

This instrument prepared by and return to:
Chad M. McClenathen, Esq.
1820 Ringling Boulevard
Sarasota, FL 34236

RECORDED IN OFFICIAL RECORDS
INSTRUMENT # 2004038078 43 PGS
2004 MAR 02 02:37 PM
KAREN E. RUSHING
CLERK OF THE CIRCUIT COURT
SARASOTA COUNTY, FLORIDA
FMILLER Receipt#442152



**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
PINESTONE AT PALMER RANCH**

WHEREAS, the original Declaration of Covenants, Conditions and Restrictions for Pinestone at Palmer Ranch was recorded at Official Records Book 2786, Page 1257, et seq. Public Records of Sarasota County, Florida, and

WHEREAS, said Declaration was amended from time to time by instruments recorded in the Public Records of Sarasota County, Florida, and

WHEREAS, not less than a majority of the entire membership of the Board of Directors of the Association proposed and approved additional amendments, and this Amended and Restated Declaration, at a duly noticed and convened Board meeting held on October 9, 2003, 2003, and

WHEREAS, this Amended and Restated Declaration, including a number of new amendments, was approved by not less than two-thirds (2/3rds) of the voting interests of the membership of the Association at a duly noticed and convened membership meeting held on December 11, 2003.

NOW THEREFORE, Pinestone at Palmer Ranch Association, Inc. does hereby amend and restate the Declaration of Covenants, Conditions and Restrictions for Pinestone at Palmer Ranch for the purpose of integrating all of the provisions of the Declaration, together with previously recorded amendments, and recently adopted amendments, and does hereby resubmit the lands described herein to the terms, covenants, conditions, easements and restrictions hereof which shall be covenants running with the property and binding on all existing and future owners, and all others having an interest in, occupying, or using the property.

**ARTICLE I
DEFINITIONS**

Section 1.1 "Architectural Review Committee" means the committee of the Neighborhood Association responsible for performing the architectural review and approval functions set forth in this Declaration

Section 1.2 "Architectural Standards" means the architectural guidelines and procedures adopted by the Architectural Review Committee and applicable to all Units within the Properties.

Section 1.3 "Area of Common Responsibility" means the Common Areas, together with those areas; including; but not limited to the Condominium(s) which by the terms of this Declaration, other applicable covenants, or by contract become the responsibility of the Neighborhood Association.

Section 1.4 "Base Assessment" means the assessments levied on all Units subject to assessment to fund the Common Expenses for the general benefit of all Units.

Section 1.5 "Board of Directors or "Board" means the body responsible for administration of the Neighborhood Association.

Section 1.6 "Common Areas" means all real and personal property within Pinestone at Palmer Ranch declared under the original recorded Neighborhood Declaration, or this Amended and Restated Neighborhood Declaration, to be the "Common Areas", or on any recorded subdivision plat of the Properties and improvements thereto or shown on any Declaration of Condominium, if any, which are designated for the use and enjoyment of all Members of the Neighborhood Association, or which are otherwise dedicated, conveyed, leased or for which a license or use right is granted to the Neighborhood Association and which are intended to be devoted to the common use and enjoyment of some or all of the Members of the Neighborhood Association, as more specifically provided herein. Each Common Area shall be designated, dedicated, conveyed, leased, licensed or have a use right granted to the Neighborhood Association at such time as is provided in the instrument that designates, dedicates, conveys, leases, licenses or grants a use right for such area of land to the Neighborhood Association. As used herein, "Common Areas" shall include, among other things, (i) all improvements and equipment located in or on the Common Areas, including, without limitation, private roadways, signage, gatehouses, gazebos, entry features, swales and berms, structures, street lights, pedestrian paths and irrigation systems; (ii) any lakes, retention areas or other water bodies within the Common Areas, including subsurface drainage systems; (iii) special grading, landscaping, lighting or improvements of common benefit to Pinestone at Palmer Ranch located near, but not within, the land constituting the Common Areas; and (iv) any pools, recreation facilities, clubhouse, boardwalks, and parking facilities designated as Common Areas in this Declaration.

Section 1.7 "Common Expenses" means all expenses incurred by the Neighborhood Association in connection with its ownership, maintenance and other obligations set forth herein.

Section 1.8 "Condominium" means any portions of Pinestone at Palmer Ranch declared to be a Condominium. There are twenty-six Condominiums known as Pinestone at Palmer Ranch No. 1 through 26, inclusive. Each Condominium is set aside for the exclusive use and enjoyment of the Owners (as defined herein) and occupants of said Condominium, to the exclusion of others by this Declaration and includes the Common Elements of a Condominium.

Section 1.9 "Condominium Association" means Pinestone at Palmer Ranch Association, Inc., its successors and assigns.

Section 1.10 "Exclusive Common Areas" means any portion of the Common Areas, which is set aside for the exclusive use, and enjoyment of certain Members and their families, tenants, and guests, to the exclusion of other Members, by this Declaration.

Section 1.11 "Member" means a Person entitled to membership in the Neighborhood Association as provided in Section 3.1.

Section 1.12 "Neighborhood Association" means Pinestone at Palmer Ranch Association, Inc., a Florida not-for-profit corporation, its successors and assigns.

Section 1.13 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.

Section 1.14 "Owner" means a record holder of fee simple title to any Unit located within the Properties, but excluding those having an interest in a Unit merely as security for the performance of an obligation.

Section 1.15 "Person" means a natural person, a corporation, a partnership, a trustee, or any other legal entity.

Section 1.16 "Pinestone at Palmer Ranch" means the Properties, and additions thereto, as are now or hereafter made subject to this Declaration.

Section 1.17 Single Family residential use shall mean occupancy by a single housekeeping unit composed of (1) one person; (2) two or more natural persons who commonly reside together as a single housekeeping unit, each of whom is related by blood, marriage, legal adoption or acting as guardian, legal custodian, or legal designee of a parent for a minor child residing within the Unit; or (3) two or more natural persons meeting the requirements of (2) above, except that there is among them one person who is not related to some or all of the others, it being the intention of this provision to prohibit occupancy of a Unit by three (3) or more unrelated adults while clarifying that nothing herein shall be applied or construed to permit discrimination based upon familial status, handicap, or other protected classifications under Fair Housing Laws.

Section 1.18 "Special Assessments" means the special assessments levied in accordance with this Declaration.

Section 1.19 "Specific Assessment" means the specific assessments levied in accordance with this Declaration.

Section 1.20 "Street" means any street, highway or other thoroughfare constructed within Pinestone at Palmer Ranch, whether same is designated as street, avenue, boulevard, drive, place, court, road, terrace, way, circle, lane, walk or other similar designation.

Section 1.21 "The Properties" means all real property which has become subject to this Declaration.

Section 1.22 "Unit" means a condominium unit, together with the undivided share of the common elements which is appurtenant to the Unit.

ARTICLE II PROPERTY RIGHTS

Section 2.1 Common Areas. The Common Areas, excluding the portions thereof designated as Exclusive Common Areas, are hereby dedicated to the joint and several non-exclusive use in common of the Members in the manner specified in this Declaration and all Members' respective permitted lessees, guests, families, and invitees, all as provided and regulated in this Declaration or otherwise by the Neighborhood Association. Every Member shall have a right and non-exclusive easement of use, access and enjoyment in and to the Common Areas, excluding the portions thereof designated as Exclusive Common Areas, subject to:

- (a) This Declaration, the Bylaws of the Neighborhood Association and any other applicable covenants;
- (b) Any restriction or limitations contained in any deed conveying such property to the Neighborhood Association; and
- (c) The rights of the Neighborhood Association pursuant to Section 4.3 hereof.

Any Member may extend his or her right of use and enjoyment to the members of his or her family, lessees, and invitees, subject to reasonable Board regulation. A Member who leases his or her Unit shall be deemed to have assigned all such rights to the lessee of such Unit.

Section 2.2 Exclusive Common Areas. Certain portions of the Common Areas are or may be designated as Exclusive Common Areas reserved for the exclusive use or benefit of certain Members.

- (a) Parking. All numbered carport parking spaces located upon the Properties shall be deemed Exclusive Common Areas. The Declarant upon the conveyance of each Unit assigned to each Unit the exclusive right of use and benefit for a numbered carport parking space. Such assignments were in writing but were not recorded in the public records. Notwithstanding any provision to the contrary, the

Neighborhood Association reserves the right to assign and re-assign the carport parking spaces to such Members as the Neighborhood Association determines such carport parking spaces should be assigned to in its sole and absolute discretion.

Section 2.3 Condominiums. Certain portions of the Properties shall contain Condominiums and said portions of the Properties shall be reserved for the exclusive use and benefit of the Owners of Units in said Condominium. No amendment shall be made which would materially adversely affect the rights of a specific Condominium without the unanimous consent of all owners of Units within the Condominium, and the mortgagees of Units in such Condominium, if such mortgagee's lien encumbers said Condominium or any portion thereof.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 3.1 Membership.

(a) Every Owner shall be a Member of the Neighborhood Association. Membership is mandatory and automatic with ownership of a Unit and shall be appurtenant to and may not be separated from ownership of a Unit which is subject to assessment by the Neighborhood Association. Notwithstanding the foregoing, any such person or entity who merely holds record ownership as security for the performance of an obligation shall not be a Member of the Neighborhood Association.

(b) Members, rights, powers, duties, and privileges shall be as set forth in this Declaration and the Articles of Incorporation and Bylaws of the Neighborhood Association. A copy of the Amended and Restated Articles of Incorporation of the Neighborhood Association is attached hereto as Exhibit "A" and a copy of the Amended and Restated Bylaws is attached hereto as Exhibit "B".

Section 3.2 Voting Rights. Each Unit shall have one vote which may be cast as provided in the Bylaws.

Section 3.3 Condominium. Any Condominium may request that the Neighborhood Association provide a higher level of service or special services for the benefit of Units in such Condominium and upon the affirmative vote, written consent, or a combination thereof, of the Owner(s) of a majority of the Units within the Condominium, the Neighborhood Association may provide the requested services, upon Board approval of the request. The cost of such services shall be assessed to the Units within such Condominium and as a Condominium Assessment.

ARTICLE IV NEIGHBORHOOD ASSOCIATION'S RIGHTS AND POWERS

Section 4.1 Function of the Neighborhood Association Generally. The Neighborhood Association shall be the entity responsible for management, maintenance, operation and control of the Common Areas. The Neighborhood Association shall be the primary entity responsible for enforcement of this Declaration and such reasonable rules regulating use of the Properties as the Board may adopt. The Neighborhood Association shall also be responsible for administering and enforcing the architectural standards and controls set forth in this Declaration and in the Architectural Standards. The Neighborhood Association shall perform its functions in accordance with this Declaration, the Bylaws, the Articles of Incorporation and Florida law.

Section 4.2 Maintenance, Operation and Repair of the Area of Common Responsibilities.

The Neighborhood Association shall be responsible for maintenance, operation and repair of the following, regardless of whether the following are Common Areas:

- (a) Such security systems, if any, and facilities, if any, and signage areas, if any, which shall be operated and maintained for the benefit of the Members or for the benefit of a Condominium (s) within The Properties;
- (b) All bike paths, promenades, sidewalks, walkways, streets and crossovers within any portion of the Properties which are not publicly dedicated;
- (c) The surface and subsurface water and stormwater management systems;
- (d) The areas, if any, in which entrance signs are placed identifying the Properties and the entrance signs located in such areas;
- (e) Any Common Areas or other areas conveyed, dedicated, or leased to or used by the Neighborhood Association, including any improvements on such Common Areas;
- (f) The landscaping throughout the Properties whether or not (i) all or any part of the landscaped areas have been conveyed to an owner, (ii) such landscaped areas are part of the Common Areas, or (iii) such landscaped areas as part of the Condominium(s). The aforescribed property shall be maintained and operated in a first class condition. The landscaping throughout the Properties is being maintained by the Neighborhood Association so that the grounds are consistently maintained;
- (g) Property not owned by the Neighborhood Association and/or subject to this Declaration, when the Board has determined that such maintenance would benefit all Owners; and
- (h) The Exclusive Common Areas.

Section 4.3 Management of Neighborhood Association Property and Common Areas.

The Neighborhood Association's authority to manage Neighborhood Association Property and Common Areas, shall include:

- (a) The right to establish rules and regulations governing the use of the Neighborhood Association Property, Common Areas, and Exclusive Common Areas;
- (b) The right to charge reasonable admission and other fees or assessments for the use of Neighborhood Association Property and Common Areas;
- (c) The right to suspend a Member's right to use Neighborhood Association Property and Common Areas for any period during which any assessments against the Member's Unit or any obligation of the Member to the Neighborhood Association remains unpaid, and for a reasonable period during or after any infraction of the Neighborhood Association's rules and regulations;
- (d) The right to dedicate or transfer all or any part of Neighborhood Association Property and Common Areas to any governmental agency, public authority, or utility;
- (e) The right to borrow money for the purpose of improving Neighborhood Association Property and Common Areas or property which is to be publicly dedicated but required to be upgraded or maintained by any local, state or federal government agency, and in aid thereof to mortgage the same;
- (f) The right to take such steps as are reasonably necessary to protect The Properties and Common Areas against foreclosure;
- (g) Subject to the limitations contained in this Declaration, the right to grant easements to all or any part of the Properties covered by this Declaration and Common Areas;

(h) The right and obligation to establish a budget for its fiscal operations and to establish the assessments needed for such fiscal year;

(i) The right to enforce the provisions of this Declaration or any other applicable recorded instrument adopted by the Neighborhood Association, including the Articles of Incorporation and Bylaws of the Neighborhood Association, and any rules and regulations governing use and enjoyment of Neighborhood Association Property and Common Areas, adopted by the Neighborhood Association;

(j) The right to enter into contracts for the maintenance of the landscaped areas and roadways which are part of the Properties and Common Areas; and

(k) The right to enter into a management agreement with a licensed community association manager, for purposes of retaining the manager to perform all management bookkeeping, and administrative services for the Neighborhood Association.

(l) The protection, maintenance, repair, insurance, and replacement of the Association Property is the responsibility of the Association and the cost is a common expense. Beyond this function, the Association shall make no material alteration of, nor substantial additions to the Association Property, including the Common Areas, costing more than fifteen (15%) percent of the annual overall operating budget of the Association, including reserves, in the aggregate in any calendar year without prior approval of at least a majority of the voting interests of the Association. Alterations or additions costing less than this amount may be made with Board approval. If work reasonably necessary to protect, maintain, repair, or replace the Association Property also constitutes a material alteration or substantial addition, no prior membership approval is required.

Section 4.4 Maintenance of Condominiums.

The Neighborhood Association shall have the right to maintain the landscaped area in each Condominium, notwithstanding that such area is solely for the use and benefit of Owners of Units within such Condominium.

Section 4.5 Insurance.

(a) The Neighborhood Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Common Areas, Common Elements, Limited Common Elements and the Condominium Units for the full replacement or insurable value thereof. Notwithstanding the foregoing requirement, the Association, through its Board of Directors, will have fulfilled its duty to obtain insurance coverage if it obtains and maintains such insurance coverage as may be available from time to time given market and economic conditions, provided such coverage shall always meet the minimum level of adequate coverage on the Condominiums as required by Section 718.111(11), Florida Statutes. The named insured shall be the Association individually and as an agent for the Unit Owners covered by the policy without naming them and their mortgages to the extent of their respective interests. Unit Owners may obtain insurance coverage at their own expense upon their personal property and for their personal liability. The above insurance provision specifically does not include coverage on personal property, coverage for floor coverings, wall coverings and ceiling coverings of each Condominium Unit, or for personal liability or living expenses of Unit Owners. Each Unit Owner shall obtain insurance coverage at his or her own expense to protect the Condominium Unit, furnishings, including floor coverings, wall coverings or ceiling coverings, window treatments, including hardware, furniture, personal property, personal liability, and living expenses and all electrical fixtures, appliances, air conditioner, heating equipment, water heater, water filters and built-in cabinets all cabinets and countertops located within the Condominium Unit. The Owners shall also be responsible to insure any portion of the Condominium Property which may be removed from Association insurance responsibilities by virtue of future amendments to Section 718.111(11), Florida Statutes. Each Unit Owner shall carry homeowner's insurance, with endorsements for leakage, seepage and wind-driven rain, additions and alterations, and loss assessment protection, or recognize that he or she bears financial responsibility for any damage to his or her property and liability to others that would otherwise be covered by such insurance. The insurance coverage acquired by the

Association does not protect a Unit Owner against liability, personal injury, or damage occurring within the Condominium Unit; it does not cover loss or damage to the Unit and its contents resulting from fire, theft, loss, vandalism, wind, water, rain, hurricanes or other casualty, and does not include floor coverings, wall coverings, ceiling coverings, living expenses and all electrical fixtures, appliances, air conditioning, heating equipment, water heater, and built-in cabinets located within the Condominium Unit. It shall be the obligation of the individual Unit Owner to purchase and pay for any insurance covering such risks.

(b) Coverage.

(i) Casualty insurance coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the improvements in Pinestone.

(ii) Public liability coverage in such amounts and with such coverage as shall be required by the Board of Directors of the Association.

(iii) Workers' compensation coverage to meet legal requirements.

(iv) Flood insurance coverage to meet legal requirements.

(v) Fidelity Bonds. The Association shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the Association in accordance with the requirements prescribed by the Condominium Act.

(vi) Such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable including but not limited to errors and omissions officers and directors liability insurance coverage, and insurance for the benefit of its employees.

(c) Premiums. Premiums upon such insurance policies purchased by the Association shall be a Common Expense. If any policy of insurance is canceled, the Association shall give notice to each mortgagee listed in the roster of mortgagees.

(d) Shares of proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association. The duty of the Association shall be to receive the insurance proceeds and other funds that are paid to it and hold the same in trust for the purposes stated herein and for the benefit of the Unit Owners and their mortgagees in the following shares:

(i) Unit Owners. An undivided share for each Unit Owner, that share being the same as the undivided share in the Common Elements appurtenant to the Condominium Unit.

(ii) Mortgagees. In the event a mortgagee endorsement of an insurance policy has been issued as to a Condominium Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear. Any Institutional Mortgagee or person holding a mortgage on a Condominium Unit shall be entitled to request and receive a mortgagee endorsement to the hazard insurance carried by the Association if such mortgagee endorsement is reasonably available, and a copy of the policy. No mortgagee shall have any right to participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of proceeds made to the Unit Owner and mortgagee, which distributions shall be made by check payable jointly to the Unit Owner and mortgagee.

(e) Distribution of proceeds. Proceeds of insurance policies shall be distributed to or for the benefit of the beneficial owners in the manner hereafter provided.

(f) Association as agent. The Association is irrevocably appointed agent for each Condominium Unit Owner and for each holder of a mortgage or other lien upon a Condominium 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.

(g) Determination whether to reconstruct and repair. Whether or not Condominium Property damaged by casualty shall be reconstructed and repaired shall be determined as to each condominium separately in the following manner:

(i) Lesser Damage. If two-thirds (2/3) or more of the Condominium Units in a Condominium are tenantable after the casualty (as determined by the Board of Directors of the Association), the damaged Condominium Property shall be reconstructed and repaired.

(ii) Major Damage. If less than two-thirds (2/3) of the Condominium Units in a Condominium are tenantable after the casualty (as determined by the Board of Directors of the Association), whether the damaged property will be reconstructed and repaired or the Condominium terminated shall be determined at a meeting of Unit Owners which shall be held within sixty (60) days from the casualty. Notice of such meeting shall be properly given to all such Unit Owners, and a majority of the voting interests shall constitute a quorum for such meeting. The damaged Condominium Property will be reconstructed and repaired unless not less than eighty percent of all the Unit Owners in the Condominium vote to not reconstruct and repair, in which event the Condominium shall be terminated in the manner provided in the Declaration of Condominium for the affected Condominium for termination by agreement, except that no further consent or vote of Unit Owners or mortgagees shall be required for such termination, it being conclusively presumed in such instance that the required number of Unit Owners and mortgagees have consented to such termination.

(iii) Binding Decision. The Board of Directors of the Association's decision as to whether or not less than two-thirds (2/3) of the Condominium Units are tenantable after a casualty shall be binding upon all Unit Owners.

(h) Responsibility for reconstruction and repair. The responsibility for reconstruction and repair after casualty shall be the same as for maintenance and repair of the Condominium Property as provided herein or in the Declaration of Condominium, as applicable.

(i) Plans and Specifications. Any reconstruction and repair must be substantially in accordance with the plans and specifications for the original improvements, or if not, then according to plans and specifications approved by the Board of Directors of the Association and two-thirds (2/3) of the Unit Owners in the affected Condominium.

(j) Assessments, determination of sufficiency of funds. If the proceeds of insurance are not sufficient to defray the costs of construction and repair for which the Association is responsible, assessments shall be made by the Association against all Unit Owners in the affected Condominium in sufficient amounts to provide funds for the payment of those costs previously incurred or to be incurred. The assessments shall be made as for a Common Expense of the affected Condominium, and as to Common Areas, a Common Expense of the Association payable by all its Members.

(k) Disbursement of Funds. The funds held after a casualty, which will consist of proceeds of insurance and the sums collected from assessments against Unit Owners on account of the casualty, shall be dispersed in the following manner and order:

(i) Termination of the Condominium. If the Condominium is terminated by vote of the Unit Owners, the insurance funds shall be remitted jointly to the Unit Owners and their mortgagees of the damaged Condominium Units to compensate them for the cost of reconstruction and repair. The Unit Owners and their mortgagees of the damaged Condominium Unit shall receive a share

equal to the estimated cost of reconstruction and repair of the damage in each Condominium Unit bears to the total of these cost in all damaged Condominium Units; provided, however, that no Unit Owner and his mortgagee shall be paid an amount in excess of the estimated cost of repair of his or her Condominium Unit. The remaining funds shall be owned by the Unit Owners and their mortgagees as their interests appear, in the undivided shares in which they own the Common Elements prior to the termination, and shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being made payable jointly to them.

(ii) Reconstruction and repair of damage. If the damaged property is to be reconstructed and repaired, the funds shall be dispersed in the following manner:

a. The funds shall be disbursed in the manner required by the Board of Directors of the Association, which shall supervise the work and approve all disbursements as being due and properly payable.

b. If there is a balance of insurable proceeds after payment of the cost of reconstruction and repair which are the responsibility of the Association, this balance shall be distributed to owners of damaged Condominium Units who have responsibility for reconstruction and repair of their Condominium Units. The distribution shall be in the shares that the estimated cost of reconstruction and repair of this damage in each damaged Condominium Unit bears to the total of these costs in all damaged Condominium Units; provide, however, that no Unit Owner shall be paid an amount in excess of the estimated cost of repair of his Condominium Unit. If there is a mortgage upon a Condominium Unit, the distribution shall be paid to the Unit Owner and the mortgagee jointly and they may use the proceeds as they may determine.

(l) Benefit of Mortgagees. The provisions in this section are for the benefit of mortgagees of Condominium Units as well as the Unit Owners, and may be enforced by any such mortgagee, and shall not be amended without the consent of all Institutional Mortgagees holding first mortgages on Condominium Units. Notwithstanding the foregoing, the Association shall not be responsible for its failure to make a payment jointly to the Unit Owners and the mortgagee if the mortgagee has not previously notified the Association in writing that it has a mortgage on a Condominium Unit.

(m) Policy Copies. A copy of each insurance policy in effect shall be available for inspection by the Unit Owners at reasonable times.

ARTICLE V MEMBERS' RIGHTS

Section 5.1 Members' Rights and Easements.

Subject to the terms and conditions of this Declaration, every Member shall have a right of enjoyment and use in and an easement to the Common Areas, which right and easement shall be appurtenant to and shall pass with the title to every Unit.

Section 5.2 Delegation of Right.

(a) A Member may delegate his right of use and easement to Common Areas to the members of his family, to residential tenants who reside on the Member's Unit, and to the Member's guests and invitees, but only to the extent and subject to conditions, limitations and restrictions as may be provided for in this Declaration, the Bylaws and in accordance with the Neighborhood Association's rules and regulations.

(b) Each Member shall be responsible for the actions of any Person to whom the Member has delegated his right of use to the Common Areas. Any unpaid charge against such Person shall be charged against such Member personally and be assessed against such Member's Unit. Any

infraction of the Neighborhood Association's rules and regulations by such Person shall be deemed to be an infraction by such Member.

ARTICLE VI ASSESSMENTS

Section 6.1 Creation of the Lien and Personal Obligation.

(a) The Neighborhood Association is hereby authorized to levy Assessments (as defined herein) against each Unit for Neighborhood Association Common Expenses as the Board may specifically authorize from time to time. There shall be the following three types of Assessments for Neighborhood Association Common Expenses:

- (1) Base Assessments to fund Common Expenses for the general benefit of all Units;
- (2) Special Assessments; and
- (3) Specific Assessments.

(b) Base Assessments, Special Assessments, and Specific Assessments shall collectively be referred to as "Assessments". Each Owner of any Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Neighborhood Association the Assessments attributable to that Unit. Assessments collected by or on behalf of the Association become the property of the Association; no Unit Owner has the right to claim, assign or transfer any interest therein except as an appurtenance to a Unit. No Owner has the right to withdraw or receive distribution of a share of the Common Surplus, except as otherwise provided herein or by law.

(1) The Assessments, together with interest, late charges, and costs of collection, including reasonable attorneys' fees shall be a continuing lien upon the Unit against which such Assessments are made.

(2) The Board shall from time to time establish a budget for its fiscal operations payable in monthly payments. The Board may provide that Special Assessments be payable in accordance with a schedule established by the Board. Each Unit shall be assessed an equal portion or share of all Base Assessments and Special Assessments imposed on the Properties. Such assessment shall be fixed, levied, established and collected as the Board may establish.

(3) Each Assessment, together with interest, late charges, and costs of collection, including reasonable attorneys' fees shall also be the personal obligation of the Person who was the owner of the Unit at the time such assessment fell due, and shall also be the personal obligation of each Person who becomes the Owner of the Unit. Each Owner, by acceptance of a deed for a Unit, is personally covenanting and agreeing to pay any such obligation falling due prior to or during the time of his ownership and such personal obligation shall survive any conveyance.

(4) Delinquent Assessments shall bear interest at the maximum rate allowed by law and if there is no specific maximum rate permitted by law then at the rate of eighteen percent per annum which shall be from the date when due until paid. The Association may impose a late payment fee, in addition to interest, as allowed by law. All payments upon account shall be first applied to interest, then to late payment fees and attorney's fees and costs, and then to the assessment payment first due, in such manner as determined by law. No payment by check is deemed received until the check has cleared. All interest and late charges collected shall be credited to the general expense account.

(5) The lien of Assessments shall be considered a restriction and servitude running with the land.

(6) The Neighborhood Association shall, upon request, furnish to any owner liable for any type of assessment a certificate in writing signed by an Neighborhood Association officer or the Neighborhood Association's designated agent setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment. The Neighborhood Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

Section 6.2 Lien.

(a) If any Assessment, or any installment thereof, is not paid within thirty (30) days following the due date, the Neighborhood Association may declare the entire Base or Special Assessment immediately due and payable. The Neighborhood Association may at any time thereafter record in the Public Records a Claim of Lien against the Unit for which the Assessment was due and bring an action to foreclose the lien in the manner provided in the Condominium Act. The Neighborhood Association may also bring an action at law against an Owner to pay his or her personal obligations to the Neighborhood Association.

(b) The Claim of Lien shall include a description of the property encumbered, the Owner's name, the amount then due and the date when due.

(c) No Owner may waive or otherwise escape liability for the payments provided for herein by nonuse or abandonment of the Unit.

Section 6.3 Priority and Extinguishment of the Lien.

(a) The lien herein created is specifically declared to be subordinate and inferior to the lien and operation of any first mortgage encumbering the Unit in question given by the Owner to an Institutional Mortgagee unless a Claim of Lien is recorded by the Neighborhood Association prior to said mortgage. For the purpose of this section, an "Institutional Mortgagee" shall be a bank, savings and loan association, insurance company, union pension fund or any agency of the United States government, or any Person given a mortgage insured by the Federal Housing Administration, the Veterans Administration, Federal National Mortgage Association, or any branch or agency of the United States government or the government of the State of Florida.

(b) An Owner, regardless of how its title has been acquired, including a purchaser at a judicial sale, is liable for all Assessments which come due while it is the Owner. Additionally, the grantee of an owner is jointly and severally liable with the grantor for all unpaid assessments against the owner for its share of the Common Expenses up to the time of transferred title, without prejudice to any right the grantee of such Owner may have to recover from the Owner any such assessments paid by such grantee. In the event an Owner acquires title to a Unit at a judicial sale pursuant to which the lien for Assessments created herein is foreclosed, the Assessments which became due prior to such Owner acquiring title to such Unit may be reallocated and assessed to all the of the Units in the Properties.

(c) The lien herein created is specifically declared to be superior to any lien created by any Condominium Declaration or imposed by any Condominium Association.

Section 6.4 Computation of Base Assessment. At least ninety (90) days before the beginning of each fiscal year, the Board shall prepare a budget covering its estimated Common Expenses during the coming year, including a capital contribution to establish a reserve fund. The Base Assessment shall be levied equally against all Units and shall be set at a level which is reasonably expected to produce total income for the Neighborhood Association equal to the total budgeted Common Expenses, including reserves. The Board shall send a copy of the budget and notice of the amount of the Base Assessment for the following year to each Owner at least sixty (60) days prior to the beginning of the fiscal year for which it is to be effective. Such budget and Base Assessment shall become effective unless disapproved at a meeting by Voting Members representing at least seventy-five percent (75%) of the total votes in the Neighborhood Association. If the proposed budget is disapproved, or the Board fails for any reason to

determine the budget for any year, then until such time as a budget is determined, the budget in effect for the immediately preceding year shall continue for the current year.

Section 6.5 Special Assessments. In addition to other authorized assessments, the Neighborhood Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Such Special Assessments may be levied against the entire membership, if such Special Assessment is for Common Expenses, or against the Units within any Condominium if such Special Assessment is for Condominium expenses. Except as otherwise specifically provided in this Declaration, any Special Assessment shall require the affirmative vote or written consent of the Members representing at least fifty-one percent (51%) of the total votes allocated to Units which will be subject to such Special Assessment. A Special Assessment shall be payable in such manner and at such time as is determined by the Board and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

Section 6.7 Specific Assessment. The Board shall have the power to levy Specific Assessments against a particular Unit or Units constituting less than all Units within the Properties or within a Condominium, as follows:

(a) To cover the costs, including overhead and administrative costs for providing benefits, items, maintenance or services to the Units entitled to use the Exclusive Common Areas;

(b) To cover the costs, including overhead and administrative costs, of providing benefits, items, maintenance or service to the unit or occupants thereof upon request of the owner pursuant to a menu of Special Services which the Board may from time to time authorize to be offered to Owners (which might include, without limitation, landscape maintenance, handyman service, pool cleaning, pest controls, etc.) which assessments may be levied in advance of the provisions of the requested benefit, item, maintenance or service as deposit against charges to be incurred by the Owner;

(c) To cover Costs incurred in bringing a Unit into compliance with the terms of this Declaration, the Articles, the Bylaws, or rules, or costs incurred as a consequence of the conduct of the Owner or occupants of a Unit, their licensees, invitees, or guests; provided the Board shall give the owner prior written notice and an opportunity for a hearing before levying a Specific Assessment under this subsection; and

(d) For the collection of any fines imposed pursuant to this Declaration or the Bylaws.

Section 6.8 Exempt Property. The following property shall be exempt from payment of all Assessments:

(a) All Common Areas, including the Exclusive Common Areas;

(b) Any property dedicated to and accepted by any governmental authority or public authorities; and

(c) Any property designated as a conservation easement.

ARTICLE VII ARCHITECTURAL STANDARDS

The Board shall have the authority and standing on the behalf of the Neighborhood Association, to enforce in courts of competent jurisdiction decisions of the Architectural Review Committee (the "Committee") , as established by this Article.

Section 7.1 The Architectural Review Committee. The Board shall appoint the Committee which shall consist of a maximum of three (3) persons. The Committee shall have exclusive jurisdiction

over all exterior painting, modifications, additions, landscaping, or alterations made on or to existing Units, Common Elements, Limited Common Elements, and Common Areas, pursuant to the Architectural Standards. Moreover, the Committee shall have the right to revise, amend and update the Architectural Standards by a majority vote of the Committee subject to the right of the Board of Directors to veto or otherwise modify the changes. Upon revising, amending or updating the Architectural Standards, the Committee shall provide notice of the changes to the Board.

Section 7.2 Architectural Standard. On behalf of the Board, the Committee shall prepare and promulgate architectural and design guidelines and review procedures entitled Architectural Standards for the control of the design and landscaping of all structures and other work within Pinestone at Palmer Ranch. All proposed construction, landscaping, modifications, additions and improvements by Owners, builders, and others who seek to engage in development, landscaping, or construction of or upon all or any portion of the Properties must be approved in writing by the Committee, and shall be in strict compliance with the Architectural Standards and this Article. Moreover, no painting of the exterior of a Unit by an Owner, no construction, which term shall include within its definition clearing, landscaping and other site work, and no plantings or removal of plants, trees, or shrubs shall take place except if approved in writing by the Committee and in strict compliance with the Architectural Standards and this Article.

Section 7.3 Variances. Pursuant to the Architectural Standards, the Committee upon a majority vote of the Committee has the right to grant variances from the Architectural Standards.

Section 7.4 No Waiver of Approvals. Each Owner acknowledges that the members of the Committee will change from time to time and that interpretation, application and enforcement of the Architectural Standards may vary accordingly. Approval of proposals, plans or drawings of any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans, drawings, or other matters subsequently or additionally submitted for approval.

Section 7.5 Limitation of Liability . Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and the Committee shall not bear any responsibility for insuring the structural integrity or soundness of the approved construction or modifications, nor for insuring compliance with building codes and any other governmental requirements. Neither the Neighborhood Association, the Board, the Committee, or any member of the foregoing shall be liable for any injury, damages or loss arising out of the manner or quality of approved construction or modifications to any Unit.

Section 7.6 Enforcement. Any structure or improvement placed or made in violation of this Article shall be deemed to be nonconforming. On written request from the Board, Owners shall, at their own cost and expense, remove such improvement and restore the land to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore as required, the Board shall have the right to remove any structure or improvements from the Common Elements or Common Areas, and if the unauthorized structure or improvement is located in a Unit or Limited Common Element, to enter the Unit or Limited Common Element of the Owner who is in violation of this Article, remove the violation and restore such Unit or Limited Common Element to substantially the same condition as previously existed. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against such Unit and collected as a Specific Assessment. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the Architectural Standards may be excluded by the Board from the Properties, subject to notice and hearing procedures. In such event, neither the Neighborhood Association, its officer or directors shall be held liable to any Person for exercising the rights granted by this paragraph. In addition to the foregoing, the Neighborhood Association shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the Committee.

Section 7.7 Exceptions: Notwithstanding the foregoing provisions, Unit Owners may install hurricane shutters and satellite antennas without the prior approval of the Association provided the installation is consistent with the following:

(a) Hurricane Shutters. The Board of Directors shall adopt and approve hurricane shutter specifications that must comply with the Sarasota County code, and shall include a style and color of hurricane shutter to be used as a standard hurricane shutter at Pinestone. A Unit Owner may install an approved shutter without specific consent from the Board of Directors provided the hurricane shutter and all attachments and equipment conform in all respects to the approved hurricane shutter plans and specifications. No hurricane shutter except the standard color and style adopted by the Board of Directors shall be permitted.

(b) No television, radio, satellite, or other antenna or satellite system may be installed on the Common Elements or Common Areas by any person other than the Association. Certain television, satellite, or other antenna systems may be erected or installed within a Unit or Limited Common Element reserved to the exclusive use of an Owner subject to compliance with the following requirements:

(i) Permitted antennas include those permitted under the law, including (collectively hereinafter referred to as "antennas"):

(a) Direct broadcast satellite dishes (DBS) that are less than one meter in diameter.

(b) Multi-channel, multi-point distribution service devices (MMDS) that are less than one meter in diameter or diagonal measurement.

(ii) Location of Antennas. To the extent feasible, all antennas must be placed in locations that are not visible from any street and in a location to minimize annoyance or inconvenience to other Occupants if this placement would still permit reception of an acceptable quality signal. The Board of Directors may promulgate rules and policies on preferred locations for each Unit and its appurtenances, and the method of attachment to the Building to protect the structural and weatherproofing integrity of the building.

(iii) Safety Requirements. To safeguard the safety of the Unit Owner, Occupants of the unit in which the antenna is located, neighboring Occupants, and other Owners, it shall be the obligation of the Owner to comply with all applicable local, state and federal safety requirements, including but not limited to obtaining a permit for the installation of the antenna, if any, hiring licensed contractors with sufficient expertise and adequate insurance to protect their work, installing the antennas away from power lines and other potentially dangerous areas, installing and using the antenna in accordance with safety recommendations and requirements of the antenna manufacturer, and in accordance with the customs and standards for the antenna industry, including compliance with electrical code requirements to properly ground the antenna, and installation requirements to properly secure the antenna.

(iv) Proviso. It is the intent of this provision to comply with the Telecommunications Act of 1996. Nothing herein shall be interpreted or applied by the Association to prevent or unreasonably delay antenna installation, maintenance or use; unreasonably increase the cost of antenna installation, maintenance or use; or preclude reception of acceptable quality signals. Unit owners are encouraged to seek guidance from the Association concerning these matters but do not have to receive Association approval prior to installation. However, any installation must be in accordance with these provisions and reasonable rules and regulations adopted by the Board to interpret these regulations.

(v) The installation and use of an antennae, or the nonuse of cable television service provided by the Association, shall not excuse an Owner from the obligation to pay a pro rate share of the expense of a bulk cable television contract if part of the Common Expenses of the Association.

ARTICLE VIII
RESTRICTIONS

Section 8.1 Except as otherwise provided herein, the following use restrictions apply to all Units in the Properties.

(a) Commercial Activity. All units shall be used for single family residential purposes only; however, Owners, tenants and occupants may conduct limited professional or business activities incidental to the primary use of the lot as a residence, but only if the activity is acceptable under the Zoning Regulations of Sarasota County; cannot be seen, heard or smelled by other residents; does not cause an increase in pedestrian, equestrian, or vehicular traffic; does not increase the insurance risk of other homeowners, or the Association; or constitute a dangerous activity jeopardizing the health, safety or welfare of other residents. No other business, commercial, or nonresidential uses shall be permitted.

(b) Landscaping. All areas shall be maintained by the Neighborhood Association and the expense of such maintenance shall be a Common Expense of the Neighborhood Association. All landscaping shall be accomplished in accordance with a plan approved by the Committee.

(c) Vehicles. Except as set forth below, only non-commercial motor vehicles used for passenger transportation, and the incidental movement of personal belongings and property, may be parked in any parking area and only if the automobile has a current license tag affixed to it and is in operable condition. Permitted vehicles shall be limited to those vehicles which are primarily used as passenger motor vehicles, and which have a body style consisting of two doors, four doors, hatchback, convertible, and shall also include station wagons, pick-up trucks, ~~or~~ mini-vans, full size vans equipped with windows all round the vehicle and passenger seats to accommodate not less than four (4) and not more than nine (9) people, and sport utility vehicles.

All other motor vehicles, including but not limited to (1) commercial vehicles (any vehicle primarily used in a trade or business or having visible advertising or promotional information or symbols, or exposed materials or equipment), (2) trucks (any motor vehicle designed or used principally for the carriage of goods and including a motor vehicle to which has been added a platform, a rack, or other equipment for the purpose of carrying goods other than the personal effects of the passenger, and cargo vans. Pick-up trucks having a manufacturer load rating of one ton or less are permitted if not classified as a commercial vehicle as provided herein); (3) boats; (4) campers; (5) motorcycles, scooters, or mopeds; (6) recreational vehicles (vehicles having either kitchen or bathroom facilities); (7) trailers; (8) motorhomes; (9) mobile homes, and any and all other vehicles other than the permitted vehicles described in the preceding paragraph, shall be prohibited from parking in any area.

Notwithstanding the foregoing parking limitations, the following exceptions shall be made: (1) service vehicles may be temporarily parked in parking areas during the time they are actually servicing a Unit, but in no event overnight; and (2) boats, trailers, trucks, commercial and recreational vehicles, and other prohibited vehicles may be temporarily parked in a parking area when they are being actively loaded or unloaded.

No vehicle belonging to any Owner or to a member of the family of an owner or guest, tenant or employee of an Owner shall be parked in such manner as to impede or prevent access to another owner's parking space. The Owners, their employees, servants, agents, visitors, licensees, and the Owners' families will obey parking regulations posted at the private streets, parking areas and drives and any other traffic regulations which may be promulgated in the future for safety, comfort and convenience of the Owners. No vehicle, which cannot operate on its own power, shall remain within the Properties for more than 24 hours, and no repair of vehicles shall be made within the Properties.

Guests only are allowed to park in visitor spaces. A maximum of two cars per Unit maybe parked on the Condominium Property overnight. A third vehicle may be kept provided a written request is made from the Unit Owner and approved in writing by the Association.

No parking is permissible on the lawns, common ground or streets at any time, other than service vehicles and then only if necessary to service a Unit within the Properties.

The Board of Directors of the Association shall have the authority to prohibit any vehicle that would otherwise be permitted under this provision, if the Board determines, in the exercise of its business judgment, that the vehicle constitutes a safety hazard or is unsightly. The opinion of the Board of Directors shall be binding upon the parties unless wholly unreasonable. A written opinion rendered by legal counsel that a position adopted by the Board of Directors is not unreasonable shall conclusively establish the validity of such position. All motor vehicles must be operable and must have a current license tag.

Any and all vehicles parked or stored on the Properties which do not comply with the foregoing parking regulations shall be deemed "improperly parked vehicles" and are subject to towing by the Neighborhood Association at the Owner's expense, at any time after two (2) hours has elapsed from when the Owner of said vehicle (s) has been notified of the improper parking.

(d) Temporary and Accessory Structures. No tents, metal sheds, nor temporary structures shall be permitted on the Properties.

(e) Hazardous Materials. No gasoline or other hazardous materials, as defined by any state or federal regulation or judicial interpretation thereof, shall be stored on any of the Units.

(f) Solar Collectors. The Committee shall approve the location of, color and materials used in the construction of solar collectors.

(g) Signs. No signs, freestanding or otherwise installed, shall be erected or displayed in the Common Areas, or on any Unit or structure, including but not limited to "For Sale", "Open House" or "For Rent" signs, except certain "For Sale" signs are permitted for limited periods of time in accordance with the rules and regulations adopted by the Board of Directors of the Association. The Neighborhood Association shall have the right to remove any unapproved sign.

(h) Hurricane Shutters. Hurricane or storm shutters may be used in accordance with specifications adopted by the Committee

(i) Pets and Animals.

(1) In order to keep a pet on the premises, prior approval of the Board of Directors must be obtained. Pets of Owners or occupants shall be limited to one dog, or one or two cats, or one dog and one cat, but not two dogs or any other pets except small birds to be kept in a birdcage, and tropical fish to be kept in an aquarium.

(2) In no event shall a pet exceed 30 pounds in weight. All dogs and cats shall be contained in the Owner's Unit and when not within the Unit must be kept on a leash and not allowed to run free. The Board of Directors of the Neighborhood Association can withdraw the written approval as to pets referred to above at any time in its sole discretion when the pet becomes a nuisance or the owner does not abide by the Rules and Regulations established by the Board of Directors of the Neighborhood Association pertaining to pets. All such animals shall be licensed by the appropriate state or local authorities.

(3) No horses, cows, goats, chickens, pigeons or any other such animals, fowl or reptiles shall be kept on any of the Properties.

(4) Commercial activities involving pets shall not be allowed.

(j) Nuisances. Nothing shall be done which may be or may become an annoyance or nuisance to any reasonable person. No obnoxious, unpleasant or offensive activity shall be carried on, nor shall anything be done, which can be reasonably construed to constitute a nuisance, public or private in

nature. Any question with regard to the interpretation of this Section shall be decided by the Board of Directors of the Neighborhood Association whose decision shall be final.

(k) Neighborhood Association's Exculpation. The Neighborhood Association may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without liability of any nature to Owner or any other person for any reason whatsoever, and any permission or approval granted shall be binding upon all persons.

(l) Owner and Member Compliance.

(1) The protective covenants, conditions, restrictions and other provisions of this Declaration shall apply not only to Owners, and persons to whom an Owner has delegated his right to use of any Common Areas, but also to any other person occupying an Owner's Unit under lease from the Owner or by permission or invitation of the Owner or his or her tenants, licensees, invitees or guests.

(2) Failure of an Owner to notify any person of the existence of the covenants, conditions, restrictions, and other provisions of this Declaration shall not in any way act to limit or divest the right of the Neighborhood Association, the Committee or any Unit Owner to enforce the provisions of this Declaration. The Owner shall be responsible for any and all violations of these provisions by his tenants, licensees, invitees or guests, and by guests, licensees and invitees of his tenants.

(m) Fines. The Board, in its sole discretion, may impose a fine or fines upon an Owner for failure to comply with the Rules, provided the following procedures are adhered to:

(1) Notice: The Neighborhood Association shall notify the owner in writing of the non-compliance. Included in the notice shall be the date and time of the next Board meeting at which the non-compliance will be heard and considered. The notice of the non-compliance to the Owner shall provide, at a minimum, at least fourteen (14) days' notice prior to the Board meeting.

(2) Hearing: The noncompliance shall be presented at a Board meeting before a committee of at least three (3) members appointed by the Board, who are not officers, directors or employees of the Neighborhood Association, or the spouse, parent, child, brother or sister of an officer, director or employee, where the Owners may protest any allegation of non-compliance and any imposition of fines. A written decision of the committee shall be submitted to the Owner not later than twenty-one (21) days after the Board meeting. The committee must approve, by a majority vote, the proposed fine or suspension, prior to it being imposed.

(3) Fines: The Board of Directors may impose fines not to exceed \$100.00 per violation against any Owner, tenant, guest or invitee.

(4) Payment of Fines: Fines shall be paid not later than thirty (30) days after notice of the imposition.

(5) Assessments: Fines shall be treated as an Specific Assessment due to the Neighborhood Association.

(6) Application: All monies received from fines shall be allocated as directed by the Board of Directors.

(7) Nonexclusive Remedy: Any fine paid by the offending Owner shall be deducted from or offset against any damages that the Neighborhood Association may otherwise be entitled to recover by law from such owner.

(n) Solicitations. Soliciting is strictly forbidden. Unit Owners should notify the Neighborhood Association if a solicitor appears, and appropriate action will be taken.

~~No Antennas, etc. No outside antennas, antenna poles, antenna masts, electronic devices, antenna towers or citizen band (CB) or amateur band (ham) antennas shall be permitted except as approved by the Board of Directors in writing. No outside satellite receptor dishes or devices or any other type of electronic device now in existence, or that may hereafter come into existence, that is utilized or designed to be utilized for the transmission or reception of electronic or other type of signal shall be allowed without the prior written approval of the Board of Directors.~~

(o) A flagpole for display of the American flag only and any other flag approved in writing by the Board of Directors, including service flags as permitted under the Condominium Act, shall be permitted and its design and location must be first approved in writing by the Board of Directors. An approved flagpole shall not be used as an antenna.

(p) Wetlands. No activity maybe undertaken or performed in preserved wetlands, upland buffers to wetlands, and wetland compensation areas described in the approved permit and recorded plat of the subdivision, unless prior written approval is received from the Southwest Florida Water Management District pursuant to Chapter 40D-4, F.A.C. Prohibited activities within wetland and upland conservation areas include removal of native vegetation; placement or dumping of soil, trash or land clearing debris; and construction or maintenance of any building, residence or structure.

ARTICLE IX EASEMENTS

The respective rights and obligations of the Members, the Neighborhood Association, and others concerning easements affecting Pinestone at Palmer Ranch shall include the following:

Section 9.1 Easement For Utilities. Declarant reserved for the benefit of the Neighborhood Association, perpetual blanket easements upon, across, above and under all the Properties, which easements shall be for access, ingress, egress, installation, construction, repair, maintenance and replacement of utility services of the Properties or any portion thereof, including, but not limited to water, sewer, gas, drainage, irrigation, fire protection, electricity, telephone, cable television, and other services such as trash disposal, roads, walkways and security systems. This easement shall not entitle the holders to construct or install any drainage systems, facilities or utilities over, under, or through any existing residential dwelling on a Unit, and any damage to a Unit resulting from the exercise of this easement shall promptly be repaired by and at the expense of the person exercising this easement. The exercise of this easement shall not unreasonably interfere with the use of any Unit, and except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or to the Occupant of the Unit.

Section 9.2 Easement For Maintenance. The Neighborhood Association shall have a non-exclusive and perpetual easement to enter upon, across, above, and under the Properties within Pinestone at Palmer Ranch, including the Common Areas and Condominium(s) at reasonable hours to perform its responsibilities of maintenance, inspection, and repair, including, without limitation, the right to enter upon any Condominium for the purpose of maintenance and landscaping the Condominium(s). This easement shall not entitle the holders to construct or install any drainage systems, facilities or utilities over, under, or through any existing residential dwelling on a Unit, and any damage to a Unit resulting from the exercise of this Easement shall promptly be repaired by and at the expense of the Person exercising this easement. The exercise of this easement shall not unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or an Owner's Occupant.

Section 9.3 Encroachments. Declarant reserved for the benefit of the Neighborhood Association, and all Owners, upon, across, above, and under the Properties, an easement of up to three feet from Unit lines or Common Area boundaries for the actual extent of encroachments created by construction as designed or constructed by the Declarant or any Owner and for settling, shifting and movement of any portion of the Properties, except that no such easement is created for an encroachment which is the result of willful misconduct on the part of Declarant, an Owner, a tenant, the Neighborhood Association, or any other person. Such encroachments shall not be considered to be encumbrances upon

any part of the Properties. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of improvements constructed on any Unit, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of any improvements on the Properties.

Section 9.4 Easement for Collection for Stormwater Runoff and Flood Water. The Declarant reserved for the Neighborhood Association, the non-exclusive right and easement, but not the obligation, to enter upon any part of the Properties to (a) install, keep, maintain and replace pumps in order to provide water for the irrigation of any of the Neighborhood Association Property and Common Areas; (b) construct, maintain and repair any structure designed to divert, collect or retain water; and (c) remove trash and other debris. This easement shall not entitle the holders to construct or install any drainage systems or facilities over, under, or through any existing residential dwelling on a Unit, and any damage to a Unit resulting from the exercise of this easement shall promptly be repaired by and at the expense of the person exercising this easement. The exercise of this easement shall not unreasonably interfere with the use of any Unit, and except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or the Owner's Occupant. Further, every Unit and the Common Area shall be burdened with easements for natural drainage or stormwater runoff from other portions of the Properties; provided, no persons shall alter the natural drainage on any Unit so as to materially increase the drainage of stormwater onto adjacent portions of the Properties without the consent of the Owner of the affected Property.

Section 9.5 Access. Perpetual easements were granted to the Neighborhood Association for the purpose of access to each Unit for the purpose of providing necessary maintenance of the Unit as determined by the Neighborhood Association. The exercise of this easement shall not unreasonably interfere with the use of any Unit, and except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or the Owner's Occupant.

Section 9.6 Restriction on Owner Easements. The prior written consent of the Neighborhood Association shall be required in order for an Owner to grant an easement upon any portions of the Properties.

Section 9.7 Central County Utilities. Declarant reserved for the benefit of Central County Utilities, its successors and assigns, a perpetual, non-exclusive easement under, over and across a portion of the Properties five feet on either side of underground utility lines utilized by Central County Utilities to provide sanitary sewer or reclaimed water to the Properties, together with the right of ingress and egress over such portions of the Properties for the maintenance, repair and replacement of such utility lines. Notwithstanding the foregoing, the easement and the utility lines shall not be located on any portion of the Properties where any vertical improvements are constructed on the Properties. Any maintenance and repair of the utility lines shall be done in such a manner as to cause the least interference with the operation of the Properties and the improvements located thereon and Central County Utilities shall, at its cost, repair and restore the Properties to the condition thereof existing prior to such maintenance or repair.

ARTICLE X PALMER RANCH AND CROCKER'S LAKE

Section 10.1 Ownership in Palmer Ranch and Crocker's Lake. The Properties are located within Crocker's Lake, a subdivision within Palmer Ranch, a master planned community, which includes other residences and common areas, and is subject to the terms, conditions and restrictions of the Declaration of Protective Covenants, Conditions, and Restrictions for Palmer Ranch, as amended (the "Master Declaration") and the terms, conditions and restrictions of the Declaration of Protective Covenants, Conditions and Restrictions for Crocker's Lake, as amended (the "Crocker's Lake Declaration"). The Master Declaration and the Crocker's Lake Declaration provide, among other things, that an Owner shall become a member of the Palmer Ranch Master Property Owners Association, Inc. ("Palmer Ranch Association") and the Crocker's Lake Neighborhood Association, Inc. (the "Crocker's Lake Association"), respectively, and shall be subject to the assessments of the Palmer Ranch

Association and the Crocker's Lake Association. For the assessment rights of each association and for membership and voting rights in each association, please refer to the Master Declaration and the Crocker's Lake Declaration. The President of the Neighborhood Association or its designee shall be the voting member for the Neighborhood Association on all matters requiring a vote of the membership in the Palmer Ranch Association and in the Crocker's Lake Association.

Section 10.2 Construction. In the case of any inconsistencies between the terms of this Declaration and the Master Declaration or the Crocker's Lake Declaration, the terms of the more restrictive provisions shall control, unless such terms of this Declaration are prohibited by the Master Declaration or the Crocker's Lake Declaration, and, in that event, the terms of the Master Declaration or the Crocker's Lake Declaration shall control. The Neighborhood Association shall also be subject to all superior rights and powers which have been conferred upon the Palmer Ranch Association and the Crocker's Lake Association pursuant to their respective Declaration and the Neighborhood Association, nor its members, shall take no action in derogation of the rights of, or contrary to, the interest of the Palmer Ranch Association and the Crocker's Lake Association.

ARTICLE XI GENERAL PROVISIONS

Section 11.1 Declaration of General Protective Covenants Run With the Land. The covenants, reservations, restrictions and other provisions of this Declaration shall run with and bind the Properties subject hereto and shall inure to the benefit of any Owner subject to this Declaration, their respective legal representatives, heirs, successors and assigns for a term of thirty (30) years from the date this Declaration is recorded. These covenants, conditions, restrictions and other provisions shall automatically be extended for successive periods of five (5) years, unless an instrument signed by the then Owners of sixty percent (60%) of the Units has been recorded agreeing to change or terminate these covenants, conditions, restrictions or provisions in whole or in part.

Section 11.2 Amendment. Notwithstanding any provision to the contrary, the prior consent of any mortgagee who has only a mortgage on any Unit (s) sold to a third party is not required in order to amend or modify this Declaration. In addition to any other rights of amendment or modification provided for in this Declaration, in which case those provisions shall apply, this Declaration may be amended by an affirmative vote of sixty-seven percent (67%) of the Members at a meeting duly called for such purpose pursuant to the Bylaws of the Neighborhood Association; provided, however, that no amendment shall be made which shall in any manner impair the security of any mortgagee having a mortgage or other lien against any one or more of the Units, or any other record owners of liens thereon; except if such amendment is for the purpose to correct any error or omission in this Declaration or in other documentations required by law.

Section 11.3 Consent by Institutional Mortgagees. The approval of fifty-one percent (51% of the Institutional Mortgagees holding mortgages of record on Units in the Properties shall be required to add to or amend any material provisions of this Declaration or the Articles of Incorporation or the Bylaws of the Neighborhood Association which establish, provide for, govern or regulate any of the following:

- (a) voting rights;
- (b) subordination of assessment liens;
- (c) insurance or fidelity bonds;
- (d) boundaries of any Unit which is security for a mortgage of record; and
- (e) any provisions which are for the express benefit of the mortgagees or insurers or guarantors of recorded first mortgages on individual condominium units.

An addition or amendment shall not be considered material if it is for the purpose of correcting technical or scrivener's errors, or for clarification only. An Institutional Mortgagee who receives a written request from the Neighborhood Association to approve material additions or amendments to the above items who does not deliver or post a negative response to the Neighborhood Association within thirty (30) days shall be deemed to have approved such addition or amendment.

Section 11.4 Notice to Institutional Mortgagees.

(a) Upon written request to the Neighborhood Association, Institutional Mortgagees will be entitled to timely written notice:

(i) Any condemnation or casualty loss that affects either a material portion of the Properties or the Unit securing its mortgage.

(ii) Any 60-day delinquency in the payment of Assessments or charges owed by the Owner of any Unit on which it holds the mortgage.

(iii) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Neighborhood Association.

(iv) Any proposed action that requires the consent of a specified percentage of mortgage holders.

(b) In the event that any Owner or Institutional Mortgagee furnishes a written request to the Neighborhood Association specifying the name and address of the Institutional Mortgagee and of the Unit in which it holds an interest, the Neighborhood Association shall give written notice to the Institutional Mortgagee of any default of the Owner of such Unit in performing or observing any of the terms, conditions, or agreements contained in this Declaration prior to taking any enforcement action. The Institutional Mortgagee shall have the right (but not the obligation) to remedy the default. The Neighborhood Association shall not take any action with respect to the default, including, without limitation, any action to impose or enforce a lien against the property of a defaulting owner, unless the default remains in remedy for a period of thirty (30) days after the Institutional Mortgagee's receipt of the written notice.

Section 11.5 Additional Rights of Institutional Mortgagees. Institutional Mortgagees shall have the following rights:

(a) Upon written request by an Institutional Mortgagee to the Neighborhood Association. The Institutional Mortgagee is entitled to a copy of the financial statements of the Neighborhood Association for the immediately preceding fiscal year as soon as such financial statements are available.

(b) The Neighborhood Association shall make available for inspection upon the Institutional Mortgagee's request, during normal business hours of the Neighborhood Association, current copies of the Declaration, Bylaws, other rules concerning the Properties, and the books, records and financial statement of the Neighborhood Association.

Section 11.6 Other Documents. The Neighborhood Association, or other entity provided for herein or in any applicable recorded instrument shall have such rights, powers, duties, and privileges as set forth herein or in the Articles of Incorporation, Bylaws and other constituent documents of such entity; however, no such entity may have rights, duties, powers or privileges that are in conflict with the provisions of this Declaration which shall prevail in all events of conflict.

Section 11.7 Severability. If any covenant, condition, restriction or other provision of this Declaration is held to be invalid in whole or in part by any Court of competent jurisdiction, then such

holding shall in no way affect the validity of the remaining provisions of this Declaration, all of which shall remain in full force and effect.

Section 11.8 Dissolution. In the event of dissolution of the Neighborhood Association, in accordance with the terms of its Articles of Incorporation, each Unit shall continue to be subject to the Base Assessment and each Owner shall continue to be personally obligated to the successor or assigns of the Neighborhood Association for Assessments to the extent that such assessments are required to enable such successor or assign acquiring any real property previously owned by the Neighborhood Association to properly maintain, operate and preserve it. The provisions of this Section shall only apply with regard to the maintenance, operation and preservation of property which has been Common Areas and continues to be so used, as otherwise provided for in the Declaration for the common use, enjoyment and benefit of the Owners.

Section 11.9 Gender. Whenever in this Declaration the context so requires the singular number shall include the plural, and the converse; and the use of any gender shall be deemed to include all genders.

Section 11.10 Notices.

(a) To Neighborhood Association. Notice to the Neighborhood Association as may be required herein or the Bylaws of the Neighborhood Association shall be in writing and delivered or mailed to the Neighborhood Association at its principal place of business as shown by the records of the Secretary of State of Florida, or at any other location designated by the Neighborhood Association.

(b) To Owner. Notice to any owner of a violation of any of these restrictions, notice of Assessments or any other notice as may be required herein shall be in writing and shall be delivered or mailed to the Owner at the address shown on the tax rolls of Sarasota County, Florida, or if not shown thereon, to the address of the Owner, as shown on the deed recorded in the Public Records of Sarasota County, Florida.

Section 11.11 Construction. The provision of this Declaration shall be liberally interpreted and construed to provide maximum flexibility consistent with the purposes set forth herein, including the Preamble.

ARTICLE XII
COMPLIANCE AND DEFAULT

Section 12.1 Compliance and Default. Each Unit Owner, tenant, Guest and Occupant of the Properties shall be subject to and shall comply with the terms and conditions of this Declaration and exhibits hereto and all regulations from time to time adopted pursuant to said documents, and all amendments thereto. Failure of a Unit Owner or other person to comply with the terms of said documents or regulations shall entitle the Association and/or other Unit Owners to the following relief in addition to the remedies provided by the Condominium Act and by law.

(a) Negligence. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement of the Common Areas, Units owned by other persons, or other property, rendered necessary by his or her willful action or negligence, or by the willful action or negligence of any member of his or her family or by guests, employees, agents or lessees.

(b) Injunction. A suit may be brought to enjoin any violation.

(c) Damages. A suit may be brought for damages.

(d) Attorney's Fees. In any proceeding arising out of an alleged failure of a Unit Owner, tenant, guest or Occupant to comply with the aforementioned documents or regulations, the prevailing party

shall be entitled to recover the costs of the proceeding and reasonable attorney's fees, including appellate proceedings from the non-prevailing party.

Section 12.2 No Waiver. The failure of the Association, or any Unit Owner to enforce any covenant, restrictions or other provision of the aforementioned documents or regulations shall not constitute a waiver of the right to do so thereafter.

ARTICLE XIII
MULTI-CONDOMINIUM OPERATIONS

Section 13.1. Multi-Condominium Operations. Effective March 10, 2003, Pinestone at Palmer Ranch is a multi-condominium development comprised of twenty-six condominiums, all of which are operated by the Association.

(a) Specific Condominium Expenses. The Association shall prepare and adopt a budget for each Condominium. Each condominium budget shall provide for expenses specific only to that Condominium, such as maintenance of the building comprising the condominium, and shall be apportioned among the unit owners in that Condominium equally among all units.

(b) Association Expenses. Expenses not specific to a condominium, such as maintenance of Commons Areas serving more than one condominium, and management and administrative expenses, shall be provided for in the overall Association budget, and shall be apportioned among all the members of the Association equally (1/310th share). An appropriate share of the general Association budget, based on the aforesaid equal shares, shall be a common expense of each Condominium and shall be listed as a line item on each condominium budget. The assets, liabilities, and common surplus of the Association shall be apportioned among the membership of the Association on the same basis as provided herein for expenses (1/310th share).

(c) Membership and Voting Rights. Each Unit Owner in every Condominium shall be a mandatory member of the Association. As provided in the Amended and Restated Bylaws of the Association, each unit shall have one vote, which may be cast personally by the owner(s) of the unit as provided in those Amended and Restated Bylaws.

(d) Use of Common Areas and Common Elements. The members of the Association shall have non-exclusive use rights in all Common Areas in accordance with this Declaration. None of the common elements of the individual Condominiums may be used by unit owners in other Condominiums unless expressed provided in the Declaration of Condominium for the Condominium in which the common elements in question are located.

The Board of Directors hereby certify the accuracy of the recitals herein and execute this Amended and Restated Declaration of Covenants, Conditions and Restrictions this 18th day of February, 2004.

THE SIGNATURE PROVISIONS FOLLOW ON THE NEXT PAGE

INSTRUMENT # 2004038078
43 PGS

Michele A. Bucher

Witness signature
MICHELE A. BUCHER

Print name of witness

Robert Collister

Witness signature
Robert Collister

Print name of witness

Pinestone at Palmer Ranch Association, Inc.

Edward Schonegg, Jr.

By: Edward Schonegg, Jr., President

Dorothy Goerke

Attest: Dorothy Goerke, Secretary

STATE OF FLORIDA
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 18th day of February, 2004 by Edward Schonegg, Jr., as President, and by Dorothy Goerke, as Secretary of Pinestone at Palmer Ranch Association, Inc., on behalf of the Association. They are personally known to me or have produced _____ as identification. If no type of identification is indicated they are personally known to me.

Frank J. Schuld

Notary Public

Printed name

My Commission Expires

