before a committee of other unit owners. If the committee does not agree with the proposed fine suggested by the Association, then and in that event, the fine shall not be levied against the unit owner. No fine may be levied against an unoccupied unit.

#### ARTICLE XII ADDITIONAL POWERS

Subsequent to the recordation of the Declaration of Condominium, the Association may acquire or enter into agreements whereby it acquires leaseholds, memberships and other possessory or use interests in real and personal property, including but not limited to, country clubs, golf courses, marinas and other recreational facilities, whether or not contiguous to the Condominium, for the enjoyment, recreation or other use or benefit of members; and the expense of rental, membership fees, operations, replacements and other undertakings in connection therewith shall be part of the common expenses. The Board of Administration of the Association may adopt covenants and restrictions relating to the use such facilities.

#### ARTICLE XIII PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of corporation proceedings when not in conflict with the Declaration, the By-Laws of the Association or with the laws of the State of Florida.

#### ARTICLE XIV AMENDMENTS

Amendments to the Bylaws shall be proposed in the following manner:

Section 1. NOTICE of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

Section 2. A RESOLUTION adopting a proposed amendment must receive approval of a majority of the votes of the entire membership of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing.

Section 3. INITIATION - An amendment may be proposed by either a majority of the Board of Administration or by ten percent (10%) of the membership of the Association.

Section 4. EFFECTIVE DATE - An amendment when adopted shall become effective only after being recorded according to law.

Section 5. THESE BYLAWS shall be deemed amended, if necessary, so as to make the same consistent with the provisions of the Declaration of Condominium, or the Condominium Act.

Section 6. PROPOSAL TO AMEND EXISTING Bylaws shall contain the full text of the Bylaws to be amended. New words shall be underlined and words to be deleted shall be lined through with hyphens. If the proposed change is so extensive that this procedure would hinder rather than assist understanding, a notation must be inserted immediately preceding the proposed amendment saying "SUBSTANTIAL REWORDING OF BYLAW # \_\_\_\_\_ FOR PRESENT TEXT."

#### ARTICLE XV ARBITRATION

In the event of any dispute as defined in Section 718.1255 of the Florida Condominium Act, between a Unit Owner and the Association arising from the operation of the Condominium, the parties must submit the dispute to mandatory non-binding arbitration under the rules of the Division of Florida Condominiums, Timeshares and Mobile Homes before filing any lawsuit over the disputed matters. Nothing herein shall be construed to require arbitration of disputes related to the levy or collection of fees or assessments.

#### ARTICLE XVI CERTIFICATE OF COMPLIANCE

A Certificate of Compliance from a licensed electrical contractor or electrician may be accepted by the Board of Administration as evidence of compliance of the Condominium Units to the applicable fire and life safety code.

The foregoing was adopted as the Bylaws of Zahrada I Condominium Association, Inc., a non-profit Florida corporation, on the \_\_\_\_ day of \_\_\_\_\_, 2018.

"ASSOCIATION"

ZAHRADA I CONDOMINIUM ASSOCIATION,  
INC., a non-profit Florida corporation

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

As its: \_\_\_\_\_

**EXHIBIT 2 TO PROSPECTUS OFFERING**

**FREQUENTLY ASKED QUESTIONS AND ANSWERS SHEET**

Name of Condominium Association:  
ZAHRADA I CONDOMINIUM ASSOCIATION, INC.

As of: January 1, 2019

- Q: What are my voting rights in the Condominium Association?
- A: Each unit owner automatically is a member who is entitled to one vote (voting interest) respecting all Association matters requiring the approval of the unit owners (refer to Declaration, Article 9.10; Articles of Incorporation, Article VI; and Bylaws, Article II, Section 5).
- Q: What restrictions exist in the condominium documents on my right to use my unit?
- A: Use and occupancy of the unit and use of the common elements and the Association property, by the unit owner, family members, lessees, and/or guests, are all subject to various condominium document restrictions. The sale transfer or lease of a Residential Unit to a corporation, partnership, trust or other entity shall be conditioned upon the prior designation by the purchaser, transferee or tenant, as the case may be, of the one single family or individual that will use the Residential Unit as a single family residence (refer to Declaration, Article VI, Section 6.3).
- Q: What restrictions exist in the condominium documents on the leasing of my unit?
- A: A Residential Unit owner may not lease its unit for a period of less than ninety (90) consecutive days. Further, no Residential Unit may be leased more than three (3) time in a calendar year, and no lease may begin sooner than thirty (30) days after the commencement of the last lease. The forgoing restrictions shall not relate to any Commercial Units within the Condominium. The Commercial Units may be leased on any terms that may be desired by the Commercial Unit Owners (refer to Declaration, Article VI, Section 6.10).
- Q: How much are my assessments to the Condominium Association for my unit type and when are they due?
- A: All regular assessments are assessed and collected monthly, payable by the unit owner in advance on the first day of each calendar month (refer to the Bylaws, Article X; Declaration, Article VIII; and the Estimated Operating Budget).

The current adopted monthly budget assessment, for each Unit, without reserves, estimated by the Developer, is as follows:

<b>SCHEDULE OF ESTIMATED RESIDENTIAL UNIT ASSESSMENTS - WITHOUT RESERVES:</b>	<b><u>Monthly</u></b>	<b><u>Annually</u></b>
<b>Unit 101</b>	<b>\$645.00</b>	<b>\$7,740.00</b>
<b>Units 102, 103, 104, 105, and 106</b>	<b>\$645.00</b>	<b>\$7,740.00</b>
<b>Commercial Unit 1</b>	<b>\$151.00</b>	<b>\$1,812.00</b>
<b>Commercial Units 2, 3, 4, 5 and 6</b>	<b>\$251.00</b>	<b>\$3,012.00</b>

The current adopted monthly budget assessment, for each Unit, with reserves, estimated by the Developer, is as follows:

<b>SCHEDULE OF ESTIMATED RESIDENTIAL UNIT ASSESSMENTS – WITH RESERVES:</b>	<b><u>Monthly</u></b>	<b><u>Annually</u></b>
<b>Unit 101</b>	<b>\$739.00</b>	<b>\$8,868.00</b>
<b>Units 102, 103, 104, 105, and 106</b>	<b>\$739.00</b>	<b>\$8,868.00</b>
<b>Commercial Unit 1</b>	<b>\$174.00</b>	<b>\$2,088.00</b>
<b>Commercial Units 2, 3, 4, 5 and 6</b>	<b>\$287.00</b>	<b>\$3,444.00</b>

Q: Do I have to be a member in any other association? If so, what is the name of the association, and what are my voting rights in this association? Also, how much are my assessments?

A: The unit owner is not required to be a member of any other association other than the Zahrada I Condominium Association, Inc.

Q: Am I required to pay for rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?

A: There is no requirement for payment of rent or land use fees for recreational or other commonly used facilities.

Q: Is the Condominium Association or other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000? If so, identify each such case.

A: Presently, there are none.

**NOTE:**        **THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO THE SALES CONTRACT AND ALL OTHER CONDOMINIUM DOCUMENTS.**

**EXHIBIT 3 TO PROSPECTUS OFFERING**

**Proposed Operating Budget**

SUMMARY

ZAHRADA I ASSOCIATION  
 Approved Budget  
 January 2019-December 2019

RESERVE  
 FUNDING  
 100.00%

REVENUES		APPROVED BUDGET
5010	MAINTENANCE FEES	\$63,300
5050	INTEREST AND LATE FEES	0
5160	CARRYFORWARD	
	SUBTOTAL REVENUES	\$63,300
	RESERVES FEES	9,250
	TOTAL REVENUES	\$72,550

EXPENSES AND RESERVES		
	CURRENT EXPENSES - SCHEDULE A	\$63,300
	RESERVES - SCHEDULE B	9,250
	TOTAL EXPENSES AND RESERVES	\$72,550

Unit 101		
	MAINTENANCE	\$645
	RESERVES	\$94
12.23%	TOTAL	\$739

Units 102,103,104,105,106		
	MAINTENANCE	\$645
	RESERVES	\$94
12.23%	TOTAL	\$739

CU-1		
	MAINTENANCE	\$151
	RESERVES	\$22
2.87%	TOTAL	\$174

CU-2-CU6		
	MAINTENANCE	\$251
	RESERVES	\$37
4.75%	TOTAL	\$287

12 PAYMENTS PER YR



## ZAHRADA I ASSOCIATION

Approved Budget  
January 2019-December 2019

		APPROVED BUDGET		
		COMBINED RESIDENTIAL AND COMMERCIAL	RESIDENTIAL ONLY	COMMERCIAL ONLY
<i>CURRENT EXPENSES</i>				
<b>General and Administrative</b>				
	INSURANCE	20,000	15,711	4,289
	LEGAL & ACCOUNTING	500	393	107
	ACCOUNTANT/AUDIT EXPENSE	500	393	107
	MANAGEMENT FEE	7,800	6,127	1,673
	POSTAGE/PRINTING/SUPPLIES	300	236	64
	PERMITS & FEES	100	79	21
	MAINTENANCE/CLEANING	10,000	6,000	4,000
	<b>Sub-total</b>	<b>39,200</b>	<b>28,939</b>	<b>10,261</b>
<b>Building and Grounds</b>				
	BUILDING & GENERAL MAINTENANCE	7,000	5,499	1,501
	FIRE EXTINGUISHER MONITORING	1,200	943	257
	PEST CONTROL	1,200	943	257
	LANDSCAPING & IRRIGATION	1,500	1,500	0
	WINDOW CLEANING	3,200	2,514	686
	<b>Sub-total</b>	<b>14,100</b>	<b>11,398</b>	<b>2,702</b>
<b>Utilities</b>				
	WATER/SEWER/TRASH	3,800	2,985	815
	ELECTRICITY	1,200	943	257
	TELEPHONE/TELEVISION - VERIZON	5,000	3,928	1,072
	<b>Sub-total</b>	<b>10,000</b>	<b>7,856</b>	<b>2,144</b>
	<b>TOTAL EXPENSES</b>	<b>63,300</b>	<b>48,193</b>	<b>15,107</b>

**ZAHRADA I ASSOCIATION**  
 Approved Budget  
 January 2019-December 2019  
 DESIGNATED RESERVES

PERCENT FUNDING 100.00%

ACCT#	1	2	3	4	5	6	7	8	9		
	ESTIMATED LIFE EXPECTANCY	ESTIMATED REMAINING LIFE	ESTIMATED REPLACEMENT COST	BEGINNING BALANCE 01-01-2017	ASSESSMENTS COLLECTED 2017	TRANSFER FROM OPERATING ACCOUNTS	TRANSFER BETWEEN ACCOUNTS	ESTIMATED EXPENDITURES 2017	ESTIMATED BALANCE 01-01-2018	ADDITIONAL RESERVE REQUIREMENT	ANNUAL RESERVE REQUIRED
<b>ASSET</b>											
3630	25	25	75,000	0	0	0	0	0	0	75,000	3,000
3640	8	8	50,000	0	0	0	0	0	0	50,000	6,250
			SUB-TOTAL	0	1	0	0	0	0	125,000	9,250
3607			UNALLOCATED INTEREST	0	0	0	0	0	0	0	0
			TOTAL	0	0	0	0	0	0	0	0

Note 1: These reserves are computed using the straight line method.

Note 2: Estimated Life Expectancy, Estimated Remaining Life, and Estimated Replacement Cost are based on information secured from contractors and on information obtained from experience gained from similar replacements, these figures may be adjusted each year using current available data. The accuracy of and items required should be supported by an independent Reserve Study

Note 3: The Annual Reserve Required has been rounded to a whole number when divided by the number of units divided by twelve.

**EXHIBIT 4 TO PROSPECTUS OFFERING**

**ZAHRADA I, A CONDOMINIUM  
PURCHASE AND SALE AGREEMENT**

This Agreement of Purchase and Sale ("Agreement") is made and entered into by and between Zahrada I, LLC, a Florida limited liability company, hereinafter called "Seller," whose address is \_\_\_\_\_, and the person(s) identified immediately below, hereinafter called "Buyer" or "Purchaser." The date of the Agreement (the "Effective Date") shall be the date when the last one of the Buyer or Seller has signed this Agreement.

Buyer(s) Name(s): \_\_\_\_\_

Home Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Tel: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Alternate Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Tel: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_

Buyer(s) Soc. Sec. or Tax ID#: \_\_\_\_\_

Name of Broker: \_\_\_\_\_

Name of Other Broker(s): \_\_\_\_\_

**ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.**

**ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.**

The parties hereto agree that Seller shall sell and Buyer shall purchase the following described property under the terms and conditions hereinafter set forth:

Unit \_\_\_\_\_ (the "Unit"), Zahrada I, a Condominium, according to the Declaration thereof, as recorded or to be recorded in the Public Records of Sarasota County, Florida, together with the limited common elements, and the undivided share in the common elements and common surplus, appurtenant thereto.

The address of said Unit is: \_\_\_\_\_, Sarasota, Florida \_\_\_\_\_.

This Agreement is made upon the consideration of the following terms and conditions:

1. Purchase Price. The purchase price ("Purchase Price") of the Unit shall be \_\_\_\_\_ Dollars (US\$ \_\_\_\_\_), and shall be payable as follows:

- A. Initial 10% deposit of the Purchase Price due upon execution of this Agreement.....\$ \_\_\_\_\_
- B. Additional deposit of 10% of the Purchase Price is due upon receipt of initial building permit for the building in which the Unit is located..... \$ \_\_\_\_\_
- C. Additional deposit of 10% of the Purchase Price is due upon the commencement of vertical construction for the building in which the Unit is located (as determined in the Seller's reasonable judgment).....\$ \_\_\_\_\_
- D. Balance due from Buyer at Closing (plus Buyer's closing costs and extras that have not been paid as of the date of the Closing and other prorations provided for herein).....\$ \_\_\_\_\_

2. Deposits. The deposit(s) will be refunded, upon receipt of a written request, at any time within fifteen (15) days after the date of execution of this Agreement by Buyer and receipt by Buyer of all the items required to be delivered to Buyer by the Seller under section 718.503, Florida Statutes, and shall otherwise be held and refunded as provided in the Escrow Agreement provided to Buyer, which Escrow Agreement is incorporated herein by reference. The deposits shall be made payable to, and deposited with Norton, Hammersley, Lopez & Skokos, P.A., 1819 Main St., Suite 610, Sarasota, Florida 34236, as Escrow Agent, pursuant to the Escrow Agreement and Chapter 718, Florida Statutes, which amount shall be applied to the cash due at the time of Closing. Escrow Agent shall furnish Buyer a receipt for deposits paid upon request. Escrow Agent is hereby authorized to hold, invest and disburse all such deposits and payments in accordance with the Florida Condominium Act and, as the case may be, the terms and provisions of the Escrow Agreement. Except as provided herein, all deposits will earn interest from and after the date cleared funds are actually received by Escrow Agent and the expiration of Buyer's fifteen (15) day rescission period until disbursed by Escrow Agent as provided in this Agreement and the Escrow Agreement, at a rate not less than the rate paid by the depository for its money market accounts or rate for securities of the United States or any agency thereof. All interest, if any, earned on deposits will be disbursed to Buyer unless Buyer defaults, in which event it shall be payable to Seller, all in accordance with the terms and provisions of the Escrow Agreement. No earned interest will be disbursed in advance of disbursement of the deposit to the party entitled thereto. Earned interest properly to be disbursed to Buyer shall be paid on or after Closing by Escrow Agent. All earnest money deposits received from Buyer in excess of ten percent (10%) of the Purchase Price of the Unit will be deposited in a Special Escrow Account with Escrow Agent. Buyer acknowledges that Buyer will be required to pay income tax on all interest earned, if any, and agrees to execute such documentation (including, without limitation, IRS Form W-9) as may be reasonably requested by Escrow Agent. Notwithstanding anything in this Agreement to the contrary, if the Buyer fails to execute IRS Form W-9 (or any similar documentation requested by the Escrow Agent) for any reason, then the Buyer hereby acknowledges and agrees that it waives

the right to receive any interest on its deposit(s) unless and until the Escrow Agent receives the signed IRS Form W-9 (or such other documentation) from all Buyers to its satisfaction.

As allowed by Florida Statutes, Section 718.202(3), once the construction of the Condominium has begun, Seller shall be entitled to withdraw from the Special Escrow Account for construction purposes the earnest money deposits in excess of ten percent (10%) of the Purchase Price of the Unit. Escrow Agent may disburse these funds to Seller upon receipt of Seller's written certification that construction of the Condominium has commenced and shall, thereafter, have no further liability to Buyer with respect to such funds or making such disbursement.

3. Cancellation. If Buyer should cancel this Agreement according to the provisions of the Agreement, or otherwise be entitled to a return of their deposit, the complete documents provided with this Agreement as required by Section 718.503, Florida Statutes, must be returned to Seller along with the written request for return of deposit.

4. Estimated Closing Date and Certificate of Occupancy Status. The Certificate of Occupancy ("CO") for the Unit has not been issued as of the Effective Date. The estimated latest date of completion of construction of the Unit and utility services and access thereto is the "Estimated Closing Date". Purchaser understands and agrees that the Estimated Closing Date is not guaranteed and is not of the essence of this Agreement. Seller shall not be liable to Purchaser for any damages or inconvenience caused to Purchaser by delay in completion of construction beyond the Estimated Closing Date, regardless of the cause for the delay.

Notwithstanding the foregoing, however, and notwithstanding any other provision of this Agreement to the contrary, the Seller agrees to complete construction of the Unit and accessory improvements serving it and the common area improvements and facilities, including utility services, within two (2) years from the date of execution of this Agreement by Purchaser, in compliance with the Interstate Land Sales Full Disclosure Act; provided however, that the Seller shall not be responsible for any delay caused by acts of God, weather conditions, restrictions imposed by any governmental agency, labor strikes, material shortages or other delays beyond the control of the Seller (which, in all events, must be recognized causes for delay under Florida law) and the completion and occupancy date shall be extended accordingly for delays caused by such items. It is the intention of the parties that this sale and purchase qualify for the exemption provided by 15 U.S.C., § 1702(a)(2) of the Interstate Land Sales Full Disclosure Act and nothing herein contained or implied shall be construed so as to limit any obligations of the Seller or rights or remedies of the Purchaser, which may be necessary in order to so exempt this sale and purchase pursuant to that exemption.

Notwithstanding anything contained or implied to the contrary in this Agreement, any requirement hereof which requires the Purchaser to give the Seller notice of default and an opportunity to cure shall not extend the two (2) year construction completion obligation of Seller.

5. Title Company. If Purchaser elects to use the title company designated by Seller (the "Title Company") in order to expedite the Closing and minimize the administrative costs and expenses and attorney's fees Seller will incur in connection with the Closing, Seller shall cause the Title Company to deliver to Purchaser, at least fifteen (15) days prior to the Closing, a title insurance commitment (the "Commitment") agreeing to issue to Purchaser, upon recording

of the Deed to Purchaser, an owner's policy of title insurance in the amount of the Purchase Price and the cost of any optional features and upgrades, insuring Purchaser's title to the Unit, subject only to the "Permitted Exceptions," as such term is defined below. If Purchaser does not elect to use the Title Company, then Purchaser shall be solely responsible for obtaining a title insurance commitment and delivering a copy of such commitment to Seller at least fifteen (15) days prior to the Closing. In such event, the Purchaser shall be solely responsible for all premiums, fees and charges payable to Purchaser's selected attorney and/or title company in connection with the title-related and title insurance aspects of the purchase of the Unit, and Purchaser shall not be entitled to a credit against the Closing Charge (as defined in Section 9.1 hereof) for any such title premiums, fees or charges. Notwithstanding anything contained or implied to the contrary in the foregoing or elsewhere in this Agreement, if the Purchaser is purchasing the Unit with the assistance of a federally regulated mortgage loan and the Purchaser has elected not to use the Title Company but instead to obtain its own title insurance, then the Purchaser shall be entitled to receive, at Closing, a credit against the Closing Charge equal to the title insurance premium at the minimum promulgated rate (reduced by all available discounts and credits) and the search fees at par that are included within the Closing Charge; provided, however, that, in such event the Purchaser shall also pay the \$3,000.00 Administrative Fee defined in Section 9.1 hereof. ***Notwithstanding anything to the contrary, any Purchaser who elects to use the Title Company designated by the Seller shall only be required to pay the 1.75% Closing Fee referenced in Section 9.1 hereof, and shall not be required to pay the \$3,000.00 Administrative Fee defined below.*** Further, in the event Purchaser elects to use an attorney or a title company chosen by Purchaser in connection with the purchase of the Unit other than the Title Company, then Seller shall have no duty or obligation and is hereby released from any and all such duty and/or obligation, if any, to provide to such attorney or title company any document(s) or instrument(s) which are not acceptable to Seller, in Seller's sole judgment and discretion. [CHECK APPROPRIATE BOX]

Purchaser elects to use the Title Company

Purchaser elects not to use the Title Company

6. Cooperating Broker. Purchaser agrees that Seller is not responsible for the payment of a commission to any broker, salesperson, or agent who is not affiliated with Seller or who has not signed a Commission Agreement with Seller.

7. Permitted Title Exceptions. Title to the Unit to be delivered to Purchaser at Closing will be marketable and insurable, subject to the following matters (the "Permitted Exceptions"): (1) zoning, building codes, ordinances, regulations, rights or interests vested in the United States of America or the State of Florida; (2) real estate taxes and assessments and other taxes for the year of conveyance and subsequent years including taxes or assessments of any special taxing or community development district (including assessments relating to capital improvements and bonds); (3) the general printed exceptions contained in an owner's title insurance policy; (4) utility easements, water and sewer agreements, telephone agreements, cable agreements, telecommunications agreements, monitoring agreements, restrictions, easements, dedications, rights and reservations of record; (5) the Condominium Documents; (6) any laws and restrictions, covenants, conditions, limitations, reservations, agreements or easements recorded in the public records (for example, use limitations and obligations,

easements (right-of-way) and agreements relating to telephone, gas or electric lines, water and sewer lines and drainage); (7) any unity of title covenant, restrictive covenant in lieu of unity of title or other requirement affecting the Condominium or any part thereof which Seller may be required by any governmental agency or body to grant or place in the public records, provided same will not prevent transfer of title of the Unit; (8) such other restrictions, covenants, conditions, limitations, reservations, agreements or easements which Seller may deem necessary or helpful in connection with the development, improvement or maintenance of any portion of the Condominium now or subsequently recorded in the public records (as may be amended or supplemented from time to time); and (9) acts done or suffered by Purchaser and any mortgage or deed of trust obtained by Purchaser for the purchase of the Unit. It is Purchaser's responsibility to review and become familiar with each of the foregoing title matters, some of which are covenants running with the land. If any title defects are discovered by Purchaser after Closing, Purchaser's sole remedy shall be to make a claim to Purchaser's title insurer.

8. Defects to Title; Acceptance of Deed. If Seller cannot provide marketable and insurable title as described above, such failure shall not be an event of default and Seller will have a reasonable period of time (at least one hundred and twenty (120) days from the date of the scheduled Closing Date) to attempt to correct any defects in title; provided, however, Seller shall not be obligated to incur any expense, nor institute any litigation, to clear title to the Unit. If Seller cannot or elects not to correct the title defects, Seller shall so notify Purchaser within such period, and Purchaser may thereafter elect (by written notice from Purchaser to Seller) one of the following two (2) options: (1) to accept title in the condition offered (with defects) and pay the balance of the Purchase Price for the Unit (without set off or deduction), thereby waiving any claim with respect to such title defects and Purchaser will not make any claims against Seller because of the title defects; or (2) to terminate this Agreement and receive a full refund of the deposit(s) paid hereunder. If all such amounts are refunded, Purchaser agrees to accept it as full payment of Seller's liability hereunder, whereupon this Agreement shall be terminated and Seller shall thereafter be relieved and released of all further liability hereunder. Purchaser shall not thereafter have any rights to make any additional claims against Seller. The Permitted Exceptions shall not be considered to be defects in title. In the event Purchaser does not notify Seller in writing within five (5) calendar days from the receipt of Seller's notice (time being strictly of the essence) as to which option Purchaser elects, Purchaser shall be conclusively presumed to have elected option (1) set forth above in this subsection. Regardless of the foregoing, nothing in this Section shall be construed so as to abrogate, diminish or extend the time for completion of the Seller's construction completion obligations under Section 4 hereof.

9. Closing Costs. At the Closing, Purchaser shall pay to Seller the balance of the Purchase Price, the balance of the unpaid charges, if any, for any optional features/upgrades and selections, and any and all other sums due and owing under the Agreement and the following sums (together with the latter sums being, the "Closing Costs"):

9.1 A "Closing Charge" equal to one and three-quarter percent (1.75%) of the Purchase Price (as well as the cost and charges for all optional features, upgrades, and any additional payments with regard to the purchase of any parking garages and/or storage spaces, if any) to cover costs, expenses and fees to be incurred by Seller in connection with the closing of this transaction, including title search, title exam and owner's title insurance premium at

minimum promulgated rates; settlement fee; document preparation and review; administration and closing fees; courier, express mail, archiving, photocopying and facsimile fees; recording fees for the Deed; and documentary stamps on the Deed. Notwithstanding anything to the contrary contained elsewhere in this Agreement, if Purchaser declines to use the Title Company, as provided in Section 5 above, Purchaser shall not be entitled to any credit for title insurance premiums, title exam or search fees included in the Closing Charge, unless the Purchaser is purchasing the Unit with the assistance of a federally regulated mortgage loan and has elected not to use the Title Company and has instead elected to obtain its own title insurance as provided in Section 5 hereof, in which case, the Purchaser shall be entitled to receive, at Closing, a credit against the Closing Charge equal to the title insurance premium at the minimum promulgated rate (reduced by all available discounts and credits) and the search fees at par that are included within the Closing Charge (the "Title Insurance Credit"). However, in the event that the Purchaser shall receive the Title Insurance Credit, then the Purchaser shall also pay to Seller, in addition to the Closing Charge, less the Title Insurance Credit, an administrative fee of \$3,000.00 (the "Administrative Fee") to cover the Seller's increased administrative costs and expenses, and attorney's fees necessitated by the utilization of a closing agent unfamiliar with the Condominium in which the Unit is located. ***Notwithstanding anything to the contrary, any Purchaser who elects to use the Title Company designated by the Seller as provided in Section 5 hereof shall only be required to pay the 1.75% Closing Fee, and shall not be required to pay the \$3,000.00 Administrative Fee referenced above.*** Additionally, if Purchaser obtains a loan, and the Seller's designated Title Company acts as the loan closing agent, Purchaser agrees to pay, in addition to any other sums described in this Agreement, an amount equal to \$750.00 (the "Loan Closing Fee"). Notwithstanding anything to the contrary, nothing herein shall be deemed to make this Agreement, or the Purchaser's obligations under this Agreement, conditional or contingent in any manner on the Purchaser obtaining a loan to finance any portion of the Purchase Price; it being the agreement of the Purchaser that the Purchaser shall be obligated to close "all cash." The Closing Charge, Administrative Fee, and Loan Closing Fee, as applicable, shall be included on the closing statement and shall be paid by the Purchaser at the Closing. The Closing Charge assumes that documentary stamp taxes on the Deed will be \$.70/per \$100 of the Purchase Price. In the event of an increase in the documentary stamp taxes levy which results in the closing costs set forth above to exceed the amount of the Closing Charge, such increase will be paid by Purchaser at Closing.

9.2 Closing costs customarily incurred by a Purchaser of a home including, but not limited to, items such as loan fees, loan closing costs and all other related sums, attorneys' fees, escrows for taxes and insurance, recording fees, mortgage title insurance premiums and endorsements, fees and charges, documentary stamp taxes on the note, intangible taxes, credit reports and PMI insurance, if applicable, charged by the lender or otherwise customary for a Purchaser at Closing.

9.3 The cost of any obligations Purchaser incurs not provided for in this Agreement.

9.4 Certified governmental liens (liens which can be paid pursuant to written notice), if any, shall be paid by Seller prior to Closing, and pending governmental improvement liens shall be paid by Purchaser after Closing.



9.5 A pro rata share of City or County interim service fees, if any.

9.6 A pro rata share of waste fees.

9.7 Any utility deposits and a pro rata share of any capacity fees (water and/or sewer) for the Unit prepaid by Seller.

9.8 Any other expenses provided for or referenced in the Condominium Documents or imposed by any governmental authority.

9.9 Purchaser shall be responsible for, and shall pay at Closing, an initial working capital contribution to the Condominium Association in the amount equal to two (2) months of assessments.

9.10 Any costs related to financing the Unit if applicable (including the premium for the mortgagee title insurance policy required by Purchaser's lending institution) and Purchaser's attorney fees.

9.11 If real estate taxes for the year in which the Closing Date occurs are assessed in the aggregate on the real estate comprising the entire Condominium rather than on a unit-by-unit basis, Seller will pay such taxes in full when due, but Purchaser will reimburse Seller at the Closing for Purchaser's pro rata share of such taxes from the Closing Date (if such taxes are then known) or the Unit's allocable share (so prorated) of Seller's estimate of those taxes (if such taxes are not then known), subject to readjustment at either the request of Seller or Purchaser within six (6) months from when the actual tax bill is known. If taxes for the year in which the Closing Date occurs are assessed on a unit-by-unit basis but such taxes are not due on the Closing Date, Purchaser will be responsible for paying such tax bill in full when due but Seller will reimburse Purchaser at the Closing for Seller's pro rata share of such taxes (if the taxes are then known) or Seller's estimate of those taxes (if such taxes are not then known) through the Closing Date, subject to readjustment at either the request of Seller or Purchaser within six (6) months from when the actual bill is known. If the Closing takes place after Seller has paid the taxes for the year in which the Closing Date occurs, Purchaser will reimburse Seller at the Closing for Purchaser's pro rata share of those taxes from and after the Closing Date.

**PROPERTY TAX DISCLOSURE SUMMARY. BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.**

10. Substantial Compliance with Plans/Completion of Unit.

A. Construction of Buyer's Unit and all appurtenances thereto including limited and common elements shall be substantially complete in accordance with the plans and

specifications therefor which are available for review at the Seller's sales office during normal business hours. Buyer acknowledges and agrees that the plans and specifications which are kept at the sales office may not be totally consistent with those plans and specifications which are on file with various governmental authorities, and Buyer agrees that construction of the Condominium and the Unit itself, need not be accomplished strictly in accordance with the plans and specifications on file with various governmental authorities. Seller may substitute materials, appliances, fixtures, equipment, and modify the plans and specifications, as the architect for the Condominium and/or Seller may deem reasonably appropriate or as may be necessitated by material availability or construction requirements in the field, at any time prior to the recording of a surveyor's certificate certifying the substantial completion of the Unit and establishing the "as built" location and dimensions of the Unit. Seller agrees that any resulting substitutions or modifications shall not substantially decrease the market value of the Unit. Buyer acknowledges that, due to expansion, contraction, settlement or natural shrinkage, cracks may appear in stucco, concrete walkways, driveways and slabs, and agrees that such cracks, within industry standards, shall be deemed "expected minor defects" and not construction defects.

B. Any furniture, window treatments, decorative items, special painting and wallpaper, upgraded or optional floor coverings, appliances, or any other features or items used for sales promotional purposes in model units, or displayed in brochures, are not included in the Purchase Price. Colors and models are subject to change by the manufacturer and subject to shadings and color gradations, which may vary from the samples shown to Buyer by Seller within a model unit, or otherwise. ***Any and all extras, upgrades or any other optional items ordered or requested by the Buyer shall be immediately and fully paid by the Buyer at the time that any such order or request is submitted to and accepted by the Seller.*** Buyer acknowledges and agrees that depending upon the timing of this Agreement and the current stage of construction of the Unit, Buyer may be entitled to make selections of various colors and option items, provided the Unit has not passed a certain state of completion as may be determined solely by Seller. If Buyer has the right to make any selections and fails to make such selections within the time frame set forth by Seller, then Seller shall and is hereby authorized by Buyer to make such selection on the Buyer's behalf. Seller shall notify Buyer of any such selection made by Seller within a reasonable time. Further any selection so made by Seller shall not, in any way, relieve Buyer from any of Buyer's obligations under this Agreement. Buyer agrees not to hire or engage any contractors, or any other persons or firms to do any work in the Unit while the Unit is under construction and until after Closing on the purchase of the Unit pursuant to this Agreement. Possession of the Unit shall transfer to Buyer upon such Closing.

C. Buyer understands and agrees that the Condominium is a construction site and constitutes a danger to those who may enter. Buyer shall not enter onto the Condominium prior to receiving title to the Unit as provided for in this Agreement unless authorized and accompanied by the Seller's representative. Upon receipt of Buyer's written request, the Seller shall use its best efforts arrange an on-site tour of the Buyer's Unit with the Seller's representative. However, notwithstanding anything to the contrary, the Buyer shall not be entitled to make any inspections of the Unit prior to the Preclosing Inspection (as defined in Section 11 hereof). Further, the Buyer shall not be entitled to more than three (3) on-site visits prior to Closing. Any unauthorized unaccompanied entry by Buyer shall constitute a breach of this Agreement by Buyer at Seller's election. Buyer agrees not to issue any instructions to any person working on the Unit or within the Condominium, nor will Buyer have any work done on the Unit, nor store any of Buyer's possessions thereon, prior to Closing. Equitable title to the Unit shall remain with Seller. Any authorized entry by Buyer onto the Condominium prior to closing shall be done at Buyer's own risk and in compliance with all federal, state and local safety laws and requirements. Buyer

waives, releases and agrees to indemnify Seller, its officers, directors, employees, agents, subcontractors and suppliers from any and all claims, losses or damages suffered or incurred by Buyer, Buyer's family members or guests, as a direct or indirect result of any such entry onto any portion of the Condominium property or the Unit.

D. Construction of Buyer's Unit and all appurtenances thereto including limited and common elements shall be substantially in accordance with the plans and specifications on file with the appropriate municipal agency, but nonmaterial deviations therefrom (specifically including minor changes to the Unit's total square foot and configuration) shall be accepted by Buyer as long as the value and marketability of the Unit are not materially and adversely affected. The issuance of a temporary or final certificate of occupancy for the Unit shall be deemed conclusive evidence that the Unit and Condominium improvements were constructed in compliance with applicable building codes.

11. Closing. The closing ("Closing") shall take place at the offices of Escrow Agent, or at such other location in Sarasota County as designated by Seller, after issuance of a temporary or final certificate of occupancy for the Unit by the appropriate municipal agency, which certificate of occupancy shall be conclusive evidence of the substantial completion of the construction of the Unit. The exact date and time of closing (the "Closing Date") shall be specified in a notice to close sent by Seller to Buyer. The notice to close shall be sent to Buyer at the address provided for herein at least fourteen (14) days prior to the Closing Date. Buyer hereby agrees to pay, and authorizes the closing agent to disburse a payment of Eight Hundred Dollars (\$800.00) per day to Seller to offset carrying costs on the Unit and loss of revenue resulting from any delay in Closing caused by Buyer. Buyer will be given an opportunity to inspect the Unit prior to Closing and to complete a punch list listing items needing correction (the "Preclosing Inspection"). Seller will correct all reasonable punch list items as soon as possible, however, no punch list items shall be grounds for deferring the Closing, and no escrows or holdbacks of closing funds will be permitted. Buyer agrees that any attempt by Buyer, or Buyer's attorney or agent, to require that any monies due Seller be escrowed until the punch list items are corrected will be a material breach of this Agreement by Buyer. If a Buyer, or Buyer's representative, does not inspect the Unit prior to the Closing, Buyer shall be deemed to have waived Buyer's right to such an inspection. Buyer shall not be allowed to take possession of the Unit prior to Closing.

At the Closing, all sums due Seller from Buyer shall be paid by way of cleared wired funds in U.S. Dollars. Buyer shall initiate the wire transfer not later than 9:00 a.m. of the business day preceding the Closing Date. At the Closing, Seller shall deliver to Buyer the following documents:

A. Special Warranty Deed subject to:

The Condominium Documents, and all amendments thereto; all Permitted Exceptions, and other covenants, conditions, limitations, restrictions, reservations, easements, agreements, and other matters of public record now or hereafter existing, or otherwise granted by Seller or imposed by governmental authorities having jurisdiction or control over the subject Condominium, or zoning, building code, ordinances, regulations, rights or interest vested in any municipal, county, state or federal government or agency; any mortgage executed by Buyer encumbering the Unit; taxes and assessments for the current year and subsequent years, and such other standard printed exceptions contained in the standard ALTA owner's title insurance policy

issued at the time of Closing. Buyer agrees to accept the Special Warranty Deed (and any title related documents that must be executed by the fee simple owner of the Unit) from the Seller.

B. A title insurance binder from a licensed title company committing it to issue a title insurance policy on the subject Unit subject to the Permitted Exceptions, and those other items set forth in subparagraph A above.

C. No Lien Affidavit.

D. Closing Statement.

12. Condominium Documents. The Condominium will be created or has been created pursuant to a Declaration of Condominium to be recorded in the Public Records of Sarasota County, Florida. Said Declaration includes the Articles of Incorporation, and Bylaws of the Condominium Association, and the nature and incidents of ownership. Buyer's share in the common elements and the particulars of Buyer's interest in same are to be determined solely by reference to said Declaration and Exhibits. Buyer agrees that the purchase and occupancy of the Unit will, at all times, be subject to the provisions of the above referenced instruments and documents (sometimes herein called "Condominium Documents"). Seller reserves the right to amend any of said instruments and documents provided that (i) a copy of said amendment is transmitted to the Buyer, and (ii) if the amendment materially alters or modifies the offering in a manner that is adverse to Buyer, Buyer shall have an additional fifteen (15) day cancellation period.

### 13. Default

13.1 Seller's Default. In the event Seller fails to perform any of Seller's obligations or covenants under this Agreement, through no fault of Purchaser, and Purchaser is not in default, Seller shall have thirty (30) days from the date written notice of breach is received by Seller from Purchaser within which to cure such breach. If Seller fails to cure same within thirty (30) days, or, with respect to any matter which cannot reasonably be cured within thirty (30) days, Seller fails to commence to cure within thirty (30) days, Purchaser may (i) have the deposit(s) returned to Purchaser if such default occurs prior to Closing, in which case this Agreement shall be terminated and the parties shall have no further rights or obligations hereunder; or (ii) pursue any remedy available to Purchaser at equity or law. Notwithstanding anything contained or intended to the contrary herein, this Section should not extend and shall not be construed as extending the Seller's two (2) year construction completion obligation under Section 4 hereof.

13.2 Purchaser's Default. If prior to Closing, Purchaser fails to perform any one or more of Purchaser's obligations under this Agreement, including but not limited to Purchaser's failure to Close, then Seller shall have the right to either (i) retain or otherwise recover all deposit(s), together with any and all other sums and funds paid or payable by Purchaser to Seller hereunder, in consideration for the execution of this Agreement, as liquidated damages, in full settlement of any claims under this Agreement, in which case this Agreement shall be terminated and the parties shall have no further rights or obligations hereunder; or (ii) seek any remedies available in equity, including but not limited to, specific performance. Should Seller elect not to cancel this Agreement and/or should Seller elect to proceed at equity to enforce its rights, then and in that event Purchaser shall pay interest at the maximum rate allowable under Florida law

on any and all payments delinquent under this Agreement, including but not limited to any unpaid portion of the Purchase Price. In the event that Seller agrees to postpone the due date of, or to forbear Seller's rights in connection with, any payments delinquent hereunder, such extension and/or forbearance shall not preclude or prevent Seller from canceling the Agreement at any time because of Purchaser's failure to meet Purchaser's obligations under the Agreement as modified by any such extension and/or forbearance.

14. Notices. Notice to either party shall be deemed as properly given when mailed to the addresses of Seller and Buyer set forth in the preamble of this Agreement, by personal delivery or by certified mail, return receipt requested, with sufficient postage stamps affixed, or by express mail, Federal Express or a similar express mail service.

15. Insulation. The types, thickness and R-values of the insulation Seller intends to install that will directly affect the Unit are as follows:

LOCATION	INSULATION TYPE	THICKNESS	R-VALUE (INSULATION)	R-VALUE (TOTAL ASSEMBLY)
EXTERIOR BLOCK WALL	CLOSED-CELL SPRAY FOAM	2"	12	14 MIN
EXTERIOR FRAMED WALL	FIBERGLASS BATT	6"	21	23 MIN
BUILDING ROOF	TAPERED RIGID	VARIES	24	26 MIN
POOL DECK ROOF	CLOSED-CELL SPRAY FOAM	3.5"	21	26 MIN
UNIT PARTY WALLS	NO INSULATION BETWEEN UNITS			

Buyer understands that the R-values given are based solely on information provided Seller by the manufacturers of the insulation and that Seller is not responsible for their errors. These insulation disclosures are subject to Seller's right to make changes and to applicable limitations of liability stated in this Agreement. Seller reserves the right to substitute products of equal R-value. Field applied, blown or sprayed insulation products may vary in thickness due to installation procedures. All dimensions are considered nominal at the time of product installation. Seller cannot control the movement of insulation products in areas where ventilation is uncontrolled or is subject to airflows that might move the insulation to areas other than the original placement area. In accordance with Sections 553.9085 and 553.996, Florida Statutes, at such time as a certificate of occupancy has been issued for the building, Buyer shall be furnished with an energy performance level display card, which shall also be attached as an addendum to this Agreement. Buyer may request an energy-efficiency rating on the building. In the event Buyer elects to make such a request, Buyer agrees to bear all costs and expenses of obtaining the energy ratings, which cost shall be paid at closing as an expense of Buyer.

**16. RIGHT TO CANCEL. THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM OR HER BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO**

**THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING. FIGURES CONTAINED IN ANY BUDGET DELIVERED TO THE BUYER PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT ARE ESTIMATES ONLY AND REPRESENT AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF THE PREPARATION OF THE BUDGET BY THE DEVELOPER. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.**

17. Florida Law; Severability. Any disputes that develop under this Agreement will be settled according to Florida law. The invalidity or unenforceability of any part of this Agreement under Florida law shall not affect the validity or enforceability of the remainder.

18. Attorney's Fees. The non-prevailing party shall be liable for the prevailing party's reasonable attorney's fees and court costs incurred in connection with litigation relating to this Agreement, including, but not limited to, attorney's fees incurred in trial, post judgment, appellate and bankruptcy proceedings.

19. Time of the Essence. Performance at the times stated in this Agreement is of absolute importance and any failure to perform at those specific times shall constitute a default, time being of the essence of all matters in this Agreement.

20. Warranty Disclaimer. Seller provides the warranties set forth under Section 718.203, Florida Statutes. Seller makes no other warranty whatsoever, either express or implied, and specifically makes no warranty as to merchantability, habitability or fitness for a particular purpose for the Unit, the Condominium, or the common elements or limited common elements as those terms are defined in the Declaration of Condominium. Seller hereby expressly disclaims any and all other warranties including, without limitation, any common law implied warranties of fitness for a particular purpose, habitability, merchantability, and/or compliance with the record plans and specifications. Further, Seller shall not be liable for any consequential damages whatsoever caused by any warranted item. Further, Seller gives no warranty express or implied, with respect to the existence of or levels of radon or radon progeny or any other indoor air pollutant. The provisions of this Paragraph shall survive the Closing.

Seller makes no guaranty or warranty that any alarm or smoke detection system installed in the Unit or other Condominium property will prevent or lessen the effects or consequences of burglaries, fire, or other occurrences which the systems are designed to prevent or monitor. Seller shall not be liable for loss or damage to property or for personal injury or death arising directly or indirectly from the failure of any such system or from the failure or negligence of any security company, or its employees, in connection with the installation, maintenance, monitoring, or operation of any such system.

Buyer hereby acknowledges that Seller has not made and does not make any representations or warranties whatsoever relating to security services to be provided to Buyer, to the project, or to Buyer's individual Unit. Seller shall have absolutely no responsibility for providing any security services for Buyer, for the project, or the Buyer's individual Unit. Buyer assumes responsibility for providing security services for Buyer and Buyer's guests and invitees, and Buyer shall not hold Seller liable with respect to failure to provide such security services. Buyer is not purchasing said Unit based upon any representations or warranties by Seller with respect to any security or safety measures, procedures or actions to be undertaken by Seller. Seller specifically disclaims any warranty, of any type, with regard to any security system that may be installed in individual Units of the Condominium.

No other warranties shall be implied or have been relied on by Buyer in the execution of this Agreement. Buyer acknowledges and agrees that Seller did not induce Buyer to execute this Agreement by promising Buyer would receive any economic benefit as a result of the efforts of Seller or any other party from the rental of the Unit or by the providing of any future services or amenities or otherwise. Seller does not guarantee or warrant that Buyer will realize any economic benefit from the execution of this Agreement and the purchase of the Condominium Unit.

21. Survival and Incorporation. The provisions and disclaimers in this Agreement that are intended to have effect after the Closing shall survive the Closing. The explanations and disclaimers set forth in the Condominium Documents are incorporated into this Agreement.

22. Radon Gas. Florida law requires that the following statement be made in any contract for the sale of a residential dwelling: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

23. Broker. Buyer warrants and agrees that this Agreement was not procured by any real estate broker other than the broker whose name appears above (the "Broker"). Buyer agrees to indemnify and hold Seller harmless for any claim to a real estate commission arising out of this sale made by any broker other than the Broker listed herein, if any, and will pay the reasonable costs and expenses of defending against any such claim, including reasonable attorney's fees for trial and appellate proceedings. This warranty and agreement shall survive the Closing of this transaction. The Broker listed herein, if any, agrees that the total commission paid to any such Broker shall be exclusively based on the Purchase Price referenced in Section 1 hereof, and shall not include any additional extras, upgrades and/or any other optional items selected by the Buyer. Notwithstanding anything to the contrary, the Broker listed herein agrees that its commission shall be payable only in the event of and at the time of Closing this transaction, and that if this transaction does not close for any reason, then no commission shall be payable even though the Deposit may have been forfeited to Seller.

24. Assignment/Recording. This Agreement shall be binding upon the parties hereto, and their heirs, personal representatives and successors. This Agreement may not be assigned by Buyer without the prior written consent of Seller, which consent, if given, shall be subject to such conditions as may be specified by Seller, including, but not limited to, payment to Seller of an assignment fee. The fact that Seller refuses to give its consent to an assignment shall not give rise to any claim for any damages against Seller. This Agreement shall not be recorded in the

office of the clerk of any Circuit Court of the State of Florida and any recording of same by Buyer shall be considered a material breach of this Agreement. Buyer acknowledges and agrees that Seller's ability to sell other units within the Condominium, and the value of all such units owned by Seller, will be diminished and harmed by Buyer's attempting to resell the Unit through local brokers or advertising the Unit for sale in publications in the general area where the Unit is located, prior to Buyer receiving fee simple title to the Unit, and that Seller shall be irreparably harmed by such actions. Therefore, Buyer covenants and agrees not to enter into any listing agreement for the sale of the Unit with a broker with offices in Sarasota or Manatee Counties, or to advertise or cause the Unit to be advertised for sale in any newspaper, trade magazine, or other publication which is sold or in general circulation in Sarasota or Manatee Counties, prior to obtaining fee simple title to the Unit. A breach of this provision shall be a material breach of this Agreement and constitute a default hereunder by Buyer entitling Seller to exercise the remedies under this Agreement.

25. Risk of Loss. Prior to Closing, Seller shall assume all risk of loss by reason of fire, windstorm, or other casualty. If casualty occurs prior to Closing, Seller may, at Seller's option, either cancel this Agreement and direct the Escrow Agent to return all deposits placed hereunder, in which event this Agreement shall be void and of no effect, or rebuild as soon as possible, in which event this Agreement shall be in full force and effect; provided, however, that such reconstruction is accomplished within the time specified in this Agreement. Under no circumstances shall Buyer have any interest in any insurance proceeds attributable to said casualty.

26. Integration. This Agreement supersedes any and all previous understandings and agreements between the parties. This Agreement represents the entire agreement between the parties. No representations or inducements prior hereto, which are not included and embodied in this Agreement, shall be of any force or effect. This Agreement may only be amended or modified by an instrument in writing signed by Seller and Buyer.

27. Multiple Buyers. If two or more persons are named as Buyer herein, any one of them is hereby authorized by the other or others to act as agent for, with the right to bind, the other(s) in all matters and of every kind and nature with respect to this Agreement. If Buyer is married, and Buyer's spouse is not named as a Buyer herein, Buyer shall have the duty to obtain Buyer's spouse's execution of mortgage and other closing documents as required by lender, closing agent and Seller. Failure of Buyer's spouse to do so shall constitute Buyer's default hereunder.

28. Construction Loan. All terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any construction loan mortgage previously or subsequently made, and any advances previously or subsequently made or incurred pursuant to the terms of the mortgage, incidental to it, or to provide security as to the full extent of it, without the execution of any other instrument by Buyer to effectuate this subordination. Buyer acknowledges that Seller will require financing for the construction of the units within this Condominium and hereby agrees that this Agreement and all of Buyer's rights and interest hereunder are subject and subordinate to the mortgage encumbering the Condominium property as security for the construction financing. The existence of the lien of a mortgage for construction financing shall not be an objection to title, it being expressly understood that upon Closing pursuant to the terms herein, Buyer's Unit shall be released from the lien of the mortgage.



29. Receipt for Condominium Documents. Buyer acknowledges receipt of copies of the documents specified in Exhibit "A" attached hereto.

30. Transfer of Interest. Seller reserves the right to sell or assign its interest and capacity as Developer of the Condominium. This reserved right may include a sale of the Condominium property and an assignment of Developer's rights under the Declaration of Condominium, Articles of Incorporation, Bylaws and other documents for the Condominium, and under this Agreement. Such a transfer of interest as is described hereunder shall be deemed not materially adverse to Buyer.

31. Buyer Has No Lien Rights. Buyer agrees that all rights hereunder are solely personal and that Buyer has no lien rights on the Unit or the Condominium property, or common elements as a result of this Agreement or the payments made hereunder.

32. Class Actions. Purchaser agrees that Purchaser shall not participate as a member of any class in any judicial action relating to this Agreement, or the purchase of the Unit or the Condominium at any time after Closing. This Section 32 shall survive Closing.

33. Purchaser Acknowledgements. Purchaser has no expectation of any investment, income and/or tax benefits arising from the purchase of the Buyer's Unit, and no representations have been made to Purchaser that the Buyer's Unit is or will produce income and/or appreciate in value. Further, Buyer hereby acknowledges that Seller has not made, and does not make, any representations or warranties whatsoever relating to the view or any visual aspect of the Buyer's Unit, and Buyer does hereby agree to waive, hold harmless, and release the Seller from any cause or controversy arising from the view or any visual aspect of the Buyer's Unit. This Section 33 shall survive Closing.

34. Models; Construction, Administrative and Sales Offices; Advertising. For the purpose of completing the development and sale of the Condominium until all of the Condominium units are completed and sold, Seller, its respective nominees, employees, sales personnel, and potential buyers are hereby given full right and authority, without charge or contributions, to utilize all portions of the Condominium and Association property for sales, closing of sales and administrative offices, sales and public relations functions and display areas and to maintain or establish models, construction, administrative, closing and/or sales offices, advertising signs and banners and lighting in connection therewith, together with the right of ingress and egress over and transient parking on the drives, outside parking, and in the enclosed parking areas and other areas of the project in connection therewith. This clause shall survive the Closing contemplated herein and delivery of the deed to Buyer.

35. Pre-sale Contingency. Seller's obligation to construct the Unit is contingent upon Seller obtaining the not less than three (3) presales of residential units, and three (3) presales of the commercial units (the "Presale Requirement"). If Seller has not achieved the Presale Requirement on or before June 30, 2019, then and in that event, Seller shall be entitled (but not obligated) to terminate this Agreement by providing written notice thereof to Buyer, at which time Buyer's earnest money deposits, along with accrued interest, and all monies paid for options, extras and/or upgrades, will be entirely refunded to the Buyer, and the parties shall thereafter be released from any and all obligations hereunder.

36. FLORIDA HOMEOWNERS' CONSTRUCTION RECOVERY FUND. Pursuant to Section 489.1425 of the Florida Statutes, Seller provides the following notice: PAYMENT

MAY BE AVAILABLE FROM THE FLORIDA HOMEOWNERS' CONSTRUCTION RECOVERY FUND IF YOU LOSE MONEY ON A PROJECT PERFORMED UNDER CONTRACT, WHERE THE LOSS RESULTS FROM SPECIFIED VIOLATIONS OF FLORIDA LAW BY A STATE LICENSED CONTRACTOR. FOR INFORMATION ABOUT THE RECOVERY FUND AND FILING A CLAIM, CONTACT THE FLORIDA CONSTRUCTION INDUSTRY LICENSING BOARD AT THE FOLLOWING TELEPHONE NUMBER AND ADDRESS: (850) 487-1395, Division of Professions, Construction Industry Licensing Board, 1940 North Monroe Street, Tallahassee, FL 32399-0783 (<http://www.myfloridalicense.com/dbpr/pro/cilb/>).

**37. CHAPTER 558 NOTICE OF CLAIM. CHAPTER 558, FLORIDA STATUTES, CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY BRING ANY LEGAL ACTION FOR AN ALLEGED CONSTRUCTION DEFECT. SIXTY DAYS BEFORE YOU BRING ANY LEGAL ACTION, YOU MUST DELIVER TO THE OTHER PARTY TO THIS CONTRACT A WRITTEN NOTICE, REFERRING TO CHAPTER 558, OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE AND PROVIDE SUCH PERSON THE OPPORTUNITY TO INSPECT THE ALLEGED CONSTRUCTION DEFECTS AND TO CONSIDER MAKING AN OFFER TO REPAIR OR PAY FOR THE ALLEGED CONSTRUCTION DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER WHICH MAY BE MADE. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THIS FLORIDA LAW WHICH MUST BE MET AND FOLLOWED TO PROTECT YOUR INTERESTS.**

**ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.**

BUYER:

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

SELLER:

**ZAHRADA I, LLC, a Florida limited liability company**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

ESCROW RECEIPT

Norton, Hammersley, Lopez & Skokos, P.A., acknowledges receipt of the sum of \$ \_\_\_\_\_ from Buyer and agrees to hold said sum and any additional earnest money deposits paid by Buyer in escrow pursuant to the terms, conditions and provisions of Section 718.202, Florida Statutes and the Escrow Agreement.

Norton, Hammersley, Lopez & Skokos, P.A.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

As Its: \_\_\_\_\_

Date: \_\_\_\_\_

### RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges that the documents checked below have been received or, as to plans and specifications, made available for inspection.

Name of Condominium      Zahrada I, a Condominium

Address of Condominium      \_\_\_\_\_

Place a check in the column by each document received or, for the plans and specifications, made available for inspection. If a document uses a different name, substitute the correct name or place in parenthesis. If an item does not apply, place "N/A" in the column.

DOCUMENT	RECEIVED BY HARD COPY	RECEIVED BY ALTERNATIVE MEDIA
Prospectus Text	X	[ ]
Declaration of Condominium	X	[ ]
Articles of Incorporation	X	[ ]
Bylaws	X	[ ]
Estimated Operating Budget	X	[ ]
Form of Agreement for Sale or Lease	X	[ ]
Rules & Regulations	N/A	[ ]
Covenants and Restrictions	N/A	[ ]
Ground Lease	N/A	[ ]
Management and Maintenance Contracts for More Than One Year	N/A	[ ]
Renewable Management Contracts	N/A	[ ]
Lease of Recreational and Other Facilities to be Used Exclusively by Unit Owners of Subject Condominium(s)	N/A	[ ]
Lease of Recreational and Other Facilities to be Used by Unit Owners with Other Condominiums	N/A	[ ]
Declaration of Servitude	N/A	[ ]
Sales Brochures	N/A	[ ]
Phase Development Description	N/A	[ ]
Form of Unit Lease if a Leasehold	N/A	[ ]
Description of Management for Single Management of Multiple Condominiums	N/A	[ ]
Conversion Inspection Report	N/A	[ ]
Plot Plan	X	[ ]
Floor Plan	X	[ ]
Survey of Land and Graphic Description of Improvements	X	[ ]
Frequently Asked Questions & Answers Sheet	X	[ ]
Financial Information	N/A	[ ]
State or Local Acceptance/Approval of Dock or Marina Facilities	N/A	[ ]
Evidence of Developer's Ownership, Leasehold or Contractual Interest in the Land upon which the Condominium is to be Developed	X	[ ]
Executed Escrow Agreement	X	[ ]
Other Documents (Insert Name of Document)	N/A	[ ]
Alternative Media Disclosure Statement	N/A	[ ]
Plans and Specifications	X	[ ]

**THE PURCHASE AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AGREEMENT BY THE BUYER AND RECEIPT BY THE BUYER OF ALL OF THE DOCUMENTS REQUIRED TO BE DELIVERED TO HIM OR HER BY THE DEVELOPER. THE AGREEMENT IS ALSO VOIDABLE BY THE BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE DOCUMENTS REQUIRED. BUYER'S RIGHT TO VOID THE PURCHASE AGREEMENT SHALL TERMINATE AT CLOSING.**

BUYER:

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT "A" TO PURCHASE AND SALE AGREEMENT**

**EXTRAS AND CREDITS**

The Seller shall provide the following additional parking space and/or storage space and/or other extras for and in consideration of the amounts noted below:

Item	Price

The Buyer is entitled to the following credits as noted:

Item	Price

Buyer acknowledges and agrees that if the Seller is unable or unwilling to provide any or all of the extras that the Buyer may have contracted for, that the Buyer's sole remedy shall be the return of the monies paid on account of the items.

Total Extras	\$ _____
Total Credits	\$ _____
Net Extras/Credits	\$ _____

All net charges must be paid in advance. Net credits will be refunded on the closing statement.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**BUYER:**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

**SELLER:**

**ZAHRADA I, LLC,**  
**a Florida limited liability company**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
As Its: \_\_\_\_\_

# EXHIBIT "B" TO PURCHASE AND SALE AGREEMENT

You're already familiar with the miles-per-gallon stickers on new automobiles, and the yellow EnergyGuide labels on home appliances. Shoppers use this information to figure out how much that car or appliance is really going to cost them. This information gives the buyer a good estimate of what it will cost to operate that car or use that appliance, over and above the purchase price. A car or product that is cheaper to buy can often be more expensive to operate, so this information can be very important to assure that you make the best purchase decision.

## Here's how the Florida EnergyGauge program works.

After the rating, you'll get an easy-to-read form like the one on the inside page. The Rating Guide has a scale that allows you to compare the specific home you're looking at with the most efficient and the least-efficient homes of the same size with the same number of bedrooms available in your part of the state today. And in addition to this overall estimate of energy use and comparisons, you get a detailed breakdown on the energy costs of the home's air-conditioning, space heating, water heating, refrigeration, clothes dryer, cooking costs, lighting, pool pumping and other miscellaneous equipment.

One of the keys to the success of this program is the uniformity of ratings, made possible by the use of the EnergyGauge™ software developed by the Florida Solar Energy Center. It has been specially designed to let Buyers input the key data on the home and obtain accurate information for comparison purposes. A unique optimization feature even lets Buyers determine what energy-efficiency

features can be added to the home to maximize cost-savings and comfort-improvement. So how can a home energy rating help you reduce your energy use and save money?

That's easy. While the design and construction of your home and the efficiency of its appliances and equipment control the most significant portion of its energy use, occupant life-style will still have a big effect on exactly how much energy gets used. Your comfort preferences and personal habits - the level at which you set the thermostat, whether or not you turn off lights and fans when leaving a room, how much natural ventilation you use, and other factors - all will affect your home's actual monthly energy use.

## The Ratings program in Florida closely parallels national activities.

The U.S. Department of Energy has been working to set national standards for Home Energy Rating Systems, and Florida's system surpasses these standards. The Florida Building Energy Rating Guide provides a HERS score for the home. This national score enables homes to qualify for national mortgage financing options requiring a HERS score. This score is computed in accordance with proposed national guidelines, considering the heating, cooling, and hot water energy uses. HERS awards stars to the rating.

Tell your Realtor or builder that you want to get the home rated before you buy it.

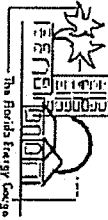
They can give you the names of Buyers in your area. Additional information on the Program is available from the Energy Gauge Program Office at 321-638-1492, or visit our website at [www.fsec.ucf.edu](http://www.fsec.ucf.edu).

## Who does Energy Ratings?

It is important to note that only State Certified Buyers are allowed to perform ratings. These Buyers have undergone rigorous training programs and have passed the required challenge exams. They are also required to undergo continuing education classes and further exams to keep their certifications current. An ongoing quality control program also watches over their ratings and their work. All their ratings are submitted to a central Registry that checks them for accuracy and completes generic building data.

## Energy Ratings in Florida

The Florida Building Energy-Efficiency Rating Act (Florida Statute 553.690) was passed by the State Legislature in 1993 and amended in 1994. It established a voluntary statewide energy-efficiency rating system for homes. The Rating System has been adopted by DCA Rule 98.60.



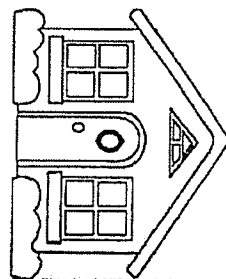
The Florida Energy Gauge Program  
Florida's Building Energy Rating System  
1679 Clearlake Road  
Cocoa, Florida 32923-5703

321-638-1492  
Fax: 321-638-1010  
E-Mail: [EnergyGauge@fsec.ucf.edu](mailto:EnergyGauge@fsec.ucf.edu)  
Website: [www.fsec.ucf.edu](http://www.fsec.ucf.edu)

FSEC-EB-1

F-1-02

## Thinking About Buying a Home?



### Get An EnergyGauge® Rating!

Consider the Benefits:

- More Home for Less Money
- Improved Mortgage Options
- Enhanced Indoor Comfort
- Superior Energy-Efficiency
- More Environmental Sustainability
- Tested Quality Construction
- Greater Resale Value

## EXHIBIT 5 TO PROSPECTUS OFFERING

### ESCROW AGREEMENT

THIS AGREEMENT is made as of the 4 day of December, 2018, by and between NORTON, HAMMERSLEY, LOPEZ & SKOKOS, P.A. ("Escrow Agent"), having an office at 1819 Main Street, Suite 610, Sarasota, Florida 34236, Attn: Sam Norton and ZHRADA I, LLC, a Florida limited liability company ("Developer"), having an office at 1819 Main Street, Suite 610, Sarasota, Florida 34236.

#### WITNESSETH

A. Developer proposes to construct and develop a condominium in Sarasota County, Florida, to be located at 1542 4<sup>th</sup> Street, Sarasota, Florida 34236, named ZHRADA I, A CONDOMINIUM (hereafter the "Condominium").

B. Developer intends to enter into contracts for the sale and purchase of units in the Condominium (each of which is hereinafter called a "Contract").

C. Developer desires to make arrangements to escrow deposits on each Contract in accordance herewith and with the provisions of Section 718.202, Florida Statutes.

D. Escrow Agent has consented to hold all deposits it receives pursuant to the terms and provisions hereof.

**NOW, THEREFORE**, Escrow Agent and Developer hereby agree as follows:

1. From time to time, Developer will deliver checks payable to or endorsed to Escrow Agent which will represent deposits on Contracts, together with a copy of each executed Contract and a "Notice of Escrow Deposit" in the form attached hereto. Escrow Agent shall acknowledge receipt of the deposit upon the form attached and deliver an executed copy of same to Developer, and to the individual unit purchaser upon request.

2. Escrow Agent shall disburse the purchasers deposit(s), escrowed hereunder, and any interest earned thereon, in accordance with the following:

- (a) To the purchaser, within seven (7) business days after receipt of Developer's written certification that the purchaser has properly terminated his contract.
- (b) To Developer, within seven (7) business days after the receipt of Developer's written certification that the purchasers contract has been terminated by reason of said purchasers failure to cure a default in performance of purchasers obligations thereunder.
- (c) To Developer (as to that portion of the deposits equal to no more than 10% of the applicable purchase price) within seven (7) business days after receipt of the Developer's written certification, together with documented evidence, that the Director of the Division of Florida Condominiums, Timeshares and Mobile Homes has accepted "other assurances" in accordance with Section 718.202 (1) of the Florida



Condominium Act in lieu of requiring that such portion of the deposits be held in escrow pursuant to this Agreement. As of this date, the Director has not been requested to accept "alternative assurance", and, accordingly has not accepted any such "alternative assurances".

- (d) To Developer (as to that portion of the deposits in excess of 10% of the applicable purchase price) within seven (7) business after receipt of the Developers written certification that construction of the improvements of the Condominium has begun, that the Developer will use such funds in the actual construction and development of the Condominium property and that no part of these funds will be used for salaries or commissions, or for expenses of salesmen or for advertising purposes. Escrow Agent shall not, however, be responsible to assure that such funds are so employed and shall be entitled to rely solely on such certification.
- (e) If the deposit of a purchaser has not been previously disbursed in accordance with the provisions of subparagraphs 2(a), 2(b), 2(c) or 2(d) above, the same shall be disbursed immediately to Developer or its designees upon receipt from Developer of a closing statement or other verification signed by the purchaser, or his attorney or authorized agent, reflecting that the transaction for sale and purchase of the subject condominium unit has been closed and consummated; provided, however, that no disbursement shall be made if prior to the disbursement, Escrow Agent receives from purchaser written notice of a dispute between the purchaser and Developer until such dispute is settled as evidenced by written notice from both purchaser and Developer or by an order of a court of competent jurisdiction.
- (f) Escrow Agent shall at any time make distribution of the purchasers deposit and interest earned thereon upon written direction duly executed by Developer and purchaser.

No disbursement need be made by Escrow Agent until sums necessary to make such disbursement have actually and finally cleared Escrow Agents account.

3. Escrow Agent shall, at Developers discretion, invest the deposits received hereunder in savings or time deposits in institutions insured by any agency of the United States or in securities of the United States and/or any agency thereof, and/or in such other lawful manner as the Developer shall direct, provided title thereto shall always evidence the escrow relationship. Escrow Agent assumes no liability or responsibility for any loss of funds which may result from the failure of any institution in which Developer directs that such savings or time deposits be invested nor any loss or impairment of funds deposited in escrow in the course of collection or while on deposit with a trust company, bank, or savings association resulting from failure, insolvency or suspension of such institution, or the fact that such funds exceed the maximum amount insured by the FDIC.

4. Escrow Agent may act in reliance upon any writing, instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statements or assertions contained in such writing or instrument and may assume that any person purporting to give any writing, notice, advice or instruction

in connection with the provisions hereof has been duly authorized to do so. Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any written instructions delivered to it, nor as to the identity, authority, or rights of any person executing the same. The duties of Escrow Agent shall be limited to the safekeeping of the deposits and the disbursement of same in accordance with the written instructions described above. Escrow Agent undertakes to perform only such duties as are expressly set forth herein, and no implied duties or obligations shall be read into this Agreement against Escrow Agent. Upon Escrow Agent disbursing the deposit of a purchaser in accordance with the provisions hereof, the escrow shall terminate with respect to said purchaser's deposit, and Escrow Agent shall thereupon be released of all liability hereunder in connection therewith.

5. Escrow Agent may consult with counsel of its own choice and shall have full and complete authority and protection for any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. Escrow Agent shall not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its intentional misconduct or gross negligence, and Developer agrees to indemnify and hold Escrow Agent harmless from and against any claims, demands, causes of action, liabilities, damages, judgments, including the cost of defending any action against it together with any reasonable attorneys' fees incurred therewith, in connection with Escrow Agent's undertaking pursuant to the terms and conditions of this Escrow Agreement, unless such action or omission is a result of the intentional misconduct or gross negligence of Escrow Agent.

6. In the event of a good faith disagreement about the interpretation of this Agreement, or about the rights and obligations, or the propriety, of any action contemplated by Escrow Agent hereunder, Escrow Agent may, at its sole discretion, file an action in interpleader to resolve said disagreement. Escrow Agent shall be indemnified by Developer for all costs, including reasonable attorneys' fees, in connection with the aforesaid interpleader action.

7. Escrow Agent may resign at any time upon the giving of thirty (30) days' written notice to Developer. If a successor to Escrow Agent is not appointed within thirty (30) days after notice of resignation, Escrow Agent may petition any court of competent jurisdiction to name a successor escrow agent and Escrow Agent shall be fully released from all liability under this Agreement to any and all parties, upon the transfer of the escrow deposit to the successor escrow agent either designated by Developer or appointed by the Court. The successor escrow agent must be authorized to act as such by the Florida Condominium Act.

8. Developer shall have the right to replace Escrow Agent upon thirty (30) days' written notice with a successor escrow agent named by Developer. In such event, Escrow Agent shall turn over to the successor escrow agent all funds, documents, records and properties deposited with Escrow Agent in connection herewith and thereafter shall have no further liability hereunder. The successor or other escrow agent must be authorized to act as such by the Florida Condominium Act.

9. This Agreement shall be construed and enforced according to the laws of the State of Florida and this Agreement may be made a part, in its entirety, of any prospectus, offering circular or binder of documents distributed to purchasers or prospective purchasers of condominium units in the Condominium.

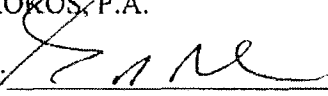
10. This Escrow Agreement shall be expressly incorporated by reference in all Contracts between Developer and purchasers.

11. As used in this Escrow Agreement, interest will be deemed earned on a specific deposit at the rate which is the average for all deposits held hereunder over the period the specific deposit is held.


12. This Agreement represents the entire agreement between the parties with respect to the subject matter hereof and shall be binding upon the parties, their respective successors and assigns.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the day and year first above written.

NORTON, HAMMERSLEY, LOPEZ &  
SKOKOS, P.A.

By:   
Print Name: Sam D. Norton  
As Its: President

ZAHRADA I, LLC, a Florida limited  
liability company

By:   
Print Name: John M. Dunn  
As Its: Mgt

**NOTICE OF ESCROW DEPOSIT  
ZAHRADA I, A CONDOMINIUM**

Date: \_\_\_\_\_

NORTON, HAMMERSLEY, LOPEZ & SKOKOS, P.A.  
1819 Main Street  
Suite 610  
Sarasota, Florida 34236  
Attn: Sam Norton

Re: Purchase of Unit No. \_\_\_\_\_ in ZAHRADA I, A CONDOMINIUM

Gentlemen:

The purchasers named below have entered into an Agreement to acquire the above-referenced Condominium Unit and we deliver herewith a deposit of \$ \_\_\_\_\_ in accordance with the Agreement.

Purchasers' Names: \_\_\_\_\_  
Purchasers' Address: \_\_\_\_\_  
Purchasers' Social Security Numbers: \_\_\_\_\_

**RECEIPT**

Receipt is acknowledged of the above deposit, subject to clearance of said funds, if a check.

NORTON, HAMMERSLEY,  
LOPEZ & SKOKOS, P.A.

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT 6 TO PROSPECTUS OFFERING**

**FORM DEED**

**SPECIAL WARRANTY DEED**

This Special Warranty Deed, made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between **ZAHRADA I, LLC, a Florida limited liability company**, as "GRANTOR," of the County of Sarasota, and the State of Florida, and \_\_\_\_\_, as "GRANTEE," whose post office address is \_\_\_\_\_.

**W I T N E S S E T H :**

THAT the Grantor, for and in consideration of the sum of Ten and no/100 Dollars (\$10.00) and other good and valuable considerations, to it in hand paid by Grantee, the receipt whereof is hereby acknowledged, hereby grants, bargains and sells to the Grantee, their heirs, successors and assigns forever, the following described real property, located and situate in the County of Sarasota, State of Florida, to wit:

Unit \_\_\_\_\_, Zahrada I, a Condominium, according to the Declaration of Condominium recorded in Official Records Instrument Number \_\_\_\_\_, and any amendments thereafter, as per plat thereof recorded in Condominium Book \_\_\_\_\_, Page \_\_\_\_\_ all of the Public Records of Sarasota County, Florida.

The Data Processing Number of the above described real property is \_\_\_\_\_.

This conveyance is subject to the following:

1. Real estate taxes for the current year, and subsequent years.
2. Conditions, restrictions, limitations, covenants and easements of record.
3. The Declaration of Condominium and the Exhibits attached thereto of ZAHRADA I, A CONDOMINIUM, as amended.
4. Zoning and other governmental regulations.

Grantor hereby covenants with Grantee that Grantor is lawfully seized of the property in fee simple; that Grantor has good right and lawful authority to sell and convey the property; that Grantor hereby fully warrants the title to the property and will defend the title against the lawful claims of all persons claiming by, through or under Grantor.

IN WITNESS WHEREOF, the Grantor has caused this Special Warranty Deed to be executed the day and year first above written.

WITNESSES:

**ZAHRADA I, LLC, a Florida limited liability company**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

As Its: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

“GRANTOR”

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, as the \_\_\_\_\_ of ZAHRADA I, LLC, a Florida, limited liability company, for and on behalf of said corporation.

\_\_\_\_\_  
Notary Public

Print Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

Personally Known \_\_\_(OR) Produced Identification \_\_\_  
Type of identification produced \_\_\_\_\_

**EXHIBIT 7 TO PROSPECTUS OFFERING**

**CERTIFICATE OF DEVELOPER'S INTEREST IN LAND**

The Developer, Zahrada I, LLC, a Florida limited liability company, has acquired fee ownership of the land described on Exhibit "A," attached hereto and incorporated herein by this reference, which the Condominium, Zahrada I, is to be developed.

As the attorney for the Developer, I have read the foregoing statement, and do certify that, to the best of my knowledge and belief, the above statement accurately describes the Developer's interest in the land.

NORTON, HAMMERSLEY, LOPEZ & SKOKOS, P.A.

By: 

Print Name:

Sam D. Norton

As Its:

President

**EXHIBIT "A"**

LOTS 11, 13 AND 15, BLOCK 19, PLAT OF THE TOWN OF SARASOTA, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 1, PAGE 21, OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA, AND ALSO RECORDED IN PLAT BOOK A, PAGES 29 AND 30, OF THE PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA.