

Prepared by and Return to:
Brittany Cowan, Esquire
Adamczyk Law Firm, PLLC
9130 Galleria Court, Suite 201
Naples, FL 34109

CERTIFICATE OF RECORDING

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MILANO

AMENDED AND RESTATED BYLAWS OF MILANO RECREATION ASSOCIATION, INC.

THIS CERTIFICATE OF RECORDING to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Milano, and the Amended and Restated Bylaws for Milano Recreation Association, Inc. (the "Association"), is made and executed the 24 day of July 2020.

WHEREAS, the original Declaration of Covenants, Conditions and Restrictions, Articles of Incorporation and Bylaws were recorded at O.R. Book 3644, Page 2413, *et seq.*, in the Public Records of Collier County, Florida (hereafter referred to as the "Governing Documents"); and

WHEREAS, the Association wishes to amend and restate the Declaration of Covenants, Conditions and Restrictions and Bylaws and hereby certifies that Representatives representing at least two-thirds (2/3) of the of the voting interests at the special meeting of the members on July 21, 2020, voted in favor and approved the Amended and Restated Declaration, and that Representatives representing at least two-thirds (2/3) of the of the voting interests at the special meeting of the members on July 21, 2020, voted in favor and approved the Amended and Restated Bylaws.

[Signatures on following page]

WITNESSES (TWO):

Anastasia Bartis
Signature

Anastasia Bartis
Printed Name

Walter Cook
Signature

Walter Cook
Printed Name

MILANO RECREATION ASSOCIATION, INC.

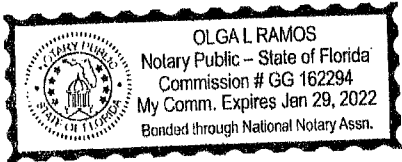
Casey Cook
By: Casey Cook
Title: President

Date: July 24, 2020

STATE OF FLORIDA
COUNTY OF Collier

BEFORE ME, the undersigned authority, appeared Casey Cook, President of MILANO RECREATION ASSOCIATION, INC., who is personally known to me or produced _____ identification, and who acknowledged before me that being duly authorized and executed the foregoing Certificate of Recording as the authorized agent for said corporation and that the same is the free act and deed of said corporation, and who did take an oath.

SWORN TO AND SUBSCRIBED before me this 24 day of July, 2020.



Olga L Ramos
Notary Public

Olga L Ramos
(Printed Name of Notary)
My Commission Expires:

Prepared by and Return To:

Mark E. Adamczyk, Esq.
Adamczyk Law Firm, PLLC
9130 Galleria Court, Suite 201
Naples, Florida 34109

**NOTE: SUBSTANTIAL AMENDMENT OF ENTIRE DECLARATION. FOR PRESENT TEXT SEE
EXISTING DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

MILANO RECREATION ASSOCIATION, INC.

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
MILANO RECREATION ASSOCIATION, INC.**

KNOW ALL MEN BY THESE PRESENTS that heretofore, the original Declaration of Covenants, Conditions and Restrictions for Milano was recorded in Official Record Book 3644, at Page 2414, *et. seq.*, of the Public Records of Collier County, Florida. That Declaration, and any amendments thereto, is hereby further amended and is restated in its entirety.

The Developer has formed the Recreation Association to operate the Recreation Association Common Area and certain portions of the Neighborhood Common Area and each Parcel owner shall be a member of the Recreation Association. Except for the election of Directors, each Neighborhood Association shall be the "Voting Member" of the Recreation Association. The Neighborhood Associations are expected to consist solely of homeowners' associations but may consist of a combination of condominium and homeowners' associations and may include a mix of types of residential developments according to Developer's discretion. As a member of the Recreation Association, each Parcel owner shall be entitled to the benefit and be subject to the provisions of this Declaration and its Exhibits as amended from time to time. The Board of Directors of each Neighborhood Association shall designate a person (the "Representative") to act on the behalf of the Neighborhood Association at all Recreation Association members' meetings. The Representative shall be designated by a certificate signed by the President or Vice President of the Neighborhood Association and filed with the Secretary of the Recreation Association. The person designated by such certificate shall conclusively be deemed the person entitled to cast the votes for the Neighborhood Association at any Recreation Association meeting. Each Neighborhood Association shall be a Voting Member of the Recreation Association acting through its Representative as described in the Articles of Incorporation and Bylaws of the Recreation Association. The Neighborhood Association and Recreation Association shall act in accordance with the overall plan for the development of Milano.

The land subject to this Declaration (hereinafter "Milano" or the "Property") is legally described in the aforementioned original declaration, the exhibits and amendments thereto. Said legal descriptions are hereby re-recorded and attached hereto as Exhibit "A". No additional land is being added by this instrument and no land is being removed by this instrument. The covenants, conditions and restrictions contained in this Declaration shall run with the land and be binding upon and go to the benefit of all present and future owners in Milano. The acquisition of title to a Parcel or Living Unit or any other ownership interest in the Property, or the lease, occupancy or use of a portion of a Parcel or Living Unit in the Property, constitutes an acceptance and ratification of all provisions of this Declaration as amended from time to time, and an agreement to be bound by its terms.

1. DEFINITIONS. The terms used in this Declaration and its recorded exhibits shall have the definitions set forth in Chapter 720, Florida Statutes (2004), unless otherwise defined below (it being the intent hereof that future amendments to Chapter 720, Florida Statutes (2004) not be retroactively applied to impair the Developer's substantive rights as set forth herein):

1.1. “Act” shall mean and refer to Chapter 720, Florida Statutes, as it may be amended from time to time.

1.2. “Architectural Reviewer” shall mean and refer to the body responsible for review and approval of construction and alterations to improvements, as more particularly described in Section 5 herein.

1.3. “Recreation Association” shall mean and refer to Milano Recreation Association, Inc., a Florida corporation not for profit.

1.4. “Board” means and refers to the Board of Directors of the Recreation Association.

1.5. “Recreation Association Common Area” means and refers to all real property that is now or hereafter owned by the Recreation Association or dedicated for use or maintenance by the Recreation Association or its members by a recorded plat or this Declaration.

1.6. “Developer” means and refers to PULTE HOME CORPORATION, a Michigan Corporation authorized to do business in the State of Florida. Whenever either term is used in this Declaration, the Articles or Bylaws of the Recreation Association, it shall always be deemed to include any successor in interest to the Developer's development rights and obligations.

1.7. “Declaration” means and refers to this Declaration of Covenants, Conditions and Restrictions for Milano, and any amendments hereto.

1.8. “Family” or “Single-Family” shall refer to one natural person (as opposed to an artificial entity); or a group of 2 or more natural persons living together, each of whom is related to each of the others by blood, marriage, legal custody or adoption; or not more than two persons not so related, who reside together as a single housekeeping unit, along with their children, if any.

1.9. “Governing Documents” means and refers to the Milano Documents and the Neighborhood Documents. In the event of a conflict in the interpretation of the Governing Documents, they shall be applied in the order of priority stated above.

1.10. “Guest” or “Guests” means any person or persons physically present in or occupying a Living Unit on a temporary basis at the invitation of the owner or other legally permitted occupant, without the payment of consideration.

1.11. “Institutional Mortgagee” means the mortgagee or assignee of a first mortgage against a Parcel or Living Unit, which mortgagee or assignee is a bank, savings and loan association, mortgage company, real estate or mortgage investment trust, pension or profit sharing trust, the Federal Housing Administration, the Veterans Administration, or any agency of the United States of America. The term also refers to any holder of a mortgage against a Parcel or Living Unit which mortgage is guaranteed or insured (as evidenced by a recorded instrument) by the Federal Housing Administration, the Veterans Administration, any agency of the United States of America or by any other public or private agency engaged in the business of purchasing, guaranteeing or insuring residential mortgage loans, and their successors and assigns. An

“Institutional Mortgage” is a first mortgage held by an Institutional Mortgagee encumbering a Living Unit.

1.12. “Lease” means the grant by a Living Unit Owner of a temporary right to occupy the Owner's Living Unit with or without valuable consideration.

1.13. “Living Unit”, “Unit” or “Residence” means and refers to any or all the residences which will be constructed on the Parcels, each intended for use and occupancy as a residence for a single family.

1.14. “Parcel” or “Parcels” means a portion of the Land in the recorded plat of Milano containing a Living Unit, with the exception of the Recreation Association or Neighborhood common areas.

1.15. “Primary Occupant(s)” means and refers to the two (2) either individual Owner(s) of record who is/are a natural person(s), or: (a) an officer, director, stockholder or employee of an approved corporate Owner of record; (b) a partner in or employee of an Owner that is a partnership; (c) a fiduciary or beneficiary of an ownership in trust; or (d) occupants named or described in a Lease, if approved in accordance with this Declaration.

1.16. “Legal Fees” means and refers to reasonable fees for attorney and paralegal services incurred in negotiation and preparation for litigation, whether or not an action is actually begun, including pre-suit demands or notices, through and including all trial and appellate levels and post-judgement proceedings and court costs through and including all trial and appellate levels and post-judgement proceedings.

1.17. “Member” means and refers to all persons who are members of the Recreation Association as provided in the Milano Documents.

1.18. “Neighborhood” shall mean and refer to any townhome, condominium, or cluster housing development located in Milano.

1.19. “Neighborhood Association” shall mean and refer to any homeowners’ association or condominium association and other similar entity, their successors and assigns, for any particular Neighborhood.

1.20. “Neighborhood Common Area” shall mean and refer to all real property including any improvements and fixtures thereon, owned, leased or dedicated for use or maintenance by a Neighborhood Association for the common use and enjoyment of its members. If a Neighborhood is a condominium, the term shall refer to the common elements of the condominium and the real property owned by the Condominium Association.

1.21. “Neighborhood Documents” shall mean and refer to the Declaration of Covenants or Declaration of Condominium, Articles of Incorporation, Bylaws, Rules and Regulations and Resolutions of each Neighborhood and its Neighborhood Association.

1.22. "Properties" means and refers to all real property that is subject to this Declaration and includes both Recreation Association Common Area, Parcels, and the Neighborhood Common Area.

1.23. "Occupant" or "Occupancy" when used in connection with a Living Unit, means any person who is physically present in the Living Unit on two (2) or more consecutive days, including staying overnight.

1.24. "Owner" means and refers to any person or persons, entity or entities, who are the record owner of the fee simple title to any Parcel in Milano.

1.25. "Rules and Regulations" means and refers to the administrative rules and regulations governing use of the Recreation Association Common Area and procedures for administering the Recreation Association and the Properties, as adopted, amended and rescinded from time to time by resolution of the Board of Directors.

1.26. "Single-Family Residence" means and refers to a Living Unit that is restricted to occupancy only by the owner or primary occupants and their family, guests and tenants as further provided herein.

1.27. "Tenant" or "Tenants" means and refers to one who leases or rents from an Owner and holds temporary possession of a Living Unit.

1.28. "Milano Documents" means and refers to this Declaration, and the Articles of Incorporation, Bylaws, the Rules and Regulations, Architectural Planning Criteria, the Resolutions of the Recreation Association and any amendments to the foregoing.

1.29. "Milano" means and refers to and shall be the name of the Properties.

2. [RESERVED].

3. RECREATION ASSOCIATION: MEMBERSHIP; VOTING RIGHTS. The administration, management and ownership of the Recreation Association Common Area shall be by the Recreation Association, which shall perform its functions pursuant to the following:

3.1 Articles of Incorporation. A copy of the Articles of Incorporation of the Recreation Association is attached as Exhibit "B".

3.2 Bylaws. The Amended and Restated Bylaws of the Recreation Association are attached as Exhibit "C".

3.3 Delegation of Management. The Recreation Association may contract for the management and maintenance of the Properties and authorize a management agent to assist the Recreation Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Recreation Association Common Area, with funds

made available by the Recreation Association for such purposes. The Recreation Association and its officers shall, however, retain at all times the powers and duties provided in the Governing Documents.

3.4 Membership. Every person or entity who is a record Owner of a fee interest in any Parcel located upon the Properties, shall be a Member, except that if a Parcel is subject to an agreement for deed, the purchaser in possession shall be considered the Owner for purposes of determining voting and use rights. Membership in the Association automatically terminates upon the sale or transfer of an Owner's title or interest in a Parcel or Living Unit.

(A) Membership shall become effective upon the occurrence of the last to occur of the following:

(1) Recording in the Public Records of a Deed or other instrument evidencing legal title to the Parcel.

(2) Delivery to the Recreation Association of a copy of the recorded deed or other instrument evidencing title.

(3) Delivery to the Recreation Association, if required, of a written designation of the primary occupants.

(B) Members shall be "Non-Voting Members" (with the exception of the election of Directors). Each Neighborhood Association shall be deemed a "Voting Member" of the Recreation Association and shall vote on behalf of the "Non-Voting Members" through each Neighborhood Association's Representative.

Membership shall be appurtenant to, run with, and shall not be separated from the real property interest upon which membership is based

3.5 Voting Interests. A Members of the Association are entitled to one vote for each Parcel owned by them, and, with the exception of the election of directors, the vote shall be cast on their behalf by the applicable Representative. The total number of votes shall not exceed the total number of Parcels subject to this Declaration. The right of Members to cast their vote, and the manner in which such vote is cast, is more particularly set forth in the Bylaws.

3.6 Approval or Disapproval of Matters. Whenever the decision or approval of the members is required upon any matter, whether or not the subject of a Recreation Association meeting, such decision or approval may be expressed by any person who could cast the vote of such Parcel if present in person at an Association meeting, unless the joinder of all record Owners is specifically required.

3.7 Change of Membership. Following written approval of the Recreation Association, as elsewhere required herein, a change of membership in the Recreation Association shall be established by the new owner's membership becoming effective as provided above; and the membership of the prior Owner shall thereby be automatically terminated.

3.8 Termination of Membership. The termination of membership in the Recreation Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Recreation Association during the period of his membership, nor does it impair any rights or remedies which the Recreation Association may have against any former Owner or member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

3.9 Association as Owner of Parcels. The Recreation Association has the power to purchase Parcels and Living Units, and to acquire and hold, lease, mortgage, and convey them, by act of a majority of the Board of Directors.

3.10 Membership Roster. The Recreation Association shall maintain a current roster of names and mailing addresses of Owners and Primary Occupants. A copy of the up to date roster shall be available to any Owner upon request.

3.11 Limitation on Liability. Notwithstanding the duty of the Recreation Association to maintain and repair the Recreation Association Common Area, the Recreation Association shall not be liable to Owners for property damage other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Recreation Association, or caused by the elements or Owners or other persons.

3.12 Board of Directors. Except as otherwise provided by law or by the Governing Documents, the Recreation Association shall act through its Board of Directors and its officers, and no vote of the members shall be required. The Officers and Directors of the Recreation Association have a fiduciary relationship to the members. An Owner does not have the authority to act for the Recreation Association by virtue of being an owner.

3.13 Powers and Duties. The powers and duties of the Recreation Association include those set forth in the Governing Documents. The Association has the power to acquire personal property, which shall be exercised by the Board of Directors. Any personal property owned by the Association, may be mortgaged, sold, or otherwise encumbered or disposed of by the affirmative vote of a majority of the entire Board of Directors, without need for authorization by the owners.

4. COVENANT FOR ANNUAL AND SPECIAL ASSESSMENTS.

4.1 Creation of Lien and Personal Obligation for Assessments. Subject to the limitations on assessment liability set forth in Section 4.3 and 4.4, Developer, for each Parcel within the Neighborhood, hereby covenants, and each subsequent Owner of any Parcel (including any purchaser at a judicial sale), by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Recreation Association.

(A) the Parcel's pro rata share of annual assessments based on the annual budget adopted by the Recreation Association;

(B) the Parcel's pro rata share of special assessments for Recreation Association expenditures not provided for by annual assessments;

(C) any charges against less than all of the Parcels, as specifically authorized by this Declaration or the Association Bylaws; and

(D) initial capital contributions payable at closing to the Recreation Association, as determined by the Developer.

(E) transfer fees upon the transfer or conveyance of any Parcel as further described in Section 4.4 below.

Assessments shall be established and collected as provided herein and in the Bylaws. The annual and special assessments and charges, together with interest, costs, and reasonable attorney's fees shall bind such property in the hands of the Owner, his heirs, devisees, personal representatives, successors and assigns. In any conveyance, voluntary or otherwise, the transferee shall be jointly and severally liable with the transferor for all unpaid assessments coming due prior to the time of such conveyance, without prejudice to the rights of the transferee to recover from the transferor the amounts paid by the transferee. Except as provided elsewhere in this Declaration as to the Institutional Mortgagees, no Owner may be excused from the payment of assessments unless all Owners are similarly excused. Assessments and other funds collected by or on behalf of the Association become the property of the Association. No Owner has the right to claim, assign or transfer any interest therein except as an appurtenance to his Parcel or Living Unit. No Owner can withdraw or receive distribution of his prior payments to the common surplus or Association reserves, except as otherwise provided herein or by law.

4.2 Purposes of Assessments. The assessments levied by the Association shall be used for the purposes of promoting the general welfare of the owners and residents of Milano; to operate, maintain, repair, improve, construct, and preserve (on a non-profit basis) the Common Areas owned by the Association for the benefit of its members, their guests, tenants and invitees; and to perform all other duties and responsibilities of the Association as provided in the governing documents. Common expenses also include the funds necessary to provide reserve accounts for:

(A) Renovation of major repairs to the Recreation Common Areas;

(B) Emergency and other repairs required as a result of storm, fire, natural disaster or other casualty loss; and

(C) Capital improvements.

4.3 Share of Assessments. The Owners of each Parcel or Living Unit shall be liable for its pro rata share of all annual and special assessments levied by the Association. All Recreation Association Common Area and any property dedicated to and accepted by any governmental authority or public utility shall be exempt from payment of assessments. All monetary fines assessed against an owner pursuant to the Milano Documents, or any expense or charge of the Association attributable to or on behalf of an individual owner pursuant to the Milano Documents,

shall be an individual assessment and shall become a lien against such Owner's Parcel or Living Unit which may be foreclosed or otherwise collected as provided herein to the extent authorized by law.

4.4 Re-Sale Assessment. The Recreation Association shall require the purchaser of each Parcel or Living Unit, at the time of closing the conveyance from seller to purchaser, to pay the Recreation Association a resale assessment. The amount of any such resale assessment shall be as determined at the sole discretion of the Board of Directors of the Association from time to time, however in no event shall the amount exceed One Thousand Dollars (\$1,000.00) without approval from a majority of the owners who are present and voting at a meeting at which a quorum is present. The resale assessment, together with interest, costs and reasonable attorney's fees, shall be the personal obligation of the purchaser of the Parcel or Living Unit and shall be secured by a continuing lien as provided in section 4.5 below. Said lien may be foreclosed in the same manner as provided herein for an assessment lien. For purposes of this Section, the term "conveyance" shall mean the transfer of record legal title to a Parcel or Living Unit by deed or other authorized means of conveyance, with or without valuable consideration, and shall also refer to a transfer of possession and beneficial ownership by means of an agreement for deed. It does not refer to a transfer of title resulting from foreclosure of a lien, or death of the transferee, nor to a transfer of title to the transferor's spouse or family members without changing occupancy, solely for estate planning or tax reasons.

4.5 Establishment of Lien. Any and all assessments levied by the Recreation Association in accordance with the provisions of this Declaration, together with interest at the highest rate allowed by law, and costs of collection (including, but not limited to reasonable attorney's fees) are hereby declared to be a charge and continuing lien upon the Parcel against which each such assessment or charge is made, and shall also be the personal obligation of the Owner of each Parcel assessed. This lien is superior to any homestead rights the Owner may acquire. No Owner may exempt himself from personal liability for assessments, or release his Parcel from the liens and charges hereof, by waiver of the use and enjoyment of the Recreation Association Common Area, or by abandonment of his Parcel; the lien shall be perfected from and after the recording of a Claim of Lien by the Recreation Association in the Public Records of Collier County, setting forth the legal description of the Parcel, the name and address of the Recreation Association, the amount and due date of each unpaid assessment as of the date the Claim of Lien is recorded, and the effectiveness of the lien shall relate back to the date of recording this Declaration. A Claim of Lien shall secure payment of all assessments due at the time of recording (including interest, costs and attorney's fees as provided above), as well as all assessments, interest, costs and attorney's fees coming due subsequently, until the Claim is satisfied or a final judgment of foreclosure obtained. Upon full payment of all sums secured by the Claim of Lien, the party making payment is entitled to a Satisfaction of Lien.

4.6 Priority of Lien. The foregoing notwithstanding, the Recreation Association's continuing lien for unpaid assessments shall be subordinate and inferior to all taxes, assessments, and other levies which by law would be superior thereto, and any recorded Institutional Mortgage, unless the Recreation Association's Claim of Lien was recorded prior to the Institutional Mortgage, but shall be superior to, and take priority over, any other mortgage or lien regardless of when recorded. Any lease of a Living Unit shall be subordinate and inferior to the Recreation

Association's continuing lien, regardless of when the lease was executed. A mortgagee in possession, a receiver, a purchaser at a foreclosure sale, or a mortgagee that has acquired title by deed in lieu of foreclosure, and all persons claiming by, through or under such purchaser, or mortgagee shall hold title subject to the liability and lien of any assessments or charges owed to the Association prior to foreclosure or conveyance in lieu of foreclosure in addition to any assessment or charge coming due after foreclosure or conveyance in lieu of foreclosure. Any unpaid assessment which cannot be collected as a lien against any Parcel by reason of the provisions of this Section, shall be treated as a special assessment divided equally among, payable by and assessed against all Parcels, including the Parcel as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

4.7 Collection of Assessments. If any Owner or Neighborhood Association fails to pay any Assessment, or installment thereof, within ten (10) days after the due date, the Recreation Association shall have any or all of the following remedies, to the extent permitted by law, which remedies are cumulative and are not in lieu of, but are in addition to, all other remedies available to the Recreation Association:

(A) To charge interest on such assessment or charge, from the date it becomes due until paid at the highest rate allowed by law, as well as to impose a late payment penalty of up to Twenty-five Dollars (\$25.00). This penalty shall not be considered a fine as provided for in Section 11.3, and the procedural requirements for levying fines set forth therein shall not apply.

(B) To file an action in equity to foreclose its lien. The lien may be foreclosed by an action in the name of the Recreation Association in the same manner as that provided pursuant to Florida law for the foreclosure of liens on condominium units for unpaid condominium assessments.

(C) To bring an action at law for a money judgment against the Neighborhood Association or the applicable Owners without waiving any lien foreclosure rights of the Recreation Association.

4.8 Certificate. The Recreation Association shall, within ten (10) days of receipt of a written request for same, furnish to any Owner liable for assessments a certificate in writing signed by an officer of the Recreation Association, setting forth whether said assessments and any other sums due the Recreation Association have been paid. Such certificate may be relied upon by all interested persons except the Owner. The Association or its authorized agent may charge a reasonable fee for the estoppel letter, which shall be due upon preparation of the letter. The Association may but is not obligated to respond to mortgagee questionnaires. If the Association chooses to respond to a mortgagee questionnaire the Association may charge up to \$250.00 (in addition to any charge for an estoppel letter) plus attorney's fees for doing so.

4.9 Collection of Recreation Association Assessments by Neighborhood Association. Any Declaration of Covenants or Declaration of Condominium for a Neighborhood shall provide (and if not, shall be deemed to provide) that all of the covenants set forth in this Declaration, including, but not limited to, the affirmative covenants to pay assessments as herein provided shall run with the land and Parcels subject to a Declaration of Covenants or submitted to condominium

ownership and shall be collected by each Neighborhood Association in the same manner as the Neighborhood Association collects its own assessments. Each Neighborhood Association shall collect the assessments payable to the Recreation Association for the Parcels it operates and pay same to the Recreation Association when the assessment is due. On or before the date each assessment for common expenses of the Recreation Association is due, the Neighborhood Association shall be required to and shall pay to the Recreation Association an amount equal to the assessment for common expenses per Parcel, multiplied by the number of Parcels within the Neighborhood Association. Within ten (10) days of a written request, a Neighborhood Association shall provide the Recreation Association with a list of those Owners who have failed to pay the Recreation Association assessments. The Recreation Association may, in addition to pursuing a money judgment against the Neighborhood Association or the applicable Owner(s), record a Claim of Lien on the applicable Owner(s)' Parcel, and commence an action in equity to foreclose the Claim of Lien.

4.10 Recreation Association Common Area. No land shall be subject to assessment by the Recreation Association if it is a Neighborhood Common Area, Recreation Association Common Area, or has been dedicated to and accepted by any governmental authority or public utility.

4.11 Acceleration. If any Assessment as to a Parcel becomes past due, and a claim of lien is recorded, the Association shall have the right to accelerate the due date of the entire unpaid balance of the Assessments for that fiscal year. The due date for all accelerated amounts shall be the date the claim of lien was recorded in the public records. The Association's claim of lien shall secure payment of the entire accelerated obligation, together with interest on the entire balance, attorney's fees and costs as provided by law, and said claim of lien shall not be satisfied or released until all sums secured by it have been paid. The right to accelerate shall be exercised by sending to the delinquent Owner a notice of the exercise, which notice shall be sent by certified or registered mail to the Owner's last known address and shall be deemed given upon mailing of the notice, postpaid.

4.12 Lien for Specific Owner Charges. There is hereby created a common law and contractual lien to secure payment of any charge for any service which the Association provides for an individual Owner and which is not otherwise secured by the statutory lien for Recreation Association Assessment. Such charges are known as Specific or Individual Assessments. By way of example, but not limitation, a lien for charges exists to secure repayment to the Association when it incurs an expense to cause compliance with the Milano Documents or to correct the improper conduct of an Owner or his lessees, family, invitees or agents, including without limitation reasonable attorney's fees and costs incurred in preparation for litigation. The lien for charges shall be of equal priority to a Recreation Association Assessment lien and shall be foreclosed in the same manner. The lien shall also secure interest, late charges, attorney's fees and costs incurred by the Association.

5. ARCHITECTURAL AND AESTHETIC CONTROL.

5.1 Necessity of Architectural Review and Approval. Except for improvements or structures or alterations to same made by the Developer, no improvement or structure of any kind,

including without limitation, any building, fence, wall, sign, site paving, grading, pools, parking and building additions, alteration, screen enclosures, sewer, drain, disposal system, decorative building, landscaping, landscape device or object, or other improvement shall be commenced, erected, placed or maintained upon any Parcel or the property, nor shall any addition, change or alteration therein or thereof be made, including, but not limited to, changes in exterior colors, finishes and materials, nor any subdivision platting or replatting of any Parcel or Parcels, or the property be made unless and until the plans, specifications and location of the same shall have been submitted to and approved in writing by the Architectural Reviewer. All plans and specifications shall be evaluated as to harmony of external design and as to conformance with the architectural criteria of the Recreation Association.

5.2 Architectural Reviewer. The architectural review and control functions of the Recreation Association shall be administered and performed by the "Architectural Reviewer", as defined herein. The Recreation Association shall be the Architectural Reviewer and shall have the exclusive right to exercise architectural review under this Section. The Recreation Association may delegate its reserved rights hereunder to any entity, including an Architectural Review Committee appointed by the Board of Directors, in which case the delegatee shall be deemed the Architectural Reviewer. The Recreation Association may also delegate its reserved rights to a Neighborhood Association, but only with respect to initial architectural review authority. Recreation Association shall have no obligation to process an Owner's application if a Neighborhood Association initially rejects an Owner's application.

5.3 Powers and Duties of the Architectural Reviewer. The Architectural Reviewer shall have the following powers and duties:

(A) To enact modifications and/or amendments to the Architectural Planning Criteria. Any modification or amendment to the Architectural Planning Criteria shall be consistent with the provisions of this Declaration. Notice of any modification or amendment to the Architectural Planning Criteria, including a verbatim copy of such change or modification, shall be delivered to each member of the Recreation Association; provided that the delivery of a copy of the modification or amendment to the Architectural Planning Criteria shall not constitute a condition precedent to the effectiveness or validity of such change or modification.

(B) To require submission of one complete set of all plans and specifications for any improvement or structure of any kind, including without limitation, any building, fence, wall, sign, site paving, grading, pool, parking and building additions, alteration, screen enclosure, sewer, drain, disposal system, decorative building, landscaping, landscape device or object or other improvement, the construction or placement of which is proposed upon any Parcel or Neighborhood in the Properties, together with a copy of any required governmental permits. The Architectural Reviewer may also require submission of samples of building materials and colors proposed for use on any Parcel or Neighborhood and may require such additional information as reasonably may be necessary for the Architectural Reviewer to completely evaluate the proposed structure or improvement in accordance with this Declaration and the Architectural Planning Criteria. Reviews shall be coordinated with required governmental approvals. The Architectural Reviewer shall have sixty (60) days to respond once a complete set of plans and specifications have been submitted. Failure to respond within said sixty (60) days shall be deemed an approval.

(C) To approve or disapprove any improvement or structure of any kind, including without limitation, any building, fence, wall, sign, site paving, grading, pools, parking and building additions, alterations, screen enclosure, sewer, drain, disposal system, decorative landscaping, landscape device or object, or other improvement or change or modification thereto, the construction, erection, performance or placement of which is proposed upon any Parcel or Neighborhood and to approve or disapprove any exterior additions, changes, modifications or alterations (including, but not limited to, changes in exterior colors, finishes and materials) therein or thereon. All decisions of the Architectural Reviewer shall be in writing and may but need not be made by a certificate in recordable form, executed under seal by the President or any Vice President of the Recreation Association.

(D) To approve or disapprove any change, modification or alteration to any improvement or structure as hereinabove described, and the plans and specifications if any upon which such change modification or alteration is based, prior to commencement of construction of such change, modification or alteration. If any improvement or structure as aforesaid shall be changed, modified or altered without prior approval of the Architectural Reviewer of such change, modification or alteration, and the plans and specifications thereof, if any, then the Owner shall upon demand, cause the improvement or structure to be restored to comply with the plans and specifications, originally approved by the Architectural Reviewer and shall bear all costs and expenses of such restoration, including costs and reasonable attorney's fees of the Architectural Reviewer. The Architectural Reviewer shall be specifically empowered to grant variances from this Declaration and the Architectural Planning Criteria as are deemed reasonable, required or necessary to meet the needs of the particular building site.

(E) To adopt a schedule of reasonable fees for processing requests for Architectural Reviewer approval or proposed improvements. Such fees, if any, shall be payable to the Recreation Association, at the time that plans and specifications are submitted to the Architectural Reviewer. In the event such fees, as well as any other costs or expenses of the Architectural Reviewer pursuant to any other provisions of this Article are not paid by the Owner, they shall become a lien of the Recreation Association on the Parcel.

(F) To monitor construction to verify compliance with the provisions hereof and any approvals and conditions of the Architectural Reviewer.

5.4 Other Approvals Required. Approvals granted by the Board or its Architectural Review Committee pursuant to this section shall not avoid the need for any approvals set forth in the Neighborhood Documents. The Architectural Planning Criteria of the Recreation Association shall take priority over any conflicting provisions adopted by a Neighborhood Association.

5.5 Garages. No garages, carports or storage areas shall be converted to residential use or use other than as originally designed. Garages shall be used primarily for storage and parking of permitted motor vehicles only and shall not be used as storage areas for household furniture or storage boxes. This provision is not intended to prohibit the use of garages for storage of a reasonable amount of personal property that is typically kept in a garage, including within limitation golf clubs, fishing equipment, beach chairs, tools, bicycles and other similar personal items. Owners shall not perform any maintenance of a vehicle in the garage except tire and/or

batter changes. There shall be no "garage sales" held in the garage or driveway. Garages shall remain closed at all times except when a vehicle must enter or exit the garage.

6. PROPERTY RIGHTS; EASEMENTS.

6.1 Use of Recreation Association Common Area. Every Owner and his tenants, guests and invitees shall have a perpetual non-exclusive easement for ingress, egress and access in, to and over Recreation Association Common Area for use in common with all other Owners, their tenants, guests and invitees, except as otherwise limited in the Governing Documents. The Recreation Association Common Area (including Tracts "A-1", "A-2", "B" through "J", "L-1", "L-2", "P-3A", "P-3B", "P-3C", "P-4", "P-5", "R", "S",) is designated on the Plat for Milano recorded in Plat Book 41 at Page 69 *et seq.*, Public Records of Collier County, Florida (the "Plat") . The roadways utilized by Owners in Milano are dedicated to and operated by the Recreation Association subject to the dedicated right of ingress and egress in favor of all Owners in Milano as shown on the Plat. The roadways are subject to the rules and regulations as the Master Association imposes, however, each owner of a Lot and Unit shall have an easement for ingress and egress over said roadway system. The Association shall have the right to establish additional parking regulations and to enforce such regulation by all lawful means. These easements shall be appurtenant to and shall pass with the title to every Living Unit subject to the following:

(A) The right and duty of the Recreation Association to levy assessments against each Parcel for the upkeep, maintenance, repair or betterment of the Recreation Association Common Area and improvements thereon.

(B) The right of the Recreation Association to dedicate or transfer or grant an easement covering all or any part of the Recreation Association Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be determined by the Board or as mandated by this Declaration, any restriction of record or the Plat. No such easement shall materially interfere with the rights of the Owner to use the Recreation Association Common Area for the purposes intended.

(C) The right of an Owner to the use and enjoyment of the Recreation Association Common Area and facilities thereon shall extend to the members of his family who reside with him, and to his tenants, guests and invitees subject to regulation from time to time by the Recreation Association. Any Owner who leases his Living Unit shall be presumed to have delegated his easements and rights to use the Recreation Association Common Area to his tenant, and such Owner's easement and right to use the Recreation Association Common Area shall be suspended during the term of the lease, except that Owner shall be permitted temporary ingress and egress to his Living Unit in order to inspect his Living Unit. It is the intent hereof to prohibit dual usage of the recreation and parking facilities.

6.2 Easement for Repair, Maintenance and Encroachment. If any Living Unit or part of a Living Unit shall encroach upon any of the Recreation Association Common Area or any other Parcel for any reason other than the intentional act of the Owner, or if the Recreation Association Common Area shall encroach upon any Living Unit or Parcel, then an easement shall exist to the extent of that encroachment for so long as the encroachment shall exist. If a building,

window, eave, projection, gutter, roof or any other structure on a Parcel (the "Encroaching Parcel") shall encroach upon any adjoining Parcel, by reason of original construction, reconstruction, repair, shifting, settlement, or movement of any portion of the improvements, or by the unintentional act of the Owner or Developer, then an easement appurtenant to such Encroaching Parcel, to the extent of such encroachment, shall exist so long as such encroachment shall exist. An easement for repair and maintenance of the improvements shall exist over and across adjoining Parcels. In the event that any structure is partially or totally destroyed, then rebuilt, then the Owners and the Recreation Association agree that minor encroachments on adjacent Parcels or on Recreation Association Common Area due to construction shall be permitted and that an easement for such encroachments and the maintenance of the structure shall exist. The Recreation Association is granted a blanket easement over all Neighborhoods, the Recreation Association Common Area and Parcels for repair and maintenance and for carrying out its responsibilities pursuant to this Declaration.

6.3 Partition; Separation of Interest. There shall be no judicial partition of the Recreation Association Common Area, except as expressly provided elsewhere herein, nor shall Developer, or any Owner or any other person acquiring any interest in the Neighborhood, or any part thereof, seek judicial partition thereof. Nothing herein shall be construed to prevent judicial partition of any Parcel and Living Unit owned on co-tenancy. The ownership of any Parcel and the ownership of the Living Unit constructed thereon may not be separated or separately conveyed; nor may any person who does not have an ownership interest in at least one Parcel and Living Unit hold membership in the Recreation Association.

6.4 Easements. The Recreation Association shall have the right to grant such electric, telephone, gas, water, sewer, irrigation, drainage, cable television or other easements, and to relocate any existing easement in any portion of the Properties and to grant access easements and to relocate any existing access easements in any portion of the Properties for the proper construction of the Properties, operation and maintenance of the Properties, or any portion thereof, or for the general health or welfare of the Owners or for the purpose of carrying out any provisions of this Declaration. Such easements or the relocation of existing easements may not prevent or unreasonably interfere with the use of the Parcels and Living Units. Each Living Unit and Parcel shall be subject to an easement in favor of all other portions of the Properties for the location of utilities and for surface water drainage, for lateral and subjacent support, and for the use, maintenance, repair, and replacement of the party walls, structural supports, roofs, pipes; wires, ducts, vents, cables, conduits, public utility lines and other similar or related facilities serving other portions of the Properties, including without limitation, an easement for any fire sprinkler/monitoring system..

6.5 Milano Documents and Plat. Each Neighborhood and the Parcels located therein shall be subject to and benefited by those easements set forth in the Milano Documents and the Plat. Each Neighborhood and the Parcels located therein shall be subject to a perpetual easement in favor of the Recreation Association for purposes of allowing the Recreation Association to maintain the lawn and landscaping (including irrigation equipment) contained therein as provided elsewhere in this Declaration.

7. MAINTENANCE OF RECREATION ASSOCIATION COMMON AREA AND LIVING UNITS.

7.1 Recreation Association Common Area. The Recreation Association shall maintain, repair and replace the Recreation Association Common Area and fire extinguishers installed on the exterior of each Living Unit (including, without limitation, any costs of inspections and certifications of the fire extinguishers by the North Naples Fire Control District at the Recreation Association's expense. All work pursuant to this Section and all expenses hereunder shall be paid for by the Recreation Association through assessments as provided in this Declaration. An Owner shall be liable for the cost of any maintenance, repairs or replacement of any of the Recreation Association Common Area and fire extinguishers installed on the exterior of each Living Unit caused by the negligent conduct or intentional acts of Owner, his family, lessees, invitees and guests or by the failure of an Owner to comply with the lawfully adopted rules and regulations of the Recreation Association. Such charges shall be levied as a specific or individual assessment against such Owner individually, secured by a lien against the Parcel or Living Unit as provided in Section 4.5 above. No Owner may waive or otherwise escape liability for the assessments for such maintenance by non-use of the Recreation Association Common Areas or abandonment of his right to use the Recreation Common Areas.

7.2 Parcels and Living Units. The lawns and landscaping (including irrigation equipment) in their original condition as installed by the Developer or any other developer of any Neighborhood, shall be maintained by the Recreation Association at the expense of the Parcel Owners as a common expense through assessments, regular and special. All other portions of a Neighborhood, including the Living Units, shall be maintained by the Neighborhood Associations and their Owners in a safe, clean, orderly and attractive condition, and in harmony with the general character of Milano. In the event that an Owner or Neighborhood Association fails or refuses to comply with these provisions, after fourteen (14) days' notice and demand from the Association and the Owner's or Neighborhood Association's failure to comply, the Recreation Association shall have the authority (but not the obligation) to take whatever action is reasonably necessary in its judgment to bring the Neighborhood and its improvements into conformity and the expenses of doing so shall be an obligation of the Neighborhood Association or the Owner collectable as a special assessment. The Recreation Association is granted an easement upon the Neighborhood and its improvements for these purposes.

7.3 Surface Water Management System. The "Surface Water Management System" shall include, but are not limited to, all inlets, ditches, swales, culverts, water control structures, retention and detention areas, ponds, lakes, floodplain compensation areas, wetlands, and any associated buffer areas constructed by the Developer in accordance with Permit# 11-02226-P-02 (the "Permit") issued by the South Florida Water Management District ("Water Management District"), a copy of which is attached hereto as Exhibit "D". The Recreation Association may reconfigure the size and location of the Surface Water Management System. The Recreation Association shall have an easement over the Properties for purposes of accessing the Surface Water Management System. The Surface Water Management System shall either be: dedicated to the Recreation Association on the Plat; located on land owned by the Recreation Association; or land that is subject to an easement in favor of the Recreation Association, its successors or assigns. The Surface Water Management System shall not be available for other than their intended use by

Parcel Owners or the Recreation Association (no recreational use), nor shall any Parcel Owner in any manner interfere with or alter the Surface Water Management System or interfere with the access rights of any entity responsible for its maintenance. The Recreation Association shall be responsible for the operation and maintenance of the Surface Water Management System and shall assess the Owners for all expenses related to its performance of such responsibilities. To the extent required by the Permit, it shall be the Recreation Association's responsibility to successfully meet and complete all permit conditions associated with any wetland mitigation, success criteria, maintenance and monitoring. The Recreation Association shall allocate sufficient funds in its annual budget for such mitigation, maintenance and monitoring of wetland mitigation area(s) each year until the Water Management District determines that the area(s) is successful in accordance with the Permit. Operation, maintenance and reinspection reporting shall be performed in accordance with the terms and conditions of the Permit. The Water Management District has the right to take enforcement action, including a civil action for an injunction and penalties against the Recreation Association to compel it to correct any outstanding problems with the Surface Water Management System or in any mitigation or conservation areas under the responsibility or control of the Recreation Association. No construction activities may be conducted relative to any portion of the Surface Water Management System. Prohibited activities include but are not limited to: digging or excavation; depositing fill, debris or any other material or item; constructing or altering any water control structure; or any other construction to modify the Surface Water Management System Facilities. If Milano includes a wetland mitigation area or a wet detention pond, no vegetation in these areas shall be removed, cut, trimmed or sprayed with herbicide without specific written approval from the Water Management District. Construction and maintenance activities which are consistent with the design and permit conditions approved by the Water Management District in the Permit may be conducted without specific written approval from the Water Management District. All Owners acknowledge that due to ground water elevations, priorities established by governmental authorities, and other causes outside of the reasonable control of the Recreation Association, lake water levels may fluctuate at certain times during the year and such fluctuations may be material. The Recreation Association shall not have any liability for aesthetic conditions, objectionable odors, damage to plantings or direct or consequential damages of any nature caused by the fluctuation of water levels or water quality or complying with the permitting requirements of government agencies. If required by the Water Management District, the Developer shall establish natural vegetative buffers and any jurisdictional wetland preserve and/or conservation tract. Such buffers shall be platted as a separate tract or created as an easement over an expanded limit of the preserve tracts, which would be dedicated as preserve/drainage tracts, to include the buffer within the preserve tract. The Developer shall establish any and all landscape buffers, conservation areas, preservation areas, wetlands preserves and/or other areas (collectively, "conservation areas") and any management plans for those areas as may be required for the protection of wildlife and vegetation, as required by the PUD Ordinance and/or any permit conditions of any state or federal agency, and any such areas shall be maintained and monitored by the Recreation Association in accordance with all original permit conditions and/or PUD requirements. A copy of the maintenance and monitoring plan is attached as Exhibit "E" and a copy of the Urban Stormwater Management Program is attached hereto as Exhibit "F".

THE CONSERVATION AREAS ARE HEREBY DEDICATED AS COMMON AREAS. THEY SHALL BE THE PERPETUAL RESPONSIBILITY OF THE RECREATION ASSOCIATION AND MAY IN NO WAY BE ALTERED FROM THEIR

NATURAL OR PERMITTED STATE. ACTIVITIES PROHIBITED WITHIN THE CONSERVATION AREAS INCLUDE, BUT ARE NOT LIMITED TO, CONSTRUCTION OR PLACING OF BUILDINGS ON OR ABOVE THE GROUND, DUMPING OR PLACING SOIL OR OTHER SUBSTANCES SUCH AS TRASH; REMOVAL OR DESTRUCTION OF TREES, SHRUBS OR OTHER VEGETATION REMOVAL, EXCEPT EXOTIC OR NUISANCE VEGETATION REMOVAL; EXCAVATION, DREDGING OR REMOVAL OF SOIL MATERIAL; DIKING OR FENCING; ANY OTHER ACTIVITIES DETRIMENTAL TO DRAINAGE; FLOOD CONTROL, WATER CONSERVATION EROSION CONTROL OR FISH AND WILDLIFE HABITAT CONSERVATION OR PRESERVATION. THE RECREATION ASSOCIATION IS OBLIGATED TO ENFORCE THESE RESTRICTIONS.

7.4 Alterations and Additions. Material alterations or substantial additions to the Recreation Association Common Area may be undertaken and funds necessary levied as special assessments by the Recreation Association only upon prior approval by a majority of the whole Board of Directors. The Board shall also have the authority to levy a special assessment or otherwise approve funding for a material alteration of or significant addition to the Recreation Common Areas, without approval from the Members, provided such alteration does not involve a total expenditure of more than \$50,00.00 in any fiscal year. Any material alteration of the Recreation Common Areas that will cost more than \$50,000.00 in any fiscal year, whether funded by special assessment or other sources of funding, shall first be approved by at least two-thirds (2/3) of the Members. However, if work is reasonably necessary to protect, maintain, repair or replace the Recreation Common Areas also constitutes a material alteration or substantial addition to the Recreation Common Areas, no prior Member approval is required. The Common Area shall not be mortgaged or conveyed without the approval of at least two-thirds (2/3) of the Members.

8. INSURANCE. The Recreation Association shall obtain and maintain adequate insurance (with provisions for deductibles) as follows:

(A) Casualty. The coverage shall afford protection as may be appropriate against:

(1) Loss or damage by fire or other hazards covered by a standard extended coverage endorsement.

(2) Such other risks as from time to time are customarily covered with respect to improvements on the Recreation Association Common Area including, but not limited to, flood, vandalism, and malicious mischief. All or any part of such coverage may be extended to include personal property of the Recreation Association as the Board may deem desirable. The Recreation Association shall act as agent of the Parcel Owners and shall adjust all losses on their behalf. The premiums shall be included as a common expense.

(B) Recreation Association's Public Liability. The Recreation Association shall at all times maintain a policy of comprehensive liability insurance insuring the Recreation Association and its agents, the Board, and the Parcel Owners against liability in connection with the Recreation Association Common Area in such amounts as the Board may deem desirable, which policy shall

include, if obtainable, a cross-liability endorsement. The premiums for such insurance shall be a common expense.

9. USE RESTRICTIONS.

9.1 Residential Purposes. No Parcel shall be used for other than single-family residential purposes. No commercial activity, trade or business may be conducted in or from any Unit, except that an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Unit; (b) the business activity conforms to all zoning requirements; (c) the business activity involves only telephone calls and correspondence to and from the Unit and does not involve persons coming into the Properties who do not reside in the Properties or door-to-door solicitation of occupants of the Properties; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other occupants of Units. The use of a Unit as a public lodging establishment shall be deemed a business or trade use. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor. In no event shall occupancy of a Unit exceed two (2) persons per bedroom, plus two (2) additional persons.

9.2 Signs. No sign or advertisement of any kind, including, without limitation, those of realtors, contractors and subcontractors, shall be erected within the Properties without the written consent of the Architectural Reviewer. Signs which are permitted within the Properties may be restricted as to the size, color, lettering, materials and location of such signs. The Board of Directors shall have the right to erect signs on the Recreation Association Common Areas as the Board deems appropriate. Under no circumstances shall signs, flags, banners or similar items advertising or providing directional information with respect to activities being conducted outside the Properties be permitted within the Properties without the prior written consent of the Architectural Reviewer. No sign shall be nailed or otherwise attached to trees.

9.3 Nuisance. Nothing shall be done upon any Parcel or in any Neighborhood or in the Recreation Association Common Area which may be or may become an unreasonable amount of annoyance or nuisance to an occupant of another Unit, or which would not be consistent with the maintenance of the highest standards for a first class residential community, nor permit the premises to be used in a disorderly or unlawful way. No obnoxious, unpleasant or offensive activity shall be carried on, nor shall anything be done which can be reasonably construed to constitute a nuisance, public or private in nature. All residents shall observe the vehicular speed limits and pool rules posted on signs in the Recreation Association Common Area.

9.4 Underground Utility Lines and Services. Except for any existing lines, all electric, telephone, gas and other utility lines shall be installed underground (unless otherwise required by law), except for temporary lines as required during construction or if required by law.

9.5 Recreation Association Common Area. No Parcel Owner shall make use of the Recreation Association Common Area in such a manner as to abridge the equal rights of the other Parcel Owners to their use and enjoyment thereof nor shall any Parcel Owner remove, prune, cut, damage or injure any trees or other landscaping located in the Recreation Association Common Area. Except as otherwise stated in this Declaration and its Exhibits or with respect to Developer's reserved rights, any portion of the Recreation Association Common Area which is deemed open space shall be owned by the Recreation Association and preserved and maintained by it and shall not be destroyed.

9.6 Pets and Animals. The keeping of pets is a privilege not a right, and all pets must be approved by the Association advance in writing. The Association, in its sole discretion, shall have the right to disapprove any pet that is likely to be a nuisance or aggressive based on its breed or size. As a condition of approval, the Recreation Association shall have the right to require a reasonable pet deposit, which will be held by the Recreation Association and applied toward the cost of any property damage, cleaning or fines that are related to the pet. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Parcel, except that a total of two (2) dogs, cats or other usual and non-exotic household pets may be kept (except for pit bulls, "wolf hybrids", rottweilers, Dobermans or other dogs prone to or exhibiting aggressive behavior), provided they are not kept, bred or maintained for any commercial purposes and are less than forty (40) pounds. The keeping of pets shall also comply with the following conditions:

(A) No dangerous or vicious breeds will be allowed on the Property, and the Board of Directors shall have the sole discretion to determine whether a pet is a dangerous or vicious breed or otherwise unreasonable threat to other residents. If the Board of Directors, in its sole discretion, determines a pet is dangerous or vicious or otherwise unreasonable to other residents, it shall have the authority to order the permanent and immediate removal of such pet.

(B) All animals shall be contained on the Owner's Parcel and shall not be permitted to run freely. When outside the Owner's Living Unit, all pets must be kept on a hand-held leash at all times.

(C) The Board of Directors, in its sole discretion, shall have the right to determine if a pet constitutes a nuisance and shall have the authority to order the permanent and immediate removal of any pet which becomes an unreasonable source of annoyance to other residents in the properties.

(D) All pet owners are obligated to clean up after their pet. Messes made by pets shall be removed by Owners or handlers immediately.

(E) Owners may not leave pets unattended in screened porches, front yards, lanais or anywhere else on the Parcel where their noise may bother others.

(F) Pets are prohibited in rented or leased Living Units.

(G) All pet owners are responsible for maintaining current vaccinations for their pets and shall provide copies of such records and proof of vaccination, if requested by the Board of Directors, within five (5) days of the request.

(H) Any Parcel Owner or other resident who keeps or maintains any pet shall, in exchange for and in consideration of the privilege to keep the pet, hereby indemnify and hold the Association and each Parcel Owner free and harmless from any loss, claim or liability of any kind or character of whatever nature arising from or related to the keeping or maintaining of such pet in the Property.

9.7 Trucks, Commercial Vehicles, Recreation Vehicles, Mobile Homes, Boats, Campers and Trailers.

(A) Operable and currently licensed automobiles may be kept or parked only on paved driveways, on paved parking pads, or in enclosed garages, as those may be applicable to Milano, provided that in the case of a Parcel with an attached garage, all vehicles except those of the Owner's guests shall be kept in the attached garage or in the driveway adjacent to the attached garage while the Parcel Owner is in residence. Parking is prohibited on any roadway or roadsides owned by or dedicated to the Recreation Association. Parking and driving on the grass is strictly prohibited. No vehicles shall be kept in a state of disrepair. Owners and their families are prohibited from parking in areas designated for "guest" parking, as those are reserved for temporary usage. Vans, sport utility vehicles and pick-up trucks shall be considered to be automobiles and may be parked on driveways if the vehicle is used for the primary purpose of transportation of passengers and their personal goods. If the vehicle is used primarily for the transportation of goods, then it shall be considered to be a truck. Police cars may be parked on driveways if the driver is a police officer. All other vehicles (i.e. all motorized and non-motorized vehicles except operable automobiles) including, without limitation, the following: security company vehicles, inoperable vehicles, golf carts, all-terrain vehicles, ambulances, hearses, motorcycles, motorbikes, bicycles, watercraft, aircraft, house trailers, camping trailers, other trailers, vehicles with commercial markings, racks or tools in the bed, and tractors shall be kept within an enclosed garage. If a Living Unit has a garage, then any use of a motorcycle is limited to providing ingress/egress to a Parcel over roadways. All motorcycles shall be equipped with effective sound muffling devices and must be parked in a garage when not in use. If any Neighborhood contains Living Units that do not have enclosed garages (for example, parking is in carports or a parking lot), then motorcycles shall be prohibited in that Neighborhood. Bicycle racks are permitted on non-commercial vehicles.

(B) No commercial vendor vehicle of any kind shall be permitted to be parked on a residential Parcel or in a Neighborhood or on the Recreation Association Common Area for a period of more than twelve (12) hours unless such vehicle is necessary and being used in the actual construction or repair of a structure or for grounds maintenance.

(C) No overnight tandem parking between the hours of 11:00 p.m. and 7:00 a.m. shall be permitted, and no vehicle is allowed to park sideways at the end of the driveway making it parallel to the road.

(D) There shall be no parking on the driveways that partially or fully blocks any sidewalks.

(E) No parking is permitted on another Owner's driveway without written permission from said Owner on file with the Property Manager of your Neighborhood Association and Board of Directors of the Recreation Association.

(F) The Recreation Association shall be permitted to place a disabling "boot" on any vehicle or order the towing of any vehicle that is in violation of the Governing Documents, the rules or regulations, a law or any other restriction contained herein, and the cost of towing and/or booting shall be the obligation of the owner of the vehicle, and if not promptly paid, shall be a specific or individual assessment against the Parcel secured by a lien.

(G) Living Units may not park more than two (2) vehicles on a permanent basis. All vehicles of guests exceeding these numerical limits shall be parked in designated "guest" areas. Owners and their families shall not park in areas designated for "guest" parking, as those are reserved for temporary use.

9.8 Exterior Colors. No exterior colors on any structure, nor the colors of driveways and walkways shall be permitted that, in the sole judgment of the Architectural Reviewer, would be inharmonious or incongruous with the remainder of Milano. Any future color changes, as described above, desired by Owners must be first approved in writing by the Architectural Reviewer. The color of the roof tile shall not be changed nor shall other roofing materials or styles be substituted.

9.9 Landscaping. All areas not covered by structures, walkways, paved parking facilities or areas approved by the Recreation Association to be left in their natural state shall be maintained as lawn or landscape areas to the pavement edge of any abutting streets and to the waterline of any abutting lakes, canals or water management areas. All lawn and landscape areas shall be kept in good and living condition. Use of irrigation is subject to South Florida Water Management District water use guidelines. Owners are not permitted to remove or install any plantings, trees or landscaping from the Recreation Common Areas or Neighborhood Common Areas without the prior written approval of the Board of Directors.

9.10 Antennas and Flagpoles. Antennas and satellite dishes are prohibited, except that (a) antennas or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter (b) antennas or satellite dishes designed to receive video programming services via multi-point distribution services which are one meter or less in diameter; or (c) antennas or satellite dishes designed to receive television broadcast signals, ("Reception Device") shall be permitted, provided that the Reception Device is located so as not to be visible from outside the Living Unit, or is located on the lanai of the Living Unit. The Architectural Reviewer may require that a Reception Device be painted, and if the Living Unit is a detached dwelling, the Architectural Reviewer may require that it be screened by landscaping or other means in order to blend into the Living Unit and be removed from view from the street and other Living Units. The installation and display of flagpoles and flags shall be subject to regulation by the Architectural

Reviewer, but no Owner shall be prevented from displaying a portable, removable United States flag or official flag of the State of Florida in a respectful manner, or on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, be prevented from displaying in a respectful manner a portable, removable official US Army, Navy, Air Force, Marine Corps or Coast Guard flag not larger than 4.5' x6'.

9.11 Outdoor Equipment. All garbage, trash and recycling containers, oil tanks, bottled gas tanks, swimming pool equipment, housing and sprinkler pumps and other such outdoor equipment must be placed underground, in an enclosed garage, walled-in or placed in sight-screened or fenced-in areas so that they shall not be readily visible from any adjacent streets or properties. Otherwise, adequate landscaping shall be installed and maintained around these facilities. The preceding two sentences shall not apply to any garden or carriage condominiums in any Neighborhood, in which such outdoor equipment is prohibited. All Neighborhoods shall be equipped with dual water lines, one of which shall be designated to utilize non-potable water. All underground irrigation systems must be connected to the non-potable water line and all spigots on the exterior portion of a structure shall be connected to the potable water line. Basketball hoops, outdoor toys and swing sets are not permitted on an Owner's Parcel, nor shall they be stored on any lanai. Recycle bins, trash and horticulture shall not be put on the curb for pick-up prior to 6:00 p.m. the night before the scheduled pick-up and shall be removed from the curb no later than 11:00 p.m. the day of pick-up. Placement of trash and recycle bins shall otherwise conform with applicable County regulations. No Lot, Unit or Common Area shall be used as dumping ground for rubbish, trash, waste or natural waste matter (lawn clippings, leaves etc.). No incinerator or outdoor burning shall be permitted.

9.12 Air Conditioning and Heating Equipment. Window or wall air conditioning units are prohibited.

9.13 Walls, Fence, Window Coverings and Hurricane Shutters. No wall or fence shall be constructed in any Neighborhood, except, in the case of any detached Living Unit, for a pool cage, or fencing of air conditioning or pool equipment, as may be approved by the Architectural Reviewer. Except as provided in Section 9.11 above, no wall or fence shall be constructed on any Parcel. Owners may install hurricane shutters, subject to specifications adopted by a Neighborhood Association and the Recreation Association. All hurricane shutter specifications adopted by a Neighborhood Association shall be subject to the review and approval of the Architectural Reviewer. The Neighborhood Association's hurricane shutter specifications may not conflict with those adopted by the Recreation Association, except that they may be more restrictive than those adopted by the Recreation Association. Laminated glass and window film architecturally designed to function as hurricane protection which complies with the applicable building code, may be used in place of hurricane shutters, except that reflective window coverings are prohibited.

9.14 Lighting. The exterior lighting in any Neighborhood or Parcel shall be accomplished in accordance with a lighting plan approved in writing by the Architectural Reviewer.

9.15 Open Areas Adjacent to Lakes. Shrubs, trees, structures or other improvements (other than those originally installed or approved by the Developer) shall not be installed in any area that is adjacent to a lake in Milano.

9.16 Fishing, Swimming and Boating. There shall be no fishing, swimming or boating permitted in the lakes or ponds.

9.17 Drones. Drones with cameras shall not be used to record privately owned Living Units. A person with an appropriate professional license shall be permitted to use a drone to record footage or images of the Property only with advance written permission from the Recreation Association. Drones flown for recreational usage shall remain below 400 feet and within the sight of the operator at all times. Drones shall not be landed on terraces, courtyards, balconies, lanais or anywhere on the Property that is not designated by the Recreation Association as an approved drone landing site. Deliveries by drones are permitted only on weekdays between 9:00 a.m. and 4:00 p.m. Residents who order a drone delivery are deemed to have agreed to indemnify the Recreation Association and Neighborhood Associations for damage to persons or property in connection with the delivery.

9.18 Pool and Recreational Facilities. Owners and their family, guests, tenants and invitees shall abide and observe the rules and regulations that govern the pool area and clubhouse. The Recreation Association has authority to fine and/or suspend Owners and their family, lessees and guests in accordance with the Homeowners' Act if any rules are violated and not corrected. Any children under the age of twelve (12) shall be supervised by a responsible adult when using the pool and recreational facilities.

9.19 Holiday Décor. The Board of Directors shall have authority to adopt reasonable regulations regarding the installation and removal of holiday décor. Holiday décor shall only be installed in the front entrance of the Living Unit and shall not disrupt or cause damage to the landscaping and plantings surrounding the Living Unit.

9.20 Rules and Regulations. The Board of Directors shall have the authority to adopt reasonable regulations concerning the use of the Recreation Association Common Area and the Neighborhood Common Area, including any common elements and limited common elements. Such rules and regulations may include provisions restricting the use of the Recreation Association Common Area and recreational areas to members of the Recreation Association and their families, guests, lessees and invitees. The foregoing power and authority notwithstanding the Recreation Association, and its Directors, Officers, agents and assigns shall not be liable for failing to exercise said power and authority.

10. RECREATION ASSOCIATION'S EXCULPATION. The Recreation Association may grant, withhold or deny its permission or approval in any instance where its permission or approval is permitted or required without incurring liability of any nature to the Owners or any other person for any reason whatsoever, any permission or approval so granted shall be binding upon all persons.

11. ENFORCEMENT OF COVENANTS AND ABATEMENT OF VIOLATIONS. Every Neighborhood Association, Owner and the Owner's family members, tenants, guests and invitees shall at all times comply with all the covenants, conditions and restrictions of the Governing Documents. All violations of the Governing Documents shall be reported immediately to a member of the Board of Directors. Before undertaking any remedial, disciplinary or enforcement

action against a person alleged to be in violation, the Recreation Association shall give the alleged violator reasonable written notice of the alleged violation, except in emergencies. Disagreements concerning violations, including, without limitation, disagreements regarding the proper interpretation and effect of the Governing Documents, shall be presented to and determined by the Board of Directors of the Recreation Association, whose interpretation of the Governing Documents and/or whose remedial action shall control. If any person, firm or entity subject to the Governing Documents fails to abide by them, as they are interpreted by the Board of Directors, the Recreation Association shall have the ability to take any action to compel compliance as set forth below.

11.1 Negligence. An Owner shall be liable for the expense of any maintenance, repair or replacement of Recreation Association Common Area or Neighborhood Common Areas, other Parcels or Living Units or personal property rendered necessary by his act, neglect or carelessness or by that of his family, employees, agents, lessees or other invitees. Any expenses incurred by the Association to repair or replace Recreation Association Common Area or Neighborhood Common Areas so damaged shall be billed directly to the responsible Owner and shall be an individual assessment, secured by a lien against the Parcel or Living Unit as provided in Section 4 above.

11.2 Costs and Legal Fees. Any Owner who fails or refuses to correct threatening, harassing or nuisance conduct, or such other violation of the Milano Documents or Neighborhood Documents, following written warning and a reasonable opportunity to comply, shall be responsible for legal fees and expenses incurred by the Association to compel compliance. Said fees and expenses shall include pre-litigation demands and notices sent by the Association's attorney and shall be an individual assessment and lien against the Owner's Parcel if not paid upon demand. Further, the prevailing party in any action or proceeding arising because of an alleged failure of an Owner to comply with the terms of the Milano Documents or Neighborhood Documents, and any and all rules and regulations or guidelines adopted pursuant thereto, as they may be amended from time to time, shall be entitled to recover the attorneys', paralegals', expert witnesses', consultants', and other fees and all out-of-pocket costs actually incurred by that party at all arbitration, pretrial, trial and appellate levels, including those incurred in enforcing and excising such right of recover, in all cases, regardless of whether such costs are not specifically taxable, within the court's discretion to tax or generally considered to not be taxable.

11.3 Legal Action. Judicial enforcement of the covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, or against the land to enforce any lien created by these covenants; and failure by the Recreation Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. If such action is instituted, the Recreation Association shall, in addition, be entitled to recover its costs and attorney's fees incurred in enforcing the Governing Documents. The Recreation Association may also take legal action against any Neighborhood Association which fails to make a reasonable effort to enforce any restrictive covenants or affirmative obligations under the Milano Documents or the Neighborhood Documents, where such failures have an adverse impact on the appearance of the Properties or the operation of the Recreation Association. Certain disputes must be submitted to dispute resolution procedures

conducted by the Division of Florida Land Sales, Condominiums and Mobile Homes (“Division”) as more particularly set forth in Section 720.311 of the Act. The Recreation Association shall be entitled to pursue injunctive relief and any other remedy available at law or in equity, including without limitation eviction under Chapter 83, Florida Statutes, if the Board of Directors determines that such legal action is necessary to ensure compliance with the Milano Documents or Neighborhood Documents, and any and all regulations adopted pursuant thereto, as they may be amended from time to time. In addition, and to the extent allowed by law, the Recreation Association may revoke the rental privileges for any Owner that shows a history of disregarding the Milano Documents, Neighborhood Documents and any rules or regulations thereto. The failure of the Association or any Owner to enforce any covenant, restriction or other provisions of the Homeowners’ Act or the Milano Documents, the Neighborhood Documents, or the regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

11.4 Entry by Recreation Association. Violation of any conditions or restrictions, or breach of any covenant, herein contained or in any of the Governing Documents, shall also give the Recreation Association and its authorized agent or representative, in addition to all other remedies, the right to enter upon the land of a Neighborhood or Parcel where such violation or breach exists and in the event of an emergency, summarily abate and remove, at the expense of the Owner of the land, any construction or other violation that may be or exist thereon. The Recreation Association and its authorized agents shall not thereby become liable in any manner for trespass, abatement or removal. Any expense or charge incurred by the Association as set forth herein shall be an individual assessment and shall become a lien against such Owner’s Parcel or Living Unit which may be foreclosed or otherwise collected as provided herein to the extent authorized by law.

11.5 Fines and Suspensions. The Board, subject to the approval of a fining committee to the extent required by Florida law, may impose a fine or fines against an Owner for failure of the Owner, his family, Guests, invitees, tenants, or agents of any of the foregoing, to comply with any covenant, restriction, rule, or regulation contained herein or promulgated pursuant to the Governing Documents. The maximum accrued fine for a continuing violation shall not exceed \$5,000.00. Suspensions of the use of common areas, facilities and non-essential services (e.g. bulk cable TV and/or internet) may be imposed for a reasonable period of time to deter future violations. The procedure for imposing fines or suspending use rights shall be as follows:

(A) Notice. The party against whom the fine and/or suspension is sought to be levied or imposed shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and the notice shall include:

- (1) a statement of the date, time and place of the hearing;
- (2) a specific designation of the provisions of Chapter 720, Florida Statutes, the governing documents or the rules which are alleged to have been violated;
- (3) a short and plain statement of the specific facts giving rise to the alleged violation(s); and

(4) the possible amounts of any proposed fine and/or possible use rights of common areas or facilities to be suspended.

(B) Hearing. At the hearing the party against whom the fine and/or suspensions may be levied shall have a reasonable opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved, and to review, challenge, and respond to any evidence or testimony presented by the Recreation Association. The hearing shall be conducted before a panel of three (3) owners appointed by the Board, none of whom may then be serving as Directors or officers, or who are employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee. If the committee, by majority vote, does not agree with the proposed fine and/or suspension, it may not be levied or imposed. If the committee agrees with the proposed fine and/or suspensions, the Board of Directors shall levy and enforce same.

(C) Written Notice of Fine or Suspension. If the Recreation Association imposes a fine or suspension, the Recreation Association must provide written notice of such fine or suspension by mail or hand delivery to the parcel owner and, if applicable, any tenant, licensee, or invitee of the parcel owner.

(D) Collection of Fines. Any fine not paid within thirty (30) days of the Written Notice in subsection (C) above shall become delinquent. Fines may be treated as an individual assessment subject to the provisions for the collection of assessments set forth in this Declaration and any fine of \$1,000.00 or more may become a lien against a Parcel or Living Unit. Fines may also be collected utilizing any lawful method. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney fees and costs.

11.6 Suspensions and Fines Without Hearing. The foregoing notwithstanding, if allowed by law, no prior notice or opportunity for a hearing is required for the imposition of a fine or suspension upon any member for the nonpayment of any monetary obligation that is delinquent in excess of ninety (90) days. The suspension must be approved at a properly noticed board meeting and upon approval, the Association must notify the owner and if applicable, the owner's occupant, lessee, or invitee by mail or hand delivery of the suspension.

11.7 Litigation. Enforcement actions for damages, or for injunctive relief, or both, on account of any alleged violation of law, or of the governing documents or Association rules, may be brought by any owner, or the Association against:

- (A) The Recreation Association;
- (B) The Neighborhood Association;
- (C) The Owner;
- (D) Anyone who occupies or is a tenant or guest of a Parcel or Living Unit; or
- (E) Any officer or Director of the Recreation Association or Neighborhood Association who willfully and knowingly fail to comply with these provisions.

12. LEASING, CONVEYANCE, DISPOSITION.

12.1 Forms of Ownership:

(A) Single Ownership. A Parcel may be owned by one natural person who is qualified and has been approved as elsewhere provided herein.

(B) Co-ownership. Co-ownership of Parcels is permitted. If the co-owners are other than husband and wife, or two (2) people who reside together as a single housekeeping unit, the Board shall require two (2) people to be designated as "primary occupants", and the use of the Parcel by other persons shall be as though the primary occupants were the only actual Owner. The intent of this provision is to permit multiple owners, but to prohibit short term, transient use by several individuals or families. Any change in the primary occupants shall be treated as a transfer of ownership by sale or gift, subject to all of the provisions of this Section. No more than one change in the "primary occupants" will be approved in any twelve-month period

(C) Ownership by Corporations, Partnerships or Trusts. A Parcel may be owned in trust, or by a corporation, partnership or other entity which is not a natural person, if approved in the manner provided herein. However, the intent of this provision is to allow flexibility in estate, financial or tax planning, and not to create circumstances in which the Parcel may be used as short term transient accommodations for several individuals or families. A trustee, corporation or other entity may be an Owner as long as there is a designation of two (2) people to be the "primary occupants", and the use of the Parcel by other persons shall be as though the primary occupants were the only actual Owner. The approval of a trust, corporation, partnership, or other entity as a unit owner shall be conditioned upon designation by the owner of not more than two (2) natural persons, who shall be an officer, director, member, shareholder, trustee, beneficiary, or partner of the owner, to be the "primary occupants." No more than one change in the "primary occupants" will be approved in any twelve-month period.

(D) Designation of Primary Occupant. If any Parcel Owner fails to designate the primary occupants when required to do so, the board of directors may make the initial designations for the owner and shall notify the owner in writing of its action.

(E) Life Estate. Occupancy by a life tenant must be approved by the Recreation Association whether the life estate is created by operation of law or by voluntary conveyance. Parcel may be subject to a life estate, either by operation of law or by voluntary conveyance. In that event, the life tenant shall be the only member from such Parcel, and occupancy of the Parcel shall be as if the life tenant was the only Owner. Upon termination of the life estate, the holders of the remainder interest shall acquire occupancy rights. The life tenant and holders of the remainder interest shall be jointly and severally liable for all assessments and charges against the Parcel. The life tenant may, by signed agreement, transfer the right to vote in all Recreation Association matters to any one remainderman, subject to approval by the Recreation Association of such arrangement. Except in the case where such a transfer has been made, if the consent or approval of the Owner is required for any purpose, that consent or approval of the holders of the remainder interest shall not be required. If there is more than one life tenant, they shall be treated as co-owners for purposes of determining voting and occupancy rights.

12.2 Transfers Subject to Approval.

(A) Sale. No Owner may dispose of a Parcel or any interest in any Living Unit by sale without advance written approval of the Recreation Association.

(B) Lease. No Owner may lease a Living Unit or convey any interest in any Living Unit by lease without approval of the Recreation Association.

(C) Gift. If any Owner shall acquire his title by gift, the continuance of his Ownership of his Living Unit shall be subject to the approval of the Recreation Association.

(D) Devise or Inheritance. If any Owner shall acquire his title by devise or inheritance, the continuance of his Ownership of his Living Unit shall be subject to the approval of the Recreation Association.

(E) Other Transfers. If any Owner shall acquire his title by any manner not considered in the foregoing subsections, the continuance of his Ownership of such Living Unit shall be subject to the approval of the Recreation Association.

12.3 Approval by Recreation Association. The approval of the Recreation Association that is required for the transfer of Ownership of Living Units shall be obtained in the following manner:

(A) Notice to Association.

(1) Sale. An Owner intending to make a bona fide sale of his Living Unit or any interest in it shall give to the Recreation Association written notice of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Recreation Association may reasonably require including, without limitation, a copy of the executed sales contract.

(2) Lease. All leases of a Living Unit must be in writing. An Owner may only lease his Living Unit to a natural person. An Owner intending to make a bona fide lease of his Living Unit for a lease term that complies with this Declaration shall give to the Board or its designee written notice of such intention at least thirty (30) days before the date of occupancy, together with the name and address of the intended lessee and such other information concerning the intended lessee as the Recreation Association may reasonably require and an executed copy of the proposed lease.

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

(4) Failure to Give Notice. If the above required notice to the Recreation Association is not given, then at any time after receiving knowledge of a transaction or

event transferring Ownership or possession of a Living Unit, the Recreation Association at its election and without notice may approve or disapprove the transaction or Ownership. Any lease entered into without approval or in violation of any of the provisions herein shall, at the election of the Board, be treated as a nullity, and the Board shall have the power to evict the lessee without securing consent of such eviction from the Owner.

(5) Interview. The Board of Directors may require a personal interview of the prospective Owner or lessee as part of the required information.

(B) Certificate of Approval.

(1) Sale. If the proposed transaction is a sale, then within thirty (30) days after receipt of such notice and information, the Recreation Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the Recreation Association in recordable form, which shall be recorded in the public records of Collier County, Florida, at the expense of the purchaser.

(2) Lease. If the proposed transaction is a lease which requires approval, then within thirty (30) days after receipt of such notice and information the Recreation Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the Recreation Association and delivered to the lessee.

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

(C) Approval of Occupant. If the Owner or purchaser is a corporation, partnership, trust or some other entity or two or more natural persons (other than husband and wife or domestic partners), or any combination thereof (even if only one natural person is involved), the approval of ownership shall be conditioned upon occupancy of the Living Unit by only a single family as defined in this Declaration and the members of that single family shall be designated "primary occupants." Only the primary occupant(s) shall be entitled to occupy the Living Unit. The Owner or Owners may request the Recreation Association, not more than once every twelve (12) calendar months after the date of the designation of the primary occupant(s), approve and substitute new primary occupant(s) for the Unit. The request shall be made by duly authorized representatives of all record title Owners. Once the new primary occupant(s) has been designated, the prior primary occupant(s) shall be considered as guests and subject to the provisions applicable to occupancy by guests.

(D) Disapproval of Transfer for Good Cause. Approval of the Recreation Association for any transfer described in Section 12.3 above shall be withheld for good cause only

if a majority of the whole Board so votes. Only the following may be deemed to constitute good cause for disapproval:

(1) The person seeking approval has been convicted of a felony involving violence to persons or property, a felony involving a sexual crime, a felony involving possession or sale of a controlled substance, a felony involving children or a felony demonstrating dishonesty or moral turpitude.

(2) The application on its face gives the Board reasonable cause to believe that the applicant intends to conduct himself in a manner inconsistent with the covenants and restrictions applicable to the Recreation Association or Neighborhood Associations.

(3) The person seeking approval has evidenced an attitude of disregard for community rules and restrictions by his conduct as a tenant or Owner.

(4) The person seeking approval has failed to provide the information, fees or interviews required to process the application in a timely manner or provided false information during the application process.

(5) The person seeking approval is delinquent in the payment of assessments, fines or other charges or is in violation of the Milano Documents or Neighborhood Documents at the time the application is considered.

(6) The person seeking approval has a record of serious financial irresponsibility, including without limitation foreclosures, bankruptcies and multiple collections accounts.

12.4 Disapproval by Association. If the proposed transaction is a lease that is disapproved by the Board in accordance with section 12.3 (D) above, the Owner shall be advised of the disapproval in writing and the lease shall be null and void and shall not be made.

12.5 Exceptions. The foregoing provisions of this Section 12 shall not apply to a transfer to or purchase by an Institutional Mortgagee that acquires its title as the result of owning a mortgage upon the Living Unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings. However, provisions of this Section 12 shall apply to a transfer, sale or lease by an Institutional Mortgagee that so acquires its title.

12.6 Unauthorized Transactions. Any transfer, lease, sale or mortgage not authorized pursuant to the terms of this Declaration shall be voidable unless subsequently approved by the Recreation Association.

12.7 Fees and Deposits Related to the Sale of Parcels. Whenever the Board's approval is required to allow the sale or other transfer of an interest in a Living Unit, the Recreation Association may charge the owner a pre-determined fee for processing the application, such fee not to exceed the maximum amount allowed by law as the same may be amended from time to

time. The Recreation Association may also require any deposits that are authorized by the Homeowners' Act, as may be amended from time to time.

12.8 Leasing. Only entire Living Units may be leased. The minimum leasing period is six (6) months and the maximum leasing period is twelve (12) months. No Living Unit may be leased more than two (2) times in any one (1) calendar year. For purposes of this restriction, the first day of occupancy under the lease shall conclusively determine in which year the lease occurs. No Living Unit may be used on a "time share" basis. Living units may not be rented or leased until the owner has held title to the Living Unit for at least twelve (12) months. During this twelve (12) month holding period, the Living Unit must be occupied only by the owner or the owner's family. There shall be no pets allowed in leased Living Units, and renters, as well as their guests, or the guests of an Owner may not bring pets on the Property. No Living Unit may be used on a "time share" basis. Advertising a Living Unit for daily or weekly lease or license on websites such as Airbnb.com, Craigslist.com, Flip-Key, Tripping.com, House Trip, Luxury Retreats HomeAway, VRBO.com or other similar sites, regardless of whether the arrangements are classified or described as something other than a lease, is prohibited. All leases must and shall be deemed to contain the agreement of the tenant(s) to abide by all of the restrictions contained in the Governing Documents and shall be deemed to provide that a violation thereof is grounds for damages, termination and eviction and that the tenant and the Owner agree that the Recreation Association may proceed against either the Owner or the tenant and that the Owner or the tenant shall be responsible for the Recreation Association's costs and expenses, including attorney's fees and costs, secured by a lien against the Parcel. No more than fifty-two (52) of the Living Units may be leased or rented on an annual basis (i.e., for a period of twelve consecutive months) at any given time. All leases shall require advance written approval of the Recreation Association as provided in Section 12 of this Declaration. Part of the review and approval process, as provided in Section 12 shall give the Recreation Association the right to require a personal interview or a confidential background report, the cost of which shall be charged to the lease applicant, for all lease applicants and occupants over the age of eighteen (18), whether for a new lease application or any renewal or extension of an existing lease hereunder. Renewals and extensions are considered new leases that require written approval of the Recreation Association. Approved lessees may not have guests occupy the leased Living Unit when the lessee is not in the residence.

(A) Fees and Deposits Related to the Leasing of Living Units. Whenever the Board's approval is required for the lease of a Living Unit, the Recreation Association may charge the Owner a pre-set fee for processing the application, such fee not to exceed the maximum amount allowed by law as the same may be amended from time to time. The Recreation Association may also require any security deposits as authorized by law, as the same may be amended from time to time, which security deposit shall protect against damage to the Common Elements or Association Property. Handling of the security deposit and claims against the security deposit shall be in accordance with Chapter 83, Florida Statutes, as the same may be amended from time to time.

13. DURATION OF COVENANTS; AMENDMENT OF DECLARATION.

13.1 Duration of Covenants. The covenants, conditions and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and be enforceable by the Recreation Association and any Owner, their respective legal representatives,

heirs, successors and assigns, for an initial period to expire on the 30th anniversary of the date of recordation of the Declaration (as amended to that date by the Developer or the membership as provided elsewhere herein). Upon the expiration of the initial period, this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten (10) year renewal periods hereunder shall be unlimited, with this Declaration being renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial period, or during the last year of any subsequent ten (10) year renewal period, 90% of the entire membership, at a duly held meeting of members of the Recreation Association, vote in favor of terminating this Declaration at the end of its then current term. It shall be required that written notice of any meeting at which such proposal will be considered, shall be given at least forty-five (45) days in advance of said meeting. If the members vote to terminate this Declaration, the President and Secretary of the Recreation Association shall execute a certificate which shall set forth the resolution of termination so adopted, the date of the meeting of the Recreation Association, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate shall be recorded in the Public Records of Collier County, Florida, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

13.2 Proposal. Amendments to this Declaration may be proposed at any time by the Board of Directors or by written petition signed by Representatives representing one-fourth (1/4) of the voting interests. If by petition, the proposed amendments must be submitted to a vote of the Representatives not later than the next annual meeting.

13.3 Vote Required. Except as otherwise provided by law, or by specific provision of the Governing Documents, this Declaration may be amended if the proposed amendment is approved by Representatives representing at least two-thirds (2/3) of the voting interests at any annual or special meeting, provided that the text of each proposed amendment has been given to the membership with notice of the meeting. No amendment shall increase the proportion or percentage by which any Parcel shares assessments or materially, adversely alter the proportionate voting interest appurtenant to a Parcel, unless the Recreation Association obtains the prior written consent and joinder, in recordable form, of all Owners and all holders of a lien against a Parcel.

13.4 Certificate; Recording. A copy of each amendment shall be attached to a certificate that the amendment was duly adopted as an amendment to the Declaration, which certificate shall identify the Book and Page of the Public Records where the Declaration is recorded, and shall be executed by officers of the Recreation Association with the formalities of a deed. The amendment shall be effective when the certificate is recorded in the Public Records of Collier County, Florida.

14. GENERAL PROVISIONS.

14.1 No Election of Remedies. All rights, remedies and privileges granted to the Recreation Association or owners under the law and the Governing Documents shall be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party from exercising any other rights, remedies, or privileges that may be available.

14.2 Severability. If any section, subsection sentence, clause, phrase, covenant or portion of this Declaration or any of its recorded exhibits is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and shall not affect the validity of the remaining portions.

14.3 Headings. The headings of the Sections herein are for convenience only and shall not affect the meaning or interpretation of the contents thereof.

14.4 Notices. Any notice required to be sent to any Owner under the provisions of this Declaration or the Bylaws, shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Owner on the records of the Recreation Association at the time of such mailing. The Owner bears the responsibility for notifying the Recreation Association of any change of address. Notice to one of two or more co-owners of a Home or Unit shall constitute notice to all co-owners.

14.5 Interpretation. The Board of Directors is responsible for interpreting the provisions of this Declaration and its exhibits. Such interpretation shall be binding upon all parties unless wholly unreasonable. A written opinion rendered by legal counsel retained by the Board that an interpretation adopted by the Board is not unreasonable shall conclusively establish the validity of such interpretation. In the event there is any dispute as to whether the use of the Property complies with the covenants and restrictions contained in this Declaration, its exhibits or the rules promulgated by the Board the matter shall be referred to the Board and the determination of the Board with respect to such dispute shall be dispositive on the issue and binding on all parties.

14.6 Reasonable Accommodations. Notwithstanding anything to the contrary contained herein or elsewhere, the Board of Directors shall make such reasonable accommodations in the rules, regulations and restrictions as required by Federal, State or local law, if such accommodations are necessary to afford a disabled person equal opportunity to enjoy and use the Property. Any such person requesting such an accommodation shall provide the Board with sufficient medical information such that the Board can make a meaningful review of the request. Once the reasonable accommodation is no longer required, the Property shall only be used in conformance with the governing documents, and the Owner at the Owner's expense shall perform any restorative work requested by the Recreation Association.

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

15. DISCLAIMER OF LIABILITY OF RECREATION ASSOCIATION.
NOTWITHSTANDING ANYTHING CONTAINED HEREIN OR IN THE ARTICLES OF INCORPORATION, ANY RULES AND REGULATIONS OF THE ASSOCIATION OR ANY OTHER DOCUMENT GOVERNING, BINDING ON OR ADMINISTERED BY THE ASSOCIATION (COLLECTIVELY, THE "GOVERNING DOCUMENTS"), THE ASSOCIATION SHALL NOT BE LIABLE OR RESPONSIBLE FOR, OR IN ANY MANNER A GUARANTOR OR INSURER OF, THE HEALTH, SAFETY OR WELFARE OF ANY OWNER, OCCUPANT OR USER OF ANY PORTION OF THE PROPERTIES INCLUDING, WITHOUT LIMITATION, RESIDENTS AND THEIR FAMILIES,

GUESTS, INVITEES, AGENTS, SERVANTS, CONTRACTORS OR SUBCONTRACTORS OR FOR ANY PROPERTY OR ANY SUCH PERSONS, WITHOUT LIMITING THE FOREGOING:

15.1 IT IS THE EXPRESS INTENT OF THE ASSOCIATION DOCUMENTS THAT THE VARIOUS PROVISIONS THEREOF WHICH ARE ENFORCEABLE BY THE ASSOCIATION AND WHICH GOVERN OR REGULATE THE USES OF THE PROPERTIES HAVE BEEN WRITTEN, AND ARE TO BE INTERPRETED AND ENFORCED, FOR THE SOLE PURPOSE OF ENHANCING AND MAINTAINING THE ENJOYMENT OF THE PROPERTIES AND THE VALUE THEREOF.

15.2 THE ASSOCIATION IS NOT EMPOWERED, AND HAS NOT BEEN CREATED, TO ACT AS AN ENTITY WHICH ENFORCES OR ENSURES THE COMPLIANCE WITH THE LAWS OF THE UNITED STATES, STATE OF FLORIDA, COLLIER COUNTY AND/OR ANY OTHER JURISDICTION OR THE PREVENTION OF TORTIOUS ACTIVITIES.

15.3 ANY PROVISIONS OF THE ASSOCIATION DOCUMENTS SETTING FORTH THE USES OF ASSESSMENTS WHICH RELATE TO THE HEALTH, SAFETY AND/OR WELFARE SHALL BE INTERPRETED AND APPLIED ONLY AS LIMITATIONS ON THE USES OF ASSESSMENT FUNDS AND NOT AS CREATING A DUTY OF THE ASSOCIATION TO PROTECT OR FURTHER THE HEALTH, SAFETY OR WELFARE OF ANY PERSON(S), EVEN IF ASSESSMENT FUNDS ARE CHOSEN TO BE USED FOR ANY SUCH REASON.

15.4 EACH OWNER AND EACH OTHER PERSON HAVING AN INTEREST IN OR LIEN UPON ANY PORTION OF THE PROPERTY SHALL BE BOUND BY THESE DISCLAIMERS AND SHALL BE DEEMED TO HAVE AUTOMATICALLY WAIVED ANY AND ALL RIGHTS, CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST THE ASSOCIATION ARISING FROM OR CONNECT WITH ANY MATTER FOR WHICH THE LIABILITY OF THE ASSOCIATION HAS BEEN DISCLAIMED HEREIN.

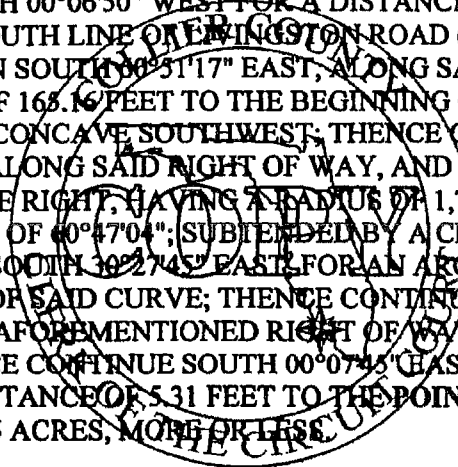
15.5 AS USED HEREIN "ASSOCIATION" SHALL INCLUDE WITH ITS MEANING ALL OF THE ASSOCIATION'S DIRECTORS, OFFICERS, COMMITTEE MEMBERS, EMPLOYEES, AGENTS, CONTRACTORS (INCLUDING MANAGEMENT COMPANIES), SUBCONTRACTORS, SUCCESSORS AND ASSIGNS.

EXHIBIT "A" p. 1 of 2

A PARCEL OF LAND LOCATED IN THE SOUTH 1/2 OF SECTION 13, TOWNSHIP 48 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 48 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA; THENCE RUN SOUTH 88°47'39" WEST ALONG THE SOUTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 13, FOR A DISTANCE OF 275.05 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND HEREIN DESCRIBED;

FROM SAID POINT OF BEGINNING THENCE CONTINUE SOUTH 88°47'39" WEST, ALONG SAID SOUTH LINE, FOR A DISTANCE OF 1,050.03 FEET; THENCE RUN NORTH 00°06'50" WEST FOR A DISTANCE OF 2,103.53 FEET TO A POINT ON THE SOUTH LINE OF WINSTON ROAD (275 FOOT RIGHT OF WAY); THENCE RUN SOUTH 00°51'17" EAST, ALONG SAID RIGHT OF WAY, FOR A DISTANCE OF 165.16 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE SOUTHWEST; THENCE CONTINUE SOUTHEASTERLY ALONG SAID RIGHT OF WAY, AND ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 1,772.36 FEET; THROUGH A CENTRAL ANGLE OF 60°47'04"; SUBTENDED BY A CHORD OF 1,793.33 FEET AT A BEARING OF SOUTH 30°27'45" EAST FOR AN ARC LENGTH OF 1,880.28 FEET TO THE END OF SAID CURVE; THENCE CONTINUE SOUTH 00°04'13" EAST, ALONG THE AFOREMENTIONED RIGHT OF WAY, FOR A DISTANCE OF 449.90 FEET; THENCE CONTINUE SOUTH 00°07'45" EAST, ALONG SAID RIGHT OF WAY, FOR A DISTANCE OF 5.31 FEET TO THE POINT OF BEGINNING CONTAINING 39.345 ACRES, MORE OR LESS



EXHIBIT

A p. 2 of 2

LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 48 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 13, TOWNSHIP 48 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA; THENCE RUN SOUTH 89°57'13" WEST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13, FOR A DISTANCE OF 190.01 FEET TO A POINT ON THE EASTERLY LINE OF A 110.00 FEET WIDE FLORIDA POWER AND LIGHT EASEMENT AS RECORDED IN O.R. BOOK 2619 AT PAGES 253 THROUGH 256 OF THE PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA AND THE POINT OF BEGINNING OF THE PARCEL OF LAND HEREIN DESCRIBED; THENCE RUN SOUTH 00°04'15" EAST, ALONG SAID EASTERLY LINE, FOR A DISTANCE OF 42.59 FEET; THENCE RUN SOUTH 33°37'09" WEST, ALONG SAID EASTERLY LINE, FOR A DISTANCE OF 378.65 FEET; THENCE RUN SOUTH 00°04'15" EAST, ALONG SAID EASTERLY LINE, FOR A DISTANCE OF 658.75 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF LIVINGSTON ROAD, A 275.00' FEET WIDE RIGHT-OF-WAY, AS RECORDED IN O.R. BOOK 2619 AT PAGES 201 THROUGH 210 OF THE PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA, THE SAME BEING A POINT ON A CIRCULAR CURVE CONCAVE SOUTHWEST, WHOSE RADIUS NORTHWESTERLY, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, AND THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 2,047.36 FEET THROUGH A CENTRAL ANGLE OF 24°21'32", SUBTENDED BY A CHORD OF 863.87 FEET AT A BEARING OF NORTH 48°40'34" WEST, FOR AN ARC LENGTH OF 870.42 FEET TO THE END OF SAID CURVE; THENCE RUN NORTH 60°51'19" WEST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, FOR A DISTANCE OF 319.22' FEET TO THE NORTHEASTERLY MOST CORNER OF LANDS DESCRIBED IN O.R. BOOK 2619 AT PAGES 221 THROUGH 232 OF THE PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA; THENCE RUN NORTH 60°51'19" WEST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, FOR A DISTANCE OF 454.97 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE NORTHEAST; THENCE RUN NORTHWESTERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE AND THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 1,772.36 FEET, THROUGH A CENTRAL ANGLE OF 02°32'56", SUBTENDED BY A CHORD OF 78.84 FEET AT A BEARING OF NORTH 59°34'51" WEST, FOR AN ARC LENGTH OF 78.85 FEET TO THE END OF SAID CURVE, THE SAME BEING A POINT ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13; THENCE RUN NORTH 88°57'13" EAST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13, FOR A DISTANCE OF 1,601.96 FEET TO THE POINT OF BEGINNING; CONTAINING 14.773 ACRES, MORE OR LESS.

OR: 3644 PG: 2445

LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 48 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 13, TOWNSHIP 48 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA; THENCE RUN SOUTH 89°57'13" WEST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13, FOR A DISTANCE OF 1327.06' FEET TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 13 AND THE POINT OF BEGINNING OF THE PARCEL OF LAND HEREIN DESCRIBED; THENCE RUN SOUTH 00°06'52" EAST, ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 13, FOR A DISTANCE OF 269.99 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF LIVINGSTON ROAD, A 275.00 FOOT WIDE RIGHT-OF-WAY AND THE NORTHEASTERLY MOST CORNER OF LANDS DESCRIBED IN O.R. BOOK 2619 AT PAGES 221 THROUGH 232 OF THE PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA; THENCE RUN NORTH 60°51'19" WEST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, FOR A DISTANCE OF 454.97 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE NORTHEAST; THENCE RUN NORTHWESTERLY, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, AND THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 1,772.36 FEET, THROUGH A CENTRAL ANGLE OF 02°32'56", SUBTENDED BY A CHORD OF 78.84 FEET AT A BEARING OF NORTH 59°34'51" WEST, FOR AN ARC LENGTH OF 78.85 FEET TO THE END OF SAID CURVE, THE SAME BEING A POINT ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13; THENCE RUN NORTH 88°57'13" EAST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13, FOR A DISTANCE OF 464.89 FEET TO THE POINT OF BEGINNING; CONTAINING 1.450 ACRES, MORE OR LESS.

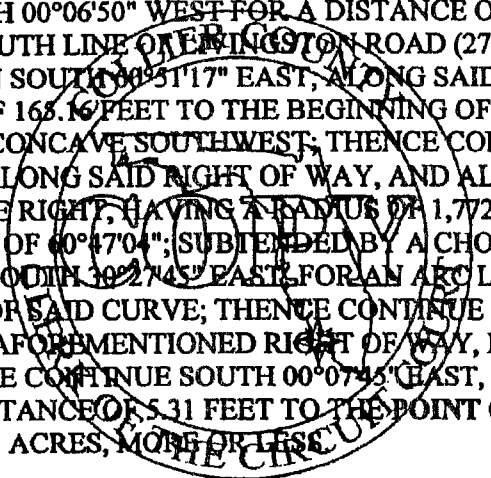
EXHIBIT A-1

A PARCEL OF LAND LOCATED IN THE SOUTH 1/2 OF SECTION 13, TOWNSHIP 48 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 48 SOUTH, RANGE 25 EAST, COLLIER COUNTY, FLORIDA; THENCE RUN SOUTH 88°47'39" WEST ALONG THE SOUTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 13, FOR A DISTANCE OF 275.05 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND HEREIN DESCRIBED;

FROM SAID POINT OF BEGINNING THENCE CONTINUE SOUTH 88°47'39" WEST, ALONG SAID SOUTH LINE, FOR A DISTANCE OF 1,050.03 FEET; THENCE RUN NORTH 00°06'50" WEST FOR A DISTANCE OF 2,103.53 FEET TO A POINT ON THE SOUTH LINE OF LIVINGSTON ROAD (275 FOOT RIGHT OF WAY); THENCE RUN SOUTH 00°51'17" EAST, ALONG SAID RIGHT OF WAY, FOR A DISTANCE OF 165.16 FEET TO THE BEGINNING OF A TANGENTIAL CIRCULAR CURVE CONCAVE SOUTHWEST; THENCE CONTINUE SOUTHEASTERLY ALONG SAID RIGHT OF WAY, AND ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 1,772.36 FEET; THROUGH A CENTRAL ANGLE OF 60°47'04"; SUBTENDED BY A CHORD OF 1,793.33 FEET AT A BEARING OF SOUTH 30°27'45" EAST, FOR AN ARC LENGTH OF 1,880.28 FEET TO THE END OF SAID CURVE; THENCE CONTINUE SOUTH 00°04'13" EAST, ALONG THE AFOREMENTIONED RIGHT OF WAY, FOR A DISTANCE OF 449.90 FEET; THENCE CONTINUE SOUTH 00°07'45" EAST, ALONG SAID RIGHT OF WAY, FOR A DISTANCE OF 5.31 FEET TO THE POINT OF BEGINNING CONTAINING 39.345 ACRES, MORE OR LESS.

OR: 3644 PG: 2446



Audit No. H04000117760 3

ARTICLES OF INCORPORATION
FOR
MILANO RECREATION ASSOCIATION, INC.

OR: 3644 PG: 2454

Audit No. H04000117760 3

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ARTICLES OF INCORPORATION
OF
MILANO RECREATION ASSOCIATION, INC.

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OR: 3644 PG: 2455

ARTICLES OF INCORPORATION
MILANO RECREATION ASSOCIATION, INC.

Pursuant to Section 617.02011, Florida Statutes, the undersigned hereby executes these Articles of Incorporation for the purpose of forming a Corporation under the Florida Not-for-Profit Corporations Act.

ARTICLE I

NAME: The name of the corporation, herein called the "Recreation Association", is Milano Recreation Association, Inc., and its address is c/o Pulte Home Corporation, 9148 Bonita Beach Road, Suite 102, Bonita Springs, FL 34135.

ARTICLE II

DEFINITIONS: The definitions set forth in the Declaration of Covenants and the Florida Not-For-Profit Corporations Act, with particular reference to Section 720.301,F.S.(2003), shall apply to terms used in these Articles.

ARTICLE III

PURPOSE AND POWERS: The purpose for which the Recreation Association is organized is to provide an entity pursuant to the Florida Not-for-Profit Corporations Act for the operation of Milano, located in Collier County, Florida. The Recreation Association is organized and shall exist on a non-stock basis as a corporation not for profit under the laws of the State of Florida, and no portion of any earnings of the Recreation Association shall be distributed or inure to the private benefit of any member, Director or officer. For the accomplishment of its purposes, the Recreation Association shall have all of the common law and statutory powers and duties of a corporation not for profit and of a homeowners' association under the laws of the State of Florida, except as expressly limited or modified by the Governing Documents; and it shall have all of the powers and duties reasonably necessary to operate Milano pursuant to the Governing Documents as they may hereafter be amended, including, but not limited to the following:

- (A) To make and collect assessments against members of the Recreation Association to defray the costs, expenses and losses of the Recreation Association, and to use the funds in the exercise of its powers and duties.
- (B) To protect, maintain, repair, replace and operate the Recreation Association property.
- (C) To purchase insurance for the protection of the Recreation Association and its members.
- (D) To repair and reconstruct improvements after casualty, and to make further improvements of the Recreation Association property.
- (E) To make, amend and enforce reasonable rules and regulations as set forth in the Declaration.
- (F) To approve or disapprove the transfer, leasing and occupancy of Parcels as provided in the Declaration.

OR: 3644 PG: 2456

- (G) To enforce the provisions of the laws of the State of Florida that are applicable to Milano, and the Governing Documents.
- (H) To contract for the management and maintenance of Milano and the Recreation Association property, and any property or easements and related improvements that are dedicated to the Association by plat or separate instrument, including any agreement or easement which imposes maintenance obligations on the Recreation Association, and to delegate any powers and duties of the Recreation Association in connection therewith except such as are specifically required by law or by the Declaration to be exercised by the Board of Directors or the membership of the Recreation Association.
- (I) To employ accountants, attorneys, architects, and other professional personnel to perform the services required for proper operation of Milano.
- (J) To borrow money as necessary to perform its other functions hereunder.
- (K) To grant, modify or move any easement.
- (L) To acquire, own, lease and dispose of any real and personal property.
- (M) To sue and be sued.

All funds and the title to all property acquired by the Recreation Association shall be held for the benefit of the members in accordance with the provisions of the Governing Documents. In the event of termination, dissolution or final liquidation of the Recreation Association, the responsibility for the operation and maintenance of the condominium property, including any property or easements and related improvements that are dedicated to the Recreation Association by plat or separate instrument, including any agreement or easement which imposes maintenance obligations on the Recreation Association, shall be transferred to and accepted by an entity that is acceptable to any applicable governmental authorities, prior to such termination, dissolution or liquidation. Annexation of additional properties, mergers and consolidations, mortgaging of Common Area and dissolution of the Recreation Association requires prior written approval of the Department of Housing and Urban Development and the Veterans Administration ("HUD/VA") as long as there is a Class B membership.

ARTICLE IV

MEMBERSHIP:

- (A) The members of the Recreation Association shall be the record Owners of a fee simple interest in one or more Parcels. Class A Members of the Recreation Association are all Owners other than Developer. The Class B member is the Developer as further provided in the Bylaws. Each Neighborhood Association shall be the voting member, or Representative for all of the Class A Members within such Neighborhood Association.
- (B) The share of a member in the funds and assets of the Recreation Association cannot be assigned or transferred in any manner except as an appurtenance to his Parcel.

- (C) Except as otherwise provided in the Bylaws with respect to the Class B Member, the owners of each Parcel, collectively, shall be entitled to one vote in Recreation Association matters to be cast by the Representative. The manner of exercising voting rights shall be as set forth in the Bylaws.

ARTICLE V

TERM: The term of the Recreation Association shall be perpetual.

ARTICLE VI

BYLAWS: The Bylaws of the Recreation Association may be altered, amended, or rescinded in the manner provided therein.

ARTICLE VII

DIRECTORS AND OFFICERS:

- (A) The affairs of the Recreation Association shall be administered by a Board of Directors consisting of the number of Directors determined by the Bylaws, but not less than three (3) Directors, and in the absence of such determination shall consist of three (3) Directors.
- (B) Directors of the Recreation Association shall initially be appointed by and shall serve at the pleasure of the Developer, and following transition shall be elected by the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.
- (C) The business of the Recreation Association shall be conducted by the officers designated in the Bylaws. The officers shall be elected each year by the Board of Directors at its first meeting after the annual meeting of the members of the Recreation Association, and they shall serve at the pleasure of the Board. The initial Directors are as follows:

Edwin D. Stackhouse
 c/o Pulte Home Corporation
 9148 Bonita Beach Road, Suite 102
 Bonita Springs, FL 34135

John Steven Kempton
 c/o Pulte Home Corporation
 9148 Bonita Beach Road, Suite 102
 Bonita Springs, FL 34135

Laura Ray
 c/o Pulte Home Corporation
 9148 Bonita Beach Road, Suite 102
 Bonita Springs, FL 34135

OR: 3644 PG: 2458

The initial Officers are as follows: Edwin D. Stackhouse- President; John Steven Kempton- Vice President; and Laura Ray- Secretary/Treasurer.

ARTICLE VIII

AMENDMENTS: Amendments to these Articles shall be proposed and adopted in the following manner:

- (A) Proposal. Amendments to these Articles may be proposed by a majority of the Board or by a written petition to the Board, signed by at least one-fourth (1/4th) of the voting interests of the Recreation Association.
- (B) Procedure. Upon any amendment to these Articles being proposed by said Board or members, such proposed amendment shall be submitted to a vote of the members not later than the next annual meeting for which proper notice can be given.
- (C) Vote Required. Prior to transition of control of the Board of Directors from the Developer of Milano, amendments shall be adopted by the Developer. Subsequent to transition of control of the Board of Directors, a proposed amendment shall be adopted if it is approved by at least two-thirds (2/3rds) of the voting interests, at any annual or special meeting called for the purpose. As long as Developer owns a Parcel an amendment to the Articles of Incorporation shall not be effective without the prior written consent of Developer, which consent may be denied in Developer's discretion, provided, further, that regardless of whether Developer owns a Parcel, no amendment shall be effective if it affects the Developer's rights or alters any provision made for the Developer's benefit. Amendment of these Articles requires prior written approval of HUD/VA as long as there is a Class B membership.
- (D) Effective Date. An amendment shall become effective upon filing with the Secretary of State and recording a Certificate of Amendment in the Public Records of Collier County, Florida, with the formalities required for the execution of a deed.

ARTICLE IX

INDEMNIFICATION: To the fullest extent permitted by Florida law, the Recreation Association shall indemnify and hold harmless every Director and every officer of the Recreation Association against all expenses and liabilities, including attorney fees, actually and reasonably incurred by or imposed on him in connection with any legal proceeding (or settlement or appeal of such proceeding) to which he may be a party because of his being or having been a Director or officer of the Recreation Association. The foregoing right of indemnification shall not be available if a judgement or other final adjudication establishes that his actions or omissions to act were material to the cause adjudicated and involved:

- (A) Willful misconduct or a conscious disregard for the best interests of the Recreation Association, in a proceeding by or in the right of the Recreation Association to procure a judgement in its favor.
- (B) A violation of criminal law, unless the Director or officer had no reasonable cause

to believe his action was unlawful or had reasonable cause to believe his action was lawful.

- (C) A transaction from which the Director or officer derived an improper personal benefit.

In the event of a settlement, the right to indemnification shall not apply unless the Board of Directors approves such settlement as being in the best interest of the Recreation Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which a Director or officer may be entitled.

ARTICLE X

INCORPORATOR: The name and address of the Incorporator is as follows:

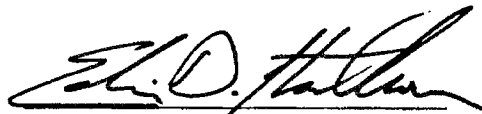
Edwin D. Stackhouse
c/o Pulte Home Corporation
9148 Bonita Beach Road, Suite 102
Bonita Springs, FL 34135

ARTICLE XI

REGISTERED OFFICE AND REGISTERED AGENT: The name and address of the Registered Agent and the address of the Registered Office is:

Edwin D. Stackhouse
c/o Pulte Home Corporation
9148 Bonita Beach Road, Suite 102
Bonita Springs, FL 34135

IN WITNESS WHEREOF, the undersigned, for the purpose of forming a Corporation to do business with the State of Florida, under the law of Florida, makes and files these Articles of Incorporation, hereby declares and certifies the facts herein stated are true and hereunto set my hand this 27th day of MAY, 2004.


Edwin D. Stackhouse, Incorporator

OR: 3644 PG: 2460

CERTIFICATE OF DESIGNATION
REGISTERED AGENT/REGISTERED OFFICE

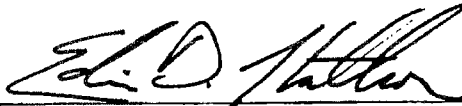
Pursuant to the provisions of Section 617.0501, Florida Statutes, the undersigned corporation, organized under the laws of the State of Florida, submits the following statement in designating the registered office/registered agent, in the State of Florida.

1. The name of the corporation is:

MILANO RECREATION ASSOCIATION, INC.

2. The name and address of the registered agent and office is:

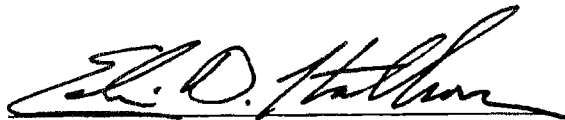
Edwin D. Stackhouse
c/o Pulte Home Corporation
9148 Bonita Beach Road, Suite 102
Bonita Springs, FL 34135



Edwin D. Stackhouse, President

DATE 5.27.04

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.



Edwin D. Stackhouse

DATE 5.27.04

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NOTE: SUBSTANTIAL AMENDMENT OF ENTIRE BYLAWS. FOR PRESENT TEXT SEE EXISTING BYLAWS.

AMENDED AND RESTATED BYLAWS
MILANO RECREATION ASSOCIATION, INC.

1. GENERAL. These are the Amended and Restated Bylaws of Milano Recreation Association, Inc., hereinafter the "Recreation Association", a corporation not-for-profit organized under the laws of Florida as a community association for the purpose of operating a residential community. All prior Bylaws, if any, are hereby revoked and superseded in their entirety. Any terms used herein that are defined terms in the Declaration of Covenants, Conditions and Restrictions for Milano Recreation Association, Inc., as the same may be amended, shall have the same meaning as set forth in the Declaration.

1.1 Principal Office. The principal office of the Recreation Association shall be at c/o Collier Financial, Inc., 4985 Tamiami Trail East, Naples, Florida 34113, or at such other address as the Board of Directors determines from time to time.

1.2 Seal. The seal of the Recreation Association, if so created by election of the Board, shall be inscribed with the name of the Recreation Association, the year of its organization, and the words "Florida" and "corporation not for profit". The seal may be used by causing it, or a facsimile of it, to be impressed, affixed, reproduced or otherwise placed upon any document or writing of the corporation where a seal may be required.

2. MEMBERS.

The members of the Recreation Association are the record owners of legal title to the Parcels (except as expressly stated to the contrary herein, the terms "Parcels" and "Living Units" shall be utilized interchangeably). In the case of a Parcel subject to an agreement for deed, the purchaser in possession shall be deemed the owner of the Parcel solely for purposes of determining voting and use rights.

2.1 Change of Membership. A change of membership shall become effective after all the following events have occurred.

(A) Recording in the Public Records of a Deed or other instrument evidencing legal title to the Parcel in the member.

(B) Approval by the Board of Directors as provided in the Declaration.

(C) Delivery to the Association of a copy of the recorded deed or other instrument evidencing title.

(D) Designation and delivery, in writing, of a Primary Occupant(s), which is required when title to a Parcel is held in the name of two (2) or more persons who are not husband and wife, or by a trustee or a corporation or other entity which is not a natural person.

2.2 Voting Interests. The members of the Recreation Association are entitled to one (1) vote for each Parcel owned by them, to be cast on their behalf by the applicable Representative. The total number of possible votes (the voting interests) of the Association is the total number of Parcels in Milano. The vote of a Parcel is not divisible. The right to vote may be suspended for non-payment of Assessments or other charges owed to the Recreation Association that are delinquent in excess of ninety (90) days.

2.3 Approval or Disapproval of Matters. Whenever the decision or approval of a Parcel Owner is required upon any matter, whether or not the subject of a Recreation Association meeting, the decision or other response may be expressed by the Representative.

2.4 Change of Membership. A change of membership in the Recreation Association shall be established by the new member's membership becoming effective as provided for in Section 2.1 above. At that time the membership of the prior owner shall be terminated automatically.

2.5 Termination of Membership. The termination of membership in the Recreation Association does not relieve or release any former member from liability or obligation incurred under or in any way connected with the Recreation Association during the period of his membership, nor does it impair any rights or remedies the Recreation Association may have against any former owner or member arising out of or in any way connected with such ownership and membership and the covenants and obligations incident thereto.

3. MEMBERS' MEETINGS; VOTING.

3.1 Annual Meeting. There shall be an annual meeting of the members in each calendar year. The annual meeting shall be held in Collier County, Florida, each year at a day, place and time so designated by the Board of Directors, for the purpose of electing Directors and transacting any other business duly authorized to be transacted by the members.

3.2 Special Members' Meetings. Special members' meetings must be held whenever called by the President or by a majority of the Directors, and also may be called by members having at least ten percent (10%) of the voting interests. The business at any special meeting shall be limited to the items specified in the notice of meeting.

3.3 Notice Meetings; Waiver of Notice. Notices of all members' meetings must state the date, time and place of the meeting. Notice of special meetings must include a description of the purpose or purposes for which the meeting is called. The notice must be mailed to each Representative and member at the member's address as it appears on the books of the Recreation Association or may be furnished by personal delivery or electronic transmission. The members and Representatives are responsible for providing the Recreation Association with any change of address. The notice must be mailed, transmitted or delivered at least fourteen (14) days prior to the date of the meeting. If ownership of a Parcel is transferred after notice has been mailed or transmitted, no separate notice to the new owner is required. Attendance at any meeting by a member or Representative constitutes waiver of notice by that member or Representative, unless the member or Representative objects to the lack of notice at the beginning of the meeting. A member or

Representative may also waive notice of any meeting at any time by written waiver. Members and Representatives shall be entitled to attend membership meetings but, with the exception of the election of Directors, all votes shall be cast by the Representative for each Neighborhood Association. Notice to the Representatives or Members, as applicable, of meetings of the Board, meetings of a committee requiring notice in the same manner as set for in Section 617.0141, Florida Statutes (except as limited by Chapter 72, Florida Statutes and these Bylaws). Notice by electronic transmission is effective: when actually transmitted by facsimile telecommunication, if correctly directed to a number at which the Representative or member has consented to receive notice; when actually transmitted by electronic mail, if correctly directed to an electronic mail address at which the Representative or member has consented to receive notice. Notice is also effective when posted on an electronic network that the Representative or member has consented to consult, upon the later of: such correct posting; or the giving of a separate notice to the Representative or member of the fact of such specific posting; or when correctly transmitted to the Representative or member, if by any other form of electronic transmission consented to by the Representative or member to whom notice is given. Consent by a Representative or member to receive notice by electronic transmission shall be revocable by the Representative or member by written notice to the Recreation Association. Any such consent shall be deemed revoked if: the Recreation Association is unable to deliver by electronic transmission two consecutive notices given by the Recreation Association in accordance with such consent; and such inability becomes known to the Secretary, Assistant Secretary or other authorized person responsible for the giving of notice. However, the inadvertent failure to treat such inability as a revocation does not invalidate any meeting or other action. Representatives and members are responsible for providing the Recreation Association with notice of any change of mailing address, facsimile number or electronic mail address. To the extent that a Representative or member has provided the Recreation Association with a facsimile number or electronic mail address and consented to receive notices by electronic transmission, such information shall be considered an "official record" until the Recipient or member has revoked his consent. However, the Recreation Association is not liable for an erroneous disclosure of electronic mail address or facsimile number. As used in these Bylaws, the term "electronic transmission" means any form of communication, not directly involving the physical transmission or transfer of paper, which creates a record that may be retained, retrieved, and reviewed by a recipient thereof and which may be directly reproduced in a comprehensible and legible paper form by such recipient through an automated process. Examples of electronic transmission include, but are not limited to, telegrams, facsimile transmission of images, and text that is sent via electronic mail between computers. An affidavit of the Secretary, an Assistant Secretary, or other authorized agent of the Recreation Association that the notice has been given by a form of electronic transmission is, in the absence of fraud, prima facie evidence of the facts stated in the notice. A member shall have the right to speak at a meeting of the Representatives with respect to all items opened for discussion or included on the agenda. A member has the right to speak for at least 3 minutes on any item, provided that the member submits a written request to speak prior to the meeting. The Recreation Association may adopt written reasonable rules governing the frequency, duration, and other manner of member statements.

3.4 Quorum. A quorum at members' meeting shall be attained by the presence, either in person or by proxy, of Representatives entitled to cast at least thirty percent (30%) of the votes of the entire membership. After a quorum has been established at a members' meeting, the subsequent withdrawal of any Representatives, so as to reduce the number of voting interests represented below the number required for a quorum, shall not affect the validity of any action taken at the meeting before or after such persons leave.

AMENDED AND RESTATED BYLAWS

EXHIBIT C

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3.5 Vote Required. The acts approved by a majority of the votes cast by at a duly called meeting of the members at which a quorum has been attained shall be binding upon all Parcel Owners for all purposes, except where a different number of votes is expressly required by law or by any provision of the governing documents.

3.6 Proxy Voting. To the extent lawful, any Representative entitled to attend and vote at a members' meeting may establish his presence and cast his vote by proxy. A proxy shall be valid only for the specific meeting for which originally given and any lawful adjournment of that meeting, and no proxy is valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at the pleasure of the person executing it. To be valid, a proxy must be in writing, dated, signed by the person authorized to cast the votes for the Parcel, specify the date, time and place of the meeting for which it is given, and the original must be delivered to the Secretary by the appointed time of the meeting or adjournment thereof. No proxy shall be valid if it names more than one person as the holder of the proxy, but the holder shall have the right, if the proxy so provides, to substitute another person to hold the proxy. Holders of proxies must be members.

3.7 Adjourned Meetings. Any duly called meeting of the members may be adjourned to be reconvened at a later time by vote of the majority of the voting interests present, regardless of whether a quorum has been attained. When a meeting is so adjourned it shall not be necessary to give further notice of the time and place of its continuance if such are announced at the meeting being adjourned. Any business which might have been conducted at the meeting as originally scheduled may instead be conducted when the meeting is reconvened. At any reconvened meeting the quorum shall be reduced to twenty-five percent (25%) of the total voting interests.

3.8 Order of Business. The order of business at members' meetings shall be substantially as follows:

- (A) Call of the roll or determination of quorum
- (B) Reading or disposal of minutes of last members' meeting
- (C) Reports of Officers
- (D) Reports of Committees
- (E) Election of Directors (annual meeting only)
- (F) Unfinished Business
- (G) New Business
- (H) Adjournment

3.9 Minutes. Minutes of all meetings of the members and of the Board of Directors shall be kept in a businesslike manner, available for inspection by members or their authorized

representatives at all reasonable times. Minutes must be reduced to written form within thirty (30) days after the meeting. A vote or abstention from voting on each matter voted upon for each director present at a board meeting must be recorded in the minutes.

3.10 Parliamentary Rules. Roberts' Rules of Order (latest edition) shall guide the conduct of the Association meetings when not in conflict with the law, with the Declaration, or with the Articles or Bylaws. The presiding officer may appoint a Parliamentarian whose decision on questions of parliamentary procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived.

4. BOARD OF DIRECTORS. The administration of the affairs of the Recreation Association shall be by a Board of Directors. All powers and duties granted to the Recreation Association by law, as modified and explained in the Declaration, Articles and Bylaws, shall be exercised by the Board.

4.1 Number and Terms of Office. The number of Directors which shall constitute the whole Board of Directors shall be five (5). In order to provide for continuity of experience it is the intention of these Bylaws that a system of staggered terms be created. If a system of staggered terms has not already been established, then at the next election following the adoption of these Bylaws, the three (3) candidates receiving the greatest number of votes shall be elected to serve a term of two (2) years each and the candidate receiving the fourth (4th) and fifth (5th) highest number of votes shall be elected to serve a term of one (1) year. Thereafter, all Directors shall be elected for a term of two (2) years each. A tie vote shall be broken by voluntary agreement or drawing lots between the candidates, or by a "run-off" election. A Director's term will end at the annual election at which his successor is to be duly elected, unless he sooner resigns or is recalled as provided for in Section 4.5 below. Directors shall be elected by the members as described in Section 4.3 below, or in the case of a vacancy, as provided for in Section 4.4 below.

4.2 Qualifications. Each Director must be a Parcel Owner or Primary Occupant or the spouse of a Parcel Owner or Primary Occupant. In the case of a Parcel owned by a corporation, any officer is eligible for election to the Board of Directors. If a Parcel is owned by a partnership, any partner is eligible to be a Director. If a Parcel is held in trust, the trustee, grantor or settlor of the trust, or any one of the beneficial owners residing in the Parcel is eligible to be elected to the Board of Directors. Any person who is delinquent in any monetary obligation owed to the Association at the time of submitting his notice of candidacy is ineligible to be on the election ballot. A Member shall not be eligible to seek election to the Board of Directors if he, his guests, tenants or occupants have received more than three (3) written violations of the governing documents, including any rules or regulations, in the eighteen (18) month period preceding the annual election and/or nomination to the Board of Directors. A Member who has previously been recalled from the Milano Recreation or Neighborhood Association Board of Directors shall not be eligible for board membership.

4.3 Nominations and Elections for Directors. Nominations for election to the Board of Directors shall be made at least forty (40) days in advance of the day of election by submitting written notice to the Recreation Association. Any nominations received by the Recreation Association less than forty (40) days prior to the election shall not be accepted. Any candidates who submit a single sheet of paper (no larger than 8.5 x 11) stating their qualifications for the Board no

later than thirty-five (35) days before election are entitled to have that sheet included with the final notice of the election meeting, which shall be sent to the members no later than fourteen (14) days prior to the election, along with a ballot and a proxy. Nominations may not be made from the floor at the election meeting. Election to the Board Directors shall be by secret written ballot, or by limited proxy. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and these Bylaws. The persons receiving the largest number of votes shall be elected, except that a run-off shall be held to break a tie vote. Cumulative voting is not permitted. The Recreation Association may adopt electronic voting procedures in the manner permitted by Chapter 720, Florida Statutes.

4.4 Resignation; Vacancies on the Board. Any Director may resign at any time by giving written notice to the Recreation Association, and unless otherwise specified therein, the resignation shall become effective upon receipt. If the office of any Director becomes vacant for any reason, a successor shall be elected at a special meeting of the Board of Directors of the Recreation Association. The successor so elected shall fill the remaining unexpired term of the Director being replaced. If for any reason there shall arise circumstances in which no Directors are serving and the entire Board is vacant, the members shall elect successors at a special meeting.

4.5 Removal of Directors. Any Director who fails to attend three (3) or more meetings of the Board of Directors in a period of twelve (12) consecutive months will automatically be removed from the Board of Directors, and the vacancy shall be filled as provided in Section 4.4 above. Any Director may be removed, with or without cause, by a majority vote of the voting interests, either by a written agreement or at a meeting called for that purpose. If a special meeting is called by ten percent (10%) of the voting interests for the purpose of recall, the notice of the meeting must be accompanied by a dated copy of the signature list, stating the purpose of the signatures. The meeting must be held not less than fourteen (14) days nor more than sixty (60) days from the date that notice of the meeting is given. If removal is effected by written agreement, the vacancy or vacancies shall be filled as provided for in Section 4.4 above. If removal is effected at a meeting, any vacancies created thereby shall be filled by the members at the same meeting. Any director who is removed from office is not eligible to stand again for election and must turn over to the Recreation Association within seventy-two (72) hours any and all records and other property of the corporation in his possession. If a Director who is removed does not relinquish his office or turn over records as required, the circuit court in the county where the Recreation Association has its principal office may summarily order the Director to relinquish his office and turn over corporate records upon application of any member. In any such action, the prevailing party shall be entitled to recover its attorney fees and costs.

4.6 Organizational Meeting. The organizational meeting of a new Board of Directors shall be held within ten (10) days after the election of new Directors, at such place and time as may be fixed and announced by the Directors at the annual meeting at which they were elected.

4.7 Other Meetings. Meetings of the Board may be held at such time and place in Collier County, Florida, as shall be determined from time to time by the President or by a majority of the Directors. Notice of meetings shall be given to each Director, personally or by mail, telephone, or electronic transmission at least forty-eight (48) hours before the meeting.

4.8 Notice to Owners. Meetings of the Board of Directors shall be open to members except for meetings between the Board and its attorney with respect to proposed or pending litigation where the discussion would otherwise be governed by the attorney-client privilege or personnel matters. Members have the right to speak, for at least three (3) minutes, on any matter that is placed on the Board meeting agenda. The Recreation Association may adopt reasonable, written rules expanding the rights of members to speak and governing the frequency, duration, and other manner of member statements, (including a sign-up sheet requirement), which rules must be consistent with the minimum requirements of Section 720.303(2)(b), Florida Statutes. Notices of all Board meetings shall be posted conspicuously in Milano for at least forty-eight (48) continuous hours in advance of each Board meeting, except in an emergency. In the event of an emergency meeting, any action taken shall be noticed and ratified at the next regular meeting of the Board. In the alternative to the posting requirements discussed above, notice of each Board meeting must be mailed or delivered to each member at least 7 days before the meeting, except in an emergency. Notice of a Board meeting or committee meeting requiring notice may be provided by electronic transmission to those Representatives and members who have consented to receiving notice by electronic transmission. An assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments.

4.9 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting, and such waiver is deemed equivalent to the giving of notice. If all Directors are present at a meeting, no notice to Directors shall be required.

4.10 Quorum of Directors. A quorum at a Board meeting shall be attained by the presence in person of a majority of all Directors. Directors may participate in any meeting of the Board, or meeting of an executive or other committee, by means of a conference telephone call or similar communicative arrangement whereby all persons present can hear and speak to all other persons. Participation by such means shall be deemed equivalent to presence in person at a meeting.

4.11 Vote Required. The acts approved by a majority of those Directors present and voting at a meeting at which a quorum has been attained shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the governing documents or by applicable statutes. A Director who is present at a meeting of the Board is deemed to have voted in favor of every action taken, unless he voted against such action or abstained from voting because of an asserted conflict of interest. The vote or abstention of each Director present on each issue voted upon shall be recorded in the minutes of each meeting. Directors may not vote by proxy or secret ballot at Board meetings, except that secret ballots may be used in the election or removal of officers.

4.12 Adjourned Meetings. A majority of the Directors present at any meeting of the Board of Directors, regardless of whether a quorum exists, may adjourn the meeting to be reconvened at a specified later time. When the meeting is reconvened, provided a quorum is present, any business that might have been transacted at the meeting originally called may be transacted.

4.13 The Presiding Officer. The President of the Recreation Association, or in his absence, the Vice-President, is the presiding officer at all meetings of the Board. If neither officer is present, the presiding officer shall be selected by majority vote of the Directors present.

4.14 Directors' Fees and Reimbursement of Expenses. Neither Directors nor officers shall receive compensation for their services as such. Directors and officers may be reimbursed for all actual and proper out-of-pocket expenses related to the proper discharge of their respective duties.

4.15 Committees. The Board of Directors may appoint from time to time such standing or temporary committees, including a search committee, as the Board may deem necessary and convenient for the efficient and effective operation of the Recreation Association. Any such committee shall have the powers and duties assigned to it in the resolution creating the committee. If required by law, committee meetings shall be open to attendance by any Representative and member, and notice of committee meetings shall be posted in the same manner as required in Section 4.8 above for Board meetings, except for such committee meetings between the committee and its attorney with respect to: proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege; or personnel matters. Only committees assigned with the power to make final decisions regarding the expenditure of association funds or committees vested with the power to approve or disapprove architectural decisions with respect to specific parcel of residential property owned by a member of the community are required to hold meetings that are open to members and notice and hold their meetings with the same formalities as required for Board meetings. Committees vested with the power to approve or disapprove architectural decisions with respect to a specified parcel of residential property owned by a member of the community may not vote by proxy or secret ballot.

4.16 Emergency Powers. In the event of any "emergency" as defined in Section 4.16 (G) below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by Sections 617.0207, and 617.0303, Florida Statutes, as amended from time to time.

(A) The Board may name as assistant officers, persons who are not Directors, which assistant officers shall have the same authority as the executive officers to whom they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Recreation Association.

(B) The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.

(C) During any emergency the Board may hold meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The Director or Directors in attendance at such a meeting shall constitute a quorum.

(D) Corporate action taken in good faith during what is reasonably believed to be an emergency under this Section to further the ordinary affairs of the Recreation Association shall bind the Recreation Association; and shall have the rebuttal presumption of being reasonable and necessary.

(E) Any officer, director, or employee of the Recreation Association acting with a reasonable belief that his actions are lawful in accordance with these emergency Bylaws shall incur

no liability for doing so, except in the case of willful misconduct.

(F) These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

(G) An 'emergency' exists for purposes of this Section during the time when a quorum of the Board cannot readily be assembled because of the occurrence or imminent occurrence of a catastrophic event, such as a hurricane, act of war, civil unrest or terrorism, pandemic or other similar event. An "emergency" also exists during the period of time that civil authorities have declared that a state of emergency exists in, or have ordered the evacuation of, the area in which Milano is located, or have declared that area a "disaster area". A determination by any two (2) Directors, or by the President, that an emergency exists shall have presumptive validity.

5. OFFICERS.

5.1 Officers and Elections. The executive officers of the Recreation Association shall be a President, Vice- President, Secretary and Treasurer, all of whom must be Directors, and elected annually by a majority vote of the Board of Directors. Any officer who fails to attend three (3) or more meetings of the Board of Directors in a period of twelve (12) consecutive months will automatically be removed from the Board of Directors, and any officer may be removed with or without cause at any meeting by vote of a majority of the Directors. Any officer so removed shall return all books, records and property of the Recreation Association to the Recreation Association within seventy-two (72) hours of their removal. Any person except the President may hold two (2) or more offices. The board may, from time to time, appoint such other officers, and designate their powers and duties, as the Board shall find to be required to manage the affairs of the Association. If the Board so determines, there may be more than one (1) Vice-President.

5.2 President. he President shall be the chief executive officer of the Recreation Association; he shall preside at all meetings of the members and Directors, shall be ex-officio a member of all standing committees, shall have general and active management of the business of the Recreation Association, and shall see that all orders and resolutions of the Board are carried into effect. He shall execute bonds, mortgages and other contracts requiring seal of the Recreation Association, except where such are permitted by law to be otherwise signed and executed, and the power to execute is delegated by the Board of Directors to some other officer or agent of the Recreation Association.

5.3 Vice-Presidents. The Vice-Presidents in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and they shall perform such other duties as the Board of Directors shall assign.

5.4 Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of the members and shall cause all votes and the minutes of all proceedings to be recorded in a book or books to be kept for the purpose, and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board or the President. He shall keep in safe custody the seal of the Recreation Association and, when

authorized by the Board, affix the same to any instrument requiring it. The Secretary shall be responsible for the proper recording of all duly adopted amendments to the governing documents. Any of the foregoing duties may be performed by an Assistant Secretary, if one has been designated.

5.5 Treasurer. The Treasurer shall be responsible for Recreation Association funds and securities, the keeping of full and accurate amounts of receipts and disbursements in books belonging to the Recreation Association, and the deposit of all monies and other valuable effects in the name and to the credit of the Recreation Association in such depositories as may be designated by the Board of Directors. He shall oversee the disbursement of the funds of the Recreation Association, keeping proper vouchers for such disbursements, and shall render to the President and Directors, at the meetings of the Board, or whenever they may require it, an accounting of all transactions and of the financial condition of the Recreation Association. Any of the foregoing duties may be performed by an Assistant Treasurer, if any has been designated.

5.6 Compensation of Officers. No compensation shall be paid to any office for services as an officer of the Recreation Association. This provision does not preclude the Board of Directors from employing officers as employees of the Association.

6. **FISCAL MATTERS**. The provisions for fiscal management of the Recreation Association set forth in the Declaration shall be supplemented by the following provisions.

6.1 Depository. The Recreation Association shall maintain its funds in such federally insured accounts at financial institutions in the State of Florida as shall be designated from time to time by the Board. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board. The Board may invest Recreation Association funds in interest-bearing accounts, money market funds, certificates of deposit, U.S. Government securities and other similar investment vehicles. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the Board.

6.2 Accounts of the Association. The Recreation Association shall maintain its accounting books and records according to generally accepted accounting principles. There shall be an account for each Parcel. Such accounts shall designate the name and mailing address of each Parcel, the amount and due date of each assessment or charge against the residential unit, amounts paid, date of payment and the balance due.

6.3 Budget. The Board of Directors shall adopt a budget of common expenses for each fiscal year. A copy of the proposed budget and a notice stating the time, date and place of the meeting of the Board at which the budget will be adopted shall be provided to each Representative and member not less than fourteen (14) days prior to that meeting. The proposed budget shall reflect the estimate revenues and expenses for that year by categories, as well as the estimated surplus or deficit as of the end of the current year. The budget must set out separately all fees or charges for recreational amenities, whether owned by the Recreation Association, the Developer, or another person.

6.4 Reserves. The Board of Directors may establish in the budget one (1) or more restricted reserve accounts for capital expenditures and deferred maintenance. Contingency reserves for unanticipated operating expenses shall be included, if at all, in the operating portion of the budget,

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which may be spent for any purpose approved by the Board. Any reserves collected may be utilized in the manner the Board determines in its discretion, unless the reserves are specifically classified as "restricted reserves" in which case those funds and any interest thereon shall be utilized only for their intended, restricted purpose, unless a majority of the Representatives present, in person or by proxy, at a meeting called for such purpose, vote to utilize the "restricted reserves" for other than the intended, restricted purpose. The purpose of reserves is to provide financial stability and to avoid the need for special assessments. The annual amounts proposed to be so reserved shall be shown in the annual budget.

6.5 Assessments; Installments. Regular annual assessments based on the adopted budget shall be paid either monthly, or quarterly, as determined by the Board. Failure to send or receive notice of assessments shall not excuse the obligation to pay. If an annual budget has not been adopted at the time the first installment for a fiscal year is due, it shall be presumed that the amount of such installment is the same as the last installment and shall be continued at such rate until a budget is adopted and pro rata assessments are calculated, at which time any overage or shortage shall be added or subtracted from each unit's next due installment. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date shall accrue interest from the due date at the rate of eighteen percent (18%) per annum and shall incur a late fee of five percent (5%) of the assessment, or twenty-five (\$25.00) dollars, whichever is greater.

6.6 Special Assessments. Special assessments may be imposed by the Board of Directors when necessary to meet unusual, unexpected, unbudgeted or non-recurring expenses, or for such other purposes as are authorized by the Declaration and these Bylaws. Special assessments are due on the day specified in the resolution of the Board approving such assessment. The notice of any Board meeting at which a special assessment will be considered shall be given as provided in Section 4.8 above; and the notice to the owners that the assessment has been levied must contain a statement of the purpose(s) of the assessment. The funds collected must be spent for the stated purpose(s) or returned to the members as provided by law.

6.7 Specific Assessments and Re-Sale Capital Assessments. The Recreation Association shall also have the authority to levy specific assessments against individual Owners and Parcels, as well as re-sale capital assessments when Parcels are transferred, all as more particularly set forth in the Declaration.

6.8 Fidelity Bonds. The President, Treasurer, and all other persons who are authorized to sign checks, shall be bonded in such amounts as may be required by law or otherwise determined by the Board of Directors. The premiums on such bonds are a common expense.

6.9 Financial Reports. Not later than sixty (60) days after the close of each fiscal year, the Board shall cause to be prepared a financial report as prescribed in 720.303, Florida Statutes. The Recreation Association shall provide each Representative with a copy of the financial report or a written notice that a copy of the financial report is available upon request at no charge to the Representative.

6.10 Audits. A formal, certified audit of the accounts of the Recreation Association, if required by law, by vote of a majority of the Representatives, or by a majority of the Directors, shall

be made by a certified public accountant; and a copy of the audit report shall be available to all members.

6.11 Application of Payments and Co-Mingling of Funds. All monies collected by the Recreation Association may be co-mingled in a single fund or divided into two (2) or more funds, as determined by the Board of Directors. Regardless of any restrictive endorsement all payments on account by a Parcel Owner shall first be applied to late fees, then to interest, then to costs, then to attorney fees, then to other charges, then to fines and then to assessments in the order they came due.

6.12 Fiscal Year. The fiscal year for the Association shall begin on the first day of January of each calendar year and end on December 31 that same calendar year.

7. RULES AND REGULATIONS; USE RESTRICTIONS. The Board of Directors may, from time to time, adopt, amend and rescind rules and regulations governing the use, maintenance, management and control of the Common Areas, the Parcels, Units and the operation of the Association. Copies of such rules and regulations shall be furnished to each residential Parcel owner.

8. COMPLIANCE AND DEFAULT; REMEDIES. In addition to the remedies provided in the Declaration and Governing Documents, including any Neighborhood Documents, the following shall apply.

8.1 Fines; Suspensions. The Board of Directors may levy fines and/or suspensions against members, or members' family, tenants or guests, or all, who commit violations of Chapter 720, Florida Statutes, the provisions of the governing documents, master documents, or the rules and regulations, or who condone such violations by their family members, guests or tenants or who fail to pay assessments or other charges. Fines shall be in amounts deemed necessary by the Board to deter future violations, and the maximum fine in the aggregate shall be as set forth in the Declaration. A fine may be levied on the basis of each day of a continuing violation, and except as provided in Section 8.2 below, with a single notice and opportunity for hearing. Suspensions of the use of common areas and facilities may be imposed for a reasonable period of time to deter future violations. The procedure for imposing fines or suspending use rights shall be as follows:

(A) Notice. The party against whom the fine and/or suspension is sought to be levied or imposed shall, except as provided in Section 8.2 below, be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days, and the notice shall include:

- (1) a statement of the date, time and place of the hearing;
- (2) a specific designation of the provisions of Chapter 720, Florida Statutes, the governing documents or the rules which are alleged to have been violated;
- (3) a short and plain statement of the specific facts giving rise to the alleged violation(s); and
- (4) the possible amounts of any proposed fine and/or possible use rights of common areas or facilities to be suspended.

(B) Hearing. At the hearing the party against whom the fine and/or suspensions may be levied shall have a reasonable opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved, and to review, challenge, and respond to any evidence or testimony presented by the Recreation Association. The hearing shall be conducted before a panel of three (3) owners appointed by the Board, none of whom may then be serving as Directors or officers, or who are employees of the Association, or the spouse, parent, child, brother or sister of an officer, director or employee. If the committee, by majority vote, does not agree with the proposed fine and/or suspension, it may not be levied or imposed. If the committee agrees with the proposed fine and/or suspensions, the Board of Directors shall levy and enforce same.

(C) Written Notice of Fine or Suspension. If the Recreation Association imposes a fine or suspension, the Recreation Association must provide written notice of such fine or suspension by mail or hand delivery to the parcel owner and, if applicable, any tenant, licensee, or invitee of the parcel owner.

(D) Collection of Fines. Any fine not paid within thirty (30) days of the Written Notice in subsection (C) above shall become delinquent. Fines may be treated as an individual assessment subject to the provisions for the collection of assessments set forth in this Declaration and any fine of \$1,000.00 or more may become a lien against a Parcel or Living Unit. Fines may also be collected utilizing any lawful method. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney fees and costs.

8.2 Suspensions and Fines without Hearing. The foregoing notwithstanding, as provided in 720.305(2)(b), Florida Statutes, no prior notice or opportunity for a hearing is required for the imposition of a fine or suspension upon any member because of the failure of the member to pay assessments or other charges when due.

8.3 Correction of Health and Safety Hazards. Any violations of the Recreation Association or Neighborhood Association governing documents or rules which creates conditions of the property which are deemed by the Board of Directors to be a hazard to the public health or safety may be dealt with immediately as an emergency matter by the Recreation Association, and the cost thereof shall be charged to the residential unit owner.

8.4 Litigation. Enforcement actions for damages, or for injunctive relief, or both, on account of any alleged violation of law, or of the governing documents or Association rules, may be brought by any owner, or the Association against:

- (A) The Recreation Association;
- (B) The Neighborhood Association;
- (C) The Owner;
- (D) Anyone who occupies or is a tenant or guest of a Parcel or Living Unit; or
- (E) Any officer or Director of the Recreation Association or Neighborhood

Association who willfully and knowingly fail to comply with these provisions.

8.5 Availability of Remedies. Each member, for himself, his heirs, successors and assigns, agrees to the foregoing provisions relating to default and abatement of violations regardless of the harshness of the remedy utilized by the Recreation Association and regardless of the availability of other legal remedies. It is the intent of all members to give the Recreation Association methods and procedures which will enable it to operate on a businesslike basis, to collect those monies due it and to preserve the majority's right to enjoy Milano free from unreasonable restraint and annoyance.

9. AMENDMENT OF BYLAWS. Amendments to these Bylaws shall be proposed and adopted in the following manner.

9.1 Proposal. Amendments to these Bylaws may be proposed by the Board of Directors or by written petition to the Board signed by the Representatives entitled to cast at least one-fourth (1/4) of the voting interests. Upon any amendment or amendments to these Bylaws being proposed by said Board or Representatives such proposed amendment or amendments shall be submitted to a vote of the Representatives not later than the next annual meeting for which proper notice can still be given.

9.2 Vote Required: These Bylaws may be amended if the proposed amendment is approved by the affirmative vote of the Representatives representing at least two-thirds (2/3rds) of the voting interests at any annual or special meeting, provided that notice of the proposed amendment has been given to the members in accordance with law.

9.3 Effective Date: An amendment shall become effective upon the recording of a copy in the Public Records of Collier County, Florida with the same formalities as are required in the Declaration for recording amendments to the Declaration.

10. MISCELLANEOUS.

10.1 Gender; Number. Whenever the masculine or singular form of a pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter; singular or plural, as the context requires.

10.2 Severability. If any portion of these Bylaws is void or become unenforceable, the remaining provisions shall remain in full force and effect.

10.3 Conflict. If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws and the Declaration of Covenants, Conditions, and Restrictions, or the Recreation Association's Articles of Incorporation, the provisions of the Declaration or Articles of Incorporation shall prevail over the provisions of these Bylaws.



**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
ENVIRONMENTAL RESOURCE
STANDARD GENERAL PERMIT NO. 11-02226-P-02
DATE ISSUED: July 29, 2004**

Form #0941
08/85

**PERMITTEE: PULTE HOME CORP - SW FLORIDA
6000 LIVINGSTON ROAD NORTH
NAPLES, FL 34110**

PROJECT DESCRIPTION: This application is a request for Modification of an Environmental Resource Permit authorizing construction and operation of a surface water management system serving 54.82 acres of residential development known as Milano, part of Royal Palm Academy, with discharge into De La Sol surface water management system and the wetland system to the south.

PROJECT LOCATION: COLLIER COUNTY, SEC 13 TWP 48S RGE 25E

PERMIT DURATION: See Special Condition No:1. See attached Rule 40E-4.321, Florida Administrative Code.

This is to notify you of the District's agency action concerning Notice of Intent for Permit Application No. 040301-18, dated March 1, 2004. This action is taken pursuant to Rule 40E-1.603 and Chapter 40E-40, Florida Administrative Code (F.A.C.).

Based on the information provided, District rules have been adhered to and an Environmental Resource General Permit is in effect for this project subject to:

1. Not receiving a filed request for a Chapter 120, Florida Statutes, administrative hearing.
2. the attached 19 General Conditions (See Pages : 2 - 4 of 6),
3. the attached 20 Special Conditions (See Pages : 5 - 6 of 6) and
4. the attached 8 Exhibit(s).

Should you object to these conditions, please refer to the attached "Notice of Rights" which addresses the procedures to be followed if you desire a public hearing or other review of the proposed agency action. Please contact this office if you have any questions concerning this matter. If we do not hear from you in accordance with the "Notice of Rights," we will assume that you concur with the District's action.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a "Notice of Rights" has been mailed to the Permittee (and the persons listed in the attached distribution list) no later than 5:00 p.m. on this 29th day of July, 2004, in accordance with Section 120.60(3), Florida Statutes.

BY: Jacqueline Rippe
Jacqueline Rippe, P.E.
Director

Lower West Coast Service Center

Certified mail number 7003 0500 0004 0204 4641

EXHIBIT D

OR: 3644 PG: 2477

GENERAL CONDITIONS

1. All activities authorized by this permit shall be implemented as set forth in the plans, specifications and performance criteria as approved by this permit. Any deviation from the permitted activity and the conditions for undertaking that activity shall constitute a violation of this permit and Part IV, Chapter 373, F.S.
2. This permit or a copy thereof, complete with all conditions, attachments, exhibits, and modifications shall be kept at the work site of the permitted activity. The complete permit shall be available for review at the work site upon request by District staff. The permittee shall require the contractor to review the complete permit prior to commencement of the activity authorized by this permit.
3. Activities approved by this permit shall be conducted in a manner which does not cause violations of State water quality standards. The permittee shall implement best management practices for erosion and pollution control to prevent violation of State water quality standards. Temporary erosion control shall be implemented prior to and during construction, and permanent control measures shall be completed within 7 days of any construction activity. Turbidity barriers shall be installed and maintained at all locations where the possibility of transferring suspended solids into the receiving waterbody exists due to the permitted work. Turbidity barriers shall remain in place at all locations until construction is completed and soils are stabilized and vegetation has been established. All practices shall be in accordance with the guidelines and specifications described in Chapter 6 of the Florida Land Development Manual; A Guide to Sound Land and Water Management (Department of Environmental Regulation, 1988), incorporated by reference in Rule 40E-4.091, F.A.C. unless a project-specific erosion and sediment control plan is approved as part of the permit. Thereafter the permittee shall be responsible for the removal of the barriers. The permittee shall correct any erosion or shoaling that causes adverse impacts to the water resources.
4. The permittee shall notify the District of the anticipated construction start date within 30 days of the date that this permit is issued. At least 48 hours prior to commencement of activity authorized by this permit, the permittee shall submit to the District an Environmental Resource Permit Construction Commencement Notice Form Number 0960 indicating the actual start date and the expected construction completion date.
5. When the duration of construction will exceed one year, the permittee shall submit construction status reports to the District on an annual basis utilizing an annual status report form. Status report forms shall be submitted the following June of each year.
6. Within 30 days after completion of construction of the permitted activity, the permittee shall submit a written statement of completion and certification by a professional engineer or other individual authorized by law, utilizing the supplied Environmental Resource/Surface Water Management Permit Construction Completion/Certification Form Number 0881A, or Environmental Resource/Surface Water Management Permit Construction Completion Certification - For Projects Permitted prior to October 3, 1995 Form No. 0881B, incorporated by reference in Rule 40E-1.659, F.A.C. The statement of completion and certification shall be based on onsite observation of construction or review of as-built drawings for the purpose of determining if the work was completed in compliance with permitted plans and specifications. This submittal shall serve to notify the District that the system is ready for inspection. Additionally, if deviation from the approved drawings are discovered during the certification process, the certification must be accompanied by a copy of the approved permit drawings with deviations noted. Both the original and revised specifications must be clearly shown. The plans must be clearly labeled as "as-built" or "record" drawings. All surveyed dimensions and elevations shall be certified by a registered surveyor.
7. The operation phase of this permit shall not become effective: until the permittee has complied with the requirements of condition (6) above, and submitted a request for conversion of Environmental Resource Permit from Construction Phase to Operation Phase, Form No. 0920; the District determines the system to be in compliance with the permitted plans and specifications; and the entity approved by the District in accordance with Sections 9.0 and 10.0 of the Basis of Review for Environmental Resource Permit Applications within the South Florida Water Management District, accepts responsibility for operation and maintenance of the system. The permit shall not be transferred to such approved operation and

OR: 3644 PG: 2479

Application No. 040301-18
Page 3 of 6**GENERAL CONDITIONS**

- maintenance entity until the operation phase of the permit becomes effective. Following inspection and approval of the permitted system by the District, the permittee shall initiate transfer of the permit to the approved responsible operating entity if different from the permittee. Until the permit is transferred pursuant to Section 40E-1.6107, F.A.C., the permittee shall be liable for compliance with the terms of the permit.
8. Each phase or independent portion of the permitted system must be completed in accordance with the permitted plans and permit conditions prior to the initiation of the permitted use of site infrastructure located within the area served by that portion or phase of the system. Each phase or independent portion of the system must be completed in accordance with the permitted plans and permit conditions prior to transfer of responsibility for operation and maintenance of the phase or portion of the system to a local government or other responsible entity.
 9. For those systems that will be operated or maintained by an entity that will require an easement or deed restriction in order to enable that entity to operate or maintain the system in conformance with this permit, such easement or deed restriction must be recorded in the public records and submitted to the District along with any other final operation and maintenance documents required by Sections 9.0 and 10.0 of the Basis of Review for Environmental Resource Permit applications within the South Florida Water Management District, prior to lot or units sales or prior to the completion of the system, whichever comes first. Other documents concerning the establishment and authority of the operating entity must be filed with the Secretary of State, county or municipal entities. Final operation and maintenance documents must be received by the District when maintenance and operation of the system is accepted by the local government entity. Failure to submit the appropriate final documents will result in the permittee remaining liable for carrying out maintenance and operation of the permitted system and any other permit conditions.
 10. Should any other regulatory agency require changes to the permitted system, the permittee shall notify the District in writing of the changes prior to implementation so that a determination can be made whether a permit modification is required.
 11. This permit does not eliminate the necessity to obtain any required federal, state, local and special district authorizations prior to the start of any activity approved by this permit. This permit does not convey to the permittee or create in the permittee any property right, or any interest in real property, nor does it authorize any entrance upon or activities on property which is not owned or controlled by the permittee, or convey any rights or privileges other than those specified in the permit and Chapter 40E-4 or Chapter 40E-40, F.A.C..
 12. The permittee is hereby advised that Section 253.77, F.S. states that a person may not commence any excavation, construction, or other activity involving the use of sovereign or other lands of the State, the title to which is vested in the Board of Trustees of the Internal Improvement Trust Fund without obtaining the required lease, license, easement, or other form of consent authorizing the proposed use. Therefore, the permittee is responsible for obtaining any necessary authorizations from the Board of Trustees prior to commencing activity on sovereignty lands or other state-owned lands.
 13. The permittee must obtain a Water Use permit prior to construction dewatering, unless the work qualifies for a general permit pursuant to Subsection 40E-20.302(3), F.A.C., also known as the "No Notice" Rule.
 14. The permittee shall hold and save the District harmless from any and all damages, claims, or liabilities which may arise by reason of the construction, alteration, operation, maintenance, removal, abandonment or use of any system authorized by the permit.
 15. Any delineation of the extent of a wetland or other surface water submitted as part of the permit application, including plans or other supporting documentation, shall not be considered binding, unless a specific condition of this permit or a formal determination under Section 373.421(2), F.S., provides otherwise.
 16. The permittee shall notify the District in writing within 30 days of any sale, conveyance, or other transfer of

OR: 3644 PG: 2480

Application No. 040301-18
Page 4 of 6

GENERAL CONDITIONS

ownership or control of a permitted system or the real property on which the permitted system is located. All transfers of ownership or transfers of a permit are subject to the requirements of Rules 40E-1.6105 and 40E-1.6107, F.A.C.. The permittee transferring the permit shall remain liable for corrective actions that may be required as a result of any violations prior to the sale, conveyance or other transfer of the system.

17. Upon reasonable notice to the permittee, District authorized staff with proper identification shall have permission to enter, inspect, sample and test the system to insure conformity with the plans and specifications approved by the permit.
18. If historical or archaeological artifacts are discovered at any time on the project site, the permittee shall immediately notify the appropriate District service center.
19. The permittee shall immediately notify the District in writing of any previously submitted information that is later discovered to be inaccurate.

OR: 3644 PG: 2481

Application No. 040301-18

Page 5 of 6

SPECIAL CONDITIONS

1. The construction phase of this permit shall expire on July 29, 2009.
2. Operation of the surface water management system shall be the responsibility of MILANO RECREATION ASSOCIATION, INC.. Within one year of permit issuance or concurrent with the engineering certification of construction completion, whichever comes first, the permittee shall submit a copy of the recorded deed restrictions (or declaration of condominium, if applicable), a copy of the filed articles of incorporation, and a copy of the certificate of incorporation for the association.
3. Discharge Facilities: Through previously permitted facilities.
4. The permittee shall be responsible for the correction of any erosion, shoaling or water quality problems that result from the construction or operation of the surface water management system.
5. Measures shall be taken during construction to insure that sedimentation and/or turbidity violations do not occur in the receiving water.
6. The District reserves the right to require that additional water quality treatment methods be incorporated into the drainage system if such measures are shown to be necessary.
7. Lake side slopes shall be no steeper than 4:1 (horizontal:vertical) to a depth of two feet below the control elevation. Side slopes shall be nurtured or planted from 2 feet below to 1 foot above control elevation to insure vegetative growth, unless shown on the plans.
8. Facilities other than those stated herein shall not be constructed without an approved modification of this permit.
9. A stable, permanent and accessible elevation reference shall be established on or within one hundred (100) feet of all permitted discharge structures no later than the submission of the certification report. The location of the elevation reference must be noted on or with the certification report.
10. The permittee shall provide routine maintenance of all of the components of the surface water management system in order to remove all trapped sediments/debris. All materials shall be properly disposed of as required by law. Failure to properly maintain the system may result in adverse flooding conditions.
11. This permit is issued based on the applicant's submitted information which reasonably demonstrates that adverse water resource related impacts will not be caused by the completed permit activity. Should any adverse impacts caused by the completed surface water management system occur, the District will require the permittee to provide appropriate mitigation to the District or other impacted party. The District will require the permittee to modify the surface water management system, if necessary, to eliminate the cause of the adverse impacts.
12. Minimum building floor elevation:
Basin A: 16.8 feet NGVD.
Basins B and C: 16.0 feet NGVD.
13. Minimum road crown elevation:

Basin A: 15.3 feet NGVD.
Basins B and C: 14.5 feet NGVD.
14. Minimum parking lot elevation:

Basin A: 14.3 feet NGVD.
Basins B and C: 13.1 feet NGVD.
15. The Urban Stormwater Management Program (Exhibit Nos.6.0-6.5) shall be included as part of the

SPECIAL CONDITIONS

(Homeowners documents/Articles of incorporation/Property Owners association documents) prior to being recorded. Prior to recording of the Home Association Documents the amended documents shall be submitted to the Enforcement and Compliance section at the Fort Myers Lower West Coast Service Center for approval.

16. The Permittee shall utilize the criteria contained in the Construction Pollution Prevention Plan (Exhibit Nos. 7.0-7.10) and on the applicable approved construction drawings for the duration of the projects construction activities.
17. Exhibits Nos. 6.0-6.5 and 7.0-7.10 incorporated by reference and shall be retained in the permit file.
18. All special conditions and exhibits previously stipulated by permit number 11-02226-P remain in effect unless otherwise revised and shall apply to this modification.
19. Drainage plans and detail sheets 3 through 8 of 8, by Q. Grady Minor and Associates, P.A., signed and sealed on April 23, 2004 by Norman J. Trebilcock, P.E., have been included in this permit by reference (please see permit file).
20. A mitigation program for Milano shall be implemented in accordance with Exhibit(s) 10-18 of permit Application No. 020806-14. Milano will be responsible for 6.94 acres of wetland enhancement and 0.712 acres of upland preserve/enhancement, within Preserves III, IV, and V.

Royal Palm Academy

MITIGATION PLAN

EXHIBIT E

April 24, 2003

I. INTRODUCTION

The following plan is proposed as mitigation for wetland impacts resulting from construction of the Royal Palm Academy located in Section 13, Township 48 South, Range 25 East, Collier County. This plan will be implemented concurrently with the development of the science program at the school. The current strategy is to utilize students during implementation of the mitigation plan over the next five years. As such, the mitigation plan will provide immeasurable benefits to the school curriculum, adequately satisfy the public interest criteria and improve the natural resources of the area.

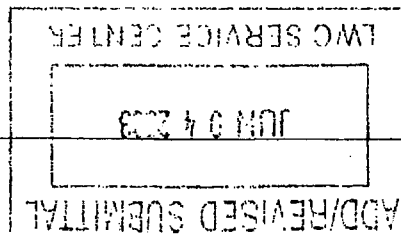
The project construction will impact 39.97 acres of South Florida Water Management District (SFWMD) and U.S. Army Corps of Engineers (USACOE) jurisdictional wetlands (Figure 1). The applicant proposes to mitigate for these impacts by onsite enhancement of 41.70 acres of wetlands and creation of a 5.31-acre herbaceous marsh. The enhanced and created wetlands will be preserved onsite.

The mitigation will be conducted both in advance of, and concurrently with, the construction of the school facility. The preservation areas will be placed under a conservation easement.

II. AVOIDANCE AND MINIMIZATION

The site selection process involved identifying a site that afforded easy access from Interstate 75 and that reduced impacts to environmentally sensitive areas. The proposed project site has extensive infestation of exotic/nuisance species throughout most of the parcel. The site plans were developed to avoid the higher quality wetlands and to minimize wetland impacts. The residential portion of the project site contains the higher quality wetlands, which will be enhanced and preserved. Additionally, the project design includes rehydration of these wetlands, which will significantly improve the hydrology of the systems.

EXHIBIT 12A



020806-14#

III. METHODOLOGY

The mitigation plan consists of enhancing and preserving 41.70 acres of onsite wetlands and creation of 5.31 acres of herbaceous marsh. The existing and proposed habitat types are provided in Table 1 for the mitigation areas. The current site condition is highly disturbed with extensive infestation of exotic species, such as melaleuca (*Melaleuca quinquenervia*) and Brazilian pepper (*Schinus terebinthifolius*). The Cocohatchee Canal was excavated when Immokalee Road was constructed in the 1950's. The canal channelized the water that previously sheet-flowed from the northeast and essentially drained much of the surrounding area. The Florida Power & Light power line easement and the I-75 right-of-way have also affected the hydrology of the area. Another significant hydrological change occurred with the construction of the Pelican Bay Improvement District wellfield.

All of these disturbance factors have affected the hydrology of the site, resulting in dehydrated wetlands, which are converting to exotic vegetation-dominated uplands. The highest quality wetlands on the property will be enhanced and preserved. The mitigation areas are summarized in the following table.

Table 1
Existing and Proposed Habitat Types Within Mitigation Areas

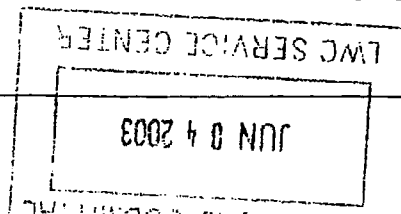
Mitigation Area #	Existing Habitat (FLUCFCS)	Wetland Enhancement and Preservation		Wetland Creation and Preservation	
		Area (acres)	Proposed Type	Area (acres)	Proposed Type
Wetland 1	619/621	6.97	621		
Wetland 2	619	22.35	621		
Wetland 3	619/621	5.44	624		
Wetland 5	621	4.54	621		
Wetland 6	624	0.30	624		
Wetland 7	621	2.10	621		
Upland 1	424			5.31	641
Totals		41.7		5.31	

Wetland Mitigation Area #1

Wetland Mitigation Area #1 is located in the southern portion of the northwestern side of the project site. This area consists of a mixture of slash pine (*Pinus elliottii*) and stressed cypress (*Taxodium ascendens*) trees with dense melaleuca infestation (melaleuca coverage of 50-75% in this area). The drainage ditch and stormwater pond for the Imperial Golf Estates subdivision has affected the hydrology of this wetland. The proposed enhancement involves a combination of mechanical and hand removal of exotic vegetation followed by planting of native wetland species, as listed in the following table (Table 2). The melaleuca and Brazilian pepper will be removed (cut within 12 inches of the ground elevation) using mechanical means, wherever possible. In areas that impede mechanical equipment, the plants will be removed by hand. In all areas, an approved herbicide will be applied to the remaining stumps. Additionally, the area will be rehydrated through routing of treated stormwater from the north (offsite properties).

EXHIBIT

Royal Palm Academy
Mitigation Plan - April 24, 2003



020806-14#

Table 2 Wetland Planting Specifications					
Common Name/Scientific Name	Mitigation Area	Maximum Spacing	Minimum Height	Container Size	Total Number of Plants
Pond cypress/ <i>Taxodium ascendens</i>	1-7	25'	3'	1 gallon	3700
Slash pine/ <i>Pinus elliotii</i>	1-7	25'	3'	1 gallon	3700
Dahoon holly/ <i>Ilex cassine</i>	1-7	30'	3'	1 gallon	2600
Arrowhead/ <i>Sagittaria</i> sp.	U-1	8'	1'	1 gallon	4086
Pickereelweed/ <i>Pontederia</i> <i>cordata</i>	U-1	8'	1'	1 gallon	4086
Softrush/ <i>Juncus effusus</i>	U-1	8'	1'	1 gallon	4086

Wetland Mitigation Area #2

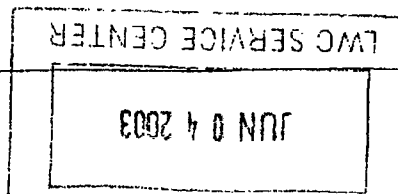
Mitigation Area #2 is located in the northwestern portion of the property north of Wetland Mitigation Area #1. This area consists of a mixture of slash pine and stressed cypress trees with dense melaleuca infestation (melaleuca coverage of 75-100% in this area). The drainage ditch and stormwater pond for the Imperial Golf Estates subdivision has affected the hydrology of this wetland. The proposed enhancement involves a combination of mechanical and hand removal of exotic vegetation followed by planting of native wetland species, as listed in the Table 2. The melaleuca and Brazilian pepper will be removed (cut within 12 inches of the ground elevation) using mechanical means, wherever possible. In areas that impede mechanical equipment, the plants will be removed by hand. In all areas, an approved herbicide will be applied to the remaining stumps. Additionally, the area will be rehydrated through routing of treated stormwater from the north (offsite properties).

Wetland Mitigation Area #3

Mitigation Area #3 is located in the central portion of the property north of the vacant, undeveloped parcel. This area contains a mixture of slash pine, cypress and cabbage palm (*Sabal palmetto*) with melaleuca coverage of 50-75 percent. The proposed enhancement involves a combination of mechanical and hand removal of nuisance species, followed by supplemental planting of native wetland species, as specified in Table 2. Routing of treated stormwater will also rehydrate this area.

Wetland Mitigation Area #5

This area consists primarily of cypress with scattered cabbage palms. Of all the onsite wetlands, this wetland is in the best condition due to lesser coverage by melaleuca, which is estimated at 50 percent. Removal of the exotic species will occur in the same manner as specified for Mitigation Areas #1-3. Supplemental planting of wetland species, as



020806-14#

described in Table 2, will occur in this area following removal of exotic vegetation. Routing stormwater will rehydrate this wetland.

Wetland Mitigation Area #6

Mitigation Area #6 is located along the eastern portion of the property adjacent to the powerline easement. This area consists primarily of cypress with scattered cabbage palms and 50-75% coverage of melaleuca. The exotic vegetation will be removed utilizing the same methodology specified for Mitigation Areas #1-5. Supplemental planting of wetland species, as described in Table 2, will occur after exotic species removal. The project design includes routing stormwater to rehydrate this wetland.

Wetland Mitigation Area #7

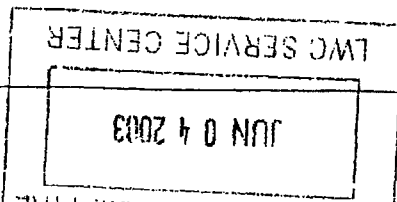
Mitigation Area #7 is located in the extreme southeastern corner of the property. This area includes primarily cypress and cabbage palm with 50-60% infestation of exotic species. The exotic species will be removed and supplemental planting will be conducted, in accordance with the aforementioned procedures. As with the previous areas, stormwater will be used to rehydrate this wetland.

Upland Mitigation Area #1

The upland mitigation area #1 is located in the northwestern portion of the property. This area is primarily a mixed pine system with melaleuca coverage of 75-100%. This area will be converted to an herbaceous marsh and planted with species as listed in Table 2. Creation of this herbaceous system is expected to provide habitat for a variety of wetland-dependent wildlife species, such as reptiles, amphibians and birds. An upland buffer will be retained around the created marsh. Additionally, the marsh will allow for connectivity and appropriate interface of the offsite flows and the preserved wetlands.

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IV. WETLAND MITIGATION ANALYSIS

A. South Florida Water Management District

The proposed project will impact 39.97 acres of low quality SFWMD jurisdictional wetlands. The proposed wetland impact areas have coverage of 50 to 90 percent melaleuca, thus qualifying under the melaleuca mitigation ratio, as described in the Basis of Review. The lowest rating of 0.70 percent for wetland enhancement was selected from the rule due to the following reasons: 1) the existing wetlands are very low quality due to 50 to 100 percent melaleuca coverage and severely degraded hydrology in the area; 2) a mean WRAP score of .47 was calculated; and, 3) most of the onsite wetland enhancement areas are similarly affected by melaleuca coverage and hydrological alterations. The WRAP datasheets are included in this plan.

Using the 0.70 ratio (39.97 acres of impacts X .70) results in a needed mitigation acreage value of 27.98, which will be mitigated onsite. A total of 41.7 acres of wetlands will be enhanced and 5.31 acres of wetlands will be created, for a total onsite wetland credit of 47.01 acres. Thus the total onsite mitigation credit is 47.01 acres. This amount exceeds the proposed 39.97 acres of proposed wetland impacts. Therefore, the onsite mitigation plan is sufficient and no offsite mitigation is necessary.

B. U.S. Army Corps of Engineers

A pre-project vs. post-project WRAP analysis was conducted on the Royal Palm Academy site using the WRAP datasheets, which are attached. The analysis results included a total pre-project WRAP score of 40.65 credits/functional units and a total post-project WRAP score of 52.12 credits. Since the proposed mitigation plan provides sufficient lift to offset the wetland function lost due to the proposed project, the onsite mitigation plan is considered adequate and no offsite mitigation is required.

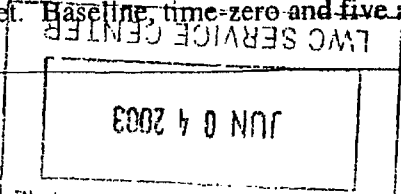
V. MITIGATION SUCCESS CRITERIA

The mitigation shall be considered successful when the mitigation areas have 80% survival of planted tree, shrub and herbaceous species and 80% coverage by desirable wetland vegetation (obligate and facultative wetland species). To be deemed successful, exotic and nuisance species shall be no greater than five percent coverage of the total mitigation areas.

VI. MONITORING

The monitoring will occur for a period of five years or until the SFWMD and USACOE determine that the success criteria are met. ~~Baseline, time-zero and five annual~~

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monitoring reports will be submitted to the SFWMD. Vegetation, wildlife, rainfall and wetland water level observations will be recorded for all monitoring events. Rainfall data will be obtained and summarized from the closest rain gauge maintained by the SFWMD. The pre-construction conditions of the project site will be documented in the baseline monitoring report. Conditions immediately following wetland enhancement and/or restoration will be described in the time-zero report. The annual monitoring reports will include the level of success and any specific actions necessary to improve conditions within the project area. The methodology outlined below will be used for the monitoring events.

A. Vegetation Monitoring

Monitoring of the wetlands will occur prior to and following enhancement and restoration activities. Sampling in wetland enhancement and restoration areas will involve a quantitative analysis of tree/shrub and herbaceous strata.

To facilitate an intensive, accurate and repeatable sampling program at the herbaceous level within the wetland enhancement areas, the point frame method will be utilized (Bonham 1989). Five point quadrats will be sampled along each sampling transect. Each point quadrat consists of a one-meter square wire grid with 25 cross points. Any plant species, including bare ground, that is observed below a cross point will be recorded. The percent cover will be computed and discussed for each species identified. Each cross point represents four percent of the square meter. Surface water depths, if applicable, will be documented at each quadrat.

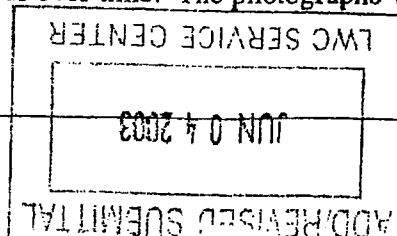
The establishment of tree-shrub study plots will be used to determine the percent coverage by the canopy and sub-canopy plant species and percent survivorship of the planted slash pine and bald cypress within the wetland enhancement areas. The percent of coverage will be determined by species for each strata within the plot. Woody vegetation with a diameter at breast height (DBH) greater than or equal to four inches is classified as a tree whereas shrubs are defined as, everything less than four inches in DBH and greater than 3.2 feet in height. The number of planted tree seedlings within plots will be noted and will be used to determine future survivorship percentages.

B. Wildlife Monitoring

During all monitoring events, qualified ecologists will conduct observations of wildlife species, noting any incidental sightings in the reports. Additionally, evidence of wildlife (nests, burrows, scat, etc.) will also be documented in the reports.

C. Photographic Documentation

The establishment of permanent photograph stations in each monitoring area will allow for documentation of the physical condition and appearance of the area as well as providing a means to track changes that occur over time. The photographs will be included in each report.



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D. Rainfall and Staff Gauge Recordings

The wetland preserve area will contain two staff gauges: one in the northwestern portion of the site and one in the southeastern portion of the site. Collection of data will occur weekly during the wet season (typically June through mid-October) and monthly during the rest of the year. Water levels will be recorded in conjunction with available rainfall data for the area and will be included in the monitoring reports.

VII. MONITORING REPORTS

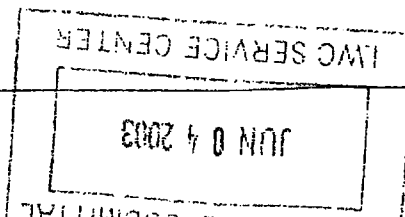
Monitoring reports, which include the success of the mitigation plan and general site conditions, will be submitted to the SFWMD and USACOE for five years or until success criteria are achieved. The baseline wetland monitoring report for the mitigation areas will be submitted to the SFWMD within 60 days of permit issuance. Within 60 days of completion of exotic plant removal and supplemental plantings, the time-zero monitoring report will be submitted. The following information will be included in the monitoring reports:

- ✓ Brief description of mitigation and maintenance work performed since the previous report along with a discussion of any modifications to the mitigation or maintenance program.
- ✓ Brief description of anticipated mitigation and maintenance work to be conducted over the next year.
- ✓ Summary of staff gauge and rainfall data collected within wetland preservation areas on the project site.
- ✓ Results of quantitative vegetation monitoring conducted in the enhanced wetlands as well as a list of observed wildlife species.
- ✓ Photographs taken at fixed-point photo stations within the enhanced wetland areas.

VIII. CONSERVATION EASEMENT

A conservation easement will be recorded within six months of receipt of all environmental permits. The conservation easement will ensure that the onsite mitigation areas will remain in a natural state in perpetuity. Dredging, filling, land clearing, agriculture activities, or other construction work except for those activities described in this mitigation plan and allowed under the easement, will not disturb the preserved mitigation areas.

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IX. MONITORING AND MAINTENANCE SCHEDULE

Maintenance of the mitigation areas will be conducted in perpetuity to ensure success of the system as a viable wetland. The five-year monitoring plan has been designed in order to ensure the future success of the onsite mitigation plan. The residential portion of the project is anticipated to start construction within one year of the date of permit issuance. Construction of the school is expected to start within four to five years of the date of permit issuance. However, the mitigation portion of the project within the northwest and west side of the project site will begin prior to construction of the school facilities. Exotic vegetation removal and subsequent planting of native species will commence within one year of permit issuance.

The table below outlines the anticipated completion date schedule for the monitoring and maintenance. These dates may require adjustment based on date of permit issuance and construction completion.

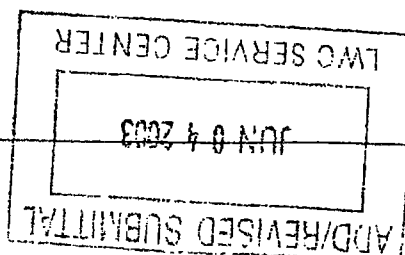
Approximate Monitoring and Maintenance Schedule	
Proposed Completion Date	Activity
Within 6 months of permit issuance	Record Conservation Easement
Within 1 year of permit issuance	Baseline Monitoring
Within 1 year of permit issuance	Mitigation Construction
Within 1 year of permit issuance	Exotic vegetation removal
Within 1 year of permit issuance	Time Zero Monitoring Event
Within 2 years of permit issuance	Exotic Vegetation Species Maintenance
Within 2 years of permit issuance	First Monitoring Event
Within 3 years of permit issuance	Exotic Vegetation Species Maintenance
Within 3 years of permit issuance	Second Monitoring Event
Within 4 years of permit issuance	Third Monitoring Event
Within 5 years of permit issuance	Fourth Monitoring Event
Within 6 years of permit issuance	Fifth Monitoring Event

Additionally, boardwalks may be constructed in the wetland areas (to be included in the Conservation Easement but subject to receipt of the necessary permits) to provide an interactive educational experience for the students enrolled at Royal Palm Academy. The students may be invited to accompany the biologists during monitoring efforts.

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APPLICATION NUMBER

EXHIBIT #



April 21, 2004

URBAN STORMWATER MANAGEMENT PROGRAM

1.0 Introduction

This document provides details of the Urban Stormwater Management Program for the Milano in S13/T48S/R25E, Collier County, Florida. This Plan discusses non-structural controls, intended to improve the quality of stormwater runoff by reducing the generation and accumulation of potential stormwater runoff contaminants at or near the respective sources for each constituent, along with significant structural components of the primary stormwater treatment system. Although many of the methodologies and procedures outlined in this document are general Best Management Practices (BMP's) which can be useful in attenuating pollutants in many types of urbanized settings, the implementation of these practices has been optimized, to the maximum extent possible, to reflect the unique character of the Milano project and the surrounding hydrologic features.

Pollution prevention guidelines are provided for the areas of (1) nutrient and pesticide management; (2) street sweeping; (3) solid waste management; (4) operation and maintenance of the stormwater management and treatment system; (5) routine water quality testing; and (6) construction activities. A discussion of each of these activities is given in the following sections.

2.0 Nutrient and Pesticide Management

Nutrient and pesticide management consists of a series of practices designed to manage the use of fertilizers and pesticides so as to minimize loss of these compounds into stormwater runoff and the resulting water quality impacts on adjacent waterbodies. Implementation of a management plan will also maximize the effectiveness of the nutrients and pesticides that are applied.

Each homeowner must commit themselves to the practice of responsible and careful landscape design and maintenance of each lot to prevent contamination of surface waters. The guidelines included in this section are intended to help homeowners make educated environmental choices regarding the maintenance of individual yards within the community. These maintenance and management guidelines are meant to promote an attractive neighborhood that preserves the health of adjacent waterways and environmental features.

2.1 General Requirements

A landscape plan must be developed for each residence. The plan must be comprehensive in nature and follow the landscape design guidelines established by the Homeowners Association and must promote revegetation of each lot as quickly as possible.

Commercial applicators of chemical lawn products must register with the Homeowners Association annually and provide a copy of their current occupational license, proof of business liability insurance, and proof of compliance with applicable education and licensing requirements. Individual employees working under the direction of a licensed commercial applicator are exempt from the educational requirements.

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Only registered commercial applicators and individual lot owners are permitted to apply chemicals within the property on a private lot. All chemical products must be used in accordance with the manufacturer's recommendations. The application of any chemical product within five (5) feet of any surface water including but not limited to ponds, lakes, drainage ditches or canals, is prohibited. The use of any chemical product in a manner that will allow airborne or waterborne entry of such products into surface water is prohibited. This rule shall not apply to the use of chemical agents, by certified lake management specialists, for the control of algae and vegetation within the stormwater lakes or ponds.

2.2 Nutrient Management Program

Management and application of nutrients and fertilizers in the Milano project will adhere to the following guidelines:

- A. All fertilizers shall be stored in a dry storage area protected from rainfall and ponding.
- B. No fertilizer containing in excess of 2% phosphate/phosphorus (P_2O_5) per guaranteed analysis label (as defined by Chapter 576, Florida Statutes) shall be applied to turf grass unless justified by a soil test.
- C. Fertilizer containing in excess of 2% phosphate/phosphorus (P_2O_5) per guaranteed analysis label shall not be applied within 5 feet of the edge of water or within 5 feet of a drainage facility.
- D. All fertilizer shall be applied such that spreading of fertilizer on all impervious surfaces is minimized.
- E. Liquid fertilizers containing in excess of 2% phosphate/phosphorus (P_2O_5) per guaranteed analysis label shall not be applied through an irrigation system within 10 feet of the edge of water or within 10 feet of a drainage facility.
- F. Liquid fertilizers containing in excess of 2% phosphate/phosphorus (P_2O_5) per guaranteed analysis label shall not be applied through high or medium mist application or directed spray application within 10 feet of the edge of water or within 10 feet of a drainage facility.

2.3 Pest Management Program

Proper maintenance of plants and turf areas will minimize the ability of pests to successfully attack landscaping. Several general guidelines follow:

- A. Apply fertilizer and water only when needed and in moderate amounts. Excessive amounts of either can cause rapid growth that is attractive to insects and disease.
- B. Mow St. Augustine grass to a height of 3-4 inches. If cut shorter, the plants may become stressed and more vulnerable to pest infestation. Each mowing should remove no more than one-third of the leaf blade, and those cuttings should remain on the lawn to decompose.
- C. It is recommended that pesticides, fungicides, and herbicides be used only in response to a specific problem and in the manner and amount recommended by the manufacturer to address the specific problem. Broad application of pesticides, fungicides and herbicides as a preventative measure is strongly discouraged.

The use of pesticides, fungicides, or herbicides is limited to products that meet the following criteria:

- A. Must be consistent with the USDA-NRCS Soil Rating for Selecting Pesticides
- B. Must have the minimum potential for leaching into groundwater or loss from runoff
- C. Products must be EPA-approved
- D. The half-life of products used shall not exceed seventy (70) days

3.0 Street Sweeping

This practice involves sweeping and vacuuming the primary streets to remove dry weather accumulation of pollutants, especially particulate matter, before wash-off of these pollutants can occur during a storm event. This practice reduces the potential for pollution impacts on receiving waterbodies by removing particulate matter and associated chemical constituents. Although street cleaning operations are frequently conducted primarily for aesthetic purposes, the primary objective of the street sweeping program for the Milano project is to improve the quality of stormwater runoff generated from impervious traffic areas. Street sweeping activities can be particularly effective during periods of high leaf fall by removing solid leaf material and the associated nutrient loadings from roadside areas where they could easily become transported within stormwater flow.

Street sweeping operations will be performed in the Milano project at a minimum frequency of one event every other month. A licensed vendor using a vacuum-type sweeping device will perform all street sweeping activities. Sweeping activities during each event will include all primary street surfaces. Disposal of the collected solid residual will be the responsibility of the street sweeping vendor.

4.0 Solid Waste Management

In general, solid waste management involves issues related to the management and handling of urban refuse, litter and leaves that will minimize the impact of these constituents as water pollutants.

Maintenance of adequate sanitary facilities for temporarily storing refuse on private premises prior to collection is considered the responsibility of the individual homeowner. Local requirements for refuse collection will be brought to the attention of every homeowner at closing for the sale of the property. Information will be distributed as necessary stating specifications for containers, separation of waste by type, where to place containers prior to collection, and established collection schedules.

Fallen tree leaves and other vegetation, along with grass clippings, may become direct water pollutants when they are allowed to accumulate in swales and street gutters. All homeowners will receive periodic educational materials that address proper disposal of leaves and other vegetation to minimize water quality impacts.

5.0 Stormwater Management and Treatment System

The stormwater management system for the Milano Project is designed to maximize the attenuation of stormwater generated pollutants prior to discharge to the off-site wetland systems. Operational details and maintenance requirements of the various system components are given in the following sections.

5.1 Wet Detention Lakes and Lake Interconnect Pipes

The basic element of the stormwater management system consists of a series of interconnected wet detention ponds that provide stormwater treatment through a variety of physical, biological, and chemical processes. A wet detention pond acts similar to a natural lake by temporarily detaining stormwater runoff, allowing opportunities for treatment processes to occur, prior to slow controlled discharge of the treated water through the outfall structure. Pollutant removal processes in wet detention systems occur during the quiescent period between storm events. Significant removal processes include gravity settling of particulate matter; biological uptake of nutrients and other ions by aquatic plants, algae and microorganisms; along with natural chemical flocculation and complexation processes.

Maintenance of the wet detention ponds will consist of an annual inspection. During each annual inspection, the following items will be reviewed and corrected as necessary:

- A. Inspect the outfall structure and orifices to ensure free-flowing conditions and overall engineering stability of the outfall system.
- B. Review the banks of the lakes and canals to ensure proper side slope stabilization and inspect for signs of excessive seepage that may indicate areas of excessive groundwater flow and possible subsurface channeling.
- C. Physically evaluate each of the lakes and canals for evidence of excessive sediment accumulation or erosion.
- D. Inspect the planted aquatic vegetation in the littoral zone to ensure that the desired vegetation species, percent coverage, and density are maintained.

At the completion of the inspections, a written inspection report will be prepared, listing any deficiencies that need to be addressed or corrected by the Homeowners Association.

5.2 Stormwater Inlets, Pipes and Culverts

The grates should be unobstructed and the bottom, inside the inlet, should be clean. Check for any accumulation of sediment, trash such as garbage bags, or debris in the culverts connecting these inlets. Flushing out with a high-pressure hose may clean some sediment. Any noted blockage (due to a possible obstruction, or broken pipe, etc.) should prompt further investigation. Crushed or corroded culverts should be replaced with new ones of the same size.

5.3 Swales and Grassed Water Storage Areas

These provide for conveyance and/or above-ground (or surface) storage of stormwater. With age, these areas usually fill in with vegetation and sediment. Swales may need to be regraded and/or revegetated. It is a good idea to compare the existing slope and dimensions of the swale with the permitted design plans prior to the removal of excess sediment or regrading. Areas that show erosion should be stabilized with appropriate material such as sod, planting, rock, sand bags, or other synthetic geotextile material.

Regular mowing of grass swales is essential. These areas also improve water quality by catching sediment and assimilating nutrients, and recharge the underground water table. Remove any undesirable exotic vegetation. Culverts underneath driveways should be checked for blockage, and, if necessary, flushed with a high-pressure hose. After a storm, swales may remain wet for an extended period of time. This is normal and the water will recede gradually.

5.4 Ditches or Canals

Fill material, yard waste, clippings and vegetation, sediment, trash, appliances, garbage bags, shopping carts, tires, cars, etc. should be completely removed. Also check to make sure there are no dead trees or any type of obstructions which could block the drainage flow way.

Maintenance cleaning/excavation must be limited to the same depth, width and side slope as approved in the current permit. Making a ditch deeper or wider may trigger a need for a permit modification. Provisions must also be made to prevent any downstream silting or turbidity (*Contact the SFWMD Resource Compliance staff if you are unsure or need clarification.*) Be sure to dispose of all removed material properly so it won't affect any other water storage or conveyance system, environmental area, or another owner's property.

5.5 Outfall Structure (also called the Discharged Control Structure or Weir)

The outfall structure should be routinely inspected to determine if any obstructions are present or repairs are needed. Trash or vegetation impeding water flow through the structure should be removed. The structure should have a "baffle" or trash collector to prevent flow blockage and also hold back any floating oils from moving downstream. Elevations and dimensions should be verified annually with all current permit information. Periodic inspections should then be regularly conducted to make sure these structures maintain the proper water levels and the ability to discharge.

5.6 Earthen Embankments (Dikes and Berms)

Check for proper elevations, width and stabilization. Worn down berms - especially if used by all-terrain vehicles or equestrian traffic - and rainfall - created washouts should be immediately repaired, compacted and re-vegetated.

6.0 Water Quality Testing

To ensure proper operation of the overall treatment system, monitoring will be performed at one outfall (SW-1) from the Milano Project if there is a flow over the weirs. According to the proposed Water Quality Monitoring Plan, monitoring may occur 3 times a year, once during the dry season (February/March) and twice during the wet season (August/September). A manual grab sample will be collected at the SW-1 outfall location and analyzed for various constituents and parameters as described in the Surface Water Quality Monitoring Plan. Trained and certified personnel will perform sample collection and laboratory analysis. The results of the laboratory analyses will be submitted to South Florida Water Management District as part of an annual water quality monitoring report by December 31 of each year.

7.0 Construction Activities

A Stormwater Pollution Prevention Plan (SWPPP) has been prepared for construction activities to minimize activities contamination that may be caused by erosion and sedimentation during the construction process. The plan includes provisions related to soil stabilization, structural erosion controls, waste collection disposal, offsite vehicle tracking, spill prevention and maintenance and inspection procedures. A copy of the SWPPP is attached hereto and made a part of hereof.