



BALLANTRAE

CONDOMINIUM ASSOCIATION, INC.

RULES AND REGULATIONS

August 04, 2025

AUTHORITY

The Board of Directors (hereinafter referred to as "The Board") as authorized by the Association's Articles of Incorporation pursuant to Article 3, Section 3.2(f), which provides the Board with the authority "[t]o make and amend reasonable Rules and Regulations regarding the Common Elements, Limited Common Elements, the Condominium Units and the operation and administration of the Association."

Ballantrae Condominium Association, Inc., hereby adopts these Rules and Regulation on 4th day of August, 2025.

From "The Condominium Concept", 16th Edition, 2022-2023

CONDO PURPOSE: The overriding principle in the condominium concept is the promotion of the health, happiness and peace of mind of the MAJORITY of unit owners. In accomplishing this goal, there will be COMPROMISES of individual rights. It is the Board which continually faces the responsibility of maintaining the delicate balance between individual rights and the common scheme for the benefit of all owners.

BACKGROUND

Ballantrae Condominium Association, Inc. is a nonprofit Florida corporation formed in 1980 to oversee the complex comprised of 26 buildings spread over 35.5 acres. The Association is owned by its members who are the registered owners of the 102 units. There is an annual meeting of the unit owners to elect at least 3 volunteers as Board members who will oversee the operations, administration, maintenance and replacement of assets of the Association. There is no on-site management. Off-site management which handles the daily affairs of the Association is provided by:

Mike Miller, C.A.M., Property Manager
Miller Management Services, Inc.

2848 Proctor Road, Sarasota, FL 34231

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General

- 1.** The following Rules and Regulations are to be read in conjunction with and as an extension of the Declaration of Condominium, which is repeated as an Appendix hereto.
- 2.** The following definitions of terms are to be construed as part and parcel of these Rules and Regulations.

Children Offspring, generally under 18 years old

Guest A person occupying a unit when the owner is also in residence

Family Children, parents, grandparents, brothers, sisters, and grandchildren of each spouse/partner/housemate

Visitor A person occupying a unit gratuitously with owner's permission

Invitee A person invited by an occupant to visit but not occupy a unit

Occupant A person residing in a unit

Tenant A person renting or leasing a unit

Resident Any occupant that stays overnight more than 30 consecutive days

3. Any future housemate, including a future live-in caregiver, must also be interviewed and undergo background/credit checks prior to moving in. If it is a rental, evidence of landlord approval is required.

4. In case of emergencies, such as fire, flood, illness or hurricane, Miller Management has an emergency contact for most owners or a key that is kept in their unit folder.

5. Pursuant to Section 718.303, Florida Statutes, each unit owner, each tenant and other invitee, is governed by, and must comply with the provisions of, this chapter 718, the declaration, the documents creating the association, and the association bylaws.

6. Occupants shall not act in such a manner as to disturb or infringe upon the rights, conveniences and enjoyment of others in the association.

(a) No occupant may play or permit to be played any musical instrument, hi-fi, photograph, stereo, radio or television in his unit so as to disturb or annoy others.

(b) No occupant shall operate an electrical appliance or device that causes interference with stereo, radio or television in other units.

7. No notice, sign or advertisement may be displayed so as to be seen in the common element areas, without written permission from the Board.

8. There shall be no business or trade or commercial transactions conducted in any unit.

9. There shall be no garage, estate or moving sales.

10. All Association employees and contract personnel are responsible to the Board, which may designate persons, who alone, will give them orders.

11. Garages, Parking and Traffic:

(a) Garage doors shall be kept in the closed position except for entering and leaving.

(b) Resident's vehicles shall be parked in the unit's garage. The driveway is for guest parking. One or two guest vehicles (and not those vehicles restricted by paragraph (e) below) may be parked in a driveway overnight for not more than 14 days in any six-month period without the written permission of the Board.

(c) The Board has the right to tow any vehicle to the towing operator's lot after the resident has been given 24-hour notice of a violation. Cost of any towing will be at the vehicle owner's expense.

(d) No parking is allowed on the sidewalks or lawns at any time nor overnight on the streets, except for 11(b) above.

(e) No campers, vans, recreational vehicles, boat trailers, or trucks (more than 4 wheels) are allowed to be parked on the driveways or the streets except for temporary contractor trucks.

(f) Contractors will be allowed to work from 6 AM to 6 PM (when gates are open) Monday thru Saturday only. Each homeowner is responsible to notify Miller Management if they intend to exceed the gate hours.

(g) Drivers should observe a safe speed at all times depending upon conditions and people present. Speed must not exceed the posted speed limits throughout Ballantrae.

(h) No motorcycle, moped, motor bike, or off road 4-wheeler shall be kept on Ballantrae property without the written permission of the Board. Licensed individuals may drive Ballantrae registered golf carts on the private roads, and be garage kept when not in use

(i) No dumpsters or storage pod may be kept in the driveway for more than three consecutive days unless written permission has been obtained from the Board.

(j) No maintenance of vehicles is permitted on the premises other than washing and waxing using water and electricity metered to your individual unit.

(k) There shall be no storage of personal property on the Association Common Elements or the Limited Common Elements including but not limited to the Unit entrance areas, porches and lanais.

12. Approved Pets: (Caution is needed because small pets can become food for alligators) Service Animal Policy is available at our Property Management Office.

(a) Up to two small dogs 35 pounds each, mature weight, or two indoor cats may be housed within a unit.

(b) Pets are not permitted off the leash in common element areas unless hand carried.

(c) Residents are responsible to see that their pets do not enter into the inner gardens of center units nor damage or urinate on any flower or shrub.

(d) When walking pets or approved animals, always carry a feces bags to promptly remove feces in the common element areas. Pet or Approved Animal feces should always be disposed of in your garbage can.

(e) The Board has the right, in their sole judgment, to require the owner to remove any pet found to be vicious, a nuisance, or otherwise have objectionable behavior such as constant barking that disturbs neighbors.

(f) Cats must be litter trained and kept indoors.

(g) Pets or Approved Animals shall not be left unattended on the common element areas.

13. Cooking grills:

(a) No hibachi, gas-fired grill, charcoal grill or similar device shall be used or stored on the premises. Electric grills are permitted but must be used at least 10 feet away from any structure as per Florida Fire Code.

(b) Cooking grills must not be left outside overnight.

14. Lakes and Waterways: (Caution is needed because alligators may be present.)

(a) No one other than occupants and their guests are permitted to fish in the lakes and waterways in the common element areas.

(b) Persons fishing must remove all debris and rubbish, including **old fishing lines that may get into irrigation pumps causing early failure**, and must refrain from causing any nuisance.

(c) No swimming or boating is allowed at any time in the lakes or waterways.

15. Grounds:

(a) *Common elements*: The portion of the Ballantrae property jointly owned by all of the homeowners is defined as the "common elements" pursuant to Section 4.7 of the Declaration. The Limited Common Elements include the driveway located between the street and the Garage of each unit.

(b) Since the common elements are not deeded to specific homeowners, unit owners do not have the right to use, alter or adorn them for their own purpose. **Care and maintenance of common element areas is the responsibility of the Association.**

(c) The common grill and picnic area is available to unit owners with Board Approval. A \$50 fine will be applied if the area is not cleaned up after use.

(d) Individual owners must comply with Article 11 of the Declaration and cannot change the appearance of the exterior without the Board's written permission. This includes but is not limited to outdoor lighting.

(e) No one shall remove or alter any plants, bushes, trees or other horticultural material on the common elements without the Board's written permission.

(f) No one shall make use of the common elements in such a manner as to abridge the equal rights of the other unit owners to their use and enjoyment.

(g) Walkways are part of the common elements and no one shall obstruct access to the units.

(h) No one shall allow anything, including but not limited to personal property such as chairs, bicycles, tires or boxes, to remain on the common elements and/or the limited common elements when not in use.

(i) So that unit owners may personalize their unit, the Board will allow a limited number of up to 3 hanging baskets and terra cotta pots with plantings at the entrance to

the unit as long as they do not obstruct the walkway or lawns or grounds keeping equipment. Otherwise, statutes and personal decorative items are not to be placed on the exterior.

(j) Before leaving for any extended period of time, all hanging baskets, pots, hoses and other loose objects should be removed from the outside of your unit.

(k) On-site Maintenance Employees and our Lawn Service are responsible to the Ground's Chairman and the Board. Unit owners are not to give instructions to either.

(l) **Requests, problems and concerns about grounds need to be by work order to be tracked and acted upon.** No verbal or second party communications will be considered except in emergencies.

16. Trash Cans and Recycle Containers:

(a) All Homeowners are responsible to have a garbage container with lid.

(b) Trash cans and recycle containers must be placed at the curb, separated by three (3) feet, in front of any unit no earlier than the evening prior to the day of scheduled pickup, and preferably the morning of the same day, to minimize the attraction to foraging animals.

(c) Empty trash cans and recycling containers are to be returned to garages as soon as possible after collection.

(d) Containers left standing on sidewalks and lawns on nonscheduled pickup days will be removed and taken to the storage area where they may be claimed by the owner.

(e) No food shall be placed in the garbage container unless it is placed in a closed plastic bag and the container lid securely closed to minimize the attraction to foraging animals.

17. Wildlife/Alligators:

Ballantrae is in a natural habitat that includes alligators, poisonous snakes, fire ants, otters, fox, bobcats, rats, raccoons and other wildlife of which some may be rabid. Caution is required throughout Florida since most of these animals are indigenous to all areas of the state.

(a) Enjoy alligators from a distance. They are an important part of Florida's natural history, as well as an integral component of the fresh water ecosystem. Leave alligators alone. State law prohibits the unauthorized killing, harassing, molesting or attempting to move alligators.

(b) Closely supervise children when playing near water. Don't allow pets to be near, swim or drink in waters not known to be free of alligators. Dogs suffer many more attacks than humans probably because dogs more closely resemble natural prey of large alligators.

(c) Feeding or harassing alligators is subject to a State fine of \$500 and/or 60 days in prison.

(d) Alligators present in the water or on adjacent banks do not pose a threat to humans, pets or property if left alone. Alligators on streets, sidewalks or up around the buildings may pose a threat to people, pets and property. Alligators located where they are not supposed to be or acting aggressively should be reported to Miller Management or to the Board for follow-up.

(e) **No feeding of wildlife.** According to the Florida Wildlife Commission (the "Commission"), it is never a good idea to feed wildlife. Feeding of endangered species accustoms them to humans, disturbs normal feeding patterns and may make them aggressive. Birds, racoons, and squirrels can peck at windows and screens and can attack humans, particularly children, to protect their young. Endangered birds include Sandhill Crane, Osprey, Little Blue Heron, Roseate Spoonbill, Snowy Egret, White Ibis, Brown Pelican and Wood Stork among others. In 2002, the Commission made it illegal to feed Sandhill Cranes.

18. Use of Fireplaces

Fireplaces are for wood burning only. It is highly recommended to have an annual inspection of your fireplace if in use, making sure a functional spark resistor is in place, and to have a small unexpired fire extinguisher in your unit in the event of an accidental fire. Standard fireplace equipment must be present. Uncapping a fireplace is at the homeowner's expense, including a full inspection before use. A copy of all inspection reports/receipts must be sent to Miller Management.

https://ballantraecondoassoc.com/wp-content/uploads/2023/10/Recommend-Chimney-Sweeps.Info_.pdf

19. Fines.

Pursuant to Section 718.303, Florida Statutes and the Association's Declaration the Association may levy reasonable fines for the failure of the unit owner, or its occupant, licensee, or invitee to comply with any provision of the Declaration, Bylaws, or reasonable Rules of the Association. Such fine may be levied by the Board on the basis of each day of a continuous violation with a single notice. However, the fine must not exceed \$100 per violation or \$1,000 per infraction. Such fine may not be imposed unless the Board provides at least 14 days written notice and an opportunity for hearing before a committee of Non-Board homeowners. If the Committee does not agree, the fine may not be imposed.

SECTION B

ARTICLES 14

USE RESTRICTIONS

ARTICLE 14.

RESTRICTIONS UPON USE

Use of the Condominium Property shall be in accordance with the following provisions so long as the Condominium exists and these use restrictions shall be for the benefit of and enforceable by all Owners of Units in this Condominium and the Association.

14.1 Single Family Residential Use. Each Unit shall be occupied by only one (1) family and its guests at any time. Each Unit shall be used as a residence and for no other purpose. No business, commercial activity or profession shall be conducted in or from a Unit; however, a person may maintain a personal or professional library, may keep personal, business or professional records in the Unit, and may handle personal, business, or professional telephone calls or written correspondence from the Unit. Such uses are expressly declared customary and incidental to the residential use of the Unit.

14.2 Change Unit Appearance. No person shall paint or otherwise change the appearance of any exterior wall, door, window, patio, or any exterior surface; place any awning on any exterior opening; plant any planting outside of a Unit; erect any exterior lights or signs; place any signs or symbols in windows; erect or attach any structures or fixtures within the Common Elements; make any structural additions or alterations (except the erection or removal of non-support carrying interior partitions wholly within the Unit) to any Unit or to the Common Elements; nor any of the foregoing without the prior written consent of the Association's Board of Directors. An Owner may fasten light fixtures, shelving, pictures, mirrors, objects d'art, curtain rods and similar household items to the walls of a Unit provided they may be removed without substantial damage to the wall structure when the wall is in a support or structural wall of the building.

14.3 Nuisance. No owner shall use his or her Unit, or permit it to be used, in any manner which constitutes or causes an unreasonable amount of annoyance or nuisance to the occupant of another Unit, or which would not be consistent with the maintenance or the highest standards for a first-class residential condominium. No Owner shall cause or permit loud and objectionable noises or obnoxious odors to emanate from the Unit which may cause a nuisance to the occupants of other Units in the sole opinion of the Board.

14.4 Law and Ordinances. The use of a Unit shall be consistent with all applicable laws, ordinances and regulations of any governmental body.

14.5 Compliance with Condominium Documents and Rules. All persons shall conform to and abide by the Condominium Documents and the Association Rules and Regulations. The Board of Directors, or its designated agent, shall have the irrevocable right to enter any Condominium Unit at any reasonable time to determine compliance with the Condominium Act, this Declaration, the Bylaws and the Rules and Regulations of the Association.

14.6 Exterior Wires and Items. No person shall erect, construct or maintain any wire, container, garbage or refuse receptacles, or other equipment or structures on the exterior of the building or on or in any of the Common Elements, except with the written consent of the Association's Board of Directors.

14.7 Antennas, Aerial or Satellite Dish. No television or other antennas, aerials, ham radios or satellite dishes shall be fixed, installed, placed or maintained on or in any portion of the Common Elements or Association Property.

14.8 Insurance Rates. No Owner shall permit or suffer anything to be, done or kept in the Owner's Condominium Unit which will increase insurance rates on any Unit or on the Common Elements or other Units.

14.9 Divide or Subdivide a Unit. No Unit shall be divided or subdivided for purpose of sale or lease, except to the Owner of an adjacent Unit, and only after obtaining the written consent of the Association's Board of Directors. A Unit may be combined with an adjacent Unit and occupied as one (1) Unit, with the prior written consent of the Association's Board of Directors.

14.10 Obstruction of Ingress and Egress. No person shall obstruct the common way of ingress or egress to the other Units or the Common Elements.

14.11 Unsightly Objects. No person shall hang any laundry, garments or other unsightly objects which are visible outside of the Unit. No person shall allow anything to be or remain in the Common Elements that are unsightly or hazardous, in the sole opinion of the Board.

14.12 Garbage or Rubbish. No person shall allow any rubbish, refuse, garbage or trash to accumulate in places other than the receptacles provided therefor, and each Unit and the Common Elements shall at all times be kept in a clean and sanitary condition. Garbage shall be disposed of through the kitchen garbage disposal so far as possible and the remainder, along with bottles, cans and other trash shall be placed in water-proof bags or similar containers before being placed in the appropriate receptacles. Unit Owners shall not permit the deposit of demolition debris to be placed in the Condominium trash chutes or dumpsters but shall require contractors to haul away all demolition debris.

14.13 Fire or Health Hazard. No person shall permit or allow any fire or health hazard to exist in their Unit or the Common Elements.

14.14 Use of Common Elements. No person shall make or permit the use of the Common Elements in such a manner as to abridge the equal rights of the other Unit Owners to their use and enjoyment.

14.15 Pets. No person shall allow any animals to be kept in a Unit or to make use of the Common Elements except in conformity with Rules and Regulations promulgated from time to time by the Association's Board of Directors. In the event any pet becomes a nuisance to the other Owners or residents in the reasonable opinion of the Board of Directors, such animal shall be promptly removed from the Unit upon written demand by the Board or its agent.

14.16 Discharge of Saline Solution. No person shall discharge any liquid or substance (except for County Water) into any lake, retention pond, street, easement or Common Element.

SECTION C

ARTICLES 15 AND 16 OF THE DECLARATION LEASE AND SALE OF UNITS

ARTICLE 15. LEASE OF UNITS

In order to foster a stable residential community and prevent a motel-like atmosphere, the leasing of units by Owners shall be restricted as provided in this Article 15. The ability of a Unit Owner to lease the Owner's Unit to others is a privilege, not a right. The privilege may be revoked by the Board if it is abused by the Owner. All leases of units must be in writing. A Unit Owner may lease only the entire Unit, and then only in accordance with this Section, after receiving the approval of the Association. The lessee must be a natural person.

15.1 Term of Lease and Frequency of Leasing. No Unit may be advertised, offered for use via a license or other agreement, held out, offered, advertised, rented, or leased for a period of less than six (6) continuous months or more often than twice per calendar year. The first day of the lease term shall determine in which year the lease occurs. No lease may be for a period of more than one (1) year, and no option for the lessee to extend or renew the lease for any additional period shall be permitted without Board approval. The Board, at its discretion, may approve the same lease from year to year. No subleasing or assignment of lease rights by the lessee is allowed without written Board approval.

15.2 Two-Year Lease Prohibition. Notwithstanding this Article 15, Units acquired after the effective date of the adoption of this Amended and Restated Declaration, which shall be the date of its recording in the Public Records, **shall not be rented or leased for a period of twenty-four (24) months following acquisition of the Unit.** The date of acquisition of a Unit shall be established by the date of recordation of a deed or other instrument of conveyance in the Public Records of Sarasota County, Florida.

The remaining provision of Article 15 of the Declaration can be found in the Amended and Restated Declaration of Condominium of Ballantrae, a Condominium.

ARTICLE 16. MAINTENANCE OF COMMUNITY INTERESTS

In order to maintain a community of congenial Unit Owners who are financially responsible, and thus protect the value of the Units, the sale, transfer, devise and other title transfer of Units by a Unit Owner shall be subject to the following provisions:

16.1 Ownership by Trust, Corporations, Partnerships, Limited Liability Companies or Other Artificial Entities. A Unit may be owned in trust, or by a corporation, partnership, limited liability company ("LLC"), or other entity which is not a natural person (if approved in the manner provided elsewhere herein). The intent of this provision is to allow flexibility in estate, financial, or tax planning. The approval of a partnership, trustee, or corporation, limited liability company ("LLC"), or other entity as a Unit Owner shall be conditioned upon designation by the Owner of one natural person to be the **"Primary Occupant."** The Primary Occupant shall be the person entitled to vote on behalf of the Unit, and exercise rights of membership. Any change in this Primary Occupant shall be treated as a

transfer of ownership by sale or gift subject to the provisions of the Condominium Documents. No more than one such change will be approved in any 12-month period. Unit Owners of record as of the adoption of this provision shall be required to designate a "Primary Occupant" within thirty (30) days of the effective date hereof, which is the date of recording in the Public Records of Sarasota County.

16.2 Transfers Subject to Approval.

A. Sale or Other Transfer. No Unit Owner may dispose of the Unit or any interest in same by sale or other title transfer, without prior written approval of the Board of Directors. No Unit Owner may dispose of a Unit or any interest therein by other means (including without limitation, an agreement for deed, installment sales contract, lease-option or other similar transactions) without prior written approval by the Board of Directors.

B. Gift. If any Unit Owner shall acquire title by gift, the continuance of ownership of the Unit shall be subject to the approval of the Board of Directors. Notice must be given at least thirty (30) days prior to the intended closing or title transfer date. Approval to own or occupy may not be denied to any gift recipient who was the prior Owner's lawful spouse at the time of the gift, or was related by the gifting Owner by blood or adoption.

C. Devise or Inheritance. If any Unit Owner acquires title by devise or inheritance, the right to occupy or use the Unit shall be subject to the approval of the Board of Directors. Approval to own or occupy may not be denied to any devisee or heir who was the prior Owner's lawful spouse at the time of death, or was related to the deceased Owner by blood, marriage or by adoption.

D. Other Transfers. If any Unit Owner shall acquire title by any manner not considered in the foregoing subsections, the continuance of ownership of such Unit shall be subject to the approval of the Board of Directors. If any person acquires title in any manner not considered in the foregoing subsections, that person shall have no right to occupy or use the Unit before being approved by the Board of Directors under the procedures outlined below.

E. Transfers to Trusts. Approval to own or occupy a Unit may not be denied to any person who is the recipient of use or occupancy rights arising from transfer to a trust, where the grantor or settlor of the trust is a Unit Owner, and the beneficiary or other person entitled to use or occupancy under the Trust Agreement was the Owner's lawful spouse or was related to the Owner by blood or adoption.

16.3 Approval by Association.

A. Notice to Board of Directors and to Other Unit Owners.

1. **Sale.** A Unit Owner intending to make a bona fide sale of the Owner's Unit or any interest in it shall give to the Board of Directors and to any other Owner of such Unit written notice of such intention, together with the name and address of the intended purchaser, an executed copy of the unredacted purchase contract and its exhibits and such other information concerning the intended purchaser and the transaction as the Board may reasonably require. The Board may require, without limitation, a criminal background investigation, past residency and/or employment verification, and personal references of the purchaser(s) and all proposed Unit Occupants. Such notice at the Unit Owner's option may include a demand by the Unit Owner that the Association furnish a purchaser of the Unit if the proposed purchaser is not approved; however, the Association shall not be obligated to purchase the Unit if the transfer of the Unit is denied for good cause as set forth below.

2. **Gift, Devise or Inheritance; Other Transfers.** A Unit Owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously considered, shall give to the Board of Directors notice of acquiring his or her title, together with such information concerning the Unit Owner as the Board of Directors may reasonably require and a certified copy of the instrument evidencing the Owner's title.

3. **Failure to Give Notice.** If the above required notice to the Board of Directors and to any other Owner of such Unit is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Unit, the Board of Directors at its election and without notice may approve or disapprove the transaction or ownership. If the Board of Directors disapproves the transaction or ownership, the Board of Directors shall proceed as if it had received the required notice on the date of such disapproval.

B. Certificate of Approval.

1. **Sale.** If the proposed transaction is a sale, then within forty-five (45) days after receipt of such notice and information, including a personal interview if requested by the Board, the Board must either approve or disapprove the proposed transaction.

2. **Gift, Devise or Inheritance; Other Transfers.** If the Unit Owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within forty-five (45) days after receipt of such notice and information the Board, including a personal interview if requested by the Board, must either approve or disapprove the continuance of the Unit Owner's ownership of his Unit.

3. **Approval of Occupant.** If a Unit Owner or purchaser is a corporation, partnership, trust, limited liability company ("LLC"), some other entity, the approval of ownership by the corporation, partnership, trust or other entity shall be conditioned upon approval of a Primary Occupant.

16.4 Disapproval by Board of Directors. If the Board of Directors shall disapprove a sale or transfer of ownership of a Unit for reasons other than those provided in Article 16.4. C, the matter shall be disposed of in the following manner:

A. Sale. If the proposed transaction is a sale, then within forty-five (45) days after receipt of such notice and information the Association shall deliver or mail by certified mail to the Unit Owner an agreement to purchase the Unit concerned by a purchaser approved by the Board of Directors (including the Association or another Unit Owner) who will purchase and to whom the Unit Owner must sell the Unit upon the following terms:

1. At the sole option of the Association to be stated in the agreement, the price to be paid shall be that stated in the disapproved contract to sell or shall be the fair market value determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers, one of whom shall be appointed by the Unit Owner and the other of whom shall be appointed by the Association, who shall base the determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be shared equally by the parties.

2. The purchase price shall be paid in cash. The sale shall be closed within forty-five (45) days after the delivery or mailing of the agreement to purchase, or within forty-five (45) days after the determination of the sale price if such is by arbitration, whichever is the later. If the Association shall fail to provide a purchaser upon the demand of the Unit Owner in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval.

B. Gifts, Devise, or Inheritance; Other Transfers. If the Unit Owner giving notice has acquired his title by gift, devise, or inheritance, or in any other manner, then within forty-five (45) days after receipt from the Unit Owner of the notice and information required to be furnished, the Board of Directors shall deliver or mail by certified mail to the Unit Owner an agreement to purchase the Unit concerned by a purchaser approved by the Board of Directors (including the Association itself) who will purchase and to whom the Unit Owner must sell the Unit upon the following terms:

1. The sale price shall be the fair market value determined by agreement between the seller and purchaser within forty-five (45) days from the delivery or mailing of such agreement. In the absence of agreement as to price, the price shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers, one of whom shall be appointed by the Association and the other of whom shall be appointed by the Unit Owner, who shall base their determination upon an average of their appraisals of the Unit; and a judgment or specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be shared by the parties.

2. The purchase price shall be paid in cash. The sale shall be closed within forty-five (45) days following the determination of the sale price. If the Board of Directors shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the Public Records of Sarasota County, Florida, at the expense of the Unit Owner.

C. Disapproval for Good Cause. Approval of the Association for title transfers of a Unit shall be withheld only if a majority of the Board of Directors so votes. The Board of Directors shall consider the following factors and may confer freely with legal counsel in reaching its decision. The following may be deemed to constitute good cause for disapproval:

1. The application for approval on its face, or subsequent investigation thereof, indicates that the person seeking approval (which shall hereinafter include all proposed Occupants) has lied or misrepresented facts on the application or during the interview.

2. The person seeking approval (which shall include all proposed Occupants) has been convicted of a violent felony or a sexual offense of any nature.

3. The person seeking approval failed to provide the interview, information or fees required to process the application in a timely manner.

If the Board disapproves a prospective transfer on the grounds for disapproval set forth in Paragraph 16.4. C., the Association shall have no duty to purchase the Unit or furnish an alternate purchaser, and the transaction shall not be made.

16.5 Transfer Fee. The Association may charge a transfer fee for the approval of sales or other transfers of title. The fee may not exceed the maximum permitted by law per transaction (currently \$100 per applicant, with husband/wife and parent/child considered one applicant). The specific amount of the transfer fee shall be established by a written resolution of the Board or provided for in a management, bookkeeping, or maintenance contract.

16.6 Unauthorized Transactions. Any sale or other transfer not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association. There shall be no limitation upon sale, lease or occupancy of any Unit based upon race, creed, color, sex, religion, national origin, handicap or familial status.

16.7 First Mortgage Companies. The provisions of this Article 16 shall not be applicable to transfers at foreclosure sales of mortgages held by Institutional First Mortgage Companies, or their affiliate or subsidiary companies, nor to deeds in lieu of foreclosures. However, the provisions of this Article 16 shall apply to any subsequent sales or transfers of that Unit.