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AMENDED AND RESTATED DECLARATION OF CONDOMINIUM

- of -

STONEWATER, A CONDOMINIUM

WHEREAS, The owner of the fee simple title to the property described in Exhibit "A" attached hereto, for itself, its successors, grantees and assigns, submitted said property, improvements thereon and appurtenances thereto to condominium ownership pursuant to Chapter 718 of the Florida Statutes, as enacted as of August 11, 1986 (the date of recording the original Declaration); and

WHEREAS, The Declaration of Condominium was originally recorded in Official Records Book 2446, Page 1305 et seq. of the public records of Polk County, Florida and same has been amended from time to time said amendments being recorded as follows: Official Records Book 2532, Page 343 et seq.; Official Records Book 2665, Page 761 et seq.; Official Records Book 2832, Page 598 et seq.; Official Records Book 2885, Page 210 et seq.; Official Records Book 3023, Page 1272 et seq.; Official Records Book 3043, Page 2226 et seq.; Official Records Book 3103, Page 1490 et seq.; Official Records Book 3178, Page 1489 et seq.; Official Records Book 3362, Page 1630 et seq.; Official Records Book 3425, Page 381 et seq.; Official Records Book 3445, Page 882 et seq.; Official Records Book 3468, Page 2019 et seq.; Official Records Book 4611, Page 401 et seq.; Official Records Book 4663, Page 1760 et seq.; Official Records Book 5903, Page 534 et seq.; and Official Records Book 8968, Page 1682 et seq. all of the public records of Polk County, Florida; and

WHEREAS, Paragraph 8 of the Declaration, as amended, provides the Declaration may be amended at any regular or special meeting of Unit Owners called or convened in accordance with the By-Laws by the affirmative vote of more than fifty-one (51%) of the Units represented at the meeting; and

WHEREAS, the membership desires to amend and restate the Declaration of Condominium and has approved this Amended and Restated Declaration by the vote and procedures required in the Declaration of Condominium at a meeting held on June 26, 2025;

THEREFORE, All the restrictions, reservations, covenants, conditions, easements and limitations of record contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, shall run perpetually unless terminated as provided herein, and shall be binding upon all Unit Owners as hereinafter defined. In consideration of receiving and by acceptance of a grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the Condominium Act, as it may be amended from time to time, the provisions hereof, the Articles of Incorporation and the By-Laws of the Association hereinafter defined. Both the benefits provided and the burdens imposed shall run with each Unit and the interests in Common Elements as defined herein.

1. DEFINITIONS.

As used in this Declaration, in the Articles of Incorporation and in the By-Laws attached hereto, and in all amendments thereto, unless the context requires otherwise:

A. "Assessment" means a share of the funds required for the payment of Common Expenses which from time to time are assessed against any Unit Owner.

B. "Association" or "Corporation" means Stonewater Condominium Association, Inc., the nonprofit Florida corporation responsible for the operation of the Condominium.

C. "Board of Administration" means the board of directors or other representative body responsible for the administration of the Association.

D. "Articles" and "By-Laws" means the Articles of Incorporation and the By-Laws of the Association as they exist from time to time.

E. "Common Elements" means that portion of the Condominium Property not included in the Units (sometimes referred to as "Common Area").

F. "Common Expenses" means the expenses of administration, maintenance, operation, repair and replacement of the Condominium Property, other expenses declared by the Association or this Declaration to be Common Expenses and any other valid expenses or debts of the condominium as a whole or the Association which are assessed against the Unit Owners.

G. "Common Surplus" means the excess of all receipts of the Association, including but not limited to Assessments, rents, profits and revenues on account of the Common Elements, over the amount of the Common Expenses.

H. "Condominium Building" means the structures which comprise that part of the Condominium Property within which the Units are located.

I. "Condominium Act" means Chapter 718, Florida Statutes, as it may be amended from time to time, which shall apply to this Condominium, provided that the terms and provisions of this Declaration shall control to the extent the Statute authorizes a variance by the terms of a declaration of condominium or other condominium documents.

J. "Condominium Parcel" means a Unit together with the un-divided share in the Common Elements which is appurtenant to the Unit.

K. "Condominium Property" means and includes all lands that are subjected hereunder to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium. The Condominium Plat is recorded in Condominium Plat Book 10, Pages 49 and 50 and Condominium Plat Book 11, Page 24, all of the public records of Polk County, Florida.

L. "Declaration" or "Declaration of Condominium" means this instrument as it may from time to time be amended.

M. "Limited Common Elements" means and includes those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units (sometimes referred to as "Limited Common Area").

N. "Mortgagee" means a bank, savings and loan association, insurance company, mortgage company, real estate investment trust, recognized institutional type lender or its loan correspondent, or agency of the United States Government, which owns or holds a mortgage encumbering a Condominium Parcel. "Mortgagee" also includes Federal National Mortgage Association.

O. "Operation" or "Operation of the Condominium" means and includes the operation, administration and management of the Condominium Property.

P. "Unit" or "Apartment" means a part of the Condominium Property which is to be subject to private ownership, as designated in this Declaration, which shall consist of land and/or improvements.

Q. "Unit Owner", "Apartment Owner", or "Owner of a Unit" means the owner of a Condominium Parcel as shown by the real estate records in the office of the Clerk of Polk County, Florida, whether such Owner be one or more persons, firms, associations, corporations or other legal entities. "Owner" shall not mean or refer to the holder of a mortgage or security deed, its successors or assigns, unless and until such holder has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

R. "Utility Service" as used in the Condominium Act, construed with reference to this Condominium, and as used in this Declaration, the Articles and the By-Laws shall include, but not be limited to, electric power, gas, hot and cold water, trash and sewage disposal.

S. "The Condominium" or "this Condominium" means Stonewater, a Condominium.

2. CONDOMINIUM NAME, CONDOMINIUM PARCELS, APPURTENANCES, POSSESSION AND ENJOYMENT.

A. The name of this Condominium is STONEWATER, A CONDOMINIUM.

B. There shall pass with each Unit as appurtenances thereto:

(1) An undivided share in the Common Elements.

(2) An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

(3) An undivided share in the Common Surplus.

(4) Membership of the Unit Owner in the Association.

(5) The use of such parking space or spaces as may be assigned for the Unit Owner's exclusive use.

C. Each Unit Owner is entitled to the exclusive possession of his Unit subject to the provisions of this Declaration. He shall be entitled to the use of the Common Elements, in accordance with the provisions of this Declaration and the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of other Unit Owners. There shall be a joint use of the Common Elements and a mutual easement for that purpose is hereby created.

D. Each Unit is identified by a specific numerical designation as set forth in Exhibit "B" attached hereto. In horizontal dimension, each Unit consists of the area bounded by the unfinished interior surfaces of the perimeter walls of each such Unit. In vertical dimension, each Unit consists of the space between the top of the unfinished concrete floor and the bottom of the unfinished ceiling of each such unit. Additionally, each unit consists of the patio located under the roof which patio is appurtenant to the unit. Each Unit Owner shall not own the undecorated or unfinished surfaces of the perimeter walls, floors, and ceilings surrounding his Unit, nor shall he own pipes, wires, conduits or other utility lines running through his Unit which are utilized for or serve more than one Unit, which items are hereby made a part of the Common Elements. Said Owner, however, shall own the walls and partitions which are contained within his Unit and inner decorated or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint and wallpaper.

E. Each Unit Owner shall own and be responsible for the maintenance, repair and replacement of all components for the individual air conditioning unit which services his Unit no matter where they run and to the extent that they are outside of the boundaries of the Unit, they shall be considered limited common elements to be maintained by the Unit Owner at his or her sole cost and expense. All enclosures, patio slabs, or other additions that were an add on package to the basic construction of the units shall be the responsibility of the Owner to maintain and repair at his or her sole cost and expense. Further, each Unit Owner shall be responsible for the pipes, wires, conduits or other utility lines running through interior partition walls or within Common Elements which service his or her single Unit and these shall be deemed Limited Common Elements of the Unit which is served by same. The Association shall be responsible for pipes, wires, conduits or other utility lines which service more than one unit no matter where same are located. These maintenance obligations are for ordinary wear and tear and are not applicable in the event of a loss covered by or that should be covered by insurance of the Association but for the deductible.

F. "Time share estates" may not be created in any Unit by any person or entity. As used herein, "time share estates" includes any arrangement, plan, scheme or similar device, whether by membership agreement, tenancy in common, interval ownership, sale, lease, deed, rental agreement, license or right-to-use agreement, whereby an owner of the time share estate receives a right to the use of a Unit and the Common Elements for a period of not less than seven (7) days during any given year and which extends for a period of more than three (3) years.

G. Subject to the provisions of Article 20. of this Declaration, Units shall only be used as single-family residences by the Owners thereof, their family members and guests in accordance with rules and regulations of the Association.

3. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS.

A. The undivided share in the Common Elements which is appurtenant to a Unit shall not be separated therefrom and shall pass with the title to the Unit, whether or not separately described.

B. A share in the Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit.

C. The shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements shall lie.

4. COMMON ELEMENTS.

A. Common Elements include the following:

(1) The land on which the improvements are located and any other land included in the Condominium Property, whether or not contiguous.

(2) Any portion of the Condominium Property which is not included within the Units.

(3) Easements through Units for conduit ducts, plumbing, wiring and other facilities for the furnishing of Utility Services to Units and the Common Elements.

(4) An easement of support which is hereby created in every portion of a Unit which contributes to the support of a Condominium Building.

(5) The property and installations required for the furnishing of Utility Services and other services to more than one Unit, the Common Elements or a Unit other than the Unit containing the installation.

B. The undivided share in the Common Elements, Common Expenses and Common Surplus appurtenant (a) to units 1 through 48 and units 80 through 111 is .0064516129032258 and (b) units 49 through 79 and units 112 through 140 is .0080645161290323.

5. LIMITED COMMON ELEMENTS.

A. Windows and doors servicing a single Unit shall be Limited Common Elements appurtenant to the Unit. The term windows shall include fixed pane openings in walls or roofs of the Unit. Such windows and doors shall be maintained, repaired and replaced by the Association as a Common Expense except that where an individual Unit Owner, the Unit Owner's contractor, agent, and/or representative has replaced and/or installed such window or door, it shall be the Unit Owner's responsibility to maintain, repair or replace the window or door thereafter at his or her sole expense except in the event of a loss covered by or that should

have been covered by the Association's insurance policy if not for the deductible in which case the Association shall be responsible for repair or replacement of the window or door in accordance with original construction or the windows and doors otherwise being maintained by the Association on a community wide basis. Only the Association's contractors or agents may perform maintenance, repair or replacement on the skylights or roof windows and the expense may be charged back to the individual Unit Owner as elsewhere provided in this Declaration including, but not limited to, the provisions in Section 11 hereof. Windows or doors shall not be changed in style or appearance without the express written consent of the Board of Administrators (or its designee) and shall be in compliance with adopted design guidelines. The individual Unit Owner shall be responsible for all windows and doors and associated hardware and caulking to ensure a watertight seal and prevent water from penetrating the building exterior. The Association shall have the right, but not the obligation, to wash the exterior of all windows and to caulk exterior windows on a community wide basis as a Common Expense even where the window was installed by the Unit Owner. Regardless that Unit Owners are responsible for the maintenance, repair and replacement of the windows and doors, the Association shall have the option to replace all windows and/or doors on a community wide basis or to install hurricane shutters on a community wide basis to provide for hurricane protection in accordance with Florida Statute Section 718.113, as same may be amended from time to time, without any further need for a vote of the unit owners.

B. There may be Limited Common Elements appurtenant to Units in this Condominium, as reflected by the plot plan and survey attached as Exhibit "B" hereto, which shall include, but not be limited to, walkways, the open area immediately adjacent to the rear of the unit designated as Limited Common Elements on the plat, driveways, and decks which are specifically designated and delineated. These Limited Common Elements are reserved for the use of the Units to which they are appurtenant or assigned to the exclusion of other Units, and there shall pass with a Unit as an appurtenance thereto the exclusive right to use the Limited Common Elements so appurtenant or assigned.

C. Each Limited Common Element on the lake side of the unit shall be maintained by the Association; provided, however if a Unit Owner makes improvements on the Limited Common Elements, the Unit Owner shall be responsible for maintenance of the Improvements. Each Limited Common Element to the rear of each unit not located on the lake shall be maintained by the Association until the Limited Common Element area is improved by the owner of an appurtenant unit as hereafter provided, at which time the maintenance of the Limited Common Element shall become the responsibility of the appurtenant Unit Owner and the term "unit" as used in paragraph 1.Q. hereof shall be deemed to include that Limited Common Element. Upon a vote of two-thirds of the voting rights of the Unit Owners, the Association may assume the responsibility for the maintenance, repair and replacement of any items that would otherwise be the responsibility of the Unit Owners.

If an owner fails to properly maintain and repair as required, the Association, at the discretion of the Board of Administration, may make such repairs as the Board may deem necessary and the cost of them shall be assessed against the defaulting Unit Owner. The Association shall have a lien against a unit for the cost of any repairs it shall make for the owner,

to the same extent as is provided by the Condominium Act for unpaid assessments, plus interest at the maximum rate allowed by law and reasonable attorneys' fee incurred by the Association for collection.

6. DESCRIPTION OF PROPERTY SUBMITTED TO CONDOMINIUM OWNERSHIP.

A. The legal description of the land hereby submitted to condominium ownership is set forth in Exhibit "A" attached hereto and made a part hereof.

B. Exhibit "B" attached hereto and made a part hereof is a survey of said land, a graphic description of the improvements in which Units are located, and a plot plan thereof.

C. The identification, location and dimensions of each Unit and the Common Elements and Limited Common Elements appear on Exhibit "B". Together with this Declaration, Exhibit "B" includes sufficient detail to identify the Common Elements, the Limited Common Elements, and each Unit and provides accurate representations of their locations and dimensions.

7. OAKBRIDGE MASTER ASSOCIATION

Each Unit Owner shall also be a mandatory member of Oakbridge Owners' Association No. One, Inc. and shall owe assessments to such "Master" Association as set forth in the Declaration of Covenants, Conditions and Restrictions recorded at Official Records Book 2435, Page 960 et seq. of the public records of Polk County, Florida, as same may be amended from time to time.

8. AMENDMENT OF DECLARATION.

A. This Declaration may be amended with the affirmative vote of at least a majority of those voting interests present, in person or by proxy, and voting at any regular or special meeting of Unit Owners called or convened in accordance with the By-Laws. A majority shall be 50% plus one and if a fractional number, then it shall be rounded to the nearest whole number and if a .5 number then it shall be rounded down. All amendments shall be evidenced by a certificate executed as required by the Condominium Act and recorded among the Public Records of Polk County, Florida, provided, however, that except as otherwise provided in this Declaration:

(1) No amendment shall change the configuration or the size of any Unit in any material fashion, materially alter or modify the appurtenances to such Unit, nor change the proportional percentage by which a Unit Owner shares the Common Expenses and owns the Common Surplus unless the record owner thereof and all record owners of liens thereon shall join in the execution of such amendment; and

(2) No amendment shall be passed which shall impair or prejudice the rights and priorities of any Mortgagee without the prior written consent of such Mortgagee.

(3) Any amendment which would affect the surface water management system, including water management portions of the Common Elements, shall not be passed without the prior written approval of the Southwest Florida Water Management District.

B. Invalidity of any part of this Declaration, any provision contained in any plat of the Condominium Property or in a conveyance of a Unit in the Condominium by judgment, court order or law shall not affect any of the other provisions hereof which shall remain in full force and effect.

9. THE ASSOCIATION, ITS POWERS AND RESPONSIBILITIES.

A. The operation of the Condominium shall be vested in the Association. The Association has been organized or will be organized as a nonprofit Florida corporation and a copy of its Articles of Incorporation are attached hereto and made a part hereof as Exhibit "C".

B. No Unit Owner, except an officer or director of the Association, shall have any authority to act for the Association.

C. All Unit Owners shall automatically be members of the Association, and a Unit Owner's membership shall terminate when he no longer owns his Unit.

D. Unit Owners shall be entitled to one (1) vote for each Unit owned in accordance with the voting privileges set forth in the Articles and By-Laws. Multiple owners of a Unit shall collectively be entitled to one (1) vote for said Unit in accordance with voting privileges set forth in the Articles and By-Laws. There shall be no cumulative voting.

E. The powers and duties of the Association shall include those set forth in the Articles, the By-Laws, the Condominium Act, and this Declaration and shall include, but not be limited to, the following:

(1) The irrevocable right of access to each Unit at reasonable hours as may be necessary for the maintenance, repair or replacement of any Common Elements therein or accessible therefrom or another Unit or at any hour for making emergency repairs necessary to prevent damage to the Common Elements or to another Unit.

(2) The power to levy and collect Assessments from Unit Owners and to lease, maintain, repair and replace the Common Elements.

(3) The keeping of accounting records in accordance with good accounting practices and the Condominium Act which records shall be open to inspection by Unit Owners or their authorized representatives at reasonable times and written summaries of which shall be supplied at least annually to Unit Owners or their authorized representatives.

(4) The power to enter into contracts with others for the maintenance, management, operation, repair and servicing of the Condominium.

(5) The power to adopt reasonable rules and regulations for the maintenance and conservation of the Condominium Property, and for the health, comfort, safety and welfare of the Unit Owners, all of whom shall be subject to such rules and regulations.

(6) The power to obtain and maintain adequate insurance to protect the Association and the Common Elements.

F. Except as provided by statute in case of condemnation or substantial loss to the Units and/or Common Elements, unless at least two-thirds of the Mortgagees (based upon one vote for each first mortgage owned), or Owners have given their prior written approval, the Association shall not be entitled to:

(1) By act or omission seek to abandon or terminate the Condominium;

(2) Change the pro rata interest or obligations of any individual Unit for the purpose of (a) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (b) determining the pro rata share of each Unit in the Common Elements;

(3) Partition or subdivide any Unit;

(4) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Owners shall not be deemed a transfer within the meaning of this clause.);

(5) Use hazard insurance proceeds for losses to any portion of the Condominium for other than the repair, replacement or reconstruction of such portion.

G. The Association shall not be entitled to construct any improvements within the 50 foot Greenbelt Buffer as depicted on the plat of the Condominium.

10. BY-LAWS.

The administration of the Association and the operation of the Condominium Property shall be governed by the By-Laws of the Association, a copy of which is attached hereto and made a part hereof as Exhibit "D". No modification of or amendment to these By-Laws shall be deemed valid unless duly adopted as provided in the By-Laws and set forth in or annexed to a duly recorded amendment to this Declaration executed in accordance with the provisions of the Condominium Act. No amendment to said By-Laws shall be adopted which would affect or impair the validity or priority of any mortgage covering any Condominium Parcel.

11. MAINTENANCE: LIMITATION UPON IMPROVEMENT.

A. The maintenance of the Common Elements shall be the responsibility of the Association; provided, however, that the Association shall not be responsible for the maintenance, repair or replacement of any Unit windows or doors installed or replaced by an individual Unit Owner or their contractor, agent and/or representative; pipes; wires; conduits or other utility lines servicing a single Unit; or any air conditioning compressor or other portion of the air conditioning system that serves a particular Unit, which responsibility shall, instead, be borne solely by the Owner of such Unit.

B. There shall be no material alteration or substantial addition to the Common Elements or Limited Common Elements except in the manner provided herein.

C. No Unit Owner shall make any alterations in the portions of the improvements of the Condominium which are to be maintained by the Association, remove any portion thereof, make any additions thereto, do any work which would jeopardize the safety or soundness of the building containing his Unit or impair any easement.

D. No privacy fence, wall, gate or other structure may be erected, installed, maintained or removed on the Condominium Property nor shall any windows or doors be installed, maintained or removed until the design, construction, specifications and a plan showing the location of the structure have been approved in writing by the Board of Administration (or an architectural review committee appointed by it) as to quality, design and materials, in harmony with existing structures, and as to location with respect to topography and finished grade elevation. Such application shall be considered denied in the event that the Board of Administration (or its designee) fails to give such approval within thirty (30) days after receipt of a written request for same and an appeal should be made to the Board of Administration (or its designee) for approval. In no event will such approval be unreasonably withheld nor will any charge be made therefor. Nothing contained in this paragraph shall be construed to lessen the obligation of any Owner to make prompt application for and obtain all necessary governmental permits and other approvals with respect to any such structure.

E. No improvements or landscaping shall be effected within the Limited Common Elements described in paragraph 5.C. hereof except by selection and installation of "package" improvement plans designed and approved by the Association, if any, which plans will be limited in number to preserve an attractive and relatively uniform exterior appearance. Any such improvements or alterations so commenced shall be substantially completed and ready for use within a reasonable time set by the Association. If the construction or alterations are not timely completed by the Unit Owner, the Association may do so and charge the expense to the Unit Owner as an additional assessment collectable as such. The approved package improvement plans shall generally consist of landscaping, screening, therapy pools, decks and the like, but the Association shall retain the right to determine the form, character and content of these improvement packages and these shall not be considered material alterations or substantial additions requiring a vote of the Unit Owners. During and following the construction of improvements or alterations, the Limited Common Element described in paragraph 5.C. hereof shall be maintained by the Unit Owner as previously set forth. Nothing herein shall be construed to require the Association to have or adopt approved "packages" and the Association may

declare that no further changes or additions shall be made within the Limited Common Elements described in paragraph 5.C. hereof.

F. The Association may materially alter or make substantial addition(s) to the Common Elements with the affirmative vote of at least a majority of the total voting interests of the Association voting at any regular or special meeting of Unit Owners called or convened in accordance with the By-Laws. A majority shall be 50% plus one and if a fractional number, then it shall be rounded to the nearest whole number and if a .5 number then it shall be rounded down. Notwithstanding this vote requirement, (1) the Association may change or remove the skylights or roof windows without a vote of the Unit Owners if it is determined in the sole and absolute discretion of the Board that this will be more economical and will better ensure a water-tight seal for the roof and/or provide for a more enforceable roof warranty so long as it is done on a community-wide basis and any Unit Owner having a skylight or roof window must consent to the removal for his or her Unit and (2) nothing costing less than ten thousand (\$10,000.00) dollars should be considered a material alteration or substantial addition with the exception of changing paint colors. In the event the Unit Owner refuses to consent to the skylight or roof window removal then same will not be removed despite the removal of others and the skylight or roof window will remain as a Limited Common Element to be maintained, repaired and/or replaced by the Association but this shall be done at the sole cost and expense of the individual Unit Owner having use of same and any costs or expenses incurred can be assessed as a specific assessment against the Unit and collected in the same manner as any other assessment including, but not limited to, through lien and foreclosure on the Unit.

12. COMMON EXPENSES AND COMMON SURPLUS.

A. Common Expenses shall include the expenses of the operation, maintenance, repair or replacement of the Common Elements and Limited Common Elements, when applicable, costs of carrying out the powers and duties of the Association and any other expense designated as Common Expenses by the Condominium Act, this Declaration or the By-Laws. Common Expenses shall also include assessments due by Unit Owners to the Master Association, which assessments shall be paid by the Association.

B. Common Expenses shall be assessed against Unit Owners in a proportion equal to those proportions of ownership in the Common Elements as provided in this Declaration.

C. Common Surplus, if any, shall be owned by Unit Owners in a proportion equal to those proportions of ownership in the Common Elements as provided in this Declaration.

13. ASSESSMENTS: LIABILITY, LIENS, PRIORITY, INTEREST AND COLLECTIONS.

A. The Association, through its Board of Administration, shall have the power to determine and fix the sums necessary to provide for the Common Expenses, including the expense allocable to services being rendered by a management company with whom the Association may contract. Unless specifically waived by the Association, the Assessments shall include monies required for the payment of hazard and liability insurance premiums. The annual Assessment shall initially be payable in advance, quarterly, on the first day of each such month;

however, the Board of Administration shall have the power to establish other collection procedures. In addition, the Association shall have the power to levy special assessments against Units in their respective percentages if a deficit should develop in the payment of Common Expenses. The Board of Administration of the Association may, but shall not be required to, except as may be required by applicable law, include sums to establish reasonable reserves against future contingencies in each annual Assessment.

B. In addition to the Annual and Special Assessments authorized by this Article of this Declaration, the Association may levy an individual assessment against any individual Unit to recover any charges or losses incurred by the Association as a result of the actions or inactions of a particular Owner, his or her family member, tenant, licensee, guest or invitee or resulting from an individual Owner's or their family member, tenant, licensee, guest or invitee's failure to comply with the terms of this Declaration or the Association's governing documents, rules and regulations or guidelines including, but not limited to, architectural guidelines. Individual assessments shall be payable in such manner and at such times as determined by the Board of Administration. Individual Assessments shall be subject to all provisions of this Article, including interest and lien provisions.

In order to levy a special assessment for attorney fees and costs incurred prior to litigation, the Owner shall be notified in writing of the amount assessed and the Owner shall have the right to appeal such decision in writing to the Board of Directors of the Association within thirty (30) days of receiving notice of the assessed amount. Failure to appeal shall result in the irrebuttable presumption that the assessed amount was valid and reasonable.

C. A unit owner, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he or she is the unit owner. Additionally, 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. For the purposes of this paragraph, the term "previous owner" does not include an association that acquires title to a delinquent property through foreclosure or by deed in lieu of foreclosure. A present unit owner's liability for unpaid assessments is limited to any unpaid assessments that accrued before the association acquired title to the delinquent property through foreclosure or by deed in lieu of foreclosure. The lien for assessments shall not be subordinate to any mortgage, including a bona fide first mortgage held by a lender on any unit, even when the mortgage is recorded in the Public Records prior to the claim of lien. The lien for assessments shall not be affected by any sale or transfer of a unit, except in the event of a sale or transfer by deed in lieu or pursuant to a foreclosure of a bona fide first mortgage, in which event the mortgagee shall be liable for the unpaid assessments which become due during the twelve (12) month period immediately preceding the acquisition of title or one percent (1%) of the original mortgage debt, whichever is less or such greater amount as permitted by Florida Law. However, any such remaining unpaid assessments for which such mortgagee is not liable may be assessed and reallocated to the subsequent owner who receives title from such mortgagee. Nothing herein contained shall be construed as releasing the party liable for any delinquent assessments from the payment thereof, or the enforcement of collection

by means other than foreclosure. A lender shall give written notice to the Association if the mortgage held by such lender is in default. The Association shall have the right, but not the obligation, to cure such default within the time periods applicable to owner. In the event the Association makes such payment on behalf of an owner, the Association shall, in addition to all rights reserved herein, be subrogated to all of the rights of the lender. All amounts advanced on behalf of the owner pursuant to this section shall be added to the assessments payable by such owner with appropriate interest. The liability for Assessments may not be avoided by waiver of the use or enjoyment of any Common Elements, services or recreation facilities, or by abandonment of the Unit against which the Assessment was made.

D. Assessments and installments thereof not paid when due shall bear interest from the due date until paid at the maximum rate allowed under Florida law. In addition, the Association may charge an administrative late fee in the amount of \$25.00 or 5% of the assessment installment due, whichever is higher, or such other higher amount as may be provided by the Condominium Act, as amended from time to time, for each delinquent installment that the payment is late. All payments on account shall first be applied to interest and late fees, if any, then to costs and reasonable attorneys' fees incurred in collection, and then to the oldest balance of the assessment due.

E. The Association shall have a lien upon each Condominium Parcel to secure the personal obligation of each Unit Owner thereof for any unpaid Assessment and interest thereon. Such lien shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such Assessment or enforcement of such lien, and shall also secure any late fees. The lien shall be evidenced by a claim recorded among the Public Records of Polk County, Florida, in the manner provided by the Condominium Act, and shall be effective from and as of the time of such recording and shall relate back to the recording date of the original Declaration to the extent permitted by the Condominium Act, as same may be amended from time to time. The Board of Administration may take such action as it deems necessary to collect Assessments by either an in personam action or lien foreclosure, or both, and may settle and compromise the same if in the best interest of the Association.

F. Liens for Assessments may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. In any such foreclosure, the court, in its discretion, may require the Unit Owner to pay a reasonable rental for the Condominium Parcel and the court may appoint a receiver to collect the Assessments which are the subject of said proceeding. The Association may bid in the Condominium Parcel at foreclosure sale and apply as a cash credit against its bid all sums due the Association secured by the lien being enforced, and the Association may acquire and hold, lease, mortgage and convey any Condominium Parcel so acquired.

G. If the holder of a mortgage of record or other purchaser of a Unit obtains title to the Condominium Parcel as a result of foreclosure of said first mortgage, or accepts a deed to said Condominium Parcel in lieu of foreclosure, such acquirer of title, his successors and assigns, shall be liable for the share of Common Expenses or Assessments by the Association pertaining to such Condominium Parcel or chargeable to the former Unit Owner which became

due prior to acquisition of title as a result of the foreclosure, limited only to the extent set forth in the Condominium Act, as same may be amended from time to time. Any such unpaid share of Common Expenses or Assessments shall be deemed to be a Common Expense, collectible from all Unit Owners, including such acquirer, his successors and assigns. A mortgagee or other purchaser acquiring title to a Condominium Parcel as a result of foreclosure or a deed in lieu of foreclosure may not, during the period of its ownership of such Parcel, whether or not such parcel is unoccupied, be excused from the payment of some or all of the Common Expenses coming due during the period of such ownership.

H. The Association, acting by and through its Board of Administration, shall have the right to assign its claim for any unpaid Assessments and the lien securing said claim to any Unit Owner, group of Unit Owners or any third party.

I. Nothing contained herein shall abridge or limit the rights or responsibilities of Mortgagees as set forth in the Condominium Act.

J. Except as provided in subparagraph G above and in this subparagraph, no Unit Owner may be excused from the payment of his proportionate share of Common Expenses unless all Unit Owners are likewise proportionately excused from such payment.

14. RESTRICTIONS.

In order to provide for congenial occupancy of the Condominium Property and for the protection of the value of the Units, the use of the Condominium Property shall be in accordance with the following provisions, so long as the condominium exists:

A. Occupancy. Except as otherwise specifically provided in this Declaration, no Unit shall be used for any purpose other than that of a residence for individuals living together as a single housekeeping unit, and uses customarily incidental thereto, provided, however, that no Unit may be used as group home, commercial foster home, fraternity or sorority house, or any similar type of lodging, care or treatment facility. Notwithstanding the foregoing: (i) an occupant maintaining a personal or professional library, keeping personal business or professional records or accounts, conducting personal business or business on a computer or other device (provided that such use does not involve customers, employees, licensees or invitees coming to the unit), making professional telephone calls, corresponding in or from a Unit, is engaging in a use expressly declared customarily incidental to residential use and shall not be in violation of these restrictions.

B. Insurance Restrictions. No use shall be made of any Unit or of the Common Elements which will increase the rate of insurance upon the Condominium Property without prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which would result in a cancellation of insurance on any Unit or any part of the Common Elements, or which will be in violation of any law, including without limitation any law, rule or regulations governing the storage, use, generation or disposal of hazardous or toxic materials.

C. Signs and Flags. No signs of any kind shall be displayed to public view on or from any Common Elements, except garden flags are permitted with the following limitations. The flags shall be no larger than 12" x 18" and displayed from a stand that can be no higher than 48" above ground. The flag and stand must be placed in an area contiguous to the Unit. Notwithstanding the foregoing, a Unit Owner may display one (1) portable removable United States Flag in a respectful way 365 days a year and, on Armed Forces Day, Memorial Day, Flag Day, Patriot Day, Independence Day and Veterans Day may display in a respectful way the flag of the United States Army, Navy, Marine Corps or Coast Guard, which flag cannot be larger than 4.5' x 6'. The Association reserves the right to display signs for information and safety purposes.

D. Pets. Unit Owners are granted a license to maintain not more than a total of two (2) pets, which must be either dogs, cats, small birds or fish. This license may be revoked by the Board and no pet will be permitted on the Condominium Property which creates a nuisance. The Board of Directors is authorized from time to time to make such rules restricting or permitting pets on the Condominium Property, including, without limitation, the size or weight of such pets. All animals shall be leashed and all animal waste shall be picked up by the pet owner and properly disposed of. Neither the Board nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing rules and regulations governing pets. Any Unit Owner maintaining a pet on the Condominium Property shall indemnify and hold the Association and each Unit Owner and the Board harmless from any loss, claim or damage arising from or in connection with the maintenance of a pet on the Condominium Property. All persons using the dog park shall adhere to posted rules.

E. Limitations in 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. There should be no obstruction or alteration of, nor shall anything be stored, altered or constructed in or removed from the Common Elements without the written consent of the Association. In accordance with this provision:

i. Portable Grills. Portable grills shall be stored in a garage or rear lanai/porch when not in use. No hibachi, gas fire grill, charcoal grill or other similar device used for cooking, heating or any other purpose shall be used or kindled under any overhang portion of the Unit or within ten (10) feet of any structure.

ii. Hose Reel. No hose reel or hose hanger may be mounted or placed on any Unit. A stand alone hose reel is permitted but must be stored in a garage, closed rear lanai/porch when not in use. When not in use, hoses shall be stored in a garage or out of sight.

iii. Lighting. Solar or low voltage lighting systems are allowed along the sidewalk and mulch areas of end unit townhouses. The lights, after installation, shall be no higher than 16" above the ground and no closer than 4' apart.

iv. Porches. Porch furniture, such a type that is intended for outdoor use and will not block ingress or egress, and potted plants may be placed on the entrance porch. Potted or hanging plants may not be permanently attached to the Unit.

v. Wreath. A wreath may be placed on the front door or front window of a Unit using a hanger that does not penetrate the door, window, siding or wood trim. Only one (1) wreath is allowed per Unit.

vi. Yard Art. Yard art is permitted in mulched areas only. No more than two (2) items per Unit from the following list may be placed in the mulched area adjacent to a unit: garden flag (as described above), potted plants, statues, fountain and/or bird feeder. Bird feeders shall not be visible from the road. No item placed in the mulch areas shall be taller than 48" or wider than 30". Mulched areas cannot be enlarged to accommodate yard art.

F. Nuisance. No obnoxious or offensive activities shall be permitted upon the Condominium Property nor any use or practice which is a nuisance to Unit Owners or their families, guests, tenants, servants, invitees or licensees, or which interfere with the peaceful possession and proper use of the Condominium Property by residents. All parts of the Condominium Property shall be kept in a clean and sanitary condition. No rubbish, refuse or garbage shall be allowed to accumulate, nor shall any fire hazard be allowed to exist. All refuse containers must be kept inside a condominium parcel garage (no outside containers allowed). On days where solid waste is to be picked up by the City, Owners may put their solid waste containers on the street no sooner than 6:00 p.m. the night before the pickup. Solid waste containers must be placed inside the condominium parcel garage no later than 6:00 p.m. on the pickup day.

G. Lawful Use. No improper, offensive, or unlawful use shall be made of the Condominium Property or of any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to the maintenance, replacement, modification or repair of the Condominium Property shall be the same as it is elsewhere herein specified.

H. Leasing. The Association has the right to require that a substantial uniform form of lease be used for leasing of Units and require that an application for lease on a form as may be adopted and amended by the Board of Administration from time to time be submitted. Additionally, the Board of Administration may require an application fee to, but not to exceed the maximum allowed by law as such law may amended from time to time (the current maximum being \$150.00 per applicant with spouses or a parent or parents' independent children being considered a single applicant). The Association shall have the right to run background checks on any and all occupants and to require such information from all occupants as may be necessary to run background checks. The Association may deny a tenant application for any reason related to health and safety, and the welfare of other residents of the community,

including but not limited to, criminal convictions, but this shall in no way guarantee a community free from individuals with criminal records and shall not be construed to create a new liability on the part of the Association to ensure a community free from convicted felons. No lease shall be for a period of less than twelve (12) months and the proposed Lessee shall consist of not more than two (2) persons per bedroom in the Unit to be leased. No lease may be of less than an entire Unit. Subleases of Units are prohibited. Units shall not be leased more than twice in any twelve (12) month period. Units may not be leased or rented during the first two (2) years of ownership. Under no circumstances may a Unit be used for Airbnb, or other type of short term rentals. During the lease of his Unit, the liability of the Unit Owner under this Declaration shall continue.

Any lease agreement shall be in writing, shall provide that the Lease shall be subject in all respects to the provisions hereof, and to the rules and regulations promulgated from time to time by the Board, and shall provide that the failure by the tenant to comply with the terms of the Condominium Declaration, Articles, Bylaws and Rules and Regulations adopted by the Association shall be a default under the lease. Prior to commencement of the terms of the Lease, the Unit Owner shall notify the Association, in writing, of the name or names of the tenant or tenants and the time during which the lease shall be in effect.

In conjunction with the application to be submitted by the Unit Owner and tenant, the Unit Owner shall also sign a Power of Attorney authorizing the Association to initiate eviction actions against the tenant in the event the tenant fails to comply with the terms and conditions of the Condominium Declaration, Articles, Bylaws and/or Rules and Regulations adopted by the Association.

I. Parking. No “prohibited vehicles” shall be parked or stored on any of the common properties or common areas or on any road, lot, or driveway within the Condominium property. For purposes of this restriction, a “prohibited vehicle” shall include: any vehicle longer than 266 inches or wider than 81 inches, a commercial vehicle (vehicle bearing lettering and/or graphics, or other commercial insignia), inoperable vehicles including vehicles with no current license plate or a vehicle incapable of self-propulsion, or any vehicle in a dilapidated condition with rust, significant body damage, broken headlights or taillights, broken or significantly cracked windows, or noticeably chipped or uneven paint job. Further, for purposes of this restriction, “commercial vehicle” shall be defined as trucks of any size, including but not limited to pickup trucks, which have evidence of, or modifications for, commercial purposes, including but not limited to trucks where debris or items are carried or stored in open view or trucks where commercial equipment, inventory, or apparatus is visible from the exterior of the vehicle; vans designed for commercial purposes, which determination is based upon factors including the size of the van and the absence of passenger windows on the sides of the vehicle; and any vehicle which has exterior commercial lettering, graphics, signage or other advertising or commercial displays or insignia affixed thereto or which has modifications related to a commercial purpose, excluding police cars and government vehicles. Further, for purposes of this restriction, a “prohibited vehicle” will not be deemed to be a commercial or public service vehicle present in the property while performing services for or on behalf of any of the residents.

Parking on any part of the Condominium property including, but not limited to, on any street within the Condominium property overnight shall be prohibited except that parking inside garages or in a manner that would fit entirely upon a Unit's driveway shall be permitted. Overnight shall be defined as parking between the hours of 1:00 AM and 7:00 AM.

No adjoining driveway or area marked by a posted "parking prohibited" area may be blocked. Parking is not allowed next to yellow-painted curbs.

Prohibited vehicles with a current license plate, whether operated under their own power or not, may be allowed to remain parked in Stonewater for no more than 24 hours unless stored inside a Unit's closed garage. These vehicles may be parked on the Unit's driveway overnight but must fit entirely on the driveway. Vehicles of these types that do not fit in a Unit's closed garage or driveway may be parked roadside following Stonewater Roadside Parking Rules and/or Clubhouse Parking Rules. A Unit Owner, their family members, lessees, guests or invitees may collectively exercise the 24-hour parking privilege in this paragraph only twice in any calendar month, and these may not be consecutive days. The 24-hour period begins when the vehicle first parks within Stonewater and is not extended by the vehicle's departure and subsequent return.

J. Garage Doors. Garage doors must remain closed at all times except when in use.

K. Solicitation. There shall be no solicitation by any person in the Stonewater Condominiums community for any cause unless authorized by the Board of Directors.

L. Speed Limit. For the safety of the Stonewater Condominium residents, the maximum speed for vehicles in the Stonewater Condominium community is 15 mph. The speed limit may be enforced by local law enforcement.

M. Swimming Pools. All persons using the swimming pools shall adhere to the posted rules. The swimming pool is open each day from 8:00 a.m. until dusk, unless closed for maintenance, repairs or inclement weather.

N. Sales and Transfers and Approval Requirements. Written approval of the Board of Directors of the Association shall be required for any sale or other transfer of interest in a Unit. The approval of the Association required for the transfer of ownership of Units shall be obtained in the following manner:

1. Notice to Association.

(a) Sale. A Unit Owner intending to make a bonafide sale of a Unit or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. Such notice, at the Unit Owner's option, may include a demand by the Unit Owner that the Association furnish a purchaser for the unit if the proposed purchaser is not approved and if such demand is made, the notice shall be

accompanied by a copy of a proposed contract of sale signed by the proposed purchaser.

(b) Gift, Devise or Inheritance; Other Transfers. A Unit Owner who has obtained title by gift, devise, or inheritance, or any other manner not previously considered, shall give the Association notice of acquiring of title, together with such other information concerning the Unit the Association may reasonably require, and a certified copy of the instrument showing the Owner's title.

(c) If the above required notice to the Association is not given then at any time after receiving knowledge of transaction or event transferring ownership or possession of a unit, the Association, at selection and without notice, may approve or disapprove the transfer of ownership or possession. If the Association disapproves the transaction of ownership or possession, the Association shall proceed as if it had received the required notice on the date of such disapproval.

2. Approval.

(a) Sale. If the proposed transaction is a sale, then within thirty (30) days after the receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate which shall include notice of unpaid assessments, and any other amounts due to the Association from the selling Unit Owner, executed by any Officer of the Association, in recordable form.

(b) Gift, Devise or Inheritance; Other Transfers. If the Unit Owner giving notice has acquired title by gift, devise, or inheritance, or any other manner, then within thirty (30) days after receipt of such notice and information the Association must either approve or disapprove the continuance of the Unit Owner's ownership of his Unit. If approved, the approval shall be stated in a certificate executed any Officer of the Association in recordable form.

(c) Disapproval by Association. If the Association shall disapprove a transfer of ownership of a Unit, the matter shall be disposed of in the following manner:

(1) Sale. If the transaction is a sale and if the Notice of Sale given by the Unit Owner shall so demand, then within thirty (30) days after disapproval by the Association, it shall deliver or shall send by Registered Mail to the Unit Owner, an agreement to purchase the unit signed by a purchaser approved by the Association, or an agreement to purchase and signed on behalf of the Association by its President and attested to by its Secretary, in which event, the Unit Owner shall sell the unit to the named purchaser at the price and upon the

terms stated in the disapproved Contract to Sell accepting that at the option of the named purchaser, the purchase price may be in cash at closing.

(2) The sale shall be closed within thirty (30) days after delivery or mailing of the Agreement to Purchase or upon the date designated in the disapproved contract, whichever date shall be later.

(3) The certificate of disapproval by the Association, executed by any of its Officers in a recordable form shall be delivered to the purchaser.

(4) If the Association shall fail to purchase or provide a purchaser upon demand of the Unit Owners in the manner provided or if the purchaser furnished by the Association shall fail to perform the Agreement to Purchase, the proposed transaction shall be deemed to have been approved, and the Association shall furnish a Certificate of Approval as elsewhere provided, in a recordable form.

3. Gift, Devise or Inheritance; Other Transfers. If the Unit Owner giving notice has acquired title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after this approval by the Association, it shall deliver or mail by Registered Mail to the Unit Owner, an agreement to purchase the unit concerned by a purchaser approved by the Association, who will purchase and to whom the Unit Owner must sell apartment upon the following terms:

(a) The sales must be determined by agreement between the seller and purchaser within seventy-five (75) days from the delivery or mailing of such agreement. In the absence of an agreement as to the price, the price shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except the arbitrator shall be two (2) appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisal of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser. In any such action for specific performance, the prevailing party shall be entitled to recover reasonable attorney fees and court costs incurred.

(b) The purchase price shall be paid in cash.

(c) The sale shall be closed within thirty (30) days following the determination of the sale price.

(d) A certificate from the Association, executed by any of its Officers in recordable form shall be delivered to the purchaser.

(e) If the Association shall further provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall fail to perform the agreement to purchase but notwithstanding disapproval, such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, in a recordable form to the Unit Owner.

15. TERMINATION OF CONDOMINIUM.

Subject to the provisions of this Declaration concerning total or substantial destruction, the Condominium Property may be removed from the provisions of this Declaration at any time by a vote of eighty (80%) percent of the voting rights of all Unit Owners and unanimous written consent of all of the institutional first mortgage holders by an instrument to that effect signed by the president or vice president and secretary of the Association with the formalities of a deed and duly recorded in the public records of Polk County, Florida. In the event of termination, the rights of owners of mortgages or other liens and the procedure for liquidation of the Condominium assets as provided herein with respect to total or substantial destruction shall apply and shall be under the supervision and control of the Insurance Trustee selected by the Board of Administration of the Association.

16. EQUITABLE RELIEF.

In the event of "major damage" to or destruction of all or a substantial part of the Condominium Property and if the Property is not repaired, reconstructed or rebuilt within a reasonable period of time, any Unit Owner shall have the right to petition a court of competent jurisdiction for equitable relief which may, but need not, include termination of the Condominium and partition.

17. LIMITATION OF LIABILITY.

A. The liability of each Unit Owner for Common Expenses shall be limited to the amounts assessed against him from time to time in accordance with the Condominium Act, this Declaration, the Articles and the By-Laws.

B. A Unit Owner may be personally liable for any damages caused by the Association in connection with the use of the Common Elements, but only to the extent of his pro rata share of that liability in the same percentage as his interest in the Common Elements and in no event shall said liability exceed the value of his Unit. Each Unit Owner shall be liable for injuries or damages resulting from an accident in his own Unit to the same extent and degree that the owner of a house or any other property owner would be liable for such an occurrence.

C. In any legal action in which the Association may be exposed to liability in excess of insurance coverage protecting it and the Unit Owners, the Association shall give notice of the exposure within a reasonable time to all Unit Owners, and they shall have a right to intervene and defend.

18. LIENS.

A. With the exception of liens which may result from the initial construction of this Condominium or provided for in this Article, no liens of any nature shall arise or be created subsequent to the recording of this Declaration against the Condominium Property (as distinguished from individual Units) without the unanimous consent of the Unit Owners.

B. Unless a Unit Owner has expressly requested or consented to work being performed or materials being furnished to his Unit, such labor or materials may not be the basis for the filing of a lien against same. No labor performed or materials furnished to the Common Elements shall be the basis for a lien thereon unless authorized by the Association, in which event, the same may be the basis for the filing of a lien against all Condominium Parcels in the proportions for which the Owners thereof are liable for Common Expenses.

C. In the event a lien against two or more Condominium Parcels becomes effective, each owner thereof may release his Condominium Parcel from the lien by paying the proportionate amount attributable to his Condominium Parcel. Upon such payment, it shall be the duty of the lienor to release the lien of record from such Condominium Parcel.

19. REMEDIES FOR VIOLATION.

Each Unit Owner, his family, invitees and tenants, shall be governed by and conform to this Declaration, the Articles, the By-Laws and the rules and regulations of the Association. Failure to do so shall entitle the Association or any other Unit Owner to recover damages or obtain injunctive relief or both, but such relief shall not be exclusive of other remedies provided by law.

20. EASEMENTS.

A. Owners of Units shall have, as an appurtenance to their Units, a perpetual easement for ingress and egress to and from their Units over and upon stairs, terraces, balconies, walks and other Common Elements intended for such purposes.

B. The Condominium Property shall be subject to perpetual easements for encroachments presently existing or which may hereafter be caused by settlement or movement of the Condominium Building or minor inaccuracies in construction, which easements shall continue until such encroachments no longer exist. If the Condominium Property is destroyed and then rebuilt, encroachments due to construction shall be permitted and a valid easement for said encroachments shall exist. If any portion of the Common Elements encroaches upon any Unit, or any Unit encroaches upon the Common Elements, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements contained in the Condominium Property, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

C. The Condominium Property shall be subject to such easements for utilities as may be determined by the Association or required to properly and adequately serve the Condominium Property as it exists from time to time. Each of said easements, whether heretofore or hereafter created, shall constitute covenants running with the land of the Condominium and, notwithstanding any other provisions of this Declaration, may not be substantially amended or

revoked in such a way as to unreasonably interfere with its proper and intended use and purpose and shall survive the termination of the Condominium. To the extent that the creation of any such utility easements require the joinder of Unit Owners, the Association by its duly authorized officers may, as the agent or the attorney-in-fact for the Unit Owners, execute, acknowledge and deliver such instruments and the Unit Owners, by the acceptance of deeds to their Units, irrevocably nominate, constitute and appoint the Association, through its duly authorized officers, as their proper and legal attorneys-in-fact for such purpose. Said appointment is coupled with an interest and is therefore irrevocable. Any such instrument executed pursuant to this Article shall recite that it is made pursuant to this Article.

D. An easement shall exist for pedestrian traffic over, through and across sidewalks, paths and walks and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as may from time to time be paved and intended for such purposes. Such easements shall be for the use and benefit of the members of the Association, as well as the invitees of such members; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium Property except to the extent that space may be specifically designated and assigned for parking purposes.

21. ENFORCEMENT OF MAINTENANCE.

In the event that a Unit Owner fails to maintain his Unit as required herein or otherwise violates the provisions hereof, the Association shall have the right to assess the Unit Owner and the Unit for the sums necessary to restore the Unit to good condition, to collect such Assessment and have a lien for same as is otherwise provided herein. The Association shall have the right, before or after any such Assessment, to have its employees or agents enter the Unit and do the work necessary to enforce compliance with the above provisions. Unit Owners may also be individually assessed for any damage to the Common Elements or Limited Common Elements which may be caused by such Owners, their family, lessees or guests.

22. INSURANCE.

A. Purchase of Insurance. The Association shall obtain fire and extended coverage insurance, vandalism and malicious mischief insurance insuring all of the insurable improvements within the Common Elements together with such other insurance as the Association deems necessary in a company with an "A+10" rating or better in an amount which shall be equal to the maximum insurable replacement value as determined annually. The premiums for such coverage and other expenses in connection with said insurance shall be assessed against the Unit Owners as part of the Common Expenses. The named insured shall be the Association, individually and as agent for the Unit Owners, without naming them, and as agent for their Mortgagees.

(1) Provision shall be made for the issuance of Mortgagee endorsements and memoranda of insurance to Mortgagees. Such policies shall provide that payments for losses thereunder by the insurer shall be made to the Insurance Trustee hereinafter described, and all policies and endorsements thereon shall be deposited with the Insurance Trustee.

(2) For purposes of this and the following Article, all buildings constituting the Condominium, as described in Exhibit "B" attached hereto, shall collectively be deemed one Building.

B. Coverage.

(1) Casualty. All buildings and improvements upon the Property described in Exhibit "B" attached hereto shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, and all personal property included in the Common Elements shall be insured for its maximum insurable replacement value, said value to be determined annually by the Board of Administration. Such coverage shall afford protection against:

(a) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and

(b) Such other risks as from time to time shall customarily be covered with respect to buildings similar in construction, location and use as the buildings described in this subparagraph B including, but not limited to, vandalism and malicious mischief.

(2) Public liability in such amounts and with such coverage as shall be required by the Board of Administration, including, but not limited to, hired automobile and nonowned automobile coverages, including a cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.

(3) Worker's compensation insurance meeting all the requirements of the laws of Florida.

(4) Directors and officers liability insurance, if available.

(5) Such other insurance as the Board of Administration shall determine from time to time to be desirable including without limitation such insurance as may be required by any agency of the United States government which holds a first mortgage encumbering a Unit or insures to the holder thereof the payment of the same.

C. Premiums. Premiums upon insurance policies purchased by the Association shall be assessed by the Association against the Unit Owners as part of the Common Expenses.

D. Insurance Trustee; Shares of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association, the Unit Owners and their Mortgagees, as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to an Insurance Trustee which shall be designated by the Board of Administration and the Board of Administration may designate itself as the Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums, the renewal or the sufficiency of policies or the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive

such proceeds as are paid and to 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, which shares need not be set forth on the records of the Insurance Trustee:

(1) Common Elements. Proceeds on account of damage to Common Elements - an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Element appurtenant to his Unit.

(2) Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(a) When the Condominium Building is to be restored, for the owners of damaged Units in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Association.

(b) When the Condominium Building is not to be restored, an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.

(3) Mortgages. In the event a Mortgagee endorsement has been issued as to a Unit, the share of that Unit Owner shall be held in trust for the Mortgagee and the Unit Owner, as their interests may appear; provided, however, that no Mortgagee shall have any right to determine or 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 those proceeds paid to the Unit Owner and Mortgagee pursuant to the provisions of this Declaration.

E. Distribution of Proceeds. In the event of a destruction or casualty loss to any of the improvements, all insurance proceeds payable under the Association's policies shall be collected by the Association treasurer and paid over to the Insurance Trustee if said proceeds are in excess of \$50,000, to be held by the Insurance Trustee in trust to be used for the immediate repair and reconstruction of the damaged improvements under the supervision and control of the Association Board of Administration. Said funds shall be disbursed upon written draw requests signed by the president or vice president of the Association as reconstruction progresses. In the event the proceeds are not sufficient to pay the cost of reconstruction and the Trustee's costs and reasonable fees, the Association shall supply sufficient additional funds as a part of the common expenses of the Association. The Association's insurance carrier shall not have a right of subrogation against a Unit Owner, but if it is determined that the damage was proximately caused by the negligence of a Unit Owner, the Unit Owner may be assessed a sum sufficient to reimburse the Association for any deficiency in insurance proceeds and the Association shall have a lien for that amount, plus interest at the maximum rate allowed by law from the date of the assessments, and reasonable attorneys' fees, to the same extent that it has a lien for any unpaid assessments under the Condominium Act. Any surplus of insurance proceeds shall be returned to the Association and added to the common surplus. In the event the proceeds are less

than \$50,000 they need not be placed in trust but shall be held by the treasurer and applied directly by the Board of Administration for the above purposes.

In the event of a total or substantial destruction of all of the Condominium improvements, the improvements shall be restored as above provided unless the owners of two-thirds of the voting rights of the units in the Condominium vote to terminate this Condominium. In the event the Condominium is to be terminated, then all Owners of units will immediately convey all their right, title and interest to their respective units to the Insurance Trustee selected by the Board of Administration, to be held by the Trustee in trust. The recording of each conveyance to the Trustee in the public records of Polk County, Florida will have the immediate effect of releasing all liens upon the respective unit and shall cause their instantaneous transfer to that Unit Owner's share of the common surplus to be subsequently distributed by the Trustee as herein provided. The Trustee shall collect all insurance proceeds payable as a result of the destruction, shall collect all assets of the Association which are allocable to the units in this Condominium and which may remain after the Association pays its liabilities, and shall effect a public or private sale of the Condominium property, by whatever means the Association Board of Administration shall deem best, for the highest and best price, for cash or terms, as soon as practicable consistent with local real estate market conditions. After conveyance of title to the purchaser free and clear of all liens and encumbrances and after payment of reasonable Trustee's fees, appraiser's fees, and other costs reasonably incurred, the Trustee shall apportion the remaining funds in his hands among the units in accordance with the respective values of the units immediately prior to the destruction as determined by three experienced real estate appraisers selected by the Board of Administration. The Trustee shall distribute each unit's share of the funds jointly to the record title Owners of each unit and the record owners of any mortgages or other liens encumbering the unit at the time of the recording of its conveyance to the Trustee by the Unit Owner. All mortgages and other liens upon the respective units shall be fully released and discharged as herein provided even though the share of a particular unit in the funds is insufficient to pay all liens in full; in that event the lienholders who had priority against the title to the unit shall have priority of payment of the unit's share of the common surplus. None of these actions shall relieve the Unit Owner of his personal liability for any deficiency which may be caused by any liens to which his unit is subject at the time of his conveyance to the Trustee. Mortgagees and other lienholders will evidence their acceptance and consent to the foregoing provisions by the acceptance of their mortgage or perfection of their lien. The provisions of this paragraph may be enforced by injunction, suit for specific performance or by other appropriate remedy upon suit filed by the Association in a court of competent jurisdiction.

24. Intentionally left blank.

25. EMINENT DOMAIN OR CONDEMNATION PROCEEDING.

If eminent domain or condemnation proceedings are successfully litigated against all or any part of the Condominium Property, the entire eminent domain or condemnation award is to be secured to the Association in accordance with the ratio of ownership herein provided as it pertains to the Common Elements, and shall be disbursed to Unit Owners and their Mortgagees

as their interests appear of record. The Association shall give to each Mortgagee prompt written notice of any such eminent domain or condemnation proceedings.

26. RIGHTS OF INSTITUTIONAL FIRST MORTGAGEES.

Unless otherwise permitted in this Declaration, no amendment to this Declaration shall discriminate against any Unit Owner or against any unit, or class or group of units, unless the institutional first mortgagees holding mortgages on those units consent; and no amendment shall change any unit or the share in the common elements, and other of its appurtenances or increase the owner's share of the common expenses, except as otherwise permitted herein, unless such mortgagees shall join in the execution of the amendment. Neither shall an amendment make any change in the insurance requirements imposed in this Declaration or in the rights and obligations arising following a casualty unless all institutional first mortgagees having mortgages in the Condominium join in the execution of the amendment. The institutional first mortgagees who obtain title to a unit through mortgage foreclosure or acceptance of deed in lieu of foreclosure shall not be liable for the share of common expenses assessed prior to the acquisition of title, unless the share is secured by a claim of lien for assessments recorded prior to the recording of the mortgage. The mortgagee shall pay all common expenses assessed to the unit, however, that shall come due during the period the unit is owned by the mortgagee. As used herein and otherwise in this Declaration, an "institutional first mortgagee" is any bank, savings and loan association, insurance company, real estate or mortgage investment trust, any federal or state agency, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, any pension or profit sharing plan or trust, mortgage company, any of the subsidiaries or affiliates of the lenders described in this paragraph, any similar type of lender generally recognized as an institutional-type lender, or any other lender so designated by the Association.

27. GENERAL PROVISIONS.

A. If any provision of this Declaration, the Articles, the By-Laws or the Condominium Act, or any section, sentence, clause, phrase or word, or the application thereof, in any circumstances is held invalid, the validity of the remainder of this Declaration, the Articles, the By-Laws, or the Condominium Act, and the application of any such invalid provision, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby.

B. Notices to Unit Owners shall be sent by certified mail or certificate of mailing to their place of residence in the Condominium Building, unless the Unit Owner has, by written notice to the Association, specified a different address. Notices to the Association shall be delivered by certified mail to the address specified as the Association's mailing address with the Division of Corporations from time to time. All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice to the other party.

C. 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 of the Association, the By-Laws, or the Rules and Regulations adopted pursuant

thereto, shall not constitute a waiver of the right to do so thereafter. The Association may levy against any Owner a fine not in excess of the maximum amounts allowed by law, as same may be amended from time to time, per day for each day that such Owner or such owner's occupant, tenant, licensee, or invitee continues to violate any of the requirements of this Declaration, the Bylaws of the Association, or any adopted rules and regulations of the Association after having been notified by the Association of such violation.

D. The remedy for violation provided by the Condominium Act shall be in full force and effect. In addition thereto, should the Association find it necessary to refer a violation to legal counsel after providing at least one notice to the Unit Owner of the violation and need to cure same and an ample period of time to cure the violation, the Unit Owner shall reimburse the Association for its legal costs and expenses if compliance doesn't result until after notice from legal counsel, whether or not a lawsuit is actually filed and if suit is filed and the Association is determined to be the prevailing party, the legal costs including reasonable attorney's fees at both trial and appellate level, incurred by it in bringing such action.

E. Whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular and the singular shall include the plural.

F. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Condominium.

G. Except as provided by statute in case of condemnation or substantial loss to the Units and/or Common Elements, unless at least two-thirds of the Mortgagees (based upon one vote for each first mortgage owned), or Owners have given their prior written approval, the Association shall not be entitled to:

(1) By act or omission seek to abandon or terminate the Condominium;

(2) Change the pro rata interest or obligations of any individual Unit for the purpose of (a) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (b) determining the pro rata share of ownership of each Unit in the Common Elements;

(3) Partition or subdivide any Unit;

(4) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Owners shall not be deemed a transfer within the meaning of this clause);

(5) Use hazard insurance proceeds for losses to any portion of the Condominium for other than the repair, replacement or reconstruction of such portion.

H. The Association shall not be entitled to revoke or modify any parking assignments made by the Developer.

ADOPTED this 1 day of July, 2025.

STONEWATER CONDOMINIUM
ASSOCIATION, INC.

By:

Geralyn Pennachio
Geralyn Pennachio, Its President

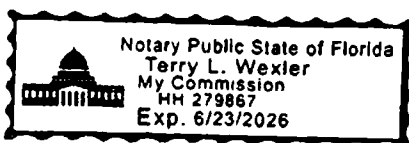
Attested to by:

Marcie Hoecker
Marcie Hoecker, Its Secretary

STATE OF FLORIDA
COUNTY OF POLK

BEFORE ME personally appeared Geralyn Pennachio and Marcie Hoecker, who executed the foregoing instrument, and acknowledged to and before me that they executed said instrument for the purposes therein expressed.

Sworn to and subscribed before me this 1st day of July, 2025.



Terry L. Wexler
Notary Public, State of Florida

Print, Type or Stamp Name of Notary

☒ Personally known to me, or

☐ Produced identification

Type of identification produced: