SIXTH DISTRICT COURT OF APPEAL
STATE OF FLORIDA

Case No. 6D23-1151
Lower Tribunal No. 2014-CA-004397-O

GROVEHURST HOMEOWNERS ASSOCIATION, INC.,

Appellant,

v.

STONE CREST MASTER ASSOCIATION, INC.,

Appellee.

Appeal from the Circuit Court for Orange County.
Donald A. Myers, Jr., Judge.

June 9, 2023

TRAVER, C.J.

Grovehurst Homeowners Association, Inc. appeals a final judgment entered for Stone Crest Master Association, Inc. following a non-jury trial.[1] In this dispute between a master association and one of its five sub-associations, the issue involves

[1] This case was transferred from the Fifth District Court of Appeal to this Court on January 1, 2023.

whether Stone Crest's master declaration of covenants, conditions and restrictions ("Master Declaration") empowered it to contract with the remaining four sub-associations to provide landscape maintenance on sub-association common areas Stone Crest did not own. Stone Crest entered into these contracts ("maintenance agreements"), and then it assessed Grovehurst for its pro rata share of the costs, even though Grovehurst performed its own landscape maintenance. The parties dispute whether the Master Declaration grants Stone Crest this assessment power. Because the broad powers contained in the Master Declaration permitted Stone Crest's actions, we affirm.

The underlying facts of this matter are undisputed. In 2002, a sophisticated developer created Stone Crest, a planned unit development residential community in Winter Garden. Stone Crest contains 615 single-family homes in five separated neighborhood communities. Each of the neighborhoods has its own entryway signage and a decorative brick wall that sections off the community from roadways and the other neighborhoods. Pathways connect each neighborhood, though, and every resident of each neighborhood has the ability to walk these paths, which pass by a lake, ponds, and fountains located within the neighborhoods.

From 2005 to 2011, Stone Crest provided lawn maintenance services to common areas in each neighborhood, including the strips located between the walls and the roadways. In 2011, Stone Crest entered into the maintenance agreements

with every sub-association except Grovehurst. Although Grovehurst declined to enter into a maintenance agreement and insisted on doing the lawn care on common areas it owned, Stone Crest assessed Grovehurst for its pro rata share of the work Stone Crest performed for the other four sub-associations as part of Stone Crest's annual assessment to all 615 lot owners.

The parties agree that the operative documents are unambiguous, but they have diametrically opposed views on those documents' meaning. At issue in this case is Stone Crest's power to assess. Grovehurst contends that a "holistic" view of the operative documents, i.e. Master Declaration, the plats illustrating the five sub-associations, Stone Crest's by-laws and articles of incorporation, and Grovehurst's own declaration, shows that Stone Crest has no power to assess for maintenance on property it does not own.[2] Stone Crest responds that the Master Declaration granted it broad assessment powers, and its actions in this matter fell within that expansive authority.

We review de novo the trial court's interpretation of the Master Declaration and other governing association documents in this case. *See Valencia Reserve Homeowners Ass'n v. Boynton Beach Assocs., XIX, LLLP*, 278 So. 3d 714, 716 (Fla. 4th DCA 2019). We interpret these homeowners' association documents using

[2] Grovehurst does not dispute Stone Crest's ability to contract freely with the other sub-associations.

contract principles. *See Rivercrest Cmty. Ass'n v. Am. Homes 4 Rent Props. One, LLC*, 298 So. 3d 106, 110–11 (Fla. 2d DCA 2020).

We construe a contract's provisions in the context of the entire agreement, and "[c]ourts must strive to read a contract in a way that gives effect to all of the contract's provisions." *Retreat at Port of Islands, LLC v. Port of Islands Resort Hotel Condo. Ass'n*, 181 So. 3d 531, 533 (Fla. 2d DCA 2015). The parties' intention governs contract construction and interpretation. *See Republic Servs., Inc. v. Calabrese*, 939 So. 2d 225, 226 (Fla. 5th DCA 2006). The best evidence of intent is the contract's plain language. *Gendzier v. Bielecki*, 97 So. 2d 604, 608 (Fla. 1957). Where this language, as here, is clear and unambiguous, we look only to the plain meaning of the words in the contract. *E.g., Sheen v. Lyon*, 485 So. 2d 422, 424 (Fla. 1986).

We construe contractual language by reading it "in common with other provisions of the contract." *Royal Oak Landing Homeowner's Ass'n v. Pelletier*, 620 So. 2d 786, 788 (Fla. 4th DCA 1993) (citing *Triple E Dev. Co. v. Floridagold Citrus Corp.*, 51 So. 2d 435 (Fla. 1951)). Our goal is to "arrive at a reasonable interpretation of the text of the entire agreement to accomplish its stated meaning and purpose." *Silver Shells Corp. v. St. Maarten at Silver Shells Condo. Ass'n*, 169 So. 3d 197, 203 (Fla. 1st DCA 2015) (quoting *Taylor v. Taylor*, 1 So. 3d 348, 350 (Fla. 1st DCA 2009)). In this effort, we do not interpret a contract in way that renders

its provisions meaningless. *Id*. A court should reach a contract interpretation consistent with reason, probability, and the practical aspect of the transaction between the parties. *Pelletier*, 620 So. 2d at 788.

A plain reading of the unambiguous Master Declaration in this case supports Stone Crest's power to assess for maintenance on property it does not own.[3] Stone Crest governs the five sub-associations, and its power to assess is outlined in the Master Declaration. The Master Declaration defines "Assessment" as "the amount of money assessed against an Owner for the payment of the Owner's share of common fees, expenses and any other funds which an Owner may be required to pay to [Stone Crest] as set out by this [Master Declaration], [Stone Crest's articles of incorporation], or [Stone Crest's by-laws]." "Owners" means the record owners of the 615 lots contained in the master association.

The Master Declaration provides for the payment of an annual assessment and details its purpose. Specifically, it dictates that the annual assessment "must be used exclusively to promote the recreation, health, safety and welfare of the Owners . . . ." It then lists three provisions after the word "including." The Master Declaration

[3] We do not reach any other question, including those posited by a thoughtful dissent that construes the Master Declaration in a different manner. The narrow issue addressed in this decision is grounded in multiple and voluminous declarations, plats, and incorporation documents drafted by a sophisticated developer. These unique documents likely make this case's holding irrelevant to anyone other than the parties and their counsel.

explains that "including" means "without limitation." In this sense, each provision is not limited by the others. The first two provisions reference the maintenance of the "Common Area" as well as the costs of "labor, equipment, materials, management and supervision of the Common Area." "Common Area" is a defined term in the Master Declaration, meaning property owned by Stone Crest. Again, the parties do not dispute that Stone Crest does not own the property at issue in this case, and therefore, the first two provisions do not give it the power to assess to pay the management agreements. The last provision, however, is not related to the maintenance or management of the Stone Crest-owned Common Area. Instead, it generally provides for "all other general activities and expenses of [Stone Crest]."

The Master Declaration's definition of "Assessment" plainly does not reference the "Common Area"—property Stone Crest owns—as a limitation on Stone Crest's assessment powers. Instead, "Assessment" is defined expansively as the amount of money an Owner must pay to Stone Crest for his or her share of "common fees, expenses, and other funds" as set out by the Master Declaration, Stone Crest's articles of incorporation and Stone Crest's by-laws.[4] The Master

[4] We need not review Stone Crest's articles of incorporation and by-laws to conclude that it had the power to assess in this case. But nothing contained in those documents precludes Stone Crest's actions. Indeed, Stone Crest's articles of incorporation specifically provide that Stone Crest's purpose was to maintain the "Common Area," "other Lots" within the sub-association plats, and "any other property brought within the jurisdiction of [Stone Crest] pursuant to the Master Declaration." Notably, the Master Declaration defines "Lot" as "any platted parcel

Declaration separately limits Stone Crest's powers to assess in the section related to its assessment powers, but land ownership is not a limiting factor. Instead, Stone Crest's assessment powers are limited to actions that promote lot owners' "recreation, health, safety, and welfare" in the context of Stone Crest's "general activities."

The Master Declaration further outlines Stone Crest's relationship with its sub-associations, and nothing about that relationship precludes Stone Crest's actions. Indeed, the Master Declaration explains that Stone Crest has the sole responsibility to collect Assessments from its members, and that it may "make and collect charges for maintenance services" from any Owner or sub-association. It states that these charges are "separate, apart, and in addition to" assessments that any sub-association like Grovehurst can levy on its members. It recites that each sub-association also has the ability to impose maintenance assessments on its members, but that these assessments are subordinate to Stone Crest's.[5]

We can further determine that Stone Crest acted within its powers by reviewing the Master Declaration's express purposes and its instructions on how to construe it. The Master Declaration's purpose is "protecting the value and

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of land" shown on the sub-association plats, excepting the Stone Crest-owned Common Area. This would include the property at issue.

[5] The individual sub-association plats' recitations that the sub-association shall "maintain" its common areas are consistent with this restriction.

desirability of" the entire property. To that end, it instructs us to construe its provisions "in favor of the party seeking to enforce its provisions to effectuate its purpose of protecting and enhancing the value, marketability, and desirability of the [entire property] as a residential community by providing a common plan for their development and enjoyment."

In this overall context, Stone Crest's assessments promote lot owners' recreation and welfare in at least two ways. First, the assessments provide for a safe and enjoyable experience in using the neighborhoods' shared walking paths, with their accompanying lake, fountains, and ponds. Second, they enhance the overall value and desirability of the entire property by providing a common plan for its lot owners' enjoyment. For these reasons, we affirm the trial court's final judgment.

AFFIRMED.

COHEN, J., concurs.
SMITH, J., dissents, with opinion.

NOT FINAL UNTIL TIME EXPIRES TO FILE MOTION FOR REHEARING AND DISPOSITION THEREOF IF TIMELY FILED

SMITH, J., dissenting.

I respectfully disagree with the result reached by the majority, and, therefore, must dissent. At the outset, I recognize and respect my colleagues' view of the facts and controlling documents. The majority's analysis is both thorough and well-

written. There are certainly two (and probably more) ways to view these provisions. Secondly, I would note that under either the view of the majority or the dissent, we are only reaching the issue of whether the Master Association properly assessed the Grovehurst sub-association for maintaining property legally owned by other sub-associations. No one has alleged any bad faith or other nefarious deeds by any of the parties. That said, I am unconvinced that the general provisions referenced above give the Master Association the power to maintain property it does not own.

It is without dispute that the property which the Master Association is attempting to maintain is property that it does not own, and, therefore, is not "Common Area" as defined by the Master Declaration. Under the Master Declaration, the Master Association only has the right to maintain "Common Area." While the Master Association clearly does have the right to maintain property owned by the sub-associations (like Grovehurst) *if* the sub-associations are *not performing their duties* pursuant to Article III, Section 3, it is again without dispute that there are no allegations Grovehurst failed to maintain its own property.

The majority opinion states, "The Master Declaration's purpose is 'protecting the value and desirability of' the entire property." The majority appears to be quoting from the "Whereas" clauses on the opening page of the Master Declaration. That particular clause states, in fuller context, "WHEREAS, Developer intends and desires to *impose certain covenants, restrictions, easements, conditions,*

and liens upon the property and the use thereof, as part of a common plan of development upon the property, and *to protect its value and desirability*." (Emphasis provided). The clause the majority quotes does not relate to the *powers* of *Master Association*, but rather to the *construct and basic purposes* of the *Master Declaration*.

Later in the Master Declaration, it does specifically describe the Master Association. Article III, Section 1, states, "the Master Association is or will become vested with primary authority and control *over all of the Common Area* and is or will become the owner of all real and personal property known as the Common Area." (Emphasis added). The common thread is "Common Area." There is no power or authority given to the Master Association beyond that in the context set forth here.[6]

Further, I cannot agree that the Assessment and Lien article, which is Article V of the Master Declaration, gives the Master Association any general power to do what it is doing here. The majority states:

> The Master Declaration explains that "including" means "without limitation." In this sense, each provision is not limited by the others. The first two provisions reference the maintenance of the "Common Area" as well as the costs of "labor, equipment, materials, management and supervision of the Common Area." "Common Area" is a defined term in the Master Declaration, meaning property owned

[6] There is a power given to the Master Association over the "Master Surface Water and Storm Water System" which none contend relates to the claims raised in this case.

> by Stone Crest. Again, the parties do not dispute that Stone Crest does not own the property at issue in this case, and therefore, the first two provisions do not give it the power to assess to pay the management agreements. *The last provision, however, is not related to the maintenance or management of the Stone Crest-owned Common Area. Instead, it generally provides for "all other general activities and expenses of [Stone Crest]."*

Looking at Article V, Section 2 in its entirety, I cannot make out a general power to "do good for all" but rather only see an express power to maintain and care for "Common Area" which all agree does not include the land in question in this case.

> Article V, Section 2, states:
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> Section 2. Annual Assessment. The annual assessment must be used exclusively to promote the recreation, health, safety and welfare of the Owners, including (i) the operation, management, maintenance, repair, servicing, renewal, replacement and improvements of the Common Area, including but not limited to the Master Surface Water or Storm Water Management System including, but not limited to, work within retention areas, drainage structures or drainage easements, and the establishment of reserve accounts therefor; and (ii) the costs of labor, equipment, materials, management and supervision of the Common Area; and (iii) all other general activities and expenses of the Master Association.

The statement "general activities and expenses of the Master Association" certainly would encompass things like overhead and administrative costs to do what the Master Declarations require the Master Association to do. But I cannot read that single sentence to open a Pandora's box to do any activity the Master Association deems to be in the interest of "promoting the recreation, health, safety and welfare of the Owners."

The Master Association is expressly defined in Article III, Section 1 of the Master Declaration as follows:

> Section 1. Master Association. The Master Association shall have the duties imposed in the Articles and Bylaw of said Master Association, and in accordance with this Declaration. The Master Association is or will become vested with primary authority and control over all of the Common Area and is or become the owner of all real and personal property known as the Common Area. The Master Association is the organization with the sole responsibility to make and collect assessments from all Members, which assessments will be made in accordance with Article V. The Master Association may also make and collect charges for maintenance service against any Owner, Community Association, or Developer, as more fully set forth in Article V of this Declaration. The charges levied by the Master Association are separate, apart and in addition to charges or assessments which may be made by any Community Association to or against their members, and/or users. The Master Association shall have the right to a lien for the charges and assessments to which it is entitled in accordance with Article V of this Declaration.

In looking at entire clause above which defines the "Master Association," there is nothing to suggest the Master Association has the power to simply do things for the general good of the people or property. It again focuses on Common Area.

While the majority has only read the Master Association's power to include general landscape maintenance of the sub-associations' properties, under the majority's analysis, what technically would prevent the Master Association from opening a movie theater, a day care center, or a chiropractic clinic? All may arguably, "promot[e] the recreation, health, safety and welfare of the

Owners." These ventures would go beyond the power set forth in the Master Declaration, the same Master Declaration which was recorded and in place when each property owner purchased their respective homes in their respective sub-associations. I am confident the majority would not agree to such a broad reading of the powers of the Master Association. Other than simply reading the controlling documents differently than the majority, a purpose of this dissent is to provide a word of caution to practitioners in this area to avoid testing this Court with further extensions of powers they feel arise from the penumbra of a master declaration.

Here, I would find that the Master Association has acted beyond the powers set forth in the Master Declaration by maintaining property which it did not own (and was, therefore, not "Common Area"). Therefore, I respectfully dissent.

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