



HEATHER HILLS APTS. NO 1 CONDOMINIUM ASSOCIATION INC.

APPROVED AGREEMENT

Dear Owner:

The attached agreement between Heather Hill Apts. No. 1 and Heather Hill Master association concerning the allocation of common expenses associated with the Pool/Recreation facilities and other shared expenses of all villages in Heather Hill has been approved by both entities.

This agreement has been legally recorded and is now a part of the communities recorded documents.

Please file this document in a safe place among the permanent records of your existing governing documents. In the event of the sale of your unit, this information is to be transferred to the new owner.

On behalf of the Board of Directors,

Jim Ranallo, CMCA, AMS
Citadel Property Management Group, Inc.

1.14.08

AGREEMENT

WITNESSETH:

WHEREAS, the community commonly known as Heather Hill consists of four condominiums (Each condominium is designated by a number; 1 through 4); and

WHEREAS, Heather Hill Master Association, Inc. (hereinafter referred to as "Master Association") was formed for the purpose of administering the condominium property of all four condominiums, and for the purpose of operating and maintaining certain commonly used recreation related facilities and other commonly used facilities within Heather Hill (hereinafter referred to as the "common facilities");

WHEREAS, the Board of Directors of the Master Association adopts a separate budget for each of the four condominiums (except for Condo 1 as explained immediately below) pursuant to Article X of the Master Association's Bylaws. The unit owners of each condominium pay assessments based upon the budget for their respective condominium.

WHEREAS, Heather Hill Apartments No. 1 Condominium Association, Inc. (hereinafter referred to as "Condo 1") was formed in 1998 for the purpose of operating and maintaining the condominium property described in the Declaration thereof recorded at Book 10521 at Page 2635 of the Official Records of Pinellas County, Florida. This removed the Condo 1 condominium property from the administrative authority of the Master Association, leaving Condo 1 solely responsible for the maintenance and repair of the Condo 1 condominium property; and

WHEREAS, the assessments calculated from the Condo 1 budget are collected by Condo 1, not the Master Association, and

WHEREAS, Condo 1 collects its members' share of the assessments for the common facilities and remits them to the Master Association, and

WHEREAS, Master Association and Condo 1 have had certain disagreements and claims between them with regard to sharing certain costs and expenses for maintenance of the commonly used facilities; and

WHEREAS, the parties desire to avoid litigation and have reached an agreement compromising their claims,

NOW THEREFORE, the parties hereby acknowledge and agree that good and valuable consideration has been exchanged between them, and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. The above recitations are true and correct and are incorporated herein by reference.
2. Condo 1 and the Master Association enter this agreement on their own behalf, and in their representative capacity under Chapter 718, Florida Statutes, on behalf of their respective members. The parties agree that the matters dealt with in this agreement are matters of common

interest and as such are within the power of the parties to compromise and settle under F.S. 718.111 and, if suit were to have been brought, under F. R. C. P. 1.221.

3. Condo 1 agrees that its members are members of the Master Association, and that Condo 1 and its members are bound by the Bylaws and other governing documents of the Master Association.

4. The Master Association recognizes Condo 1 as a duly registered corporation of the State of Florida.

5. The parties agree to the accuracy of, and to be bound by the legal description of the condominium property as set forth in each Declaration of Condominium and plat of the four condominiums. The parties further agree to the accuracy of, and to be bound by the legal description of the common facilities described on the Warranty Leasehold Estate Deed recorded at OR Book 4149, Page 569, of the Official Records of Pinellas County, Florida.

6. Condo 1 shall adopt an annual budget, where the buildings, appurtenances, grounds and all other improvements located within the boundaries of Condo 1 will be maintained, including, but not limited to lawn care, exterior cleaning, painting, plumbing, carpentry and other normal maintenance and repair work as necessary. The budget shall contain the items as outlined in Section 718.504(21), Florida Statutes.

7. The Master Association shall adopt an annual budget for the maintenance of the common facilities. The budget shall contain the expense line items as set forth in Section 718.504(21), Florida Statutes. Per Article X of the Master Association's Bylaws, the portion of the budgeted common facilities expenses allocated to Condo 1 shall be equal to the proportion that the condominium units in that condominium bear to the total number of units in all four condominiums. That proportion is thirty five percent (35%). Each unit owner in Condo 1 shall pay to Condo 1 the portion of the common facilities expenses allocated to Condo 1 in the percentage assigned to the unit owner in the Condo 1 Declaration of Condominium.

8. Condo 1 shall pay to the Master Association the annual assessment allocated to Condo 1 in twelve equal monthly installments on the first of each month. All past due installments shall accrue interest at the rate of 18% per annum, plus an administrative late fee of twenty five dollars (\$25) or five percent (5%) of the installment whichever is greater.

9. All budgets adopted by the Master Association for the common facilities will include, but are not limited to, the following items:

- Office expenses, management fees, dues, licenses & permits
- Electricity, water/sewer
- Lawn care, janitorial services
- Maintenance of grounds, lakes, and waterways
- Upkeep of the clubhouse and pool; as well as insurance for all of the Common Areas
- Insurance for the property operated by the Master Association, as well as Directors and Officer liability Insurance
- All shared unit/storm water charges

10. The Master Association shall obtain written contracts for sewer, water, exterior lights, garbage collection, extermination, and other necessary services associated with the common facilities. All terms of the contracts will be determined in the sole discretion of the Master Association. Condo 1 shall not be a party to said contracts. Condo 1 shall not withhold payment of any assessment to the Master Association on the ground that a contractor has not adequately performed its contractual obligations under said contracts.

11. The following property is subject to Master Association jurisdiction and will be budgeted for as necessary by the Master Association:

- Main gates of access to Community (De Soto Drive and De Leon Drive)
- Common City right of way consisting of 15,420 sq. ft.
- Pond
- Maintenance of the front of the clubhouse to a point 50 feet west from the building and straight line across to the lake area. This will not include the car ports or blacktop driveway
- One oak tree overlooking pool
- Two palm trees overlooking clubhouse/pool, including hedges along the pool fence
- Brickwork in front of clubhouse, including bricked parking spaces for clubhouse
- Shuffleboard courts
- All areas inside fenced pool
- The sidewalk between Condo 1 and Condo 2, including two light poles at the end of the walkway

12. Condo 1 shall indemnify and hold harmless the Master Association, its directors, officers, and their respective successors and assigns for any claim, loss, damage, suit, or cause of action made against the Master Association in connection with the operation, maintenance or use of the Condo 1 condominium property. Condo 1's obligation to indemnify the Master Association includes without limitation attorneys' fees, liabilities, judgments, fines and amounts paid in settlement actually and reasonably incurred by the Master Association. Any indemnification payments made under this indemnity shall be a common expense of the members of Condo 1 only, and no other member of any other condominium association whose members are members of the Master Association shall be liable for this indemnity obligation.

13. Condo 1, on behalf of itself, and in its representative capacity under Chapter 718, Florida Statutes, on behalf of its members, does hereby waive, exonerate, release, and hold the Master Association, and their respective agents, directors, officers, and employees, harmless from and against all claims, liability, actions, and causes of action, including, without limitation, costs and attorneys fees, for any loss or damage to personal property or for personal injury which may arise from or in connection with the operation, maintenance or use of the Condo 1 condominium property.

12. This is the entire agreement between the parties. No modification may be made to this agreement except in writing signed by both parties.

13. Each party warrants to the other that their respective Board of Directors has by majority vote approved this agreement and authorized the President of the respective party to sign it.

14. In the event of litigation arising out of this agreement the prevailing party shall be entitled to a judgment against the other party for its attorney fees and costs including fees and costs on appeal.

IN WITNESS WHEREOF, the parties have entered into this agreement as a duly called meeting of their Board of Directors and confirms same by the execution hereof.

HEATHER HILL MASTER
ASSOCIATION, INC.

By: Maria C. Rubens
President

WITNESSES:

[Signature]
Signature of Witness #1
Rene Campbell
Signature of Witness #2

Lory Ann Rosynsky
Printed name of Witness #1

Rene Campbell
Printed name of Witness #2

STATE OF FLORIDA)
COUNTY OF HILLSBOROUGH)

BEFORE ME, the undersigned personally appeared Maria C. Rubens, known to me to be the President of Heather Hill Master Association, Inc., and he/she jointly and severally acknowledged before me that he/she freely and voluntarily executed the same as such officer, under authority bested in her by said corporation. He/She is personally known to me or has produced Id. Dennis Lee as identification. If no type of identification is indicated, the above named person is personally known to me.

WITNESS my hand and official seal in the County and State last aforesaid, this 9th day of January, 2008.

[Signature]
Notary Public
Printed Name: Marie E. Straight

My commission expires: 2-27-09



MARIE E. STRAIGHT
MY COMMISSION # DD 387526
EXPIRES: February 27, 2009
Bonded Thru Budget Notary Services

HEATHER HILL APARTMENTS NO. 1
CONDOMINIUM ASSOCIATION, INC.

By: [Signature]
President

WITNESSES:

[Signature]
Signature of Witness #1

[Signature]
Signature of Witness #2

Lory Ann Rosynsky
Printed name of Witness #1

Renee Caspale
Printed name of Witness #2

STATE OF FLORIDA)
COUNTY OF HILLSBOROUGH)

BEFORE ME, the undersigned personally appeared Heather A. Ross, known to me to be the President of Heather Hill Apartments No. 1 Condominium Association, Inc., and he/she jointly and severally acknowledged before me that he/she freely and voluntarily executed the same as such officer, under authority bested in her by said corporation. He/She is personally known to me or has produced FL Drivers Lic. as identification. If no type of identification is indicated, the above named person is personally known to me.

WITNESS my hand and official seal in the County and State last aforesaid, this 9th day of January, 2008.

[Signature]
Notary Public

Printed Name: Marie E. Straight

My commission expires: 2-27-09



MARIE E. STRAIGHT
MY COMMISSION # DD 387526
EXPIRES: February 27, 2009
Bonded Thru Budget Notary Services