



## **Treasure Cove Homeowners Association**

### **Article I**

#### **Definitions**

Section 1 "Association" shall mean and refer to Treasure Cove Homeowners Association Limited its successors in title and assigns

Section 2 "Owner" or "Owners" shall mean and refer to the person, persons or company to whom a lot or lots in the said Subdivision have been conveyed in free simple and his heir or its heirs personal representatives successors in title and assigns The "Owner" shall not mean or refer to any person, persons or company having an interest in any lot or lots in the said Subdivision as security for the performance of an obligation.

Section 3 "Common Areas" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Areas to be owned by the Association at the time of the Conveyance of the first lot as described in the Second Schedule hereto.

Section 4 "Road Reservations" shall mean all those road reservations owned by the Association for the use of the Owners. The Road Reservations to be owned by the Association at the time of the Conveyance of the first lot are described in the Third Schedule hereto.

Section 5 "Lot" shall mean and refer to any lot of land shown and numbered upon the Plan with the exception of the Common Areas.

Section 6 "Yearly Rent" shall mean and refer to the sum of One (1.00) dollar in the currency of the said Commonwealth of The Bahamas payable on the First day of January in each and every year.

Section 7 “Annual Assessment “ shall mean and refer to such assessments as shall be levied on the Owners by the Association on the First day of January in each and every year.

Section 8 “Special Assessments” shall mean and refer to such assessments as shall be levied on the Owners by the Association from time to time.

Section 9 Words importing the masculine gender shall include the feminine and the neuter and words importing the singular number shall include the plural.

## **Article II**

### **PROPERTY RIGHTS**

Section 1. Owners’ Easements of Enjoyment Every Owner shall have the rights and easements in over upon and along the Road Reservations and the Common Areas as contained in the Lease of Easements (hereinafter referred to as “the Lease of Easements”) to be granted to each Owner simultaneously with the Conveyance of the Lot to him which said rights and easements shall be appurtenant to and shall pass with the title to the Lot subject to the following provisions.

- a. The right of the Association in the event of the Yearly Rent the Annual Assessment or any Special Assessment or either of them or any part thereof respectively remaining unpaid for thirty (30) days after becoming payable (whether formally demanded or not) or if the Owner shall at any time fail or neglect to perform or observe any of the covenant and agreements on his part to be performed or observed and if within thirty (30) days of written notice thereof shall not have taken steps to remedy the breach complained of or if the owner shall become bankrupt or make any assignment for the benefit of his creditors for the liquidation of is debts or composition or otherwise or if the Owner being a company shall be put into liquidation or struck off the Register of Companies then and in any of the said cases it shall be lawful for the Association at any time thereafter to do any one or more of the following:
  - i. Call upon the Owner at the expense of the Owner to execute a first in favour of the Association over the Lot or Lots owned by the Owner pursuant to the provisions of Clause Number Seven (7) of the Lease of Easements and to proceed to exercise the remedies available to the Association under the first legal mortgage.

- ii. Determine absolutely the term granted by the lease of Easements and excluded the Owner from the exercise or enjoyment thereunder of easements thereby demised and may henceforth hold and enjoy the Road Reservations and the Common Areas as if the lease of Easements had not been granted and without prejudice to any right of action of the Association in respect of such unpaid-Yearly-Rent Annual Assessment or Special Assessment and any other antecedent breach of the Owner's covenants and agreements therein contained.
  - iii. To lease anew the easements over the Road Reservations and the Common Areas to any person being seised for an estate in fee simple of the Lot for a like term.
  - iv. To cancel the one (1) Class B share of the Owner in the Association and to issue one (1) new Class B share in the Association as appurtenant to the Lot to any person being seised for an estate in fee simple of the same.
  - v. To suspend the voting rights of the Owner for any period during which the Yearly Rent, the Annual Assessment and the Special Assessment or either of them or any part thereof shall remain unpaid.
  - vi. To suspend the voting rights of the Owner for a period not to exceed sixty (60) days for any breach of the rules and regulations herein contained or for any breach of the covenants contained in the Conveyance or the Lease of Easements and on the part of the Owner to be performed and observed.
  - vii. To commence proceedings against the Owner to recover the Yearly Rent the Annual Assessment or the Special Assessment or either of them or any part thereof as shall remain unpaid together with costs.
- b. The right of the Association to convey or transfer all or any part of the Road Reservations or the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association. No such conveyance or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by a two-thirds (2/3) majority of each class of members has been recorded in the said Registry of Records.

## Article III

### MEMBERSHIP AND VOTING RIGHTS

Section 1: Every Owner shall be entitled to one (1) Class B share (hereinafter referred to as “the Share”) in the Association. No Owner shall assign or transfer the Share except upon or immediately before and in contemplation of a conveyance mortgage assignment, re-conveyance or transfer of the Lot owned by the Owner. The Owner or his personal representatives will upon any transaction disposition or assent to which he or they are parties or over which he or they have any control involving a change or a contract for a change in the ownership of the Lot ensure that the person becoming or contracting to become as a result of such transaction or disposition the Owner of the Lot becomes also the holder of the Share and further that the Owner or his personal representatives will give the Association one (1) month’s prior notice in writing of any proposed transaction or assent as aforesaid.

Section 2. The Association shall have the following three (3) classes of shares:

#### Class A

Two hundred and Eighty-two (282) Class A shares shall be issued to the Declarant One (1) in respect of each Lot in the said Subdivision. The Class A shares shall be numbered in the same order as the Lots in the said Subdivision. The Declarant shall be entitled to one (1) vote for each Class A share held. Upon the issue of Two hundred and Eighty two (282) Class B shares the Association shall purchase the Class A shares at their par value and cancel such shares subject nevertheless to the provisions of Section 44(2) of the companies Act.

#### Class B

One (1) Class B share shall be issued to the Owner for each Lot owned by the Owner. The Class B shares shall be numbered in the same order as the Lots in the said Subdivision. The Owner shall be entitled to one (1) vote for each Class B share held. In the event there is more than one Owner of a Lot the Owners shall hold the Class B share either as joint tenants or tenants in common however in either case the Owners shall not be entitled to more than one vote with respect to each Lot Owned.

**Article IV**

**ASSESSMENTS**

Section 1-. Covenant to pay Assessments: The Declarant for itself and its successors in title and assigns in respect of each Lot owned by it hereby covenants and each Owner of a Lot by acceptance of a conveyance and thereof whether or not it shall be so expressed in such conveyance shall be deemed to covenant and agree to pay to the Association (1) the Yearly Rent, (2) the Annual Assessments and (3) any Special Assessments for the purposes set out in Section 2 hereof. Such Yearly Rent, Annual Assessment and Special Assessment to be established and collected as hereinafter provided.

Section 2- Purpose of Assessments: The assessment levied by the Association shall be used for the following purposes or any other purposes which the association may at a general meeting agree to namely:

- a. To promote the recreation, health, safety and welfare of the residents of the said subdivision,
- b. For the improvement and maintenance of the Road Reservations and the Common Areas,
- c. To provide sufficient liability insurance for the Association and Peril Insurance in respect of the Common Areas,
- d. To provide for street lighting and for lighting in respect of the Common Areas insofar as any lighting provided by the Bahamas Electricity Corporation or any successor thereto is considered inadequate,
- e. For the employment of such security personnel as shall be deemed necessary by the Association,
- f. To maintain the decorative entrance features and the gatehouse at main entrance,
- g. For clean-up and general maintenance,
- h. For the payment of any utility charges and the real property taxes with respect to any of the above,
- i. For the payment of legal and accounting fees and all expenses incurred in the management of the Association

Section 3- Maximum and Annual Assessments:

- a. Until the first day of January of the year immediately following the conveyance of the first Lot in the Subdivision to an Owner the Annual Assessment shall be Nine hundred and Sixty dollars (960.00) per lot.
- b. From and after the First day of January of the year immediately following the conveyance of the first Lot to an Owner the /board of Directors of the Association (hereinafter referred to as the “Board of Directors”) shall establish the Maximum Annual /assessment for that year and during each year thereafter shall establish the Maximum Annual Assessment provided nevertheless that they may not during each subsequent year increase the Maximum Annual Assessment by more than ten (10%) percent above the amount of the Maximum Annual Assessment for the previous year without the approval of a majority of the shareholders of the Association entitled to vote at a General Meeting of the Association duly convened for the purposes.
- c. The Board of Directors may fix the Annual Assessment at any amount not in excess of the maximum Annual Assessment.

Section 4- Special Assessments for Capital Improvements: In addition to the Annual Assessments authorized above the Board of Directors may with the approval of a two thirds (2/3) majority of the combined Class A and Class B shareholders entitled to vote, Voting in person or by proxy at a general meeting duly convened for that purpose levy in any assessment year a Special Assessment or Assessments applicable to that year only for the following purpose or any other purposes which the Association may in general agree:

- a. For defraying in whole or in part the cost of any construction reconstruction repair or replacement of a capital improvement upon the Road Reservations, The Common Areas or the entrance features including fixtures and personal property related thereto.
- b. To cover increased insurance costs and increased real property taxes which are in excess of the amounts then presently being collected in the Annual Assessment.

Section 5- Notice and Quorum for any Action Authorized under Section 3 and 4:

Written notice of any general meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all Class A and Class B shareholders not less than thirty (30) days not more than sixty (60) days in advance of any such general meeting. At the first such general meeting a quorum shall consist of shareholders holding or representing sixty (60) percent of the issued Class A and Class B shareholders. If the required quorum is still not present another general meeting me be called subject to

the same requirement for notice and if the required quorum is not present a third meeting may be called subject to the same requirement for notice and the required quorum at the third meeting shall be one half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held with sixty (60) days following the preceding meeting.

Section 6- Uniform Rate of Assessment: Both Annual Assessments and Special Assessments shall be pro-rated evenly between all the Lots in the said Subdivision and shall be payable the owner on a monthly basis.

Section 7- Date of Commencement of Annual Assessments: Due Dates: The Annual Assessments provided for herein shall commence as to all lots on the first day of the month following the Conveyance of the Road Reservations and the Common Areas to the Association (hereinafter referred to as "The Commencement Day"). The first Annual Assessment shall be pro-rated according to the number of months remaining in the calendar year in which the Annual Assessments first became payable. The Board of Directors shall fix the amount of the first annual Assessment within thirty (30) days of the commencement Date and shall give notice in writing to every Owner of the amount so fixed within thirty (30) days thereafter. The Board of Directors shall fix the amount of each and every subsequent Annual Assessment period. Written notice of the amount of the Annual Assessment shall be sent to every Owner. The Association shall upon demand and for a reasonable charge furnish a certificate signed by the Secretary of the Association setting forth whether or not the assessments on a specified Lot have been paid. A certificate of the Association signed by the Secretary and sealed with the Common Seal of the Association as to the status of the assessments on a specified Lot shall be conclusive and binding upon the Association as of the date of its issuance.

Section 8- Effect of Non-payment of Assessments: Remedies of the Association:

(A) Charge on Lot

i. If the Yearly Rent, the Annual Assessment and the Special Assessments or either of them or any part thereof respectively shall remain unpaid by the Owner for the period of thirty (30) days after becoming payable (whether formally demanded or not) the same shall become a charge on the Lot owned by the Owner and shall bear interest at the rate of eighteen percent (18%) per annum from such date.

ii. Each Owner of a Lot by acceptance of a conveyance thereof whether or not it shall be so expressed in such conveyance shall be deemed to covenant with the Association over the Lot when called upon by the Association to do so to secure all moneys for the time being due to the Association in respect of the Yearly Rent, The Annual Assessment or the Special Assessments with interest as aforementioned.

iii. Each Owner of a Lot by acceptance of a conveyance thereof whether or not it shall be so expressed in such conveyance shall be deemed to declare and agree that he will henceforth hold the Lot as Trustee for executing such mortgage as aforesaid in favour of the Association and the statutory power of appointing a new Trustee in his place shall be exercisable by the Association which shall have full power to remove from such trusteeship at its sole and unfettered will and pleasure notwithstanding that none of the events referred to in the said statutory power as conditions precedent to its exercise shall have occurred and further that on any such exercise of the said statutory power the party exercising the same may appoint itself to be such new Trustee. The Association in consideration of the premises shall be irrevocably appointed the Attorney of the Owner in his name and on his behalf to vest the legal estate or the equity of redemption in the Lot in the Association or in any purchaser or other person and in his name and on his behalf and as his act and deed or otherwise, to sign and seal and deliver and otherwise perfect any deed assurance agreement instrument or act which may be required or may be deemed proper for any of the purposes aforesaid.

#### (B) Additional Remedies

In the event that the Yearly Rent, The Annual Assessment or Special Assessment or either of them or any part thereof remains unpaid for more than thirty (30) days after becoming payable (whether formally demanded or not) it shall be lawful for the Association at any time thereafter to do any one or more of the following:

i. Determine absolutely the term granted by the Lease of Easement and exclude the Owner from the exercise or enjoyment there over: of easements thereby demised and may henceforth hold and enjoy the Road Reservations and the Common Areas as if the Lease of Easements had not been granted and without prejudice to any right of action of the Association in respect of such unpaid Yearly Rent Annual Assessment or Special Assessment and any other antecedent breach of the Owner's covenants and agreements therein contained.

ii. To lease anew the easements over the Road Reservations and the Common Areas to any person being seised for an estate in fee simple of the Lot for a like term.

iii. To cancel the one (1) Class B Share of the Owner in the Association and to issue one (1) new Class B share in the Association as appurtenant to the Lot.

iv. To suspend the voting rights of the Owner for any period not to exceed sixty (60) days for any breach of the rules and regulations herein contained or for any breach of the covenants contained in the Conveyance by the lease of Easements and on the part of the Owner to be performed and observed.



v. To commence proceedings against the Owner to recover the Yearly Rent, the Annual Assessment or the Special Assessment or either of them or any part thereof as shall remain unpaid together with costs.

Provided That no Owner shall be relieved of his obligation to pay the Yearly Rent the Annual Assessments and the Special Assessments by the non-use or abandonment of his lot.

## **Article V**

### **ARCHITECTURAL CONTROL**

No building fence, wall or other structure shall be commenced, erected or maintained upon any part of the said Subdivision nor shall any exterior addition to or change or alteration therein (including exterior colour schemes) be made until the plans and specifications showing the nature, kind, shape, height, materials and location in relation to surrounding structures and topography by the Board of Directors of the Association or by an Architectural Committee composed of three (3) or more representatives appointed by the Board. In the event the Board of Directors of the Association or its designated Committee fails to approve or disapprove such design and location within thirty (30) days after the said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully completed with.

## **Article VI**

### **GENERAL PROVISIONS**

Section 1- Enforcement: The Association or any Owner shall have the right to enforce by proceeding at law or equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposing by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in not event be deemed a waiver of the right to do so thereafter.

Section 2- Severability: Invalidation of any one of the covenants herein contained by judgement or any order of the court shall in no way effect any other provisions which shall remain in full force and effect.

Section 3- Amendment: The Covenants and restrictions contained herein shall run with and bind the property comprising the said Subdivision. In all other respects this Declaration may only be amended with the approval of a two-thirds (2/3) majority of the

Class A and Class B shareholders entitled to vote in person or by proxy at a general meeting of the Association duly convened for such purpose. Any such amendment shall only take effect on the lodging for record of the same in said Registry of Records.

Section 4- Annexation: Additional residential property and common areas may be annexed o the said Subdivision with the consent of a two-thirds (2/3) majority of the Class A and Class B shareholders entitled to vote in person or by proxy at a general meeting of the Association duly convened for such purpose.

Section 5- Termination of Declaration: Should a two-thirds (2/3) majority of the shareholders voting in person or by proxy at a general meeting of the Association duly convened for such purpose vote to terminate and/or dissolve the Association then and in that even all of the assets right title and interest of the Association in any property real or personal tangible or intangible held by the Association at the time of the said termination and/or dissolution shall be conveyed and transferred to a public body or corporation or to a non-profit organization with similar purposes as the Association or in such other manner as the Association shall determine.

## **Article VII**

### **RESTRICTIVE COVENANTS**

1. No trade, manufacture, business or commercial undertaking (including the business of a guest house proprietor, boardinghouse or hotel operator) and no profession shall be carried on any lot.

2. No duplex house, apartment house, hotel, hospital or other building designed for occupation by more than one family with its guests and servants shall be permitted.

3. No garage, outbuilding, tent, trailer or other temporary building structure or shelter shall be used as a residence or living quarters except during construction of residences and then only for a period not exceeding six months.

4. No Lot in the said Subdivision shall be divided or subdivided into a smaller unit or units (but this provision shall not prohibit the building of one house on more than one Lot).

5. No building structure or earth mound of any kind (including marine structure) shall be built, erected, constructed, placed, enlarged or altered on any lot without the express written consent of the Association.

6. No fences or walls shall be erected on the boundaries of any lot to a height greater than Six (6) feet. All clothes lines must be placed at the rear of the Lot. No

temporary or permanent beach house, fences, barricades, walls, cabanas, boathouses, docks or other obstructions shall be constructed on the beach in front of any of the Lots in the said Subdivision facing the beach.

7. Not more than one operative fresh water supply shall be placed on each lot. No water shall be drawn from a well for the purpose of human consumption. Fresh water shall not be drawn from any well at a rate exceeding One thousand (1,000) gallons per day.

8. No furniture, packages, equipment or goods or objects of any kind shall be kept or suffered to be kept in or upon the Common Areas of the said Subdivision and such areas shall not be used for any purpose other than normal passage or such leisure or other purpose as may be designated by the Association from time to time.

9. No earth or open pit or cesspit shall be constructed or maintained on any Lot (except an approved type during construction). No domestic fresh water waste shall be discharged or disposed of otherwise than into a sewerage system.

10. Nothing shall be done over or under the areas in respect of which easements are excepted or reserved for utilities which will or may prevent impede or interfere with the use of such areas for the purposes of laying, erecting, inspecting, maintaining, repairing, replacing and removing cable, pipe, lines, conduits, wires, poles and other apparatus for the purpose of supplying water, electricity, telephone and cable services or utilities in the said Subdivision and for the purpose of providing drainage and sewerage facilities to the said Subdivision and every part thereof.

11. No Lot shall be used as a dumping ground for derelict vehicles or boats, rubbish, trash, garbage or other waste matter and no incinerator shall be permitted nor shall any garbage or other waste be kept otherwise than in sanitary containers and no equipment for the storage or disposal of such material shall be exhibited or readily amenable to the view of other Owners of Lots in the said Subdivision.

12. Nothing shall be done on any Lot whereby the natural flow of surface water shall be increased or altered in such manner as to cause a nuisance to any adjoining or neighbouring property.

13. In order to preserve the appearance of the Lot or the house thereon after initial construction of any premises or any improvements thereon the Owner shall not make permit or suffer to remain any modifications or alterations thereto (including anything done or proposed to be done to the exterior of any building on the Lot or of the doors and windows thereof) either by way of painting decoration the installation of wiring or antenna or air conditioning machines or otherwise howsoever without the prior written consent of the Association.

14. The Owner shall not allow his premises to fall into a state of disrepair and in keeping with the foregoing the Owner shall fully maintain renew repair and reinstate the windows doors structure roof and the entire outer surfaces and appearance of the house and improvements to the Lot so as to maintain the same in its original appearance and condition as a newly built residential premises.

15. No sign, billboard, hoarding poster or advertising device of any character shall be erected or displayed on or over any Lot without the prior written approval of the Association.

16. No animals or poultry shall be kept, raised or maintained on any Lot except dogs and cats (not exceeding Two (2) dogs and/or cats per Lot) save that such dogs and/or cats shall not be allowed to roam on any other Lot or the Common Areas of the said Subdivision .

17. Nothing shall be done on any lot, which may be or become an annoyance or nuisance to the Owners of any adjoining or neighboring Lot.

18. No building or structure shall remain unfinished for more than Six (6) months after the same shall have been commenced. No construction, building or any building activity is permitted before the hour of 7:00 a.m. or after the hour of 6:00 p.m. No building or construction or any of the machine work that creates noise will be permitted on Sundays.

19. No boat exceeding Twenty (20) feet in length shall be kept on any Lot.

20. Nothing shall be done upon any lot, which shall be in breach of the Rules and Regulations promulgated by the Association from time to time.