

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.

FREQUENTLY ASKED QUESTIONS AND ANSWERS

Q: When I purchase a condominium, must I be a member of the condominium Association?

A: Yes, membership in the Association is mandatory by Florida law (Statute 718). Condominium ownership is unlike ownership in other types of real estate. Purchasing a condominium involves not only the purchase of a dwelling but also a percentage of interest in a parcel of land owned by all the members and referred to in the documents as the "common element."

Purchasing a condominium also means getting involved in community-style living and participating in the government of the condominium association. The Association is legally structured as a Florida not-for-profit corporation which manages one hundred and fifty buildings and two hundred acres of land, consisting of the Condominiums at Corner Lake, Burnway Road, Sherwood Lane, Camelot Drive, Abbey Court, and the Lake Lofts at the marina.

The interiors of the condominium buildings are owned by individuals who are members of the condominium Association and share in the cost of maintaining the common element and operating the business of the Association. The owners are represented by an elected governing body of directors.

Q: How is the Association governed?

A: The Association is governed primarily by a nine-member Board of Directors who are elected for two-year terms at each annual meeting. The Board has extensive powers to conduct the business of the Association. Those powers are defined in the Declarations of Condominium, the Articles of Incorporation, and the bylaws. An election and a meeting of the general membership is conducted annually, usually the first full weekend in November, to elect new directors, to discuss the business of the Association and to carry on any business beyond the scope of the Board's authority. Forty (40) days before the election you may register your intent to run for election to the Board by notifying the secretary or his designated representative. A notice of the annual meeting and the election is sent to each owner. Ownership by corporations, partnerships and trusts must register with the Association a designee authorized to vote for the entity.

The Grenelefe Association is managed on a daily basis by a licensed manager who works out of the Association office located at 912 Tennis Way and who is responsible to supervise a staff of persons to maintain the business of the Association and the common element. The general manager's name is Chris Gourdie.

All Association business is conducted out of the Association office including billing and payment of assessments. Information about the Association and official records are available for review by any member during normal business hours and in accordance with

the policy established by the Board of Directors for the review and copying of official documents. The Association's policy is provided with the new member packet and is also available on the Association's web site under "Condominium Information."

Q: What are my voting rights in the condominium association?

A: The members of the Association are entitled to cast one vote for each apartment that they own. Each apartment with the percentage of interest in the common area is recorded in the Declarations of Condominiums. In certain phases, AC apartments are recorded as one apartment and in some phases as two apartments.

Q: Do I have to be a member in any other association? If so, what is the name of the association and what are my voting rights in this association?

A: Owners at Grenelefe do not need to be members of any association other than the Grenelefe Association of Condominium Owners No. 1, Inc.

Q: What restrictions exist on my right to use my unit?

A: The use of your condominium apartment is restricted by the Declarations of Condominium, the rules and regulations of the Association, and the nature of condominium living.

The Declarations stipulate use restrictions in section 10. Apartments are to be occupied only by one family and their guests and only as a residence. No apartment may be divided or subdivided into a smaller unit nor any portion sold or otherwise transferred without abiding by the requirements of the Declarations. There are restrictions pertaining to noise, nuisances or practices that may be the source of annoyance to other residents. There are restrictions regarding certain types of vehicles, and the placement of satellite dishes and antennas, and there are rules regarding cleanliness, rubbish removal and unlawful use. There are also restrictions regarding changing the common element, which require review and approval by a Design Review Committee on a case-by-case basis. A copy of the design review policy is available upon request.

The Association has established a number of rules and regulations which are designed to govern the use of the condominium and units located therein, the condominium property, and the conduct of all residents and guests. These rules and regulations may be amended from time to time and are in addition to the Declarations of Condominium as amended and the bylaws as recorded with the Clerk of the Court, Polk County, Florida.

Q: Are there any restrictions on parking?

A: Yes. Parking spaces are located in the condominium clusters and are not identified by numbers. These parking spaces are available for owners, their tenants, or guests without reservation or restriction except as otherwise provided herein. Upon request the condominium association is empowered but not required to assign to an individual apartment owner a specific parking space which would thereafter be numbered or otherwise identified. Thereafter such parking space would constitute a limited common element as defined hereunder and relating to such apartment. Vehicles are to be parked on the asphalt within the parking spaces provided. Under no circumstances are vehicles allowed to park or

travel on the grass. The landscaped areas have irrigation heads which will break under the weight of vehicles. No campers, trailers, motor homes, boats, or vans or trucks having capacity over one ton or having more than six wheels may be parked on Association property. No unregistered vehicles, vehicles with expired tags or off-road vehicles may be parked on Association property. Moving trucks and delivery trucks maybe parked temporarily for a period not to exceed 24 hours for loading and unloading. Vehicles in violation of this section may be towed at the owner’s expense.

Q: What restrictions exist on the leasing of my unit?

A: As stated in the Declarations of Condominium, no apartment or room within an apartment may be leased or rented without the approval of the Association. The intent is not to restrict the leasing ability of members, but to assist the membership and any of their rental agents with securing renters whose occupancy would benefit and enhance the character of Grenelefe. Consequently, the Association has approved a policy for renting condominiums which is available in the Association office or on its web site.

Q: How much are my assessments to the Condominium Association for my unit type and when are they due?

A: Assessments (called maintenance fees at Grenelefe) are due on the first day of each quarter of the fiscal year. For convenience, maintenance fees are billed thirty days in advance of the due date. Maintenance fees that become ten or more day’s delinquent are subject to interest payments of ten percent per annum. If a quarterly payment is delinquent, the Board of Directors may file a claim of lien, seek a personal judgment against the owner, or foreclose on the lien. The quarterly assessments for 2017 are as follows:

<u>Unit Type</u>	<u>Regular Assessment</u>
A	\$676
B	\$356
AC1	\$936
AC2	\$961
SL	\$695
ACD	\$1,157
LL	\$663

Owners are assessed a pest control fee of \$12.84 per apartment per quarter in order to maintain the property free of pests. (An AC2 unit is considered two apartments for purposes of pest control.) In addition to these charges, some owners of Corner Lake condominiums must pay an electric surcharge of \$10 per quarter per unit, because the units in those buildings share a common hot water heater.

Q: How are the maintenance fees calculated?

A: As part of its duties, the Board of Directors approves an operating budget for each fiscal year. Prior to its approval, owners are sent a copy of the proposed budget for their review and comments. Based on operating costs and the funds needed to be held in reserve, the Board of Directors sets annual maintenance fees for the operating part of the budget, and the

general membership decides at the annual meeting how much is to be allocated to reserves.

The operating expenses fall into three categories: (1) expenses that are common to all buildings, (2) expenses that are specific to certain types of buildings, and (3) expenses that are specific to certain types of apartments. The common expenses are calculated based on the square footage of each apartment. The expenses specific to building types are also calculated by the square footage of the apartments for those building types. The unit-based expenses are based on the actual expense of each apartment. The reserves are also allocated on a square footage basis.

Q: What do my maintenance fees pay for?

A: Although this fee is described in the condominium documents as a "maintenance fee," its purpose is not only for maintenance but for the entire operation of the Association.

The fee pays for the care of the grounds which includes such items as: mowing, spraying, fertilizing the lawn and plant beds, planting flowers, bushes and trees, tree trimming, and maintaining the walks and parking areas and the irrigation system.

The exterior of the buildings are the responsibility of the Association. Therefore, the fee pays for maintaining, cleaning, painting and repairing the building exteriors, including the stairs, siding, roofs and other common areas; maintaining and replacing the exterior common area lighting, including the fixtures, lamps and wiring; maintaining, inspecting and replacing the exterior fire extinguishers and cabinets; and maintaining any plumbing and wiring within the perimeter walls of the buildings. The fee also pays for the repair of laundry room lights, walls and woodwork.

Washers and dryers are owned by the Grenelefe Condo Association. Please call the Association office during normal business hours if repairs are needed or leave a message at 863-422-0077. Washers and dryers are card operated. Cards can be purchased and loaded at the laundry card machine just outside the Association office door.

The fee also pays for the electric power to the pole lights in the parking areas and roadways, the lights surrounding the buildings and the lights in the laundry room. It also pays for water used in the laundry rooms and for the irrigation system. Domestic water and sewer service and consumption is billed separately by Westgate Grenelefe Utilities.

The fee pays for the treatment of subterranean termites, but not the extermination of other pests inside the apartment. The fee pays for trash removal to a landfill. However, owners are expected to deposit household trash at a central collection point designated by the Association.

Finally, the fee pays for the management and administration of the Association such as wages, taxes, health insurance, insurance on the buildings, liability insurance, telephone, communications, record keeping, the year end audit, legal services as they pertain to Association business, postage, office rent, and office and maintenance equipment.

Q: Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?

A: Membership in the Association does not guarantee the use of recreational facilities at Grenelefe. Recreational facilities such as the golf courses, the tennis courts, and the pool are owned by Grenelefe Resort LLC, a Westgate property. The Association does not own any recreational facilities and does not control any recreational facilities at Grenelefe. Use of the recreational facilities owned by Grenelefe Resort LLC is subject to the rules and charges of Grenelefe Resort LLC.

Q: Are there other costs associated with living at Grenelefe?

A: Yes. If you wish to avail yourself of telephone service or cable television, you must contract for these services with Verizon or Bright House.

Westgate Grenelefe Utilities provides water and sewer. Charges include a base charge per meter and a consumption charge per 1,000 gallons. Rates are published by the utility company and approved by the Florida Public Service Commission.

Q: Does the Association maintain reserves in case of major expenditures?

A: The Association maintains reserves for the replacement of major building components and for major improvements and capital expenditures. In Florida, separate reserves are required by law for buildings, roofs and parking lots. In addition to these, the Association maintains separate reserves for landscaping, office and maintenance equipment, and laundry rooms. The reserves are funded by part of the quarterly maintenance fees. An annual and formal reserve evaluation is made to determine the current adequacy of reserves. Inadequacy of reserves requires an increase of maintenance fees or a waiver by the general membership at the annual meeting. Waivers of adequate reserves may require periodic special assessments for major replacements. The reserves of the Grenelefe Association are currently under-funded by choice and by vote of the general membership at annual membership meetings.

Q: What type of insurance does the Association carry?

A: The Association insures the owners' interest in the common element. That insurance includes property casualty for \$71,813,629, general liability for \$2,000,000, umbrella liability for \$10,000,000, directors and officers liability for \$1,000,000, fidelity bond for \$1,000,000, workers' compensation, vehicle and scheduled property insurance.

Owners are responsible for all floor, wall, and ceiling coverings, electrical fixtures, appliances, water heaters, built-in cabinets and countertops, and window treatments, including curtains, drapes, blinds, hardware, and similar window treatment components. Owners must carry homeowners' condominium insurance for these items and the contents of their apartment.

Q: Who will look after my apartment in my absence?

A: The Association is not responsible for and does not look after the interiors of units. However, pest control and HVAC technicians enter units for which the Association has keys on a quarterly basis. If they happen to notice a problem while doing their routine service, you will be notified by the Association office. Some owners feel more secure having their

unit thoroughly inspected on a regular basis. You may contact the Association office for names and phone numbers of persons who will inspect units weekly, biweekly, or monthly for a fee.

At any rate, the Association strongly urges you to turn off the breaker to the hot water heater and have the water to your unit turned off if you will be gone for any length of time. To order water turned off and on, call Grenelefe Utilities. It is also recommended that a drain pan be placed under all water heaters.

Owning a condominium apartment is similar to owning a home when it needs to be maintained. The condominium owner is responsible to maintain the interior of his apartment including the exterior portion of the air conditioning system. The Association does not maintain interiors.

The Association has an Owner Services Representative who can provide owners with a list of private housekeepers who will clean and arrange for the arrivals and departures of owner guests. However, the owner will be ultimately responsible to select and pay vendors for services rendered.

The Declarations of Condominium state that an owner is responsible for the air conditioning system. However, as a service to owners, most of whom are absentee, the Association maintains air conditioning technicians on its staff to assist owners in the repair, replacement and servicing of air conditioners. Owners are not obliged to use the Association staff for service. However, if they desire, service is available through a service contract or on an individual call basis. Service calls need written pre-authorization of the owner before being performed. Service will be billed to the owners in addition to the maintenance fees.

Q: How do I know whom to call for service?

A: Since Grenelefe is owned and operated by two separate organizations, it is often confusing to determine who is responsible for certain operations. Grenelefe Resort LLC owns the resort property, conference center, golf courses, and other recreational amenities.

You may use the following numbers for utility services:

Electric	-	Duke Energy	-	800-700-8744
Telephone	-	Verizon	-	800-483-4000
Cable	-	Bright House	-	863-965-7766
Water	-	Grenelefe Utilities	-	863-422-7511 ext 3013

Owners wishing to have mail delivery at Grenelefe should call the Association office for assignment of a box.

Feel free to contact the Association office on any issue that is of concern. If an answer is not readily available, one will be obtained. The Association's telephone number is 863-422-0077, our fax number is 863-422-8937, and our e-mail address is grenelefecondos@aol.com. You may also visit the Association's web site at www.grenelefecondominium.com.

The Association belongs to all and represents all owners. In that capacity, each owner is welcomed to participate in it.

The Board of Directors and staff hope that these frequently asked questions and answers are helpful and welcome any comments.

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