## PROPOSED AMENDMENTS TO THE DECLARATION OF CONDOMINIUM OF SORRENTO, A CONDOMINIUM

The Declaration of Condominium of Sorrento, a Condominium is hereby amended as set forth below:

Additions indicated by <u>underlining</u>. Deletions indicated by <u>strikethrough</u>.

- 2.5. "Association Property" means any property, real and personal, in which title or ownership is vested in the Association for the use and benefit of its members. The facilities of Sorrento Master Association Inc., which has been merged with the Association, are common areas of the Association and "Association Property" due to said merger. The expenses for maintenance, repair and replacement, protection and operation of such Association Property is a common expense of the Association.
- 2.10. "Common Expenses" mean all expenses incurred by the Association in the performance of its duties for the Condominium, including, but not limited to: (1) expenses of maintenance, operation, protection, repair or replacement of the Common Elements and Association Property; (2) expenses declared to be Common Expenses by the provisions of this Declaration or by the Articles, By-Laws or the Act; (3) all expenses and assessments due the Master Association for expenses of the Master Association pursuant to the terms of under the Master Declaration; and (4) the costs of carrying out the powers and duties of the Association. Common Expenses also include insurance for directors and officers, in-house communications, security services, and pest control services to the Common Elements, which are reasonably related to the general benefit of the Unit Owners even if such expenses do not attach to the Common Elements or property of the Condominium, and the cost of a master antennae television system, duly franchised cable television service, broadband, telecommunications, satellite and/or internet services obtained pursuant to a bulk contract, if such a bulk contract is entered into by the Association. Common Expenses shall not include any separate obligations of individual Unit Owners.
- 2.20—"Master Association" means those services and facilities of Sorrento Master Association, Inc. which has merged with the Association.
- 2.21 "Master Declaration" means the Declaration of Covenants, Conditions and Restrictions for Sorrento, to be recorded at Instrument Number 2013000236264 in the Public Records of Lee County, Florida, as such may be further amended from time to time.
- 3.7 <u>Easements</u>. The following easements are hereby created (in addition to any easements created under the Act and any easements recorded in the Public Records of Lee County affecting the Condominium Property):

(Sections (a)-(c) remain unchanged)

(d) Ingress and Egress. A non-exclusive easement in favor of each Unit Owner and



resident, their guests, tenants and invitees shall exist for pedestrian traffic over, through and across sidewalks, streets, paths, walks, and other portions of the Common Elements or Association Property as from time to time may be intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements, Association Property-or Master Association Property as from time to time may be paved and intended for such purposes. None of the easements specified in this subparagraph (d) shall be encumbered by any leasehold or lien other than those on the Condominium Parcels. Any such lien encumbering such easements (other than those on Condominium Parcels) automatically shall be subordinate to the rights of Unit Owners and the Association with respect to such easements.

## (Sections (e)-(i) remain unchanged)

- (j) <u>Master Association Easement</u>. The Master Association and its agents, contractors, designees, employees, successors and assignees shall have a non-exclusive easement for access over, upon and through all Common Elements for the purpose of performing its duties and obligations as set forth in the Master Declaration. The Master Association shall also have an easement for access over, upon and through the Condominium Property for the purpose of performing its duty and obligation to maintain the landscaping and surface water management systems located on the Condominium Property.
- 3.8 <u>Water Management System</u>. It shall be the responsibility of the Master Association to operate and maintain the surface and storm water management systems in accordance with the permit issued by the WMD for the Condominium. The Master Association shall collect any necessary assessments as operating expenses of the Master Association from the members to operate and maintain the surface and storm water management systems in accordance with the permit.
- Determination of Common Expenses and Fixing of Assessments Therefore. The Board 12. of Directors shall from time to time, and at least annually, prepare a budget for the Condominium and the Association, determine the amount of Assessments payable by the Unit Owners to meet the Common Expenses and Limited Common Expenses of the Condominium and allocate and assess such expenses among the Unit Owners in accordance with the provisions of this Declaration and By-Laws. The Board of Directors shall advise all of Unit Owners promptly in writing of the amount of the Assessments payable by each of them as determined by the Board of Directors as aforesaid and shall furnish copies of each budget, on which such Assessments are based, to all Unit Owners and (if requested in writing) to their respective mortgagees. The Common Expenses shall include the expenses and reserves for (if required by law and not lawfully waived) the operation, maintenance, repair and replacement of the Common Elements, Limited Common Elements, to the extent applicable, and Association Property, the costs of carrying out the powers and duties of the Association, and any other expenses designated as Common Expenses by the Act, this Declaration, the Articles or By-Laws of the Association, applicable rules and regulations or by the Association. Incidental income to the Association, if any, may be used to pay regular or extraordinary Association expenses and liabilities, to fund reserve accounts, or otherwise as the Board shall determine from time to time, and need not be restricted or accumulated. Any Budget adopted shall be subject to change to cover actual

expenses at any time. Any such change shall be adopted in a manner consistent with the provisions of the By-Laws. The Master Association shall also promulgate annual budgets in accordance with the Master Declaration and eEach Unit Owner shall also be obligated to pay assessments to the Master Association as provided for in the Master Declaration. Master Association assessments shall be remitted by each Unit Owner directly to the Master Association.

Institutional First Mortgagee. In the event an Institutional First Mortgagee shall obtain title to a Unit as a result of foreclosure of a mortgage thereon, or as a result of a deed given in lieu of foreclosure or in satisfaction of debt, such first mortgagee shall be liable for the share of Assessments imposed by the Association pertaining to such Condominium Parcel or chargeable to the former Unit Owner of such Condominium Parcel which became due prior to acquisition of title as well as all Assessments and charges coming due after the date of acquisition. However, the liability of an Institutional First Mortgagee or its successor or assignee, who acquires title as aforesaid, for Assessments which became due prior to the date of acquisition of title, shall be limited to the lesser of (a) the unpaid regular periodic Assessments which accrued or came due with respect to the Unit during the twelve (12) months immediately preceding acquisition of such title for which payment in full has not been received by the Association, or (b) one percent (1%) of the original mortgage debt secured by such Unit; provided that, except as provided by applicable law, the Association was joined as a defendant in the foreclosure action. Any unpaid Assessment which cannot be collected as a lien against any Unit(s) by reason of the provisions of this Section shall be deemed to be an Assessment divided equally among and payable by all Unit(s) subject to assessment by the Association, including the Unit(s) as to which the foreclosure (or conveyance in lieu of foreclosure) took place. The provisions of this Section are provided for in accordance with the Act, as the same may be amended from time to time.

Developer's Liability for Assessments. Developer guarantees to each Unit Owner that Condominium Association Assessment for each Unit shall not exceed \$400.00 per month beginning on the date of recordation of this Declaration and ending six (6) months following the date on which the closing on the purchase and sale of the first Unit in Phase 1 of the Condominium occurs (the "Guarantee Period). During the Guarantee Period, the Developer shall be excused from the payment of the Developer's share of the Common Expenses for Units owned by the Developer; provided, however, if at any time during the Guarantee Period the Assessments receivable from Unit Owner Assessments up to the guaranteed level of Assessments are not sufficient to provide payment, on a timely basis, of all Common Expenses, including the full funding of the reserves, unless the funding of reserves has been properly waived, the Developer shall advance money to the Association at the time such payments are due so that there is no deficit. The purposes of this subsection, income to the Association other than Assessments (as defined herein and in the Act) shall not be taken into account when determining the deficits to be funded by the Developer. The Developer shall have the option of extending the Guarantee Period by an unlimited amount of extensions of six (6) months each, in Developer's sole discretion, on the same terms provided herein by providing the Association notice of the Developer's intent to extend the Guarantee Period prior to the expiration of the then current Guarantee Period, or paying the share of Common Expenses and Assessments attributable to Units it is then offering for sale; provided, however, the Developer, in its sole discretion, may elect for the Guarantee Period to expire at such time during the Guarantee Period as the Developer elects not to add additional Phases to the Condominium or the Guarantee Period shall expire automatically upon the turnover of control of the Association to Unit Owners other than the Developer. No funds receivable from Unit purchases or Unit Owners payable to the Association or collected by the Developer on behalf of the Association, other than regular periodic Assessments for Common Expenses as provided in this Declaration and disclosed in the Estimated Operating Budget of the Association, shall be used for the payment of Common Expenses during any period in which the Developer is excused from payment of Assessments. This restriction shall apply to funds, including, but not limited to, capital contributions or start up funds, collected from Unit purchasers at closing. The guarantee of Condominium Assessments provide for herein shall not relate to the Master Common Expenses, which shall be governed by Master Association and Master Declaration.

Notwithstanding the above and as provided in Section 718.116(9)(a)(2) of the Act, in the event of an Extraordinary Financial Event (hereinafter defined), the cost necessary to effect restoration shall be assessed against all Unit Owners owning Units on the date of such Extraordinary Financial Event, and their successors and assigns, including the Developer (with respect to Unis owned by the Developer). As used in this subsection, an "Extraordinary Financial Event" shall mean a casualty loss affecting the Condominium resulting from a natural disaster or Act of God, which is not covered by insurance proceeds from the insurance maintained by the Association as required by Section 718.111(11)(a) of the Act.

13.10 Assessments Payable to Master Association. Pursuant to Section 12 of this Declaration, each Unit Owner shall be responsible for the payment of assessments for the Common Expenses payable to the Master Association. The Master Association shall collect from each Unit Owner their share of assessments payable to the Master Association pursuant to the terms of the Master Declaration and the Master Association operations budget. Each Unit Owner shall remit such assessments directly to the Master Association. The Master Association shall have any and all lien rights allocated to the Master Association in the Master Declaration and under applicable law against such Unit Owner's Unit for the failure of a Unit Owner to make payment(s) of such Unit Owners applicable share of the assessment(s) when due to the Master Association.

Pets. Not more than two (2) common household domestic pets, only one (1) of which may be a dog, (limited to either dogs, cats or other common household pets) may be kept in a Unit, provided said pets: (i) do not weigh more than forty pounds (40 lbs) each, (ii) are not kept, bred or maintained for any commercial purpose; (iii) are not an nuisance or annoyance to neighbors; (ivii) are not left unattended on balconies or outside the Units; (v) are registered with the Association on the form provided by the Association, and (ivi) comply with the restrictions set forth in the Master Declaration. Unit Owners must pick up all solid wastes of their pets and dispose of such waste appropriately. All pets, including cats, must be leashed at all times when outside the Unit. Pets may not be kept in or on a Limited Common Element. Neither the Developer, Board of Directors, nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of this subsection, and any occupant of a Unit committing such a violation shall fully indemnify and hold harmless the Developer, the Board of Directors, the Association, and each Unit Owner in regard. Further, any Unit Owner maintaining a pet within a Unit shall carry necessary liability insurance coverage for such pet, naming the Association as an additional insured. The Association shall have the right to request proof of such insurance on an annual basis. If any Owner fails to comply with the insurance requirements

herein, the Association shall have the right to require any pet be removed from occupancy of a Unit until proper insurance is obtained. Without limiting the generality of Section 17 hereof, a violation of the provisions of this subsection shall entitle the Association to all of its rights and remedies, including, but not limited to, the right to fine Unit Owners (as provided in the By-Laws and Rules and Regulations) and/or to require, through order of the Board, any pet to be permanently removed from the Condominium Property. Unit Owners with any existing pet(s) that do not meet these requirements as of the effective date of this amendment shall be allowed to "grandfather" the pet(s) by registering the pet(s) with the Association within sixty (60) days of the effective date of this amendment. A Unit Owner desiring to "grandfather" their pet(s) shall submit a registration form supplied by the Association. A Unit Owner who properly "grandfathers" their pets may not replace that pet if it dies unless acquiring the new pet would comply with the restrictions contained herein. Tenants and Guests are prohibited from having pets in the Units or on the Condominium property or on Association Property.