

**HARBOR COVE RESIDENT
OWNED COMMUNITY, INC.**

**DECLARATION OF
MASTER FORM OF OCCUPANCY
AGREEMENT**

**HARBOR COVE, A COOPERATIVE
MANUFACTURED HOUSING
COMMUNITY**

**** A 55 + AND OLDER
COMMUNITY ****

RECORDED IN OFFICIAL RECORDS
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KAREN E. RUSHING
CLERK OF THE CIRCUIT COURT
SARASOTA COUNTY, FLORIDA
CEAGLETO Receipt#481605

Prepared by and return to:
Kevin T. Wells, Esquire
Lobeck Hanson & Wells, P.A.
2033 Main Street, Suite 403
Sarasota, Florida 34237
(941) 955-5622 (Telephone)
(941) 951-1469 (Facsimile)

CERTIFICATE OF AMENDMENT



AMENDED AND RESTATED

**DECLARATION OF MASTER FORM OF OCCUPANCY AGREEMENT
HARBOR COVE, A RESIDENTIAL COOPERATIVE**

**ARTICLES OF INCORPORATION
HARBOR COVE RESIDENT OWNED COMMUNITY, INC.**

We hereby certify that the attached Amended and Restated Declaration of Master Form Occupancy Agreement of Harbor Cove, a Residential Cooperative (which Declaration was originally recorded at Official Records Book 2977, Page 637 et seq. of the Public Records of Sarasota County, Florida) and Amended and Restated Articles of Incorporation (which Articles of Incorporation are recorded as an Exhibit to the originally recorded Declaration) of Harbor Cove Resident Owned Community, Inc., a Florida corporation not-for-profit (herein, "the Association"), were duly adopted at Special Meetings of the Association Membership held on March 27, 2003 and November 3, 2003, by the affirmative vote of not less than two-thirds (2/3rds) of the Association membership as to the amendments to the Declaration of Master Form Occupancy Agreement as required by Article 49 of the Declaration, and by the affirmative vote of at least a majority of all members entitled to vote present (in person or by proxy) at the membership meeting as to the amendments to the Articles of Incorporation, as required by Article XII of the Articles of Incorporation. The written consent of the two mortgagees holding the blanket mortgages on the Cooperative property are attached hereto and incorporated herein.

DATED this 20th day of May, 2004.

Signed, sealed and
delivered in the presence of

HARBOR COVE RESIDENT OWNED
COMMUNITY, INC.

Sign: Emilie Goldy

By: JOHN KUSHNER President

Print: Emilie Goldy

Sign: Michele Braman

Print: Michele Braman

Signed, sealed and delivered in the presence of:

Sign: Emilie Boldy

Attest: Mary R. Gillespie
MARY R. Gillespie Secretary

Print: Emilie Boldy

Sign: Michele Braman

(Corporate Seal)

Print: Michele Braman



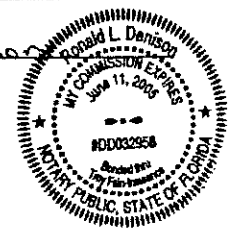
STATE OF FLORIDA
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 20th day of May, 2004, by John Kuttner as President of Harbor Cove Resident Owned Community, Inc., a Florida corporation, on behalf of the corporation. She/He is personally known to me or has produced _____ as identification.

NOTARY PUBLIC

Sign: Donald S. Denison

Print: Ronald L. Denison
State of Florida at Large (Seal)
My Commission expires:



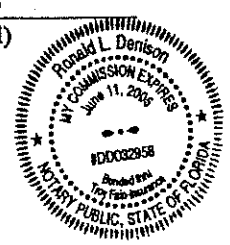
STATE OF FLORIDA
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 20th day of May, 2004, by Mary Gillespie as Secretary of Harbor Cove Resident Owned Community, Inc., a Florida corporation, on behalf of the corporation. She/He is personally known to me or has produced _____ as identification.

NOTARY PUBLIC

Sign: Donald S. Denison

Print: Ronald L. Denison
State of Florida at Large (Seal)
My Commission expires:



Prepared by and return to:
Kevin T. Wells, Esquire
Lobeck Hanson & Wells, P.A.
2033 Main Street, Suite 403
Sarasota, Florida 34237
(941) 955-5622 (Telephone)
(941) 951-1469 (Facsimile)

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MORTGAGEE JOINDER AND CONSENT

AMENDED AND RESTATED

DECLARATION OF MASTER FORM OCCUPANCY AGREEMENT

HARBOR COVE RESIDENT OWNED COMMUNITY, INC.

THE UNDERSIGNED mortgagee holding a blanket mortgage on HARBOR COVE RESIDENT OWNED COMMUNITY, a Residential Cooperative, pursuant to Article 49 of the Declaration of Master Form Occupancy Agreement (which Declaration is recorded at Official Records Book 2977, Page 637 et seq. of the Public Records of Sarasota County, Florida), hereby joins in and consents to the attached Amended and Restated Declaration of Master Form Occupancy Agreement.

DATED this 10th day of June, 2003.

Signed, sealed and delivered in the presence of:

WACHOVIA BANK NATIONAL ASSOCIATION
Name of Mortgagee

Sign: Heather M. Devenbeck

By: Kathryn Dinsmore

Print: Heather M. Devenbeck

Print Name: KATHRYN DINSMORE
As Its: VICE PRESIDENT

Sign: Nancy Pepper

(Corporate Seal)

Print: Nancy Pepper

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 10th day of June, 2003, by Kathryn Dinsmore as Vice president of Wachovia Bank, on behalf of the corporation. She is personally known to me or has produced as identification.

NOTARY PUBLIC
Sign: Karen M. Lewis
Print: Karen M. Lewis
State of FLORIDA
My Commission Expires November 18, 2003
BONDED THROUGH TROY FARM INSURANCE, INC.

INSTRUMENT # 2004104647
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HARBOR COVE RESIDENT OWNED COMMUNITY, INC.

AMENDED AND RESTATED

**DECLARATION
OF
MASTER FORM OCCUPANCY AGREEMENT**

**HARBOR COVE, A COOPERATIVE MANUFACTURED
HOUSING COMMUNITY**

****A 55+ AND OLDER COMMUNITY****

HARBOR COVE RESIDENT OWNED COMMUNITY, INC.

AMENDED AND RESTATED
DECLARATION OF MASTER FORM OCCUPANCY AGREEMENT

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AMENDED AND RESTATED

HARBOR COVE RESIDENT OWNED COMMUNITY, INC.

DECLARATION OF MASTER FORM OCCUPANCY AGREEMENT

[Substantial rewording of Master Occupancy Agreement. See original Master Occupancy Agreement and prior amendments for present text.]

THE ORIGINAL DECLARATION OF MASTER FORM OCCUPANCY AGREEMENT (the "Master Occupancy Agreement"), is declared as of the 1st day of May, 1997, by HARBOR COVE RESIDENT OWNED COMMUNITY, INC., a Florida not-for-profit corporation (hereinafter called "the Association").

WHEREAS, the Association is a Florida not-for-profit corporation governing the affairs of HARBOR COVE, A COOPERATIVE MANUFACTURED HOUSING COMMUNITY (herein known as "Harbor Cove" or "the Cooperative"); and

WHEREAS, the Association is the owner of the real property and improvements located thereon, excluding resident-owned mobile homes located thereon (said real property and improvements hereinafter referred to as the "Property"), as legally described on Exhibit "A" attached hereto and known as HARBOR COVE, A COOPERATIVE MANUFACTURED HOUSING COMMUNITY; and

WHEREAS, certain residents of the Property are members of the Association (each such member hereinafter referred to as a "Unit Owner" or "Member"); and

WHEREAS, the Association has granted or will grant to each Unit Owner by a Memorandum of Occupancy Agreement, exclusive possession and occupancy of the cooperative Unit/Lot upon which their mobile home is located (said parcel, together with appurtenances and fixtures allocated exclusively thereto hereinafter referred to as "Unit"); and

WHEREAS, each Unit is described on the "plot plan" which sets forth the layout of the Property, including each Unit, all rental lots and common areas on the property which is attached hereto as Exhibit "B" and incorporated herein by reference; and

WHEREAS, the purpose of this Master Occupancy Agreement is to set forth the terms and conditions pursuant to which each Unit Owner shall be bound and the right of occupancy of each Unit Owner shall be created; and

WHEREAS, the terms and conditions of this Master Occupancy Agreement, as amended from time to time, shall be deemed incorporated by reference into each memorandum of occupancy agreement (the "Occupancy Agreement") recorded in the Public Records with respect to each Unit, which shall serve as an Occupancy Agreement with respect to the unit upon execution thereof by the Unit Owner.

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants contained herein, the sufficiency and adequacy of which are hereby acknowledged, the parties hereto and their successors and assigns, agree as follows:

1. **Demised Premises.** The Association hereby demises to the Unit Owner, and the Unit Owner lets for use from the Association, subject to the terms and conditions hereof, the Unit located in HARBOR COVE, as depicted on the Plot Plan which is attached hereto as Exhibit "B" and incorporated herein by reference.

2. **Unit.** The word "Unit" as used herein means the designated cooperative parcel (mobile home lot) upon which the Unit Owner's mobile home is located together with the appurtenances and fixtures which are allocated exclusively to the Unit for the exclusive use and occupancy of the Unit Owner.

3. **Term.** The term of this Master Occupancy Agreement shall be for a term of years commencing with May 1, 1997, and extending for a period of ninety-nine (99) years (unless sooner terminated or extended as hereinafter provided).

4. **Maintenance Fees, Common Expenses and Assessments - How Fixed.**

A. The Unit Owner shall pay monthly maintenance and/or common expenses in accordance with the annual budget established by the Association Board of Directors from time to time and shall also pay special assessments as may be required by the Association Board of Directors from time to time and as hereafter set forth.

B. In accordance with Section 719.108, Florida Statutes, each Unit Owner, as owner of a membership certificate ("Membership Certificate") in the Association and holder of an Occupancy Agreement, shall be liable for the payment of all sums due hereunder, without limitation, such sums to include the monthly maintenance fees and/or common expenses for upkeep and maintenance of the Property, based upon expenses of operation, maintenance, taxes, insurance, repairs, betterments, and utilities, salaries of the manager and other employees and other operating costs and operating items, taking into account all income sources, including but not limited to, rents from tenants occupying mobile home lots governed by Chapter 723, Florida Statutes and tenants occupying lots pursuant to 99-year leases issued by a previous owner.

C. The Association Board of Directors (hereinafter referred to as "the Board"), according to Section 719.106, Florida Statutes, shall fix the sum of money needed for the operation of the Association. It shall determine the amount required for operating items and costs, such as: mortgage payments, maintenance, taxes, insurance, repairs, betterments and utilities, salaries of manager(s) and other employees, professional and other fees and any other sums necessary to the upkeep, operation and maintenance of the Property.

D. The funds for the payment of common expenses shall be collected by assessments against the Unit Owner of each Unit in the proportion of sharing common expenses which shall be on a pro-rata basis determined by a formula equal to a fraction, the numerator of which shall be one (1), and the denominator of which shall be the total number of Units represented by sold Membership Certificates in the Cooperative. The exact amount of maintenance or common expense charges may be increased or decreased based upon an increase or decrease in the annual budget of the Association, as adopted by the Board.

E. The Board is empowered in the manner provided in, and subject to, Section 719.106, Florida Statutes, to establish, levy and collect assessments for all budgeted mortgage payments, operating maintenance expenses and other common expenses. The Board is authorized to levy special assessments in the manner provided in the Bylaws. Each Unit Owner shall pay all assessments against their individual Units promptly when due.

F. If the Association fails to approve a new annual budget, the Unit Owner shall pay at the then current rate until the budget is approved.

G. All maintenance fees and assessments paid by the Unit Owner to the Association for maintenance or common expenses shall be used by the Association to pay its obligations. Any excess received from the Unit Owner held by the Association at the conclusion of its taxable year, whether calendar or fiscal, shall be deemed to be a common surplus. Each Unit Owner shall own any common surplus of the Cooperative in the same percentage as the common expenses are shared, which for his Unit is the percentage as stated in 4.D above. The ownership of common surplus does not include the right to withdraw or require payment or distribution of the same. The common surplus, at the discretion of the Association Board of Directors, may be used by the Association to apply against future expenses of the Association, refunded to the Unit Owners, or as otherwise determined by the Board of Directors.

H. Accurate records and books of account shall be kept by the Association and shall be open to inspection by Unit Owners in accordance with Section 719.104, Florida Statutes.

I. All maintenance fees or assessments due hereunder shall be payable in equal monthly installments in advance on the first day of each month, unless the Board of Directors, at the time of its determination of the cash requirements, shall otherwise direct. The Unit Owner shall also pay such additional assessments as may be provided herein when due.

5. **Accompanying Membership Certificates to be Specified in Occupancy Agreements.** Each Unit Owner shall be the owner of one (1) Membership Certificate in the Association, which Membership Certificate shall be appurtenant to, and inseparable from, each Unit occupied by Unit Owner. The number of the Membership Certificate appurtenant to the Unit shall be specified in each Memorandum of Occupancy Agreement.

6. **Cash Requirements Defined.** "Cash Requirements" whenever used herein shall mean the estimated amount in cash as determined by the operating budget of the Association as promulgated and adopted from year to year which the Board shall from time to time in its judgment determine to be necessary or proper for: (i) the operation, maintenance, care, alteration and improvement of the Property during the year or portion of the year for which such determination is made; (ii) statutory reserves, unless voted against by the Unit Owners, (iii) the creation of such reserve for contingencies as the Board may deem proper; and (iv) the payment of any obligations, liabilities or expenses incurred or to be incurred, after giving consideration to: (1) income expected to be received during such period (other than maintenance fees and assessments), and (2) cash on hand which the Board in its discretion may choose to apply. The Board may from time to time modify its prior determination and increase or diminish the amount previously determined as cash requirements of the Association for the year or portion thereof. No determination of cash requirements shall have any retroactive effect on the amount of maintenance fees and assessments payable by the Unit Owner for any period prior to the date of such determination. All determination of cash requirements shall be conclusive as to all Unit Owners.

7. **Services by the Association.** The Association shall operate, keep, maintain, repair, replace and manage the common facilities of the Property (excluding the Unit and any mobile home lots occupied by tenants governed under Chapter 723, Florida Statutes) in a neat and attractive manner and shall keep the improvements thereon in good working condition, and shall provide the number of employees requisite, in the judgment of the Board, for the proper care and service of the Property. The covenants by the Association herein contained are subject, however, to the discretionary power of the Association Board of Directors to determine from time to time what services and which attendants shall be proper and the manner of maintaining and operating the Property, and also what existing services shall be increased, reduced, changed, modified or terminated.

8. **Damage to Common Facilities.** If any of the common facilities of the Cooperative shall be damaged by fire or other cause covered by multi-peril insurance policies carried by the Association, the Association shall, at its own cost and expense, with reasonable dispatch after receipt of notice of said damage, repair or replace or cause to be repaired or replaced, with materials of a kind a quality then customarily in use, the facilities damaged and the means of access thereto, including the landscaping or other improvements so damaged. The Association shall have no obligation to insure or to repair or replace the mobile home, cabanas, sheds, landscaping or other improvements installed by a member on the Unit and hereby encourages its Unit Owners to obtain their own personal insurance.

9. **Assignment of Association's Rights Against Occupant.** If, at the date of the commencement of the an Occupancy Agreement, a third party shall be in possession or have the right of possession of the Unit, then the Association hereby assigns to the Unit Owner all of the Association's rights against said third party from and after the date of the commencement of the term hereof, and the Unit Owner by the execution hereof assumes all of the Association's obligations to said third party from said date. The Association agrees to cooperate with the Unit Owner, but at the Unit Owner's expense, in the enforcement of the Unit Owner's rights against said third party.

10. **Cancellation of Prior Agreement or Statutory Tenancy.** If, at the date of commencement of this Master Occupancy Agreement on May 1, 1997, the Unit Owner had the right to possession of the Unit under any agreement or statutory tenancy, this Master Occupancy Agreement shall supersede such agreement or statutory tenancy which shall be of no further effect after the date of commencement of this Master Occupancy Agreement.

11. **Quiet Enjoyment and Possession.** The Unit Owner, upon paying the common expenses and assessments and performing the covenants and complying with the conditions on the part of the Unit Owner to be performed as herein set forth, shall, at all times during the term hereby granted, quiet have, hold and enjoy the Unit without any interference or hindrance from the Association; subject, however, to the rights of the Association granted herein and the Association Rules, both as amended from time to time, and of present tenants or occupants of the Unit, if any, and subject to any and all mortgages encumbering the Property as provided in Paragraph 19 below.

12. **Inspection and Acceptance of Units and Common Areas.** Unit Owner has inspected the Unit and common property and shall accept it in its present condition on commencement of this Master Occupancy Agreement.

13. **Use of Common Areas.** Unit Owner shall have the right of joint use and enjoyment in common with other Unit Owners of the common areas and the Property not specifically occupied by other Unit Owners, except insofar as it may be limited or restricted by this Master Occupancy Agreement or by the rules and regulations of the Association (herein, called "the Rules"), Articles of Incorporation and Bylaws of the Association. Unit Owner's use of common areas and the Property shall not encroach upon the rights of other Unit Owners.

14. **Indemnity.** Unit Owner agrees to save the Association harmless from all liability, loss, damage and expense arising from injury to person or property occasioned by the failure of the Unit Owner to comply with any provision hereof, or due wholly or in part to any act, inaction, negligence, default or omission of the Association, its agents, servants or contractors when acting as agent for the Unit Owner as provided in this Master Occupancy Agreement. This paragraph shall not apply to any loss or damage when the Association is covered by insurance which provides for a waiver of subrogation against Unit Owner.

15. **Payments and Lien Rights.** Unit Owner will pay the maintenance fees and assessments to the Association upon the terms and at the times herein provided, without any deduction or action or any set off or claim which the Unit Owner may have or claim to have against the Association. Each Unit Owner shall be liable for all assessments coming due while a Unit Owner. Unit Owner and its grantee in a voluntary conveyance shall be jointly and severally liable for all unpaid assessments due and payable up to the time of the voluntary conveyance. Except as otherwise provided by law, a first institutional mortgagee who acquires title by foreclosure or deed in lieu of foreclosure shall not be liable for unpaid assessments of previous owners unless those assessments are secured by a lien recorded before the filing of the mortgage foreclosure. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common area or by the abandonment of the Unit for which the assessments are made. Assessments and installments of them, if not paid within five (5) days after the date they become due, shall bear interest at the highest rate allowed by law from the date due until paid. Also, the Association shall have the right to charge an administrative late fee in addition to such interest, in an amount not to exceed the greater of TWENTY-FIVE AND NO/100 DOLLARS (\$25.00) or five percent (5%) of the installment of the assessment for each delinquent installment that the payment is late. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorneys' fees incurred in collection and then to the delinquent assessment. The Association has a lien on each Membership Certificate and mobile home located on the Unit for any unpaid assessments, interest thereon, administrative fee(s), and any reasonable attorneys' fees and costs incurred by the Association incident to the collection of the assessment(s) or enforcement of the lien. The lien is effective from and after recording a claim of lien in the Public Records of Sarasota County, Florida, and relates back to the original recording of the Master Form of Occupancy Agreement. The claim of lien includes not only those assessments that are due at the time the lien is recorded, but shall also include all assessments which accrue through the pendency of any legal action through the date of judgment. The lien shall be deemed to be prior and superior to the creation of any homestead status, and every Unit Owner hereby consents to the imposition of such lien prior to any homestead status. This lien shall be inferior and subordinate to the lien of a first institutional mortgagee. If a Unit Owner shall be in default in the payment of an installment of an assessment, the Association may accelerate the remaining installments of the annual assessment upon notice to the Unit Owner, and the unpaid balance of the annual assessment shall be due upon the date stated in the notice, but not less than five (5) days after deliver of the notice to the Unit Owner, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur. The Association may bring an action to foreclose any lien for assessments. It also may bring an action to recover a money judgment for the unpaid assessment without waiving any claim of lien. The Association shall give notice to the Unit Owner of its intention to foreclose its lien at least thirty (30) days before the foreclosure action is filed unless the Association asserts its foreclosure action through a counterclaim or cross-claim. The notice shall be given by delivery of a copy of it to the Unit Owner or by certified mail, return receipt requested, addressed to the Unit Owner. If any unpaid share of common expenses or assessments is extinguished by foreclosure of a superior lender

by a deed in lieu of foreclosure thereof, the unpaid share of common expenses or assessments are common expenses collectible from all the Unit Owners in the Cooperative.

16. **Mobile Home Park Rules.** The Association Board of Directors has adopted the Rules of the Association to help facilitate the peaceful enjoyment of the Property by all residents, and the Board may alter, amend or repeal such Rules and adopt new Rules as they deem appropriate. This Master Occupancy Agreement shall be in all respect subject to such Rules which, when a copy thereof has been furnished to the Unit Owner, shall be taken to be part hereof, and the Unit Owner hereby covenants to comply with all such Rules and see that they are faithfully observed by family, guests and invitees of the Unit Owner. Breach of a Rule shall be deemed a material default and breach of this Master Occupancy Agreement. The Association shall not be liable or responsible to the Unit Owner for the non-observance or violation of Rules by any other Unit Owner or person.

17. **Use of Premises.**

A. The Unit Owner shall not, without the written consent of the Association Board of Directors on such conditions as the Board may prescribe, occupy or use the Unit or permit the same or any part thereof to be occupied or used for any purpose other than: (i) as a private single family dwelling for the Unit Owner or members of Unit Owner's family in compliance with the Rules; and (ii) any residential use permitted under, and subject to compliance with the Rules, applicable zoning law, building code or other rules and regulations of governmental authorities having jurisdiction, but in no event shall more than three (3) persons, one of which shall be at least fifty-five (55) years of age or older and the others at least forty (40) years of age or older, permanently occupy the Unit. In addition to the foregoing, the Unit may be occupied from time to time by qualifying guests of the Unit Owner as long as such occupancy is not violative of the Association Rules, the applicable zoning laws, building codes, or other rules and regulations of governmental authorities having jurisdiction. Occupancy by guests of the Unit Owner shall be for a period of time not exceeding one (1) month unless a longer period is approved in writing by the Association, but no guests may occupy the Unit unless one or more of the permitted residents are then in occupancy or unless consented to in writing by the Association Board of Directors.

B. It is the intent of the Association that the Community be operated as Housing for Older Persons under the Housing for Older Persons Act of 1995 (HOPA). The Community is intended and operated for occupancy by persons 55 years of age or older and at least one occupant of each home must be 55 years of age or older and all other occupants of a home must be at least forty (40) years of age. The Community has published or will publish and will adhere to policies and procedures that demonstrate its intent to provide housing for persons 55 years of age or older as required by the rules promulgated to implement HOPA. The Association has or will implement procedures to determine occupancy of each Unit and will regularly update such information through surveys as required by the rules implementing the law. Notwithstanding the foregoing, any underage person "occupying" a unit in the Community (within the meaning of HOPA) on the commencement

date of this Master Occupancy Agreement shall be entitled to remain an occupant notwithstanding the person's underage status.

18. Suboccupancy - Assignment.

A. Suboccupancy. The Unit Owner shall not enter into a suboccupancy agreement for the whole or any part of the Unit or renew or extend any previously authorized suboccupancy agreement unless written consent thereto shall have been duly authorized by the Board. Any consent to allow suboccupancy may be subject to such conditions as the Board may impose. There shall be no limitation on the right of the Board to grant or withhold consent, for any reason or for no reason, to a suboccupancy. No consent to a suboccupancy shall operate to release the Unit Owner from any obligation hereunder.

B. Assignment. The Unit Owner shall not assign the Occupancy Agreement or transfer the Membership Certificate appurtenant thereto or any interest therein, and no such assignment or transfer shall take effect as against the Association for any purpose, until:

(i) The transferring Member must not be in default under any of the terms and conditions of this Master Occupancy Agreement, the Bylaws, or the Association Rules and Regulations or the terms and conditions of any note or pledge in favor of the Association, if any; and

(ii) Any instrument of assignment of this Master Occupancy Agreement or other form and transfer of the Membership Certificate on a form approved by the Association, executed and acknowledged by the Unit Owner (Assignor), shall be delivered to the Association; and

(iii) An agreement in a form approved by the Association executed and acknowledged by the Assignee, who shall meet the membership requirements under this Master Form Occupancy Agreement, assuming and agreeing to be bound by all the covenants and conditions of this Master Occupancy Agreement, as amended from time to time, to be performed or complied with by the Unit Owner on or after the effective date of said assignment shall have been delivered to the Association, or, at the request of the Association, the Assignee shall have surrendered the assigned Occupancy Agreement and entered into a new Occupancy Agreement in the same form for the remainder of the term, in which case the Unit Owner's Occupancy Agreement shall be deemed canceled as of the effective date of said assignment; and

(iv) The original Membership Certificate of the Association to which the Occupancy Agreement is appurtenant shall have been returned to the Association and voided and the Association has issued a new Membership Certificate to the Assignee, with proper transfer taxes paid and stamps affixed, if any; and

(v) At the option of the Association, subject to the provisions of Paragraph 24.B., all sums due from the Unit Owner shall have been paid to the Association, together with a sum fixed by the Board of Directors to cover a screening fee of the Association in connection with such assignment and transfer of the Membership Certificate, provided such fee shall not exceed the maximum amount allowed pursuant to Section 719.106(i), Florida Statutes, as amended from time to time; and

(vi) Except in the case of an assignment, transfer or bequest of the Membership Certificates and the Occupancy Agreement to the Unit Owner's spouse or Unit Owner's siblings or parents who meet the requirements of Paragraph 17, satisfy all Association Rules and Regulations, and, except as otherwise provided in this Master Occupancy Agreement, consent to such assignment shall have been authorized by the Board in writing; and

(vii) Unless otherwise set forth in the Contract for Purchase and Sale of the Membership Certificate and mobile home, if applicable, the purchasing Member shall pay all closing costs, including, but not limited to: (1) all recording costs; (2) administrative fees as set forth in the Bylaws; (3) transfer agent fees; (4) title insurance search fees and premiums; (5) documentary stamp taxes based on the purchase price of the Membership Certificate and mobile home purchased from transferring Member, or documentary stamp tax on the Membership Certificate purchased from the Association, which documentary stamp tax shall be affixed to either the Assignment of Memorandum of Occupancy Agreement or a new Memorandum of Occupancy Agreement as the case may be; (6) documentary stamp tax on any note secured by a pledge of the Membership Certificate and/or lien on the mobile home; (7) any financing fees and loan closing costs to an institutional lender with respect to any loan obtained by the purchasing Member; and (8) transferring Member shall credit with the purchasing Member with his pro rated share of real estate taxes and Membership annual assessment; and

(viii) The transferring Member shall produce the Membership Certificate (or post a bond in the amount required by the Board and provide the Board an Affidavit of Lost Membership Certificate if the Membership Certificate is lost or destroyed) and have it transferred on the books of the Association; and

(ix) The transferring Member must provide a title insurance commitment and policy in favor of the Association in the event of a transfer pursuant to the Association's right of first refusal as hereinafter set forth, or as provided in the Bylaws; and

(x) The Master Occupancy Agreement and Membership Certificate must be free and clear of all liens, pledges or other encumbrances unless the indebtedness evidenced by the lien, pledge or encumbrance is assumed by the purchaser.

C. Right of First Refusal. In the event the Association disapproves the proposed assignment, and if a Unit Owner still desires to consummate such assignment, the Unit Owner shall,

thirty (30) days before such assignment is to occur, provide written notice to the Board of the Unit Owner's intention to assign on a certain date notwithstanding the Association's disapproval, together with the price and other terms thereof. If the Association disapproves a suboccupancy, that suboccupancy shall not occur.

Completely apart from, and in addition to the Association's right to approve or disapprove any proposed assignment of the Occupancy Agreement, the Association is hereby given and granted a right of first refusal to become the assignee, as the case may be, under each Occupancy Agreement and to accept the ownership of the Membership Certificate which is appurtenant thereto. If the Association is desirous of exercising its right of first refusal to become the assignee under said Occupancy Agreement and receive its Membership Certificate on the same terms and conditions as are contained in a bona fide offer, then the Association shall notify the Unit Owner holding the Occupancy Agreement of the exercise by the Association of its election to take an assignment, such notice to be in writing and sent by certified mail to said Unit Owner within fifteen (15) days of receipt by the Association of the Unit Owner's notice to the Association of the Unit Owner's intention to assign.

If the Association has elected to take an assignment as aforementioned, then, upon notifying the Unit Owner holding such Occupancy Agreement and Membership Certificate of its election, the Association shall execute an assignment together with the Membership Certificate appurtenant thereto, and shall consummate said assignment on all the terms and conditions as those contained in the offer. In the event the Association does not exercise its right of first refusal within the fifteen (15) day period, then the Unit Owner desiring to assign may complete the assignment and transfer of the appurtenant Membership Certificate within a reasonable time thereafter at the price and terms given in its notice, but at no other price or terms without repeating the procedure outlined above.

In the event the Unit Owner suboccupies or assigns without first fully complying with the terms hereof, the Association shall have the right to redeem the assignment or suboccupancy agreement from the purchaser, or suboccupant, as the case may be, according to the provisions hereof. The Association's rights shall be exercised by reimbursing the purchaser or suboccupant for the monies expended, and immediately after such reimbursement, the purchaser or suboccupant shall convey its right, title and interest in and to the suboccupancy agreement or assignment of Occupancy Agreement and Membership Certificate, as the case may be, to the Association, and the Unit Owner shall remain liable to the Association under the terms of this Master Occupancy Agreement for the full amount of said reimbursement. An affidavit of the Association Secretary stating that the Board of Directors approved in all respects on a certain date the suboccupancy agreement or assignment shall be conclusive evidence of such fact, and from the date of approval, as stated in the affidavit, the redemption rights herein afforded to the Association shall terminate. An affidavit of the Secretary of the Association stating that the Board was given proper notice on a certain date of the proposed suboccupancy agreement or assignment and that thereafter all provisions hereof which constitute conditions precedent to the subsequent suboccupancy or

assignment of a Unit to particularly-named persons does not violate the provisions hereof, shall be conclusive evidence of such facts. Such affidavit shall not be evidence of the fact that the subsequent suboccupancy or assignment to such persons was made on the approval, but one hundred twenty (120) days after the date of the notice to the Association, as stated in the affidavit, the redemption rights herein afforded the Association shall be deemed automatically terminated.

D. Death of Unit Owner. Membership Certificates and Occupancy Agreements may be held jointly with the right of survivorship; however, in the case of the death of a Unit Owner holding sole ownership of a Membership Certificate, the surviving spouse, if any, and if no surviving spouse, the other member or members of such owner's family residing in the Unit with the owner at the time of the Unit Owner's death, may continue to occupy the Unit, provided they meet the requirements of this Master Occupancy Agreement and the Association Rules and Regulations, assume Unit Owner's obligations under this Master Occupancy Agreement in writing, and are in compliance with all terms hereof; and if such surviving spouse or other surviving members of the decedent owner's family shall have succeeded to membership of the Unit, by gift, bequest or otherwise, the new owner shall be admitted to membership. In the event the decedent shall have conveyed or bequeathed the membership to some designated person or persons other than a surviving spouse or members of his/her family who resided in the Unit on the Unit Owner's date of death, or if some other person is designated by the decedent's legal representative to receive the membership, or if under the laws of descent and distribution in the State of Florida, the Unit descends to some person or persons other than a surviving spouse or resident family member, the Association, within thirty (30) days from the date the Board is given actual notice in writing of the name of the devisee or descendant, may express its refusal or acceptance of the individual or individuals so designated as a Unit Owner. If the Association Board of Directors consents in writing, membership may be transferred by proper assignment of the Occupancy Agreement and its appurtenant Membership Certificate to the person or persons so designated, who shall thereupon become Unit Owners of the Association subject to the provisions of this Master Occupancy Agreement, Association Rules and Regulations, the Bylaws and Articles of Incorporation. If the Board shall refuse to consent, then the Association shall be given an additional thirty (30) days to exercise its right of first refusal to have the Occupancy Agreement and Membership Certificate appurtenant thereto transferred to it for its own account upon the same terms and conditions of first refusal as provided for in Subsection C, above. The purchase price shall be for cash, in the amount determined by a professional appraiser. In the event the Association does not exercise its right of first refusal to purchase, then the person or persons named in the notice may take title to the Unit by a property assignment of the decedent's Occupancy Agreement and its appurtenant Membership Certificate; but such transfer shall be subject in all other respects to the provisions of this Master Occupancy Agreement, Association Rules and Regulations, the Bylaws and Articles of Incorporation.

E. Except as provided for in Subparagraph G, below, suboccupancy agreements and assignments to assignees other than individual assignees (natural persons) are expressly prohibited unless written consent therefor is first obtained from the Association Board of Directors.

The Association's consent therefor may be withheld at its discretion without limitation or explanation.

F. If the Suboccupant or Assignee of an Occupancy Agreement and Membership Certificate appurtenant thereto is a corporation, the Board's approval may be conditioned upon approval of the designated occupant of the Unit, which may not be changed more often than once per year after obtaining the written consent of the Board of Directors.

G Unit Owner shall have the right to make a gratuitous transfer to a revocable trust of the Unit Owner's Occupancy Agreement along with its Membership Certificate, provided:

(i) The Association is given thirty (30) days prior written notice at the transfer;

(ii) The assignment is by written instrument approved by the Board and duly recorded;

(iii) The Unit Owner retains the absolute power to have the transferred Occupancy Agreement and Certificate returned to him/her; and

(iv) The Unit Owner is not in default under this Master Occupancy Agreement at the time of transfer.

19. **Master Occupancy Agreement Subordinate to Mortgage.** This Master Occupancy Agreement is and shall be subject and subordinate to the first mortgage executed by the Association in favor of First Union National Bank and second mortgage with Rita J. Adler as Trustee u/a dated 10/3/85 FBO Rita J. Adler, recorded on or about May 1, 1997 in the Public Records of Sarasota County, Florida, encumbering the Property at or prior to execution of this Master Occupancy Agreement, any and all extensions, modifications, consolidations, renewals, refinances, future advances and replacements thereof, and also any subsequent mortgage of the Property. This clause shall be self-operating and no further instrument of subordination shall be required to give such mortgage priority over this Master Occupancy Agreement. In confirmation of such subordination, the Unit Owner shall at any time, and from time to time on demand, execute any instruments that may be required by any mortgagee for the purpose of more formally subjecting this Master Occupancy Agreement to the lien of any such mortgage or mortgages, and the duly elected officers of the Association are, and each of them is, hereby irrevocably appointed attorney-in-fact and agent of the Unit Owner to execute the same upon such demand, and the Unit Owner hereby ratifies any such instrument executed by virtue of the power of attorney hereby given. A default in the terms of such mortgage entitles the holder thereof to foreclose this Master Occupancy Agreement and any assignment thereof subject to any nondisturbance rights afforded to Unit Owner pursuant to the terms hereof and the Nondisturbance Agreement and Consent to Master Form Occupancy Agreement

of even date herewith by First Union national Bank and Rita J. Adler, as Trustee w/a dated 10/3/85 FBO Rita J. Adler.

20. **Nondisturbance and Attornment.** Should the mortgagee acquire title to the Property through foreclosure or deed in lieu of foreclosure, the Unit Owner shall attorn to mortgagee, its successors, grantees, or assigns, and Unit Owner shall be bound unto said mortgagee, its successors, grantees or assigns, for the balance of the term of Unit Owner's Occupancy Agreement. Likewise, in such event, provided Unit Owner is not in default under the terms of Unit Owner's Occupancy Agreement, mortgagee, its successors, grantees or assigns, shall not join Unit Owner in any foreclosure action or proceeding for diminishing or terminating Unit Owner's interest in the Occupancy Agreement and shall continue to be bound by the terms of the Occupancy Agreement, excepting any liability for the Association's prior acts or omissions or any offsets or defenses available against the Association. Unit Owner acknowledges that should the mortgagee, its successors, grantees or assigns, acquire title to the Property through foreclosure or deed in lieu of foreclosure, mortgagee shall have all of the powers of the Board of Directors as set forth in Paragraph 4, above, and as described in the Bylaws, which include the right to set, from time to time, maintenance fees and/or assessments which shall, at a minimum, be set to cover all expenses and costs attributable to the maintenance and preservation of the Property, including, without limitations a sufficient amount to satisfy the debt service coverage ratio of said original loan by mortgagee to the Association. Unit Owner further acknowledges that should the mortgagee its successors, grantees or assigns, that they would be responsible to pay to mortgagee, its successors, grantees or assigns, as applicable, all such maintenance fees and/or assessments thereafter established by said mortgagee, its successors, grantees or assigns. The provisions of this paragraph are intended for the benefit of present and future mortgagees of the Property, and their respective successors, grantees and assigns and may not be modified or annulled without the prior written consent of any such mortgage holder.

21. **Alterations to the Unit.** The Unit Owner shall not, without first obtaining the written consent of the Association Board of Directors or its designated agent, materially alter or improve the Unit or the mobile home presently located upon the Unit or any of its fixtures and appurtenances. The Unit Owner shall not change the color of the mobile home located on the Unit, or materially alter its outward appearance without first having obtained the written approval of the Board of Directors.

22. **Insurance.** The Association shall procure insurance on the common areas located within the boundary of the Property, which shall be deemed to exclude all Units and rental lots. The Association shall also obtain casualty insurance on the Property which shall insure against loss as a result of personal injury occurring thereon. The Unit Owner shall be responsible for any insurance premium insuring the Unit, Unit Owner's mobile home and its contents and Unit Owner shall be responsible for maintaining the same.