

Serenity Gardens Owners Association

1. The Association is exclusively dedicated to the rendering of public utilities services to the owners of the lots involved in the Serenity Gardens. In the future, the Association may render the same services to the owners of other phases of the same project with the intent of sharing the operational costs with other property owners. For this purpose, The Association has under its administration the community wells, community tanks, community pumps, and community aqueducts, that are integrated into the water supply system, the public access roads as well as various common areas.
2. The developers of the Serenity Gardens, hereby known as the “Developer”, reserve the right to be excluded from the below clauses for the purpose of continuing the future phases of the development.
3. With the approval of the construction plans, up to date payment of the monthly fees, and the fulfillment of the other conditions herein established, the Association promises to provide to the Owner services consisting of the following:
 - 3.1. An electrical connection to the lot line
 - 3.2. A Community center/club house, pool and nature trails when completed,
 - 3.3. Cleaning and maintenance of the grounds and access roads to the project,
 - 3.4. Maintenance and repair of roads inside the development
 - 3.5. Maintenance and repair of all common areas,
4. The Association reserves the right to deny services or access to the property to owners who fail to comply with the Regulations or fail to pay assessments and fees.
5. The Association reserves the right to modify or supplement Serenity Gardens Regulations with respect to all or any part of Serenity Gardens, and any limitation, restriction, covenant or condition thereof, may, at any time with the written consent of Association, be amended or repealed.

General Property & Buildings and Permitted Uses

6. The Lot and buildings are to be dedicated only for residential use. No commercial, services or industrial use is permitted in the Lot or in the buildings.
7. **Noise levels:** It is prohibited to conduct noisy activities inside any property which may generate more than seventy-five decibels, unless temporarily occurring during construction.
8. **Hanging clothes and linen on clothes lines:** The view cannot be hindered by the hanging of clothes and linen. The hanging of clothes and all types of linen on houses located in the properties shall be made at the back, or in an enclosed area, in order that it may not be visible from the rights of way or the adjacent properties.
9. Storage of chemicals, fuels, or unsafe substances is prohibited aside from those routinely used for maintenance.
10. **Vehicles** of more than three axles is prohibited, except when being used for construction or maintenance within the property. All vehicles on property must be in working order.
11. **Temporary, or removable structures,** may not be installed. This includes, but is not limited to, mobile homes, RV's, tents, house trailer, or similar facility or structure shall be kept, placed or maintained upon any private area at any time; provided, this paragraph shall not apply to temporary construction shelters.
12. **Maintenance of the right of way:** All the owners who enjoy the rights of way established for reciprocal enjoyment are required to contribute to their maintenance in order to keep them in good condition, as well as to their repair and preventive conservation, by paying fees to be contractually regulated. The rights of way may become public roads in the future.
13. **Damages to or spills on the right of way:** The driver that causes them, and on a jointly basis, the owner of the respective lot located in any of the properties related to the establishment of the easement, shall be responsible for repairing the damage or immediately collecting any spills of any type of toxic and non-biodegradable substances on rights of way.
14. Initial development of common areas, including, but not limited to, monuments, hiking trails, community center, is at the discretion of the Developer.
15. Every Member and his immediate family shall have a non-exclusive right and easement of enjoyment into the Common Areas. The Association, at its sole discretion, may from time to time grant easements and rights of way on, across, under, and over the common areas to any district or other entity providing water, sewer, gas,

electricity, telephone, cable television, or other similar services to the Properties. A Member is fully responsible for the actions of the members of his family and his guests, employees, licensees, lessees, or invitees.

16. The Association

- 16.1.** The Association, through its Board of Directors, shall perform functions and manage the Properties as provided in this declaration so as to further the interests of the residents of the properties and Members of the Association. Any purchaser of a lot shall be deemed to have assented to, ratified, and approved such designations and management. It shall have all the powers necessary or desirable to effectuate such purposes. The affairs of the Association shall be managed by a Board of Directors which may by resolution delegate authority to a Managing agent for the Association.
- 16.2.** Each Member of the Association agrees to pay the Association certain assessments to be fixed, established, and collected from time to time as herein provided. Such assessments, together with interest and the costs of collection in the event of delinquency in payment, shall be the personal obligation of the person who was the Member at the time when the assessment was made. Each member must enhance their lot with at least \$500 of landscaping within six months of purchase.
- 16.3.** The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents of the properties and the Members of the Association, which include, but are not limited to, the following: the expense of repair and maintenance of the common areas, to provide casualty and public liability insurance for the common areas, including the recreational facilities located thereon, and for any other purpose reasonable, necessary, or incidental to such purposes. Such assessment shall include the establishment and maintenance of a cash reserve and a sinking fund for all of the foregoing purposes, including, but not limited to, an adequate reserve fund for the maintenance, replacement, or repair of those elements of the common areas which must be repaired on a periodic basis.
- 16.3.1.** In the event repairs are required resulting from negligent acts of a Member, the Member's family, guests, employees, invitees, or lessees, the Association shall be reimbursed forthwith by such Member thereof.
- 16.4.** In addition to the assessments authorized above, the Board may levy special assessments for the purpose of defraying the costs of any construction or reconstruction, unexpected repairs or replacement or capital improvements.
- 16.5.** All assessments shall be due on the agreed upon date. The payment will be considered delinquent after thirty days. Nonpayment of assessments may result in late charges as determined from time-to-time by the Board.
- 17. Timber cutting, extraction of materials and mining:** The cutting of trees, branches and foliage is prohibited. The extraction of timber from properties related to the easements for commercial purposes, thus destroying the natural forest, is prohibited. No mining, quarrying, tunneling, excavating or drilling for substances within the earth shall be permitted within the limits of the Lot or common areas. The only exceptions shall be the properly authorized excavations required for the construction of approved improvements. In addition, no items may be removed from any areas designated on the property as primary jungle or rainforest.
- 18. Conservation of fauna:** It is prohibited to hunt any animals anywhere in the development. Torture, captivity, extraction, commercial exploitation or damages to their habitat or to the animals themselves is prohibited. The use of sound devices or natural barriers to prevent the entrance of animals into the buildings is allowed.
- 19. Domestic animals:** The free roaming of domestic animals is prohibited. Only domestic pets including dogs, cats, birds, or small encaged animals are allowed. Pets will be kept in such a way that they do not cause any sonic or odor and so that they do not roam through other properties or in common areas. Domestic pets will only be permitted to stay within the houses, within the permitted enclosed areas under due vigilance, or on a leash accompanied by a person who can control them. Breach of this rule will cause a fine of One Hundred Dollars, payable to the Association.
- 20. Garbage:** Garbage cans/bins shall be kept inside the carport and hidden from view, except on collection days. It is also prohibited to deposit or throw garbage in rights of way, adjacent or neighboring properties, rivers, brooks, waterfalls and springs, or at any place of common enjoyment in the properties related to the easement.

Construction

21. No lot within Serenity Gardens can be split, unless with the written approval of the Association. No two or more lots within shall be consolidated into one lot unless written approval has been obtained by the Association. The Developer has the right to consolidate lots.
22. Prior to start of any construction or remodeling, the corresponding approval must be obtained with proper government Permits and legal obligations as per Costa Rican laws. All designs must be presented to Developer and approved before construction can begin.
23. No permanent structure can be built within three (3) meters of the property line without Association approval.
24. Approved Construction must be completed within twelve months of initiation.
25. No construction materials may be placed on roads, neighboring properties or any other areas
26. No noisy construction shall occur between 7:00 p.m. and 7:00 a.m. Monday thru Saturday and not at all on Sundays.
27. All tanks, water tanks or similar storage facilities shall be constructed as an integral part of the main structure of the residence or shall be installed or constructed underground so that the structure will be hidden from view.
28. Building materials shall be stored on the building site. Materials shall be secured in such a manner s to resist movement from wind.
29. Property Owner shall be liable for any damages and harms caused to third party properties or persons during the building process or as a consequence of the building process.
30. **Septic Tanks:** The discharge of human solid waste in any stream, brook, spring or water source is prohibited. All human solid waste shall be treated by means of a septic tank to be built in accordance with the specifications contractually agreed upon. Each building must have its own septic system to treat sewage; proper systems must be installed to capture and dispose of gray waters, and the necessary grease traps must be installed.
31. **Waters:** With regard to natural waters or water bodies, the alteration of streams and beds and the use of water power and its commercial extraction and exploitation, are prohibited.
32. **Boundary lines:** Plastic and metal mesh fences, masonry, galvanized wire, barbed wire or any other type of cable or wire, or pre-manufactured mesh fences or any other that interrupts the passage of animals or the existent ecological corridors are prohibited. An unobtrusive gate (without surrounding fencing) will be allowed in the lot driveways for security purposes. Property limits may be marked with spaced plants.
33. **Maximum height:** The maximum construction height in private property cannot exceed two stories. The maximum height permitted in any type of constructions inside the properties shall be ten meters over ground level, with the exception of lookout towers and chimneys, which can have a maximum height of twelve meters over ground level.
34. All design and construction must be done in a way to ensure that a new structure does not materially change the view for existing homeowners. The Association and Developer are the final authority in deciding such cases.
35. **Spaces surrounding constructions:** No constructions can be made without surrounding space. The following spaces shall be respected in every construction: Side and rear space of five meters from the boundary line. The space from temporary steams, brooks and rivers has to be defined in accordance with local regulations or laws.
36. **Reflecting materials and roofing:** The external installation and use of mirror-type reflecting or polarized glasses with reflection levels of more than a fifty percent of visibility, or which damage the flora and the fauna, as well as the use and installation of reflecting films or glasses in windows and doors, are prohibited. Covers of galvanized iron and any similar material shall be enameled or painted from the time they are placed. No glowing surfaces shall be permitted on external walls.
37. **Lighting systems:** The lighting systems cannot exceed the maximum height of construction. Every outdoor source of light shall be indirect, duly covered, and adequate for outdoors conditions. Exterior landscape lighting shall be positioned in such a manner so as to be downcast and/or screened from view from neighboring properties. No flashing lights or neon lights shall be permitted.
38. **Swimming pools** will be allowed, limited to one pool in each Lot.
39. **Parabolic antennas** shall be placed in an inconspicuous location.
40. **Ovens, Stoves, Burners and ranges** which use wood or coal as fuel are prohibited, in view of the risk they represent of the forest during the dry season. Every home is to have two functioning fire extinguishers.
41. **Signage:** Commercial signs or any other type of advertising may NOT be installed. No signs whatsoever, including but without limitation, commercial, political and similar signs visible from neighboring property, shall

be erected or maintained upon any private area. Seasonal signage and decoration (Christmas, Halloween, etc) is permitted. The Developer and Paradise Brokers have the right to place signs anywhere in the property to promote the Estate, provide directions or to use in the selling of property in Serenity Gardens.

- 42. **House rentals** are permitted for residential use only and must be made for at least one full day/night. If residents choose to rent their house out, this must be handled by Paradise Rentals to ensure that all rules and regulations are followed, to accept the deposit and to provide access to the house. A fee will be charged by Paradise Rentals for this service.

Association Rights

- 43. The Association shall have the right at any time, to enter upon any private area for the purpose of maintaining such private area and common area or otherwise enforcing the restrictions set forth
- 44. The private area of each lot shall be used exclusively for residential purposes, and no more than one family (including its servants and transient guests) shall occupy such private area.
- 45. No offensive or illegal activity shall be carried on upon any private area, nor shall anything be done or placed thereon which may become a nuisance, or cause unreasonable embarrassment, disturbance, or annoyance to other Owners in the enjoyment or their private area, or in their enjoyment of common area. The Association will have final and binding arbitration authority.
- 46. No firearms in common areas and no shooting of firearms practice in any area.
- 47. All Owners must provide a current postal address and e-mail address for receiving communications.
- 48. In the case of abandonment or neglect by the Owner of external gardens or façade of the residence, the Association may perform necessary work for the maintenance of the appearance at the cost of the Owner.
- 49. The non-payment of maintenance fees in any clause will give the Association the right to suspend the services detailed herein, including access, security, etc. Arrears in payments will incur a monthly interest of two percent.
- 50. The Association, with the intention of guaranteeing the appearance, security and progress of Serenity Gardens, and in general the availability and stability of services it renders, may modify, eliminate or amplify the previously listed items. Any changes in regulations will be communicated to the Owner at the address that he has provided.
- 51. The yearly fee due per lot is estimated to be \$400, subject to change by the Association. Any monies not used in the above services will be banked for future improvements to the project as approved by the Association. The monthly association will be reviewed annually by the members of the Association, and modified at that time if deemed appropriate.
- 52. The Developer will be the controlling party in the Association until such time as 60% of the available units in Development are sold. The Association will be made up of at least three owners and not to exceed nine elected by the secret ballot form among all of the current Owners.
- 53. A Nature Reserve has been established by the Owner of Serenity Gardens (“Developer”). The Nature Reserve is the sole ownership of the Developer, and it will be conditioned to be used only as such Nature Reserve in the future. Circulation within the Nature Reserve is permitted on foot only. Motorized wheelchairs are allowed. No animals can be brought by users into the Nature Reserve, with the exception of dogs, which have to be on a leash.
- 54. **General Provisions** - These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of 35 years from the date these covenants are recorded, after which time said covenants may be reenacted for another 35 years by a 75% consent of all the then property owners. The covenants may be amended by a 75% consent of the then owners of the lots, agreeing to change said covenants in whole or in part.

Acknowledgement

- 55. The buyer certifies having read Serenity Gardens Association’s Regulations and agrees to abide by all of its stipulations. These Regulations are also binding on owner’s heirs, family and guests. Spanish translation of this document is available upon request.

OWNER NAME

SERENITY GARDENS LOT #

DATE

SERENITY GARDENS

DATE