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**DECLARATION OF CONDOMINIUM  
OF  
OCEANFRONT CONDOMINIUM OF JACKSONVILLE BEACH**

THIS DECLARATION OF CONDOMINIUM ( the "Declaration") is made as of the 31st day of January, 2000, by OCEANFRONT LODGING II, INC., a Florida corporation (the "Developer"), as the record owner of fee simple title to the land described in the attached Exhibit A (the "Land").

**I. SUBMISSION TO CONDOMINIUM OWNERSHIP**

The Developer hereby submits (i) the Land, (ii) the improvements now and hereafter situated thereon (the "Improvements"), and (iii) any easements and other rights appurtenant thereto (which Land, Improvements, easements and other rights are collectively referred to as the "Condominium" or "Condominium Property") to the condominium form of ownership and use . The Condominium is created pursuant to this Declaration of Condominium (the "Declaration," which term shall also include any amendments hereto), the provisions of the Florida Condominium Act (Chapter 718, Florida Statutes and any successor or replacement thereof, however numbered or named) and the various administrative rules and court decisions implementing or interpreting that Act which are in force as of the date of the event or occurrence that gives rise to their application (which rules and decisions, along with the Condominium Act itself, are collectively referred to herein as the "Condominium Laws"). To the extent the Declaration or any of its exhibits (which are incorporated herein by this reference) conflicts with or is silent on a point covered by the Condominium Laws, the terms of the Condominium Laws shall control.

**II. NAME**

The name of this Condominium shall be "OCEANFRONT CONDOMINIUM OF JACKSONVILLE BEACH."

**III. DESCRIPTION OF CONDOMINIUM PROPERTY**

A graphic description of the Condominium building to be constructed on the Land, including the identification by name of each Unit (as defined herein and in the Condominium

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Act), is attached hereto and made a part hereof, as Exhibit B. A survey of the Land and a plot plan of the Improvements to be located thereon are attached hereto as Exhibits C and D, respectively. Upon completion of the Improvements shown in Exhibits B and D, the owners of the Units shall execute and record an amendment of this Declaration containing an "as-built" survey of the foregoing Improvements and Land in accordance with the requirements of the Condominium Act, and such other modifications of this Declaration as might then be approved by the owners of all three Units.

#### IV. UNITS, COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

The Condominium shall consist of the "Units," "Common Elements" and "Limited Common Elements," defined as follows:

A. **Units.** The three separate areas within the Condominium which are subject to exclusive ownership, consisting of those parts of the Improvements depicted as the Units in Exhibit B, excluding however:

- (1) All spaces and improvements lying outside the unfinished inner surfaces of the perimeter walls, floors and the horizontal plane of the upper structural elements of the Unit;
- (2) All interior structural columns, bearing walls or bearing partitions; and
- (3) All pipes, ducts, vents, wires, conduits and other equipment or apparatus running through any interior wall or horizontal or vertical portion of a Unit, for the furnishing of utility services, heating and cooling or ventilation to any other Unit, the Common Elements or the Limited Common Elements.

All glass and other transparent or translucent material, insect screens and screening in windows and doors, and all awnings, shutters and other materials covering the windows, doors or other openings in the exterior walls of Units, shall be construed to be part of the Unit exclusively served by such windows, doors or other openings. In addition, each Unit shall include all heating, cooling, electrical, electronic, mechanical and utilities equipment used exclusively by that Unit, including all related pipes, wires, ducts, vents, conduits, meters and other apparatus serving only that Unit, regardless of where they might be located.

B. **Common Elements.** All of the Land and Improvements of the Condominium except the Units, including without limitation:

- (1) Those Improvements and features designated as Common Elements by the Condominium Laws.
- (2) Elevators, stairwells and the ground floor entrances, lobbies and hallways providing access to the elevators and stairwells, and other fixtures, personal property and

equipment owned or held for the common use, benefit and enjoyment of all owners of Units in the Condominium.

(3) Easements for utilities and other purposes serving the Condominium Property; provided, however, that no such easement shall be deemed to enter or pass through the enclosed portion of a Unit without the recorded consent of the owner of that Unit, unless so described or depicted in this Declaration.

C. **Limited Common Elements.** Those portions of the Common Elements which are reserved herein for use by a certain Unit or Units, to the exclusion of the other Units, consisting of the following:

(1) The balcony areas and the fixtures and equipment, if any, attached, affixed or contiguous to the exterior of and serving only that Unit.

(2) The area or space occupied from time to time by the heating, cooling, electrical, electronic, mechanical and utilities equipment used exclusively by that one Unit, including all related pipes, wires, ducts, vents, conduits, meters and other apparatus serving only that Unit, to the extent any of the foregoing lie outside the boundaries of that Unit described in section A above and shown in Exhibit B.

(3) The automobile parking spaces assigned to a particular Unit on Exhibit B. All of the other, unassigned parking spaces within the Condominium Property shall be Common Elements, available for use by the Unit owners and their invitees on a first-come, first-served basis; provided, however, that all parking spaces, whether assigned or not, may be used only in conjunction with the simultaneous use of a Unit in the Condominium.

(4) The lobby and hallway on the top floor of the Condominium building, which will be accessible only to the owners and invitees of Units 2 and 3, together with any security devices or hardware which limit access to that top floor, all of which shall be Limited Common Elements jointly appurtenant to Units 2 and 3 only.

(5) A nonexclusive easement appurtenant to Units 2 and 3 only, for the installation, maintenance, repair and replacement of water, sewer and similar utilities lines and pipes extending downward through the uppermost eighteen inches (18") of those parts of Unit 1 located immediately below Units 2 and 3, in the corridor areas (the westerly 5'± of Unit 1) and the Unit 1 bathrooms (spaced intermittently in Unit 1, being about 8' wide as measured from the corridor area eastward). The exact locations and dimensions of such initial installations, as well as any proposed additions to or relocations of those utilities pipes and lines, and any subsequent access through Unit 1 for the maintenance and repair of same, shall be coordinated by the owner of Unit 2 or 3, as the case may be, with the owner of Unit 1 in a manner reasonably calculated to minimize any unnecessary disruption to the use of Unit 1 as a result. The owner of Unit 2 or 3, as the case may be, shall perform any such work within Unit 1 in a good and workmanlike

manner, and shall promptly restore any damage to Unit 1 and indemnify the owner of Unit 1 against any liability or expense resulting therefrom.

(6) A nonexclusive easement appurtenant to Unit 1 only, for the installation, maintenance, repair and replacement of identification signs on the exterior walls of the Condominium building (collectively, the "Wall Signs"), identifying the hotel to be located in Unit 1, together with an easement through Units 2 and 3, if necessary, for the attachment of the Wall Signs and the furnishing of electricity to them. The exact nature and location of such attachments and electrical connections through Units 2 and 3, if necessary, as well as any proposed additions to or relocations thereof, and any subsequent access through Units 2 and 3 for the maintenance and repair of same, shall be coordinated by the owner of Unit 1 with the owners of Units 2 and 3 in a manner reasonably calculated to minimize any unnecessary disruption to the use of Units 2 and 3 as a result. The owner of Unit 1 shall perform any such work within Units 2 and 3 in a good and workmanlike manner, in accordance with all applicable laws, ordinances and governmental regulations, and shall promptly restore any damage to Units 2 and 3 and indemnify the owners thereof against any liability or expense resulting from such work.

(7) A nonexclusive easement appurtenant to each Unit for the installation, maintenance and illumination of such exterior signs at or near the adjoining public rights-of-way (collectively, the "Road Signs") as each Unit owner may desire from time to time with respect to the identification of its Unit and/or the occupant(s) thereof; provided, however, that of the maximum aggregate sign face area available by law for all of the Road Signs, the owner of Unit 1 shall be entitled to sixty percent (60%) of such aggregate allowable sign face area for its Road Sign(s), and the owners of Units 2 and 3 shall each be entitled to twenty percent (20%) of such aggregate allowable sign face area for their respective Road Signs. The exact type and location of such Road Signs, as well as any proposed additions to or relocations thereof, and any subsequent access through the Common Elements for the maintenance and repair of same, shall be coordinated by the owner of the Road Sign in question with the owners of the other Units in a manner reasonably calculated to minimize any unnecessary disruption to the use of the Common Elements by the other Units as a result. The owner of the Road Sign in question shall perform any such work within the Common Elements in a good and workmanlike manner, in accordance with all applicable laws, ordinances and governmental regulations, and shall promptly restore any damage to the Common Elements and indemnify the Association and the owners of the other Units against any liability or expense resulting from such work. If required by law or desired by the Unit owners, the owners shall install and operate one or more common Road Signs in lieu of separate Road Signs, at the expense of those Unit owners who choose to participate in such common signs.

(8) A nonexclusive easement appurtenant to each Unit for the installation, maintenance and illumination of such exterior and interior directional signs at or near the entrances to the Condominium building and the elevators (collectively, the "Directional Signs") as each Unit owner may desire from time to time with respect to the identification of its Unit and/or the occupant(s) thereof; provided, however, that of the maximum aggregate sign face area

available by law for all of the Directional Signs, the owner of Unit 1 shall be entitled to sixty percent (60%) of such aggregate allowable sign face area for its Directional Sign(s), and the owners of Units 2 and 3 shall each be entitled to twenty percent (20%) of such aggregate allowable sign face area for their respective Directional Signs. The exact type and location of such Directional Signs, as well as any proposed additions to or relocations thereof, and any subsequent access through the Common Elements for the maintenance and repair of same, shall be coordinated by the owner of the Directional Sign in question with the owners of the other Units in a manner reasonably calculated to minimize any unnecessary disruption to the use of the Common Elements by the other Units as a result. The owner of the Directional Sign in question shall perform any such work within the Common Elements in a good and workmanlike manner, in accordance with all applicable laws, ordinances and governmental regulations, and shall promptly restore any damage to the Common Elements and indemnify the Association and the owners of the other Units against any liability or expense resulting from such work. If required by law or desired by the Unit owners, the owners shall install and operate common directories or directional signs in lieu of separate Directional Signs, at the expense of those Unit owners who choose to participate in such common signs.

#### V. APPURTENANCES TO UNITS

There shall be appurtenant and pass with title to each Unit those rights, shares, and interests provided by the Condominium Act, which shall be deemed to include, without limitation, the following:

A. **Common Elements and Surplus.** An undivided share in the Common Elements and in the Common Surplus (as that term is hereinafter defined), which is listed by Unit in Exhibit E.

B. **Limited Common Elements.** The right to use exclusively, or in common with certain other Units where so specified, those portions of the Common Elements designated or reserved herein to a certain Unit or Units as Limited Common Elements.

C. **Air Space.** An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time (as shown on Exhibit B hereto) and as it may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is permanently vacated from time to time.

D. **Use Rights.** The nonexclusive rights to use and enjoy for their intended purposes those Common Elements of the Condominium not designated as Limited Common Elements.

E. **Encroachment.** An exclusive easement for the unintentional and non-negligent encroachment by any Unit upon any other Unit or upon the Common Elements, for any reason not caused by or resulting from the willful or negligent act of the Developer or any Unit owner,

including but not limited to encroachments caused by or resulting from the original construction of the Improvements, which exclusive easement shall exist at all times during the continuance of such encroachment as an easement appurtenant to the encroaching Unit or other Improvement, to the extent of such encroachment.

F. **Association.** Membership in the Association (as hereafter defined), with full voting rights as discussed below.

## VI. COMMON EXPENSES AND COMMON SURPLUS

The term "Common Expenses," as used herein, shall mean all expenses of operating and maintaining the Condominium and the Association, for which the Unit owners shall be liable to the Association. The term "Common Surplus," as used herein, shall mean the excess of all receipts of the Association collected on behalf of the Condominium including, without limitation, assessments, rents, profits and revenues on account of the Common Elements of the Condominium, over the amount of the Common Expenses of the Condominium. All Unit owners shall share the Common Expenses and shall own the Common Surplus in the percentages set forth in Exhibit E.

## VII. THE ASSOCIATION

A. **Operation of the Condominium.** The entity responsible for the operation of the Condominium shall be Oceanfront Condominium Association of Jacksonville Beach, Inc., a Florida corporation not for profit (the "Association"). Copies of the Articles of Incorporation (the "Articles") and Bylaws (the "Bylaws") of the Association are attached hereto as Exhibits F and G, respectively. The Association shall operate, administer and manage the Condominium, and the Association may delegate its maintenance, management and operational duties to the owner of Unit 1 as provided in the Bylaws, or otherwise in accordance with the Condominium Laws.

B. **Power to Transfer Property or Grant Easements.** The Association shall not have the power to transfer any of the Condominium Property, nor to grant easements over the Common Elements, without the joinder of all of the Unit owners.

## VIII. VOTING RIGHTS OF UNIT OWNERS

Each Unit owner shall become a member of the Association automatically upon and simultaneously with delivery of a deed of conveyance of fee title thereto from the Developer or, in a conveyance by a grantee or a remote grantee of the Developer, a deed which otherwise complies with the terms and conditions of this Declaration, the Articles and Bylaws of the Association. There shall be appurtenant, and pass with title, to each Unit one vote as a member of the Association, which may be exercised by the Unit owner at all meetings of members and in

connection with all matters upon which members of the Association are entitled to vote or give their consent.

### IX. AMENDMENT OF DECLARATION

This Declaration may be amended only with the written consent of all Unit owners, in the manner and with the effect provided in the Condominium Laws.

### X. MAINTENANCE, REPAIRS AND REPLACEMENTS

Responsibility for maintenance, repairs and replacements of the Condominium Property and property of Unit owners located or situated within the Condominium shall be as follows:

A. **Units.** Each Unit, and the fixtures, equipment and appliances comprising a part thereof, located therein, or exclusively serving same shall be maintained, kept in good repair and replaced by and at the expense of the owner thereof. All maintenance, repairs or replacements which Unit owners are obligated to perform and which, if not performed, would affect other Units or Common Elements, shall be performed promptly as the need arises.

B. **Common Elements.** The Association shall be responsible for, and shall assess against and collect from the Unit owners in the manner and to the extent provided in this Declaration, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition, all of the Common Elements, except for those Limited Common Elements described below. The Association shall, as a matter of Common Expense, repair any and all incidental damage to Units resulting from the maintenance, repair or replacement of or to the Common Elements.

C. **Limited Common Elements.** The owner of each Unit shall be responsible for keeping the Limited Common Elements appurtenant to that Unit (and the contents of the Limited Common Elements, if any) in a neat, clean and orderly condition, and (ii) the Association shall be responsible for all maintenance, repair and replacement of the Limited Common Elements as a matter of Common Expense; provided, however, that:

(1) The assigned parking spaces appurtenant to the Units as Limited Common Elements shall be kept in a clean and orderly condition and maintained, repaired and replaced as necessary by the Association in the same manner as the unassigned parking spaces, as a matter of Common Expense; and

(2) All Wall Signs, Road Signs and Directional Signs shall be installed, repaired, maintained, replaced, insured, operated and illuminated by the owner or owners thereof, at no expense to the Association or the owner(s) of the other Unit(s).

## XI. INSURANCE

Insurance shall be carried by the Association in accordance with the Condominium Laws and the following provisions:

A. **Duty and Authority to Obtain.** The Association shall maintain at all times the required coverages addressed below, for the benefit of the Association, the Unit owners and their mortgagees. A certificate evidencing a mortgagee endorsement shall be issued to the mortgagee of each Unit upon the request of such mortgagee. The owner of each Unit may, at that Owner's expense, obtain insurance coverage against damage to and loss of the contents of the Unit, personal liability for injury to and death of persons and damage to and loss of personal property of others, and against such additional perils as the Unit owner may choose. Each such policy of insurance purchased by the Association and by the Unit owners shall, where such provision is available, provide that the insurer waives its right of subrogation as to any claim or claims against other Unit owners, the Association, and their respective employees, agents, guests and invitees. In addition, any insurance policy purchased by an individual Unit owner shall provide that the coverage afforded by such policy is excess over the amount recoverable under any other policy covering the same property without rights of subrogation against the Association.

B. **Required Coverage.** The Association shall purchase and carry casualty insurance covering all of the Improvements of the Condominium, including, without limitation, the Units and Common Elements, in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the Board of Directors of the Association (the "Board"), such insurance to include or afford protection against:

(1) Loss or damage by fire or other hazards covered by the standard extended coverage or other perils endorsements;

(2) Such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to buildings and other Improvements similar, in construction, location and use, to the Improvements of the Condominium including, without limitation, vandalism, malicious mischief, windstorm, water damage and war risk insurance, if available;

(3) Public liability insurance, in such amounts, with such coverages and in such forms as shall be required by the Board to protect the Association and the Unit owners of all Units, including, if applicable, hired automobile, non-owned automobile, off premises employee coverage, water damage and legal liability, with cross-liability endorsements to cover liability of all Unit owners as a group to each Unit, owner and waiver of rights of subrogation;

(4) Worker's compensation insurance to meet the requirements of law, if applicable;

(5) Loss or damage by flood, to the extent, if any, required or necessitated by law, including, without limitation, the Flood Disaster Protection Act of 1973, or any similar law; and

(6) Fidelity bonds as may be required under the Condominium Act.

C. **Optional Coverage.** The Association may purchase and carry such other insurance coverage, other than title insurance, as the Board, in its sole discretion, may determine from time to time to be in the best interests of the Association and Unit owners.

D. **Premiums.** Premiums for all insurance obtained and purchased by the Association shall be paid by the Association. The cost of insurance premiums, and other incidental expenses incurred by the Association in administering and carrying out the provisions of this Article, shall be assessed against and collected from Unit owners as Common Expenses.

E. **Assured.** All policies of insurance obtained and purchased by the Association shall be for the benefit of the Association, its members and their mortgagees, as their interests may appear, shall provide that all proceeds covering casualty losses shall be paid to the Condominium Association as hereinafter provided or to its successor as set forth herein, and the proceeds from insurance against any casualty loss shall be held for the use of the Association, the Unit owners and their respective mortgagees, as their interests may appear, to be applied or distributed in the manner herein provided. The Association is hereby constituted and appointed agent for all Unit owners, with authority to negotiate and settle the value and extent of any and all losses covered under any policy of casualty insurance, and the Association is granted full right and authority to execute, in favor of any insurer, a release of liability arising out of any occurrence covered by any policy or policies of casualty insurance and resulting in loss of or damage to insured property.

F. **Insurer.** All persons beneficially interested in the insurance coverage obtained, purchased and maintained by the Association shall be bound by the Association's selection of its insurer(s) and the amount of insurance coverage carried and kept in force by the Association.

G. **Application of Insurance Proceeds.** The proceeds of casualty insurance paid by an insurer for loss or damage to real or personal property upon which the Association carries insurance, shall be applied and paid as follows:

(1) **Common Elements Only.** The proceeds paid for loss of or damage to real property or Improvements constituting Common Elements only shall be applied to the repair, replacement or reconstruction of such loss or damage. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements, the excess shall be paid to the Unit owners, and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each Unit in the Common Elements. If the insurance proceeds shall be insufficient to pay the cost of the repair, replacement or

reconstruction of such Common Elements, the Association shall pay from any Association reserve fund which may have been established, the difference between the total cost of repairing, replacing or reconstructing such loss or damage to the Common Elements and the amount of the insurance proceeds. If no such Association reserve fund has been established, or if any such Association reserve fund has been established and is insufficient to pay such difference, the Association shall assess the amount of the difference against, and collect it from, all Unit owners, as a Common Expense.

(2) **Units and Common Elements.** The proceeds paid for loss of or damage to property constituting Common Elements and one or more Units thereof, shall be first applied to the repair, replacement or reconstruction of Common Elements, then to the repair, replacement or reconstruction of any Unit or Units which have been destroyed or damaged. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements and Units, the excess shall be paid to the owners of the damaged or destroyed Units and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each such Unit in the Common Elements. If the insurance proceeds shall be sufficient to pay for the repair, replacement or reconstruction of the Common Elements but shall be insufficient to pay the cost of the repair, replacement or reconstruction of the damaged or destroyed Unit or Units in such building, each Unit owner shall be responsible for the portion of the deficiency attributable to his or its Unit. If the insurance proceeds shall be insufficient to pay the cost of the repairs, replacements, or reconstruction of the Common Elements, the difference between the total cost of repairing, replacing or reconstructing the Common Elements and the amount of the insurance proceeds shall be assessed by the Association against, and collected from, all Unit owners, as a Common Expense, and in such event, the cost of repairing, replacing or reconstructing the Unit or Units destroyed or damaged shall be the responsibility of the owners of such damaged or destroyed Units.

## **XII. RECONSTRUCTION OR REPAIR AFTER CASUALTY**

Whether, and the manner in which, any or all of the Condominium Property which shall be damaged or destroyed by casualty shall be repaired, reconstructed or replaced shall be determined as follows:

A. **Condominium Building.** If the Condominium building shall be damaged or destroyed by any casualty, the portion of the Common Elements or Units so affected shall be repaired or reconstructed to restore same to substantially the condition in which they existed prior to their damage or destruction, unless within sixty (60) days after the casualty it is determined that the Condominium shall be terminated by agreement of the Unit owners and their mortgagees in the manner provided herein.

B. **Common Elements.** Damaged or destroyed Improvements constituting part of the Common Elements shall be repaired, reconstructed or replaced unless by agreement of the Unit owners and their mortgagees the Condominium shall be terminated.

C. **Plans and Specifications.** Repair or reconstruction of the Condominium Property shall be substantially in accordance with the plans and specifications pursuant to which the same were originally constructed, provided that the Association may authorize reasonable variations from the original plans and specifications as may appear to be necessary or desirable.

D. **Responsibility.** If the damage or destruction shall be limited only to one or more Units for which the responsibility of maintenance, repair and replacement is that of the affected Unit owners, then such Unit owners shall be responsible for carrying out the repair or reconstruction thereof. In all other instances of damage or destruction, the Association shall be responsible for carrying out the repair and reconstruction thereof.

E. **Construction Funds.** All funds for the payment of repair and reconstruction costs, consisting of insurance proceeds or funds collected by the Association from Unit owners, shall be disbursed toward payment of such costs in the following manner:

(1) **Unit Owner.** The portion of insurance proceeds representing damage for which the responsibility of repair and reconstruction is upon one or more, but less than all Unit owners, shall be paid by the Association to the affected Unit owner(s) and, if any of such Units are mortgaged, to the affected Unit owner(s) and their mortgagee(s) jointly, or in such other method as the particular insurance policy shall require.

(2) **Association--Lesser Damage.** If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is Fifty Thousand Dollars (\$50,000.00) or less, then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Association by a mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(3) **Association--Major Damage.** If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than Fifty Thousand Dollars (\$50,000.00), then the construction fund shall be disbursed in payment of such costs in the manner required by the Board and upon approval of an architect, engineer or contractor registered to practice in Florida and employed by the Association to supervise the work.

(4) **Surplus.** It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in the construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere herein stated; except, however, that the part of a distribution to a beneficial owner

which is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

### **XIII. RESTRICTIONS ON USE OF CONDOMINIUM PROPERTY AND TRANSFER OF UNITS**

The use of the Condominium Property and the transfer of the Units shall be in accordance with and subject to the following provisions so long as the Condominium exists:

A. **Units.** No unlawful use shall be made of the Units or any other part of the Condominium Property, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The cost and responsibility for meeting governmental requirements pertaining to maintenance, replacement, modification or repair of the Units and other Condominium Property shall be the same as is specified herein for the maintenance, replacement, modification or repair of such property generally.

B. **Common Elements and Limited Common Elements.** The Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of such Improvements. The Association shall enforce the restrictions on the use of the Common Elements and Limited Common Elements for the benefit of the Unit owners, as a matter of Common Expense.

C. **Nuisances.** No public nuisances shall be allowed upon the Condominium Property. All parts of the Condominium Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor shall any fire hazard be allowed to exist. No extraordinary or hazardous use shall be made of any Unit or of the Common Elements or Limited Common Elements which will increase the rate of insurance upon the Condominium Property.

D. **Right of First Refusal.** Except for those transfers addressed in (2) below, if at any time the owner of Unit 2 or Unit 3 (referred to for this purpose as the "Disposing Owner") desires to transfer Unit 2 or Unit 3 (referred to herein as the "Offered Unit"), the Disposing Owner shall first give written notice (the "Offer Notice") to the then owner of Unit 1 (the "Unit 1 Owner") of the Disposing Owner's intent to transfer the Offered Unit, including the price and terms the Disposing Owner has been offered for that transfer.

(1) **Election.** Within ten (10) days after delivery of the Offer Notice by the Disposing Owner, the Unit 1 Owner shall notify the Disposing Owner in writing (the "Election Notice") whether the Unit 1 Owner desires to purchase the Offered Unit for the price and on the terms contained in the Offer Notice. If so, the closing of such purchase and sale shall be held no later than ninety (90) days after the giving of the Election Notice. If the Unit 1 Owner declines to purchase the Offered Unit in accordance with the Offer Notice, or fails to respond within ten (10)

days after delivery of the Offer Notice, the Disposing Owner may, for a period of ninety (90) days after delivery of the Offer Notice, transfer the Offered Unit for the same price and on the same terms as described in the Offer Notice. If, however, such Offered Unit has not been transferred in accordance with the Offer Notice within that ninety (90) day period, then the Offered Unit shall again become restricted as though it had never been offered to the Unit 1 Owner in accordance with this section.

(2) **Exceptions.** The transfer of Unit 2 or Unit 3 to any of the following persons or entities shall not be subject to the right of first refusal contained in this section, and shall not require the giving of an Offer Notice to the Unit 1 Owner:

(a) A person or entity "affiliated" with the Disposing Owner (*i.e.*, one who owns the Disposing Owner, or is owned by the Disposing Owner, or is under common ownership with the Disposing Owner).

(b) The spouse, child, grandchild, brother or sister of the Disposing Owner.

(c) A trust for the benefit of the Disposing Owner, or for the benefit of the spouse, child, grandchild, brother or sister of the Disposing Owner.

(d) The heir(s) of a deceased Disposing Owner.

#### **XIV. ASSESSMENTS: LIABILITY, LIEN AND ENFORCEMENT**

To provide the funds necessary for proper operation and management of the Condominium Property, the Association is hereby granted the right to make, levy and collect assessments against the Units and Unit owners to the fullest extent permitted by the Condominium Laws. Without limiting the generality of the foregoing statement, the following specific provisions shall govern the making, levying and collecting of such assessments and the payment of the costs and expenses of operating and managing the Condominium by the Association.

A. **Share of Assessments.** The assessment by the Association against each Unit shall be its prorata share of the total assessment to be made against all Units, in the percentages set forth on Exhibit E.

B. **Time for Payment.** The total assessment levied against the Unit owner and his Unit shall be payable in monthly or such other installments as shall from time to time be fixed by the Board.

C. **Annual Budget.** The Board shall establish annual budgets in advance for each fiscal year which shall estimate all expenses for the forthcoming fiscal year required for the

proper operation, management and maintenance of the Condominium, including, when deemed necessary or advisable by the Board, a reasonable allowance for contingencies and reserves, and shall estimate all income to be collected during the year.

D. **Regular Assessments.** Upon adoption of the annual budget by the Board, copies thereof shall be delivered to each Unit owner, and the assessments for the year shall be based upon such budget. Failure to promptly deliver a copy of the budget to a Unit owner shall not affect the liability of the Unit owner for such year's assessments.

E. **Special Assessments.** Should the Board at any time and from time to time determine, in its sole discretion, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, or in the event of emergencies, the Board shall have the authority to levy such additional special assessment or assessments as it shall deem necessary. The specific purpose of any special assessment approved by the Board shall be set forth in a written notice of such assessment sent or delivered to each Unit owner, and the funds collected pursuant to a special assessment shall be used only for that specific purpose or purposes. However, upon completion of such specific purpose or purposes, any excess funds shall be considered Common Surplus to the extent they were generated from general Condominium assessments.

F. **Reserve Fund.** The Board, in establishing each annual budget for the Condominium, shall include therein a sum to be collected and maintained as a reserve fund for the capital expenditures, deferred maintenance and replacement of the Common Elements and personal property held for the joint use and benefit of all Unit owners. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item.

G. **Use of Association Funds.** All monies collected by the Association shall be treated as the separate property of the Association, and such monies collected from the Unit owners may be applied by the Association to the payment of any expense of operating and managing the Condominium Property and to the proper undertaking of all acts and duties imposed upon it by virtue of the Condominium Laws, this Declaration, the Articles and the Bylaws. Although all funds and other assets of the Association, and any increments thereto or profits derived therefrom including, without limitation, Common Surplus, shall be held for the benefit of the members of the Association, and no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Unit.

H. **Delinquency or Default.** The payment of any assessment or installment thereof due to the Association shall be in default if not paid to the Association on or before the due date thereof. Upon such default, the Association shall be entitled to charge an administrative fee, in addition to interest, in an amount not to exceed the greater of Fifty Dollars (\$50.00) or five

percent (5%) of each delinquent installment. Upon default and the recording of a claim of lien pursuant to this Article, the Association shall have the option of accelerating all remaining installments due from the defaulting Unit owner for the remainder of the budget year in which the default occurs. When in default, the delinquent assessments (or accelerated installments thereof, if applicable) shall bear interest at the highest rate permitted under applicable law until same and all interest due thereon have been paid in full.

I. **Personal Liability of Unit Owner.** Each Unit owner shall be personally liable, jointly and severally, as the case may be, to the Association for the payment of all assessments, regular or special, interest on such delinquent assessments or installments thereof as above provided, and for all cost of collecting the assessments and interest thereon, including reasonable attorney's fees, whether suit be brought or not, levied or otherwise coming due while such person or entity owns a Unit.

J. **Liability Not Subject to Waiver.** No owner of a Unit may exempt himself from liability for any assessment levied against the Unit by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit, or in any other manner.

K. **Lien for Assessment.** The Association is hereby granted a lien upon each Unit and its appurtenant undivided interest in the Common Elements and Limited Common Elements, which lien shall secure the monies due for (i) all assessments (or accelerated installments thereof, if the Association elects to accelerate installments as provided above) levied against the Unit, (ii) any interest which may become due on delinquent assessments owed to the Association, and (iii) all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in collecting the assessments or enforcing its lien upon the Unit. The lien granted to the Association shall be established and foreclosed in the manner provided by the Condominium Laws.

L. **Effect of Mortgage Foreclosure or Deed in Lieu.** A mortgagee who acquires title to the Unit by foreclosure or deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of its certificate of title or deed, as applicable, but only to the extent of the lesser of (i) one percent (1%) of the original mortgage debt or (ii) the sum of the unpaid common expenses or assessments that accrued or became due during the six (6) months immediately preceding the date the mortgagee acquired title and for which payment in full has not been received by the Association.

M. **Effect of Voluntary Transfer.** When a Unit owner proposes to sell or mortgage a Unit, the Association, within fifteen (15) days after written request from the Unit owner, shall furnish to the proposed purchaser or mortgagee a statement verifying the status of payment of any assessments or other monies which shall be due and payable to the Association by the owner of the Unit. Such statement shall be executed by an officer of the Association, and any purchaser or mortgagee may rely upon it in concluding the proposed purchase or mortgage transaction. In the

event that a Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the Unit shall be in default (whether or not a claim of lien has been recorded by the Association), the rent, proceeds of sale or mortgage proceeds, as the case may be, shall be applied by the lessee, purchaser or mortgagee first to payment of any then delinquent assessment or installment thereof before payment of the balance of the rent, proceeds of sale or mortgage to the Unit owner. In any voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor made prior to the time of transfer of title, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor. Institution of a suit at law to collect any delinquent assessments shall not be deemed to be an election by the Association which shall prevent its thereafter seeking to collect any sums due it by foreclosure, nor shall proceeding by foreclosure to effect such collection be deemed to be an election precluding the institution of suit at law to attempt to collect any sum then owed to it.

#### **XV. REGISTRY OF OWNERS, MORTGAGEES, ETC.**

The Association shall at all times maintain a register of the names of the Unit owners and their respective mortgagees, which shall be based upon information supplied by the Unit owners. Upon the transfer of title to any Unit, the transferee shall notify the Association in writing of his or its interest in such Unit together with recording information identifying the instrument by which such transferee acquired his or its interest in the Unit. The owner of a Unit encumbered by a mortgage shall notify the Association of the name and address of the mortgagee, the amount of such mortgage, and the recording information identifying same. The holder of any mortgage encumbering a Unit may notify the Association of such mortgage, and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to same.

#### **XVI. ALTERATIONS OF AND IMPROVEMENTS TO UNITS AND COMMON ELEMENTS**

Neither a Unit owner nor the Association shall make any alterations, improvements or additions to Units, Common Elements, or Limited Common Elements, except in compliance with the following:

A. **Units and Limited Common Elements.** Unless the Unit owners shall first submit plans for such work to the Board, and the Board, by resolution unanimously adopted by the affirmative vote of all members thereof, shall approve and consent thereto, no alteration of or improvement or addition to a Unit, or to any Limited Common Element to which the Unit owner has an exclusive right of use, shall be made, constructed, erected or installed if it would:

(1) Remove or otherwise adversely affect any column, bearing wall, pipe, duct, wire or conduit, or materially obstruct any easement herein provided for;

(2) Remove or materially change the style, pattern, material, texture or outside color of any door, window, screen, fixture, equipment or appliance in or on an exterior Unit or building wall;

(3) Cover, from the inside or outside, the glass or other transparent or translucent material in any exterior door or window with, or apply or affix thereto, any material or substance which shall render the same opaque or change the exterior color thereof, except interior draperies, curtains, shades or shutters which are lined, backed, covered or painted on the side visible from the exterior with a solid white or off-white material;

(4) Affix to or over any exterior door or window, or otherwise install on the exterior, of any Unit or building, any storm or hurricane shutter or awning or any protective or decorative panel, paneling, trim, enclosure, fixture, or appliance. Notwithstanding anything in this Declaration to the contrary, the Board shall adopt hurricane shutter specifications for the Condominium, which shall include color, style, and other factors deemed relevant by the Board. All such specifications adopted shall comply with the applicable building code. The Board shall not refuse approval of the installation or replacement of hurricane shutters conforming to the specifications adopted by the Board. The installation, replacement, and maintenance of such shutters in accordance with the procedures set forth herein shall not be deemed a material alteration to the Common Elements for purposes of this Declaration; and

(5) Otherwise change, modify or alter the exterior of any Unit so that it thereby differs materially in appearance from any other Unit; provided, however, that the owners of Units 2 and 3 may change the exterior of their Units in a uniform manner so long as their changes conform to all applicable laws, ordinances and governmental regulations and the other requirements of this Declaration.

B. **Common Elements.** There shall be no material alterations or substantial improvements or additions to the Common Elements except with the approval of all of the Unit owners.

## XVII. TERMINATION

The Condominium may be terminated in the following manner in addition to the manner provided by the Condominium Act:

A. **Destruction.** In the event it is determined in the manner provided elsewhere herein that the Improvements shall not be reconstructed because of total destruction or major damage, the Condominium plan of ownership will be thereby terminated without agreement.

B. **Agreement.** The Condominium may be terminated at any time by the approval in writing of all of the Unit owners in the Condominium joined by all record owners of mortgages upon any of the Units.

C. **Shares of Owners After Termination.** After termination of the Condominium, the Unit owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the Unit owners. Such undivided shares of the Unit owners shall be the same as the undivided shares in the Common Elements appurtenant to the owner's Units prior to the termination as set forth in Exhibit E.

## XVIII. CONDEMNATION

A. **General.** Whenever all or any part of the Condominium Property shall be taken by any authority having the power of condemnation or eminent domain, each Unit owner shall be entitled to notice thereof and to participate in the proceedings incidental thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association. Unless otherwise provided by law at the time of such taking, any award made therefor shall be disbursed by the Association as hereinafter provided.

B. **Common Elements.** In the event of a taking by eminent domain of part or all of the Common Elements, if all of the Unit owners approve the repair and restoration of such Common Elements, the Association shall arrange for the repair and restoration of such Common Elements, and shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that all of the Unit owners do not approve the repair and restoration of such Common Elements or if no repair or restoration is required, the Association shall disburse the net proceeds of such award in the same manner as they are required under this Declaration to distribute insurance proceeds where such proceeds exceed the cost of repair or restoration of the damage.

C. **Condemnation of a Unit, or Part of a Unit, or its Limited Common Elements.** Where all or part of a Unit or its appurtenant Limited Common Elements has been taken by eminent domain and all of the Unit owners duly approve the repair and restoration of the building and Common Elements, the Association shall adjust such loss with the affected Unit owner, including, but not limited to, the payment of compensation and reduction or elimination of the Unit owner's undivided interest in the Common Elements. Any such settlement shall not be effective unless approved by the mortgagee(s) of the affected Unit and all of the Unit owners. In no event shall the Association be required to make any payment in excess of that portion of the overall condemnation award that is reasonably attributable to the particular Unit owner's loss. In no event shall the Association be required to make any payment pursuant to the terms of this section prior to receipt of sufficient funds for such purpose from the condemning authority. However, nothing contained in this section shall be deemed to prohibit the Association from making an advance or partial payment to such Unit owner when the Association, in its discretion, deems such advance or partial payment to be reasonable and proper. Nothing contained in this section shall be deemed to relieve such Unit owner of the obligation to contribute to repair or restoration of the building and Common Elements as elsewhere provided, although the

Association may, in a proper case, reduce the amount of such obligation or eliminate same upon approval of all Unit owners.

D. **Notice to Mortgagees.** The Association immediately upon having knowledge of the institution, or threat of institution, of any proceedings or other action with respect to the taking of Units or Common Elements, or any portion thereof in condemnation, eminent domain, or other proceedings or actions involving any unit of government or any other person having power of eminent domain, shall notify all mortgagees holding liens on any of the Units affected. Such mortgagee may, at its option, if permitted by the court, participate in any such proceedings or actions or, in any event, may, at its option, participate in negotiations in connection therewith, but shall have no obligation to do so.

**XIX. MISCELLANEOUS**

A. **Severability.** The invalidity in whole or in part of any provision of this Declaration of Condominium, or of the Articles or Bylaws of the Association, shall not affect the validity of the remaining portions thereof.

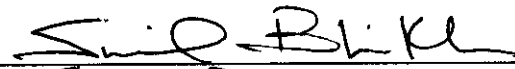
B. **Parties Bound.** The restrictions and burdens imposed by this Declaration of Condominium are intended to and shall constitute covenants running with the Land and shall constitute an equitable servitude upon each Unit and its appurtenant interests in the Common Elements and Limited Common Elements. This Declaration shall be binding upon the Developer, its successors and assigns, and upon all parties who may subsequently become Unit owners in the Condominium, the Association, and their respective heirs, legal representatives, successors and assigns.


IN WITNESS WHEREOF, the Developer has executed this Declaration of Condominium as of the date set forth above.

Signed, sealed and delivered  
in the presence of:

OCEANFRONT LODGING II, INC.,  
a Florida corporation

  
Print Name Mark Heekin

By:   
Name SUNIL BHIKHA.  
Title PRESIDENT

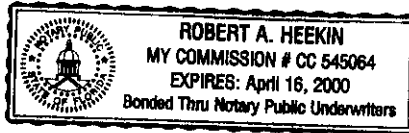
  
Print Name ROBERT A. HEEKIN

STATE OF FLORIDA  
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of February, 2000,  
by SUNIL BHIKHA as PRESIDENT of Oceanfront  
Lodging II, Inc., a Florida corporation, on behalf of the corporation, who is personally known to  
me or who produced \_\_\_\_\_ as identification.

*Robert A. Heekin*

\_\_\_\_\_  
Print Name \_\_\_\_\_  
Notary Public, State of Florida  
Commission No. \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_



- A Legal Description of the Land
- B Graphic Description of the Improvements
- C Survey of the Condominium
- D Plot Plan of the Condominium
- E Percentage of Undivided Interests in Common Elements, Common Expenses and Common Surplus
- F Articles of Incorporation of Oceanfront Condominium Association of Jacksonville Beach, Inc.
- G Bylaws of Oceanfront Condominium Association of Jacksonville Beach, Inc.

## LAND

The Land consists of the following two parcels located in Jacksonville Beach, Florida:

A part of that certain Unnumbered Block being bound on the North by Pablo Avenue (an 80-foot right of way, closed), bound on the East by Ocean Boulevard (right of way width undetermined, closed), bound on the South by Beach Boulevard (Mundy Drive per plat, a 100-foot right of way) and bound on the West by North First Street (a 50-foot right of way) as shown on the plat of Pablo Beach as recorded in Plat Book 3, page 28 of the current public records of Duval County, Florida, together with a part of Ocean Boulevard, that part of Pablo Avenue bound on the West by the East right of way line of said North First Street and bound on the East by the West right of way line of said Ocean Boulevard, and a part of Lot 4, Block 11 of said plat of Pablo Beach, and being more particularly described as follows:

For a point of beginning, commence at the intersection of the North right of way line of said Beach Boulevard with the East right of way line of said North First Street, thence North  $09^{\circ}44'20''$  West along said East right of way line, a distance of 353.00 feet; thence North  $80^{\circ}15'40''$  East, departing said East right of way line, a distance of 178.03 feet; thence South  $09^{\circ}29'02''$  East, a distance of 155.43 feet; thence South  $10^{\circ}01'23''$  East, a distance of 108.57 feet; thence South  $80^{\circ}15'40''$  West, a distance of 78.88 feet; thence South  $09^{\circ}44'20''$  East, a distance of 89.00 feet to the aforementioned North right of way line of Beach Boulevard; thence South  $80^{\circ}15'40''$  West, along said North right of way line, a distance of 99.00 feet to the point of beginning.

## TOGETHER WITH:

Parts of Lots 3 and 4, Block 11, Pablo Beach, according to the plat thereof recorded in Plat Book 3, page 28, public records of Duval County, Florida, together with a part of Ocean Boulevard (right of way width undetermined, closed), and being more particularly described as follows:

Commence at the intersection of the North right of way line of said Beach Boulevard (Mundy Drive per plat, a 100-foot right of way) with the East right of way line of North First Street (a 50-foot right of way); thence North  $09^{\circ}44'20''$  West along said East right of way line, a distance of 353.00 feet to the point of beginning; thence continue North  $09^{\circ}44'20''$  West along said East right of way line, a distance of 56.00 feet; thence North  $80^{\circ}15'40''$  East, departing said East right of way line, a distance of 178.28 feet; thence South  $09^{\circ}29'02''$  East, a distance of 56.00 feet; thence South  $80^{\circ}15'40''$  West, a distance of 178.03 feet to the point of beginning.

EXHIBIT B  
GRAPHIC DESCRIPTION  
OF IMPROVEMENTS

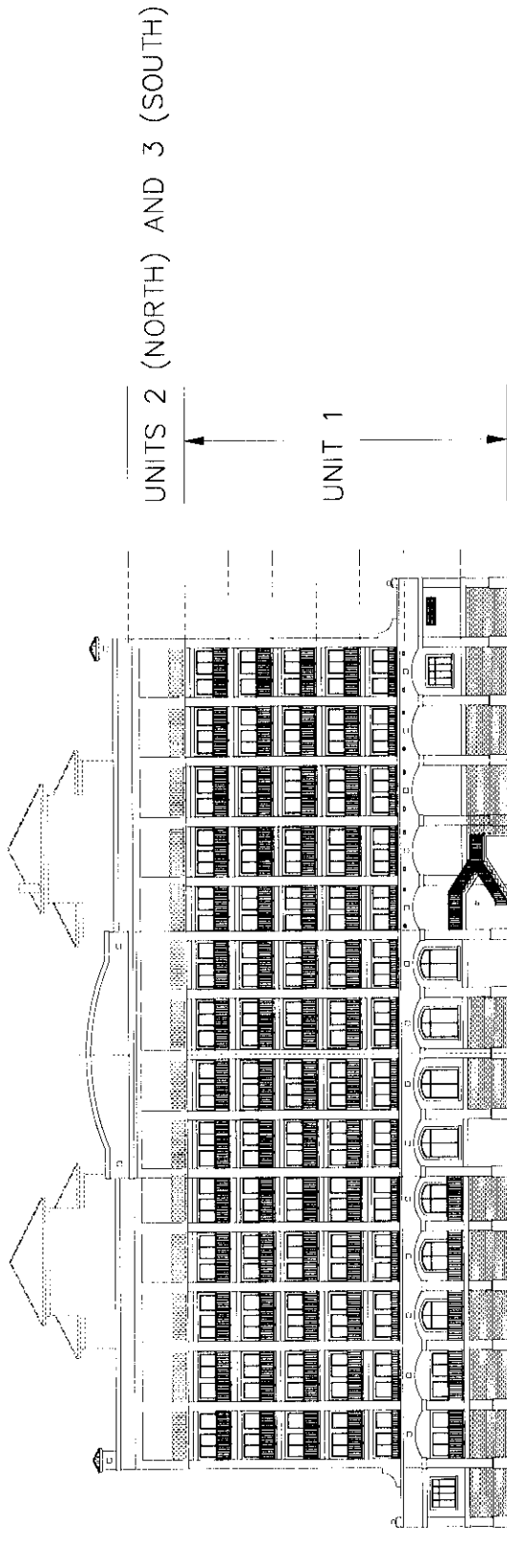






EXHIBIT E

Percentage of Undivided Interests  
in Common Elements, Common Expenses  
and Common Surplus

The undivided interest of each Unit in the Common Elements, Common Expenses and Common Surplus of the Condominium shall be a percentage to be determined by dividing the gross square footage of the actual floor area of each Unit, as it may exist from time to time, by the aggregate gross square footage of the actual floor area of all three Units; provided, however, that in no event shall the undivided interests of Unit 2 and Unit 3 ever exceed two percent (2%) each, and thus the undivided interest of Unit 1 shall never be less than ninety-six percent (96%).

**ARTICLES OF INCORPORATION OF  
OCEANFRONT CONDOMINIUM ASSOCIATION  
OF JACKSONVILLE BEACH, INC.**

The undersigned, for the purpose of forming a corporation not for profit under the laws of Florida, adopts the following Articles of Incorporation.

**ARTICLE I**

**NAME AND ADDRESS**

Section 1.1 **Name.** The name of the corporation is Oceanfront Condominium Association of Jacksonville Beach, Inc.

Section 1.2 **Address.** The street address of the initial principal office of the corporation is 4347-10 University Boulevard South, Jacksonville, Florida 32216.

**ARTICLE II**

**PURPOSE; DURATION**

Section 2.1 **Purpose.** The purpose of this corporation is to operate the condominium known as Oceanfront Condominium of Jacksonville Beach (the "Condominium") located at Jacksonville Beach, Duval County, Florida, in accordance with the Declaration of Condominium of Oceanfront Condominium of Jacksonville Beach (the "Declaration," which shall include the original recorded Declaration and all modifications or supplements thereto), the Florida Condominium Act (Chapter 718, Florida Statutes and any successor or replacement thereof, however numbered or named) and the various administrative rules and court decisions implementing or interpreting that Act which are in force as of the date of the event or occurrence that gives rise to their application (which rules and decisions, along with the Condominium Act itself, are collectively referred to herein as the "Condominium Laws"). To the extent these Articles of Incorporation conflict with or are silent on a point covered by the Declaration or the Condominium Laws, the terms of the Declaration and then the Condominium Laws (in that order of priority) shall control.

Section 2.2 **Duration.** This corporation shall exist perpetually, and its existence shall commence on the date these Articles are executed, except that if they are not filed by the Department of State of Florida within five days (exclusive of legal holidays) after they are executed, the corporation's existence shall commence upon filing by the Department of State.

**ARTICLE III**

**MEMBERSHIP**

Section 3.1 **Qualification of Members.** The members (or "owners") of this corporation shall be the owners of the units (the "Units") in the Condominium, with one membership interest for every Unit owned.

**EXHIBIT F**

Section 3.2 **Restrictions on Transfer of Membership.** The ownership of each member's interest in this corporation shall pass with title to the Unit to which it relates, and may not be separately transferred or encumbered.

**ARTICLE IV**

**INITIAL REGISTERED OFFICE AND AGENT**

Section 4.1 **Name and Address.** The street address of the initial registered office of this corporation is 4347-4 University Boulevard South, Jacksonville, Florida 32216, and the name of the initial registered agent of this corporation at that address is Robert A. Heekin.

Section 4.2 **Acceptance by Registered Agent.** By executing these Articles, the registered agent hereby accepts his appointment and agrees to act in this capacity and to comply with the provisions of the Florida Statutes governing same.

**ARTICLE V**

**DIRECTORS AND OFFICERS**

Section 5.1 **Number of Directors.** This corporation shall have three (3) directors initially. Once the developer of the Condominium has transferred control of the corporation to the Unit owners other than the developer, the number of directors may be increased or decreased by the owners, subject to any restrictions contained in Chapter 617, Florida Statutes or the Condominium Laws. The directors shall be elected as provided in the bylaws of this corporation.

Section 5.2 **Initial Directors.** The names and street addresses of the initial directors of the corporation are:

<u>Name</u>	<u>Address</u>
Anthony T. Sleiman	4347-10 University Boulevard South Jacksonville, Florida 32216
Peter D. Sleiman	4347-10 University Boulevard South Jacksonville, Florida 32216
Eli T. Sleiman, Jr.	4347-10 University Boulevard South Jacksonville, Florida 32216

Section 5.3 **Compensation.** Unless expressly provided by majority vote of the owners of this corporation, neither the board of directors nor the officers of the corporation shall receive any compensation for their services as such.

Section 5.4 **Indemnification.** The corporation shall indemnify its directors and officers to the fullest extent permitted by law.

**ARTICLE VI**

**BYLAWS**

Section 6.1 **Bylaws.** The initial bylaws of this corporation shall be adopted by the board of directors. Bylaws shall be adopted, altered, amended or repealed from time to time by either the owners or the board of directors as specified in the Declaration or the Condominium Laws, but the board of directors shall not alter, amend or repeal any bylaw adopted by the owners if the owners specifically provide that such bylaw is not subject to amendment or repeal by the board of directors.


**ARTICLE VII**

**INCORPORATOR**

Section 7.1 **Name and Address.** The name and street address of the incorporator of this corporation are:

<u>Name</u>	<u>Address</u>
Robert A. Heekin	4347-4 University Boulevard South Jacksonville, Florida 32216

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation as the incorporator and initial registered agent of the corporation this 28 day of January, 2000.

  
\_\_\_\_\_  
Robert A. Heekin

**BYLAWS  
OF  
OCEANFRONT CONDOMINIUM ASSOCIATION  
OF JACKSONVILLE BEACH, INC.**

This corporation (the "Association") has been formed to operate the condominium known as Oceanfront Condominium of Jacksonville Beach (the "Condominium") located at Jacksonville Beach, Duval County, Florida, in accordance with the Declaration of Condominium of Oceanfront Condominium of Jacksonville Beach (the "Declaration," which shall include the original recorded Declaration and all modifications or supplements thereto), the Florida Condominium Act (Chapter 718, Florida Statutes and any successor or replacement thereof, however numbered or named) and the various administrative rules and court decisions implementing or interpreting that Act which are in force as of the date of the event or occurrence that gives rise to their application (which rules and decisions, along with the Condominium Act itself, are collectively referred to herein as the "Condominium Laws" and are incorporated by this reference). The following constitute the Bylaws of this Association as adopted by its initial board of directors. To the extent these Bylaws conflict with or are silent on a point covered by the Articles of Incorporation (the "Articles," as they may be amended from time to time), the Declaration or the Condominium Laws, the terms of the Articles, then the Declaration, and finally the Condominium Laws (in that order of priority) shall control.

**ARTICLE I**

**OWNERS' MEETINGS**

Section 1.1 **Place of Meeting.** Meetings of the members (or "owners") of this Association shall be held at the principal office of the Association or any other place designated in the notice of the meeting.

Section 1.2 **Annual Meeting.** An annual meeting of the owners shall be held on or about March 1 each year at a time and place to be designated by the Board of Directors, at which meeting the owners shall select a Board of Directors and transact other business.

Section 1.3 **Special Meetings.** Special meetings of the owners shall be held when directed by the President or any of the owners entitled to vote at such meeting. A meeting requested by an owner shall be called for a date not less than ten nor more than sixty days after the request is made, unless the owner requesting the meeting designates a later date. The call for the meeting shall be issued by the Secretary, unless the President or owner requesting the meeting shall designate another person to do so.

Section 1.4 **Notice.** Written notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered in the manner and at the time specified in the Condominium Laws. Whenever notice is required to be given to any owner, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be the equivalent to the giving of such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when

**EXHIBIT G**

the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the owners need be specified in the written waiver of notice.

**Section 1.5 Owner Quorum.** A majority of the owners entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of owners. If a quorum is present, the affirmative vote of a majority of the owners represented at the meeting and entitled to vote on the subject matter shall be the act of the owners, unless the vote of a greater number is required by Chapter 617 of the Florida Statutes, or by the Condominium Laws, the Declaration, the Articles, or these Bylaws.

**Section 1.6 Voting of Owners.** Subject to any contrary provisions of the Articles, the Declaration or the Condominium Laws:

(a) Each Unit shall be entitled to one vote on each matter submitted to a vote at a meeting of owners.

(b) An owner may vote either in person or by proxy executed in writing by the owner or his duly authorized attorney-in-fact.

**Section 1.7 Action by Owners Without a Meeting.**

(a) Any action required to be taken at any annual or special meeting of the owners, or any action which may be taken at any such annual or special meeting, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by not less than the minimum number of owners that would be necessary to authorize or take such action at a meeting at which all owners entitled to vote thereon were present and voted.

(b) Within ten (10) days after obtaining such authorization by written consent, notice must be given to those owners who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

## ARTICLE II

### DIRECTORS

**Section 2.1 Function.** All corporate powers shall be exercised by or under the authority of, and the business and affairs of this Association shall be managed under the direction of, the Board of Directors.

**Section 2.2 Number and Qualification.** There shall be three (3) directors of this Association, one representing each of the Units of the Condominium. Except as required by the Articles, the Declaration or the Condominium Laws, directors need not be residents of this state nor owners of this Association.

**Section 2.3 Selection and Term.** At every annual owners' meeting, each Unit owner shall designate one director who shall the represent that owner's Unit until the next succeeding annual meeting. Each director shall hold office for the term for which he is elected and until his successor shall have been designated by the owner who appointed him, or until his earlier resignation, removal from office, or death.

**Section 2.4 Removal of Directors.** A director may be removed, with or without cause, only by the owner who designated that director.

**Section 2.5 Vacancies.** Any vacancy occurring in the Board of Directors shall be filled by designation of the owner who initially appointed the vacating director. A director designated to fill a vacancy shall hold office until the next annual meeting of the Unit owners.

**Section 2.6 Quorum and Voting.** A majority of the number of directors fixed by these bylaws shall constitute a quorum for the transaction of business. The act of a majority of the directors present at a meeting at which the quorum is present shall be the act of the Board of Directors.

**Section 2.7 Time, Notice and Call of Meetings.**

(a) Regular meetings of the Board of Directors shall be held immediately following the annual meeting of owners each year, and regular or special meetings may be held at such times thereafter as the Board of Directors may fix, and at such other times as called by the President of the Association or any director. Written notice of the time and place of special meetings of the Board of Directors shall be given to each director by either personal delivery or fax at least two days before the meeting, or by notice mailed to each director at least five days before the meeting. Adequate notice of all meetings, including an identification of agenda items, shall be posted conspicuously on the Condominium property at least 48 continuous hours preceding the meeting except in an emergency.

(b) Notice of a meeting of the Board of Directors need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

(c) Members of the Board of Directors may participate in a meeting of such board by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

**Section 2.8 Action Without a Meeting.** Any action required to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing, setting forth the action so to be taken, signed by all of the

directors, is filed in the minutes of the proceedings of the board. Such consent shall have the same effect as a unanimous vote.

**Section 2.9 Director Conflicts of Interest.**

(a) No contract or other transaction between this Association and one or more of its directors or any other corporation, firm, association, or entity in which one or more of the directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest or because such director or directors are present at the meeting of the Board of Directors which authorizes, approves, or ratifies such contract or transaction or because his or their votes are counted for such purpose, if:

(i) The fact of such relationship or interest is disclosed or known to the Board of Directors which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or

(ii) The fact of such relationship or interest is disclosed or known to the owners entitled to vote and they authorize, approve or ratify such consent or transaction by vote or written consent; or

(b) Interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors which authorizes, approves or ratifies such contract or transaction.

Without limiting the generality of the foregoing statement, it is anticipated that the owner of Unit 1 shall function as the manager of the Association and the Common Elements, subject to the annual budget adopted by the Board of Directors and such other guidelines or restrictions as the Board may impose from time to time.

**ARTICLE III**

**OFFICERS**

**Section 3.1 Officers.** This Association shall have a President (who shall also serve as the Chairman of the Board of Directors), a Vice President/Secretary, and a Vice President/Treasurer, each of whom shall be a director. Unless they unanimously agree otherwise at the annual meeting of the Board of Directors following each annual meeting of the owners, these offices shall be filled on a rotating basis each year, with the director representing Unit 1 being the first President, the director representing Unit 2 being the first Vice President/Secretary, and the director representing Unit 3 being the first Vice President/Treasurer, with the offices being passed in that order to the next higher numbered Unit's director at the following annual meeting. The officers shall serve until their successors are chosen and qualify.

Section 3.2. **Duties.** The officers of this Association shall have the following duties:

(a) The **President** shall be the chief executive officer of the Association, shall have general and active management of the business, and affairs of the Association subject to the directions of the Board of Directors, and shall preside at all meetings of the owners and Board of Directors.

(b) The **Vice President/Secretary** shall (i) have custody of, and maintain, all of the corporate records except the financial records, (ii) record the minutes of all meetings of the owners and the Board of Directors, (iii) send all notices of meetings, (iv) in the absence or disability of the President, perform the duties and exercise the powers of the President, and (v) perform such other duties as may be prescribed by the Board of Directors or the President.

(c) The **Vice President/Treasurer** shall (i) have custody of all corporate funds and financial records, (ii) keep full and accurate accounts of receipts and disbursements and render accounts thereof at the annual meetings of owners and whenever else required by the Board of Directors or the President, (iii) in the absence or disability of the President and Vice President/Secretary, perform the duties and exercise the powers of the President, and (iv) perform such other duties as may be prescribed by the Board of Directors or the President.

Section 3.3 **Removal of Officers.** An officer may be removed, with or without cause, only by the owner who designated that officer as a director.

Section 3.4 **Vacancies.** Any vacancy occurring in an office of the Association shall be filled by designation of the owner who initially appointed the vacating officer as a director. A director designated to fill a vacancy as an officer shall hold the office until the next annual meeting of the Board.

## ARTICLE IV

### BOOKS AND RECORDS

Section 4.1 **Books and Records.**

(a) This Association shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its owners and Board of Directors.

(b) This Association shall keep at its principal place of business, a record of its owners, giving the names and addresses of all owners, and such other information as may be required by the Declaration and the Condominium Laws. No stock shall be issued for the owners' interests in this Association, but the transfer of an owner's interest shall be deemed to be included in the conveyance of the Condominium unit to which it relates.

(c) Any books, records, and minutes shall be in written form or in any other form capable of being converted into written form within a reasonable time.

Section 4.2 **Budgets, Assessments and Financial Information.** The Association shall prepare and distribute such budgets and financial reports, levy such assessments, impose such liens, and keep and make available to the owners such financial records and information, as may be called for by the Condominium Laws and the Declaration.

Section 4.3 **Corporate Seal.** The Board of Directors shall provide a corporate seal which shall have the name of the Association inscribed thereon, and may be facsimile, engraved, printed, or an impression seal.

## ARTICLE V

### AMENDMENT

Section 5.1 **Power to Amend.** These bylaws may be altered, amended or repealed, and new bylaws may be adopted, only by the unanimous written approval of the Unit owners.

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