

DECLARATION OF CONDOMINIUM
FOR
QUEYS CONDOMINIUM

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**DECLARATION OF CONDOMINIUM
FOR
QUEYS CONDOMINIUM**

THIS DECLARATION, made as of the 21st day of December, 1999 by QUEYS DEVELOPMENT CORPORATION, a Florida corporation, hereafter referred to as the "Developer," recites and provides:

I. RECITALS:

- A. The Developer has constructed a three-unit building upon its property in Duval County, Florida in an area known as South Jacksonville Beach.
- B. The Developer wishes to subject the property to the covenants, restrictions, easements, charges and liens of this Declaration and to create a non-profit association with the power and duty of administering and enforcing the provisions of this Declaration.

II. DECLARATION:

NOW, THEREFORE, the Developer hereby submits to condominium ownership pursuant to Chapter 718, Florida Statutes as amended to the date hereof (the "Condominium Act"), the real property which consists of the property described on Exhibit A, and all improvements, equipment, furnishings and fixtures owned by the Developer which are located on the property and intended for the use and enjoyment of the Condominium (which together with the real property shall be known as the "Property").

The property shall hereafter be subject to the provisions, restrictions, reservations, covenants, conditions and easements set forth in this Declaration of Condominium (the "Declaration"), all of which shall constitute covenants running with the land, binding upon the owners and lessees of any part of the Property, their heirs, successors and assigns forever.

Article I. DEFINITIONS

The following definitions apply wherever the capitalized terms appear in this Declaration. Additional terms, which apply only to one article, are defined the first time they appear.

1.01 Articles. "Articles" are the Articles of Incorporation of the Association, which are attached as Exhibit B to this Declaration.

1.02. Assessment. "Assessment" means each Owner's share of the amount required for the payment of the Common Expenses. An assessment may be either general or special as follows:

(a) General Assessment. The "General Assessment" is the amount charged to each Member to meet the Association's annual budgeted expenses, as described in paragraph 10.2.

(b) Special Assessment. A "Special Assessment" may be charged to each Unit for capital improvements or emergency expenses, in accordance with the provisions of paragraph 10.3.

1.03 Association. "Association" is the Queys Condominium Association, Inc., a Florida nonprofit corporation, its successors and assigns. The Association, whose members are the Owners, is responsible for maintaining the Condominium and enforcing the Declaration.

1.04 Board. "Board" is the Board of Directors of the Association.

1.05 Bylaws. "Bylaws" are the Bylaws of the Association. The form of the initial Bylaws, as proposed, is attached as Exhibit C to this Declaration.

1.06 Common Elements. Common Elements means all of the Property except the Units, and shall include but not be limited to:

(a) The land on which the improvements are located and any other land included in the Condominium Property, whether or not contiguous;

(b) The driveway, parking areas, landscaped areas; roof and roofing materials designated as Common Elements on Exhibit D attached hereto.

(c) All conduits, ducts, plumbing, wiring, utility area, installations, and services which serve the various Units and all such facilities which serve the apparatus Common Elements, along with all necessary easements;

(d) All structural beams, posts and members within the Units and an easement of support in every portion of the Units which contributes to the support of the Building;

(e) All easements for egress and ingress to, within and across the Property; and

(f) All tangible and personal property required for the maintenance and operation of this Condominium and for the common use and enjoyment

1.07 Common Expenses. Common Expenses Mean:

- (a) Expenses of administration, insurance, maintenance, operation, repair and replacement of Common Elements and of the portions of Units to be maintained by the Association (if any);
- (b) All costs incurred by the Association in the provision of services required by this Declaration or by the Condominium Act;
- (c) The costs of carrying out the powers and duties of the Association, including professional fees and expenses;
- (d) Expenses declared Common Expenses by any provision of Declaration, the Bylaws, or, to the extent permitted, by resolution of the Board, and
- (e) Any valid charge against the Property as a whole.

1.08 Common Surplus. "Common Surplus" means the excess of all receipts of the Association, collected on behalf of the Condominium (including, but not limited to, assessments, rents profits and revenues on account of the Common Elements) over the Common Expenses.

1.09 Condominium. "Condominium" means the condominium regime created by this Declaration.

1.10 Declaration. "Declaration" is this Declaration of Condominium for Queys Condominium.

1.11 Developer. The "Developer", is QUEYS DEVELOPMENT CORPORATION, its successors and assigns.

1.12 Limited Common Elements. "Limited Common Elements" means and refers to those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of all other Units. There are two parking spaces designated for Unit 133. A balcony or patio designed for the private use of a particular Unit is a Limited Common Element.

1.13 Member. Each Owner is a "Member" of the Association, as provided in Article V of this Declaration.

1.14 Mortgage. A "Mortgage" is a bona fide first mortgage held by a Mortgagee.

1.15 Mortgagee. A "Mortgagee" is any institutional lender which holds a bona fide first mortgage encumbering a Unit as security for the performance of an obligation.

The term "institutional lender" specifically includes a bank, savings and loan Association, a mortgage lending company, an insurance company, the Federal National Mortgage Association or similar agency and the Developer.

1.16 Owner. "Owner" is the record owner, whether one or more persons or entities, of fee simple in any Unit or life estate. Owners shall not include those having such interest merely as security for the performance of an obligation.

1.17 Property. "Property" means all of the property, real and personal, subjected to condominium ownership by this Declaration, as legally described and graphically depicted on Exhibit A.

1.18 Unit. "Unit" means a condominium unit in the Condominium, as defined by the Condominium Act, which is subject to private ownership, and which shall consist of land and improvements, subject to the following boundary description:

(a) Upper Boundary. The upper horizontal boundary shall be the horizontal plane of the bottom of the undecorated finished ceiling.

(b) Lower Boundary. The lower horizontal boundary shall be the horizontal plane of the top of the undecorated finished floor.

(c) Vertical Boundaries. The vertical boundaries shall be the undecorated finished interior of the walls bounding the Unit.

(d) Additional Elements. The Unit shall also include all doors serving only that Unit (including those which open to the Unit from the outside), windows and window apparatus door and window frames, sills and thresholds, sliding glass doors, hardware and locks, glasses, screens and screen supports. Any walls or partitions within the Unit which do not adjoin another Unit, the Common Elements or the outer portions of the building shall be part of the Unit, except any part contributing to the support of the building and also except any conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to other Units, the Common Elements or other portions of the Building.

(e) Utilities. The Unit shall also include all lines, conduits and equipment for electricity, heating, air conditioning, water heating and other utilities serving only that Unit, wherever such utilities may be located.

(f) Excluded Areas. The Unit shall not include structural beams, posts and members or conduits, ducts, plumbing, wiring, utility areas, installations, apparatus and services which serve other Units, the Common Elements of the building. Each Unit shall be subject to easements for support in every portion of

the Unit which contributes to the support of the buildings and easements for utility services to the various Units and to the Common Elements.

Article II. UNITS AND APPURTENANCES

2.01 Name. The name of this condominium is Queys Condominium.

2.02 Description of Condominium Property. Exhibit A provides the legal description and survey of the Property and site plan of improvements.

2.03 Appurtenances. There shall pass with each Unit as appurtenances thereto:

(a) A one third undivided share in the Common Elements, Common Expenses and Common Surplus.

(b) An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time and as the Unit may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

(c) Right of the Unit Owner in the Association to access properties owned by the Association, subject to the rules and regulations as adopted from time to time by the Association.

(d) A perpetual nonexclusive easement for ingress and egress by the Owners, their families, guests, tenants, servants, agents, invitees and lessees over streets, walks, and other rights-of-way, serving the Units of the Condominium, necessary to provide reasonable access to the public ways.

(e) An exclusive easement for the use of such Limited Common Elements as may be designated in this Declaration or in the deed conveying the Unit.

2.04 Fee Ownership. Each Condominium Unit, together with all appurtenances, shall for all purposes constitute a separate parcel of real property which may be owned in fee simple and which may be conveyed, transferred and encumbered in the same manner as any other parcel of real property, subject only to the provisions of this Declaration and the Condominium Act. Each Owner shall be entitled to exclusive possession of his Unit, subject to the provisions of this Declaration and the Condominium Act.

2.05 Identification. The Units are identified in Exhibit D. Units shall be legally conveyed by number. No Unit may be subdivided into a smaller Unit, nor may any part of a Unit be sold separately.

Article III. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON ELEMENTS

3.01 Conveyance with Deed. The undivided share in the Common Elements which is appurtenant to a Unit shall not be separated therefrom and shall pass with the title to the Unit, whether or not separately described.

3.02 Non-Separation. A share in the Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit. The shares in the Common Elements appurtenant to Units shall remain undivided, and the Common Elements shall not be subject to any action for partition.

Article IV. COMMON ELEMENTS

4.01 Title. The Common Elements are owned by the Unit Owners in equal undivided shares, as provided by the Condominium Act.

4.02 Grant of Easements. The Association shall have the right to grant reasonable easements over, under, across or through the Common Elements for utilities or other purposes to the greatest extent permitted by the Condominium Act.

4.03 Maintenance. The Association shall be responsible for the management, control and improvement of the Common Elements and shall keep the Common Elements attractive, clean and in good repair. To the extent permitted by the Condominium Act, the Association may provide any other service approved by the Board, subject to any additional approvals which may be required by the Condominium Act. To the extent permitted by the Condominium Act and if approved by the Unit Owners, either by majority vote at a meeting or by written approval of the Unit Owners, the Association may maintain portions of all of the Units in a uniform fashion.

4.04 Management Contracts. The Association may contract with any party for the performance of all or any portion of the management of the Association and the Association's maintenance and repair obligations. The cost of the contract shall be included within the General Assessment or Special Assessment as applicable. The Association also may, but is not obligated to, act as agent for an Owner, to contract for routine maintenance and other services not required to be provided by the Association. The terms and conditions of all such contracts shall be at the discretion of the Board.

4.05 Capital Improvements: Additional Common Elements. The Association may make capital improvements to the Common Elements, may purchase additional property to be added to the Common Elements and may modify the uses of the

Common Elements. Expenses for substantial capital improvements must be approved in accordance with Section 7.06 herein.

4.06 Damage or Destruction of Common Elements by Owner. If any Owner or any of his guests, tenants, licensees, agents, employees or members of his family damages any of the Common Elements as a result of negligence or misuse, the Owner hereby authorizes the Association to repair the damage, the cost of which shall be the responsibility of the Owner.

4.07 Services. The Association, by vote of the Board of Directors, may provide various services for the benefit of all Owners which may be provided more economically or efficiently on an Association basis, including without limitation, cable television services and pest control service. Except in an emergency, the Board shall give Owners at least thirty (30) days notice of its intent to enter such a contract, and if a majority of the Owners notify the Association in writing that they oppose such a contract, the Board shall not enter into the contract. The cost of such service may be included in Common Expenses.

Article V. ASSOCIATION

5.01 Members. Every Owner shall be a mandatory Member of the Association. Membership shall be appurtenant to and may not be separated from title to the Unit.

5.02 Exercise of Vote. When more than one person holds an interest in any Unit, all such persons shall be Members. However, the number of votes for that Unit shall not be increased, and the Members must determine among themselves how the Unit's vote may be exercised, all as more fully set forth in the Articles. Corporations, partnerships and other entities shall notify the Association of the natural person who shall be considered a Member of the Association and exercise its vote.

5.03 Additional Provisions. Additional provisions concerning the operation of the Association and the Board are contained in the Articles and Bylaws attached hereto and made a part hereof as Exhibits B and C. Operation of the Association is at all times subject to the provisions of the Condominium Act so that in the event of conflict between the Declaration, Articles or Bylaws, the Condominium Act shall govern.

Article VI. MAINTENANCE, ALTERATION AND REPAIR

6.01 Unit Owner and Association Obligations. The responsibility for the cost of keeping clean and in orderly condition all parts of the Unit and the terraces, balconies and entryways serving one Unit or Units, and any other improvements or

personal property forming a part of the Limited Common Elements which exclusively serve a certain Unit or Units to the exclusion of other Units, shall be borne by the Owner(s) of the Unit(s) to which the same are appurtenant. Normal maintenance and repairs of the Common Elements and Limited Common Elements shall be assessed as a part of the Annual Assessment. Extraordinary maintenance and repairs caused by a Unit Owner, his guests, family or invitees shall be paid by the Unit Owner.

6.02 Limitations on Alterations. No Unit Owner shall make any addition, alteration, or improvements in or to his Unit, the Common Elements, or the Limited Common Elements, and no fence, wall, gate, enclosure, or other structure or improvement may be erected, installed, maintained, or removed on the Condominium Property, until the design, construction, specifications, and a plan showing the location of the structure have been approved in writing by the Board of Directors (or an architectural review committee appointed by it) as to quality, design and materials, harmony with existing structures, and location with respect to topography and finished grade elevation. Such approval of the Board of Directors (or its designee) shall not be required in the event that the Board of Directors (or its designee) fails to give such approval within thirty (30) days after receipt of a written request for same. Nothing contained in this Section shall be construed to lessen the obligation of any Owner to make prompt application for and obtain all necessary governmental permits and other approvals with respect to any such structure. In no event shall a Unit Owner make any alterations in the portions of the improvements of the Condominium which are to be maintained by the Association, remove any portion thereof, make any additions thereto, do any work which would jeopardize the safety or soundness of the Condominium Building containing his Unit, or impair any easement.

6.03 Indemnity for Alterations. A Unit Owner making or causing to be made any such additions, alterations, or improvements agrees, and shall be deemed to have agreed, for such Owner and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association, and any manager of the Condominium, together with all their officers, directors, partners, and all other Unit Owners, harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after the date of installation or construction thereof, as may be required by the Association. The provisions of this Article shall not apply to the Developer.

6.04 Interpretation and Policies. The Association may make policies concerning Association and Owner responsibility for maintenance based on reasonable interpretations of this Article VI, consistently applied.

Article VII. ASSOCIATION BUDGET

7.01 Fiscal. The fiscal year of the Association shall begin January 1 of each year and end on December 31 of that year, unless the Board selects a different fiscal year.

7.02 Budget Items. The budget shall contain an estimate of the Common Expenses to be incurred by the Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services require or permitted under this Declaration. The budget shall also include reasonable provisions for working capital for the Association as determined by the Board, and for reserves as required by the Act. Fees for professional management of the Association, legal counsel and other professional services may also be included in the budget. Each Unit shall be assessed one third of the Common Expenses as set forth each year in the budget.

7.03 Reserves. Unless waived by majority vote of the Members in accordance with the Condominium Act, the Association shall build up and maintain adequate reserves, which shall be included in the budget and collected as part of the annual General Assessment. If the reserves are inadequate for any reason, including nonpayment of any Member's assessment, the Board may at any time levy emergency assessment in accordance with the provisions of Section 8.01 ("Special Assessment").

7.04 Preparation and Approval of Annual Budget.

(a) Adoption. At least one month before the end of each fiscal year, the Board shall, by majority vote, adopt a budget for the coming year and set the annual General Assessments at a level sufficient to meet the Budget. At least two weeks before the Board meeting at which time the budget is considered, the Board shall send each Member notice of the meeting and a copy of the budget in reasonably itemized form which shall include the amount of General Assessments payable by each Member.

(b) Approval. The Board shall call an Association meeting to present the budget and to answer any questions. After presentation, the budget shall be deemed approved unless the percentage required to transact business is present and a substitute budget is accepted by a majority of the Members present all as more fully set forth in the Bylaws.

7.05 Effect of Failure to Prepare or Adopt Budget. The Board's failure or delay in preparing or adopting the annual budget for any fiscal year shall not waive or release a Member's obligation to pay General Assessments whenever the amount of

such assessments is finally determined. In the absence of an annual Association budget each Member shall continue to pay the assessment at the rate established for the previous fiscal period until notified otherwise.

7.06 Capital Improvements. Substantial capital improvements to the Common Elements (including the purchase of additional property, easements or other use rights) approved by the Board must be ratified by the Members as follows:

(a) Majority Vote. If the cost of the improvements is more than six percent (6%) of the Association's annual budget, or if, when added to other capital improvements for the fiscal year, totals more than ten percent (10%) of the Association's annual budget, the capital improvement must be approved by majority vote of the Members.

(b) Two-Third Vote. If the cost of the improvement is more than twenty percent (20%) of the Association's annual budget, or if, when added to other capital improvements for the fiscal year, totals more than twenty five percent (25%) of the Association's annual budget, the capital improvement must be approved by a two thirds (2/3) vote of the Members.

If the substantial capital improvement is approved by the Members, the Board shall determine whether it shall be paid from General Assessments or by Special Assessment. Any repair replacement of existing improvements shall not be considered a capital improvement.

7.07 Accounts. Reserves shall be kept separate from other Association funds, either in a single account for all reserves or separated by purpose. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.

Article VIII. COVENANTS FOR MAINTENANCE ASSESSMENTS

8.01 Obligation for Assessments. Each Unit is subject to Assessments by the Association for the improvement, maintenance and operation of the Condominium, including the management and administration of the Association and other Common Expenses as set forth in this Declaration. The Developer, for each Unit owned within the Condominium, hereby covenants, and each Owner of any Unit by accepted deed or other transfer instrument, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association the following (to be shown collectively) as "Assessments"):

- (a) General Assessments for expenses included in the budget, and
- (b) Special Assessments for the purposes provided in this Declaration

together with a late fee and interest, as established by the Board, and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought. Upon default in the payment of any one or more installments, the Board may accelerate the entire balance of such Assessment, which shall be declared do and payable in full.

8.02 General Assessments. The Board shall set the dates such assessments shall become due and may provide for collection of assessments monthly or, if allowed by statute, in quarterly, semiannual or annual installments.

8.03 Special Assessment. In addition to the General Assessment, the Board may levy in any fiscal year a Special Assessment applicable to that year and not more than the next four succeeding years as follows:

(a) Capital Improvements. Any substantial capital improvement which has been approved in accordance with Section 9.6 ("Capital Improvements") or any capital improvement not required to be approved by the Members may be paid by Special Assessment.

(b) Emergency Assessment. By two-thirds (2/3) vote, the Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense which this Declaration requires the Association to pay (including, after depletion of reserves, any unexpected expenditures not provided by the budget or unanticipated increases in the amounts budgeted).

8.04 Effect of Nonpayment of Assessment: Remedies.

(a) Late Fees-Interest. Any Assessment not paid within five (5) days after the due date shall bear interest at the highest rate allowed by law or at such lower rate as determined by the Board, and may be subject to a late fee, in an amount not to exceed the greater of \$25 or five percent (5%) of each installment of the assessment for each delinquent installment that the payment is late, as determined by the Board.

(b) Personal Obligation. Any and all Assessments (whether General or Special), together with any late fee, interest and cost of collection when delinquent, including reasonable attorney's fee whether or not suit is brought (collectively, the "Unit Obligation") shall be the personal obligation of the person or entity who was the Owner of such Unit at the time when the assessment was levied, and of each subsequent Owner. Each Owner of a Unit, by acceptance or a deed or other transfer document, whether or not it shall be expressed in such deed or transfer document, is deemed to covenant and agree to pay the Association the Assessments established or described in this Article.

(c) Creation Lien. The Unit Obligation shall be a continuing lien upon the Unit against which the Unit Obligation is made. This lien shall be in favor of the Association for the benefit of all Owners, which shall have all remedies available under the Condominium Act.

(d) Remedies. The Association may bring an action of law against the Owner or Owners personally obligated to pay the Unit Obligation, or may foreclose the lien, or both. The Association, acting on behalf of the Owners, shall have the power to bid for any interest in any Unit foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the same.

(e) Owner's Acceptance. Each Owner, by acceptance of title to a Unit, hereby expressly vests in the Association the right and power to bring all actions against such Owner personally for the collection of the Unit obligation as a debt and to enforce the Unit Obligation by all methods available for the enforcement of liens, including foreclosure of the lien and all rights and remedies under the Condominium Act.

(f) Each Owner hereby expressly grants to the Association a power of sale in connection with such lien. No Owner may waive or otherwise escape liability for the Unit Obligation by abandonment of the Unit.

(g) Subordination of the Lien to Mortgagees. The lien of the Unit Obligation shall be inferior and subordinate to the lien of any Mortgage now or hereafter placed upon the Unit only to the extent required by the Condominium Act.

(h) Other Remedies. To the extent allowed by law, the Association may prohibit the leasing of a Unit for any period during which any part of the Unit obligation remains unpaid

8.05 Certificate of Payment. The treasurer of the Association, upon request of any Owner, shall furnish a certificate signed by a member of the Board stating whether any assessments are owed by that Owner. Such certificate, when co-signed by the secretary of the Association, may be relied upon by a good faith purchaser or mortgagee as conclusive evidence of payment of any assessment therein stated to have been paid. The Association may charge a reasonable fee for this service.

8.06 Developer Obligation. No Unit owned by the Developer shall be subject to assessment for the period of time commencing on the date of recording the Declaration and terminating on the first day of the fourth calendar month after the closing of the first Unit, provided that any such period, Developer shall pay the deficit the portion of Common Expenses incurred which exceed the amount assessed against the other Unit Owners.

Article IX. INSURANCE; CASUALTY; CONDEMNATION

9.01 Types of Coverage.

(a) Casualty Insurance. The Board shall use its best efforts to obtain and maintain casualty insurance on all buildings and improvements in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs and on all personal property included in the Common Elements, and such other parts of the Property may be required by the Condominium Act. To the extent reasonably available, such insurance shall provide extended coverage, vandalism, malicious mischief, flood and windstorms endorsements for full replacement value. The Board shall have the discretion to approve such coverage and limits as they deem prudent and reasonable.

(b) Public Liability. The Board shall obtain appropriate public liability insurance in such limits as the Board from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Common Property. All other owners of property within the Building shall be named as additional insureds. Such insurance shall be issued on a comprehensive liability basis and shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, the Board or other Owners. The Board shall review limits of coverage once a year.

(c) Director of Liability Insurance. The Board may obtain liability insurance insuring against personal loss for actions taken by members of the Board in the performance of duties. Such insurance shall be the type and amount determined by the Board in its discretion.

(d) Other Coverage. The Board shall obtain and maintain workman's compensation insurance if and to the extent necessary to meet the requirements of law, and any other type or insurance coverage required by law and such insurance as the Board may determine or as may be requested from time to time by a majority of the Owners. The Board may agree to obtain additional insurance coverage to comply with the requirements of the Federal National Mortgage Association, other mortgagees or guarantors of mortgages, and so long as the stated mortgagee or guarantor has an interest in a Unit, the Association shall keep the agreed coverage in effect.

(e) Owner's Personal Coverage. Owners are encouraged to obtain at their own expense additional insurance coverage for their Condominium Units, for their own personal property, the contents and portions of the Units for which they are responsible including that maintained in all storage areas of the Property, and or personal liability. Unless required by statute, the Association insurance policy will

not normally insure against damage to coverings for walls, ceilings and floors. In addition, the Association insurance policy may have a substantial deductible before coverage is available.

9.02 Association Rights and Responsibility.

(a) Policies. The Association shall hold the master policies of all insurance coverage required or authorized to be obtained by the Association and copies of all endorsements. A copy of each policy in effect shall be made available for inspection by Owners at reasonable times. If requested to do so by any Mortgagee, the Association shall provide evidence of payment and arrange for the issuance of a certificate of mortgagee endorsement.

(b) Insurance Proceeds. All proceeds of insurance policies purchased by the Association shall be payable to the Association, which shall hold the proceeds in trust to be distributed as provided herein. The Association is irrevocably appointed agent for each Owner and for each Mortgagee to adjust all claims arising under insurance policies purchased by it and to execute and deliver releases upon the payment of claims.

(c) Condemnation. If all or part of the Common Elements is taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board shall have the right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation affecting such property.

9.03 Repair and Reconstruction after Casualty or Condemnation.

(a) Responsibility. Unless the Condominium is terminated in accordance with paragraph (d) of this section, any damage to the Condominium resulting from fire or other casualty or from condemnation shall be promptly repaired substantially according to the specifications as they existed before the damage, unless the Association approves modification of the design. The responsibility for reconstruction or repair after a casualty or condemnation shall be the same as for maintenance and repair of the Property generally.

(b) Common Property. If fire or other casualty or condemnation damages or destroys any of the improvements on the Common Elements, the Board shall arrange for and supervise the prompt repair and restoration of such improvements substantially in accordance with the plans and specifications under which the improvements were originally constructed, or any modification approved by the Board. The Board shall obtain funds for such reconstruction first from the insurance or condemnation proceeds, then from reserves for the repair and

replacement of such improvements, and then from any special assessments that may be necessary after exhaustion of insurance and reserves.

(c) Units. Funds to repair casualty or condemnation damage for which the individual Owner is responsible shall be disbursed directly to the Owner unless there is a mortgagee endorsement as to any part of the insurance proceeds, in which event such insurance proceeds shall be disbursed jointly to the Owner and the mortgagee. All such disbursements shall be received in trust for use in the repair and replacement of the damaged Unit.

(d) Termination. If a casualty loss or condemnation causes damage equal to more than one-half of the total insurable value of the Condominium, this Condominium may be terminated by consent in writing of two-thirds of the Unit Owners if such consents are collected within (60) days of the loss.

Article X. USE RESTRICTIONS

10.01 Residential Use. Each Unit shall be used as residential dwelling. An Owner may conduct a legal business from his Unit as long as no traffic, noise or fumes are generated, the address of the business is not advertised, no signage is visible from outside the Unit, and the business is permitted by zoning. Parking will only be allowed in the designated parking spaces provided for each unit.

10.02 Common Elements. The 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 the Owners, tenants and guests.

10.03 Signs. No signs shall be displayed from a Unit on the Common Elements except those which have advance written approval from the Association. Developer, shall be permitted to post and display advertising signs on the property form the marketing, sale or rental of Units.

10.04 Leasing. Leasing of Units is permitted, subject to reasonable regulation by the Board. All leases shall have a lease term of at least nine months; if the lease is terminated for any reason before the end of the nine-month term the Board can prohibit the re-leasing of the Unit until nine months after the beginning of the original lease. The Board may exercise a right to approve or disapprove leases in accordance with rules and regulations adopted in accordance with this Declaration, and may disapprove any leasing of a Unit while any portion of the Unit Obligation is delinquent.

10.05 No Time-Sharing. No time-share ownership of Units is Permitted. For this purpose, the term "time-share ownership" shall mean a method of ownership of an interest in a Unit under which the exclusive right of use, possession or occupancy of

the Unit circulates among more than six individuals or married couples on a periodically reoccurring basis.

10.06 Nuisances; Other Improper Use.

(a) Nuisances: Unlawful Use. No nuisance or immoral, improper, offensive or unlawful use shall be permitted to exist or operate on any Unit or Common Elements. All laws, building codes orders, rules, regulations or requirements of any governmental agency having jurisdiction shall be complied with, by and at the sole expense of the Owner of the Association, whichever shall have the obligation to maintain or repair the affected portion of the Condominium. Examples of activities which may be deemed to constitute nuisances include, but are not limited to, yard decorations, decorative lighting, statues and unmaintained yards and structures.

(b) Insurance. Nothing shall be done or kept on any Unit or the Common Elements which will increase the rate of, or result in the cancellation of, insurance for the Condominium or any other Unit, or the contents thereof, without the prior written consent of the Association.

(c) Soliciting. No soliciting will be allowed at any time within the Condominium.

10.07 Pets. No animals, livestock, or poultry shall be raised, bred or kept anywhere within the property, except that a maximum of two (2) dogs, cats or other domesticated household pets may be kept within a unit, provided that they are not kept or maintained for any commercial purpose and are kept within a designated area of the Unit, and provided such permitted pets shall not become a nuisance or cause an unsafe condition. Each Owner shall be held strictly responsible to immediately collect and properly dispose of wastes and litter of his pets. Owners shall be responsible for any damage, destruction or additional maintenance resulting from their pet or their tenant's, guest's or licensee's pet. The Association reserves the right to regulate the number and size of pets; to prohibit the keeping of animals other than the customary household pets, which it may define, acting reasonably, to designate specific areas within the Common Elements where pets may be walked and to prohibit pets on other areas, to require pets to be on leash; and to restrict the rights of tenants to keep pets.

10.08 Parking. No vehicles such as trailers, watercraft or recreational vehicles shall be permitted to park in the driveways. Such recreational vehicles shall be permitted for a time period not to exceed 24 hours for loading and unloading.

10.09 Attractiveness and Safety of Units.

(a) Owner's Responsibility. Each Owner shall keep all parts of his Unit in good order and repair and free from debris.

(b) Clothesline; Railings. No clothesline, rack or other clothes-drying apparatus shall be permitted in any part of a Unit where it may be visible from the Common Elements or outside the Building. Towels and other items are not permitted on the balcony railings.

(c) Garbage and Trash Containers. All garbage and trash containers must be placed and maintained in accordance with rules and regulations adopted by the Board. There will be a designated area in or near the condominium specifically for garbage and trash containers.

(d) Fuel Storage Tanks; Flammables. No fuel, flammables or gas storage tanks may be permitted on any Unit, except that an Owner may keep and maintain small gas tank for gas barbecues in an area on his Unit specifically approved by the Board.

(e) Recreational Structures. No basketball backboards or recreational structures shall be erected on any Unit or the Common Elements without the approval of the Board of Directors as to style and location. The Board of Directors shall be situated so as to minimize noise to adjoining units.

(f) Window Air Conditioners. No window air conditioning unit shall be installed on any improvement, Unit or other building located upon any area of the property.

10.10 Rules and Regulations. The Board may from time to time adopt rules or amend previously adopted rules and regulations governing the details of the operation, use maintenance and control the Units, Common Elements and any facilities or services made available to the Owners. Rules and Regulations shall take effect immediately upon approval by the Board, or at a later date selected by the Board. If requested by at least 33.33% of the Members, an Association meeting may be called and any Rule or Regulation may be repealed by majority vote of the Members. A copy of the Rules and Regulations adopted from time to time shall be furnished to each Owner.

10.11 Enforcement. Owner's Responsibility. Each Owner, family members of Owners and Owner's guests and tenants shall conform and abide by the covenants in this Declaration and any Rules and Regulations which may be adopted from time to time by the Board. Each Owner shall be responsible for assuring such

compliance, and any violation by family members, guests or tenants may be considered to be a violation by the Owner.

(a) Additional Remedies. Additional remedies listed in this section are non-exclusive and may be applied cumulatively. The Association shall also have the right to bring suit to enforce the Declaration and Rules and Regulations, as described in Section 17.03.

Article XI. AMENDMENTS TO DECLARATION

11.01 Method of Amendment.

(a) Generally. Except as specifically provided otherwise, this Declaration may be amended at any time by consent in writing of Members holding two-thirds (2/3) of total voting power of the Association. After adoption of any such amendment, the president and secretary of the Association shall execute a certificate meeting the requirements of the Condominium Act.

(b) By Board. The Board by majority vote may amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the purchase and sale of home loan mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, (iii) to correct errors or to clarify any provision of this Declaration.

(c) Unit Shares. No amendment shall change any Unit's appurtenant share in the Common Elements unless the Owner and Mortgagee of the Unit joins in the execution of the amendment and two-thirds (2/3) of the remaining Owners approve it.

(d) Effect. Any amendment adopted in accordance with this Article shall become effective upon recordation in the public records of Duval County, Florida.

11.02 Consent of Mortgagees. This Declaration contains provisions concerning various rights, priorities, remedies, and interest of Mortgagees. Such provisions are to be construed as covenants for the protection of the mortgagees on which they may rely in making loans secured by a mortgage on a Unit. Accordingly, no amendment or modification of this Declaration impairing such rights, priorities, remedies or interests of a Mortgagee shall be effective as against any Mortgagee without the prior written consent of Mortgagees holding two-thirds or more of all Units encumbered by a mortgage. Any such required consent shall be given promptly and shall not be unreasonably withheld. Any consent not given or denied within 30 calendar days of receipt thereof shall be deemed given for purposes hereof. This

section shall not be construed as a limitation upon the rights of the Association or the Owners amendments which do not adversely affect the Mortgagees.

Article XII. TERMINATION

12.01 Methods. The Condominium may be terminated in any of the following ways:

(a) Destruction. If following casualty or condemnation it is determined in accordance with Section 9.03(a) that the improvements will not be reconstructed, the Condominium will thereby be terminated.

(b) Agreement. The Condominium may be terminated at any time by the approval in writing of all the Owners and Mortgagees.

(c) Purchase of Dissenting Owner's Units. The Condominium may be terminated by agreement of two-thirds (2/3) of the Unit Owners and purchase of the dissenting Owner's Units, in accordance with Section 12.02.

12.02 Purchase of Dissenting Owners Units.

(a) Approval. If members holding a majority of votes in the Association desire termination, they may make a written request to the President of the Association for a meeting of the members to consider termination. Notice of the meeting shall be furnished as provided in the Bylaws. If termination is approved at the meeting by a vote of not less than two-thirds (2/3) of the Owners, the approving Owners shall have an option to buy all (but not less than all) of the Units of the non-approving Owners for the period ending (90) days after the date of the meeting. Approval of termination by an Owner at such a meeting shall be irrevocable until the expiration of the option is exercised, the approval shall be permanently irrevocable.

(b) Exercise of Option. The purchase option shall be exercised by delivery of the following instruments in person or by registered mail to each Owner of the Units to be purchased.

(i) A certificate executed by the president and secretary of the Association certifying that the motion to terminate the Condominium was approved in accordance with this Article and that the option to purchase is being exercised as to all Units owned by dissenting Owners. The certificate shall state the names of the Owners exercising the option, the Units owned by them, and the Units being purchased by each of them.

(ii) An agreement to purchase the Unit of the Owner receiving the notice, upon terms provided in this Article, signed by the purchasing Owner or Owners.

(c) Price. The price of each Unit purchased pursuant to this Article shall be its fair market value determined by agreement between the seller and purchaser within (30) days from the delivery or mailing of the exercise of the option. In the absence of agreement, the price shall be determined by arbitration in accordance with Article XIII ("Arbitration"), except that the arbitrators shall be two MAI-certified real estate appraisers appointed by the American Arbitration Association. If the appraisers cannot reach agreement upon the market value of the Condominium Unit, then the market value shall be the average of the values reached by the two appraisers. The expense of the arbitration shall be paid by the purchaser.

(d) Closing. The sale price shall be paid in cash or upon terms approved by the seller, and the sale shall be closed within thirty (30) days following the determination of the sale price. A judgment of specific performance of the purchase based upon the agreed sales price or determination of the arbitrators may be entered in any court or competent jurisdiction. The closing of the purchase of all of the Units subject to the option shall terminate the Condominium without further act except the filing of the certificate described in Section 12.03.

(e) Limitation. If necessary for this section's validity under the Rule Against Perpetuities (689.22, Florida Statutes) or similar law, this option shall expire 90 years from the recording of this Declaration, or 21 years from the death of the last linear descendent of the original purchasers of Units who was alive at the time of recording of this Declaration, or whatever greater time period allowed by law.

12.03 Certificate. The termination of the Condominium in any of the ways described in this Article shall be evidenced by a certificate of the Association executed by the president and secretary in the same manner as for an amendment of this Declaration. The termination shall become effective upon recording or the certificate in public records of Duval County, Florida.

12.04 Shares of Owners after Termination. After termination of the Condominium, the Owners shall own the Property and all assets of the Association, including the right to insurance proceeds, if any, as tenants in common in undivided shares. The undivided share assigned to each Unit shall be based on the fair market value of the Unit, relative to the other Units in the Condominium, immediately prior to the termination and any casualty or other event precipitating the termination. Relative fair market value shall be determined by an MAI-certified real estate appraiser selected by the Board. Owner's respective Mortgagees and lienors shall have Mortgagees and liens upon the respective undivided shares of the Owners. Following termination, any Owner may request distribution to him and his proportionate share all liquid assets of the Association, but Owners shall not have the right to

partition the Property and, by their acceptance of their Units under this Declaration, shall be deemed to have waived such right to partition.

Article XIII. MANDATORY NON-BINDING ARBITRATION

Prior to the institution of court litigation arising out of a dispute between two or more parties, as defined by Section 718.1255 (1) of the Florida Statutes, the parties to said dispute shall submit to mandatory non-binding arbitration as defined by Section 718.1255(4) of the Florida Statutes.

Article XIV. REGISTER OF OWNERS AND MORTGAGEES; RIGHTS OF MORTGAGEES

14.01 Register of Owners and Mortgagees. The Association shall at all times maintain a register with the names and addresses of all Owners and Mortgagees. Upon the sale or transfer of any Unit to a third party, the transferee shall notify the Association in writing of his interest. In addition, each Owner shall notify the Association of any Mortgage encumbering his Unit, stating the amount of such Mortgage, the Mortgagee's name and address and the recording information for the Mortgage instrument. Any Mortgagee may also notify the Association directly of the existence of its Mortgage lien on a Unit, and upon receipt of such notice, the Association shall register all pertinent information pertaining to it.

Upon written request to the Association by any Mortgagee identifying the name and address of the Mortgagee and the Unit encumbered by its mortgage, such Mortgagee will be entitled to timely written notice of:

(a) Any condemnation or casualty loss that affects a material portion of either the Condominium or the Unit securing its mortgage;

(b) Any sixty (60) day default in the payment of charges or Assessments owed to the Association or in the performance of any obligation hereunder by the Owner of the Unit securing its mortgage;

(c) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and

(d) Any proposed action that requires the consent of a specified percentage of Mortgagees, which consent may not be unreasonably withheld.

Whenever the consent or approval of any, all, or a specified percentage or portion of the Mortgagees is required by this Declaration, the Articles, the Bylaws, or any applicable statute or law, to any amendment of the Declaration, the Articles, or the Bylaws, or to any action of the Association, or to any other matter relating to the Condominium, the Association may request such consent or approval of such

Mortgagees by written request sent certified mail, return receipt requested, or equivalent delivery evidencing such request was delivered to and received by such Mortgagees. Any Mortgagee receiving such request shall be required to consent to or disapprove the matter for which the consent or approval is requested as provided herein within thirty (30) days after the Mortgagee receives such request, and if such response is not timely received by the Association, the Mortgagee shall be deemed to have consented to and approved the matter for which such approval or consent was requested. Such consent or approval given or deemed to have been given, where required, may be evidenced by an affidavit signed by all of the Directors of the Association, which affidavit, where necessary, may be recorded in the public records of the County and shall be conclusive evidence that the applicable consent or approval was given as to the matters therein contained. The foregoing shall not apply where a Mortgagee is otherwise required to specifically join in an amendment to this Declaration.

Be given an endorsement or certificate evidencing the insurance coverage maintained on the Property by the Association, reflecting the Mortgagee's interest therein, and requiring that the Mortgagee be given notice of any cancellation of that insurance coverage.

Article XV. DEVELOPER'S RIGHTS AND PRIVILEGES

15.01 Right to Own and Sell. Notwithstanding any other provision of this Declaration, the Developer is irrevocably empowered to sell Units to any person or entity approved by it. The Developer shall have the right to transact on the Property any business necessary to accomplish the sale, lease or rental of Units, including but not limited to the right to maintain models, have signs, maintain an office and employees on the Property and use the Common Elements. A sales and rental office, model Units, signs and all items pertaining to sale and rentals shall not be considered Common Elements but shall remain the property of the Developer.

15.02 Rights to Change, Divide or Combine Units. The Developer may elect to change the interior design and arrangement of Units, make adjustments in the exterior design and footprint of the Buildings and divide or combine one or more Units or portions of Units prior to the sale of such Units by the Developer, provided an amendment to this Declaration is first approved, executed and recorded in the manner described in Article XI ("Amendments to Declaration"), and in compliance with the Condominium Act. The amended Declaration shall also provide that the shares of the Common Elements, Expenses and Surplus applicable to such Unit or Units shall be increased or decreased so that the resulting Unit or Units have shares allocated in the same manner as shares allocated to all other Units in the Condominium.

15.03 Prohibited Actions. So long as the Developer is the owner of record title to any Unit held in the ordinary course of business, the following actions require approval in writing from the Developer:

(a) Assessment of the Developer as a Unit Owner for capital improvements,
or

(b) Any action by the Association that would be detrimental to the sales of Units by the Developer; provided, however, that an increase in Assessments without discrimination against the Developer shall not be deemed detrimental.

Article XVI. LIABILITY – GENERALLY.

16.01 Provisions. Notwithstanding anything contained in this Declaration, the Articles, Bylaws or rules and regulations of the Association, or any other document governing or binding the Association (“Property Documents”), neither the Developer nor the Association will be liable or responsible for, or in any manner a guarantor or insurer of, the health, safety or welfare of any Owner, occupant or user of any portion of the Property, including without limitation, residents, their families, guests, invitees, licensees, agents, servants, contractors or subcontractors, nor for any property of such persons.

16.02 Specific Provisions. Without limiting the generality of the foregoing:

(a) It is the express intent of the Property Documents that the various provisions of the Property Documents which are enforceable by the Association and which govern or regulate the use of Property have been written and are to be interpreted and enforced for the sole purpose of enhancing and maintaining the enjoyment of the Property and the value thereof.

(b) Neither the Developer nor the Association is empowered to enforce or insure compliance with the laws of the United States, the State of Florida, the County, or any other jurisdiction, or to prevent tortious activities by Owners or third parties.

(c) The provisions of the Property Documents setting forth the duties of the Association which relate to health, safety or welfare will be interpreted and applied only as limitations on the uses of such funds and not as creating a duty of the Association or the Developer to protect or further the safety or welfare of the persons, even if such funds are used for such purposes.

(d) Owner Covenant. Each Owner, his heirs, for himself and his successors and assigns (by virtue of his acceptance of title to his Unit), and each other person or entity having an interest or lien upon or making use of any portion of the

Property (by virtue of accepting such interest or lien or by making use thereof), will be bound by this Section and will be deemed to have automatically waived any and all rights, claims, demands or causes of action against the Association and the Developer arising from or connected with any manner for which the liability of the Association or the Developer have been disclaimed in this Section.

Article XVII. GENERAL PROVISIONS

17.01 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating uniform and consistent plan for the development and operation of a residential condominium if the highest quality. In the event of a conflict between this Declaration and the Articles or Bylaws, this Declaration shall govern. If the Articles and Bylaws conflict, the Articles shall govern.

17.02 Invalidity. The invalidity of any part of this Declaration shall not impair or affect the validity or enforceability of the rest of the Declaration, which shall remain in full force and effect.

17.03 Compliance with Declaration: Enforcement.

(a) Owner's Responsibility. Each Owner, family members of Owners and Owners' guests and tenants shall conform and abide by this Declaration and any Rules and Regulations which may be adopted from time to time by the Board. Each Owner shall be responsible for assuring that all persons using that Owner's Unit by, through or under him, so comply.

(b) Enforcement. Suit may be brought against any person, persons or entity violating or attempting to violate the provisions of this Declaration, either to restrain violation or to recover damages, and against his or its property to enforce any lien treated by this Declaration. To enforce this Declaration or the Rules and Regulations, the Association, the Developer or any owner may bring an action for damages, specific performance, declaratory decree or injunction, or any remedy at law or in equity. The Board shall be empowered to bring suits on behalf of the Association.

(c) No Waiver. Failure to enforce any provision of this Declaration or the Rules and Regulations shall not be deemed a waiver of the right to do so at any time thereafter.

(d) Association Legal Fees. Any and all costs, including but not limited to attorney's fees and court costs, which may be incurred by the Association in the enforcement of any of the provisions of this Declaration, whether or not suit is brought, shall be charged to the Owner against whom such action was taken.

17.04 Notices. Unless otherwise stated herein, any notice required to be sent to the Owner of any Unit under the provisions of this Declaration shall be deemed to have been properly sent by certified mail return receipt requested, or hand delivered to the Unit and, if different, the last known address of the person who appears as Owner of such Unit as that address is stated on the records of the Association at the time of such mailing.

17.05 Law to Govern. This Declaration shall be construed in accordance with the laws of the State of Florida. Any litigation arising from this will be resolved in Duval County.

IN WITNESS WHEREOF, the Developer has caused this Declaration of Condominium to be executed as of the day and year written above.

Witnesses:

[Handwritten Signature]
Print Name: Linda Connors

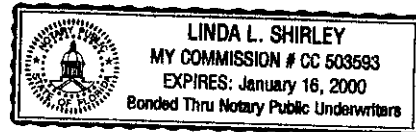
QUEYS DEVELOPMENT CORPORATION
By: Michael A. Brewer
Michael A. Brewer
Its President

[Handwritten Signature]
Print Name: LINDA L. SHIRLEY

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing Declaration was acknowledged before me this 29TH day of DECEMBER 1999 by Michael A. Brewer, President of Queys Development Corporation, a Florida corporation, on behalf of the corporation. He is personally known to me or has produced FL DRIVER'S LICENSE as identification and did take an oath.

[Handwritten Signature]
Notary Public, State of Florida
Print Name: LINDA L. SHIRLEY
My Commission Expires: JAN 16, 2000
My Commission No. CC 503593



CONSENT OF MORTGAGEE

The undersigned is the holder of a Mortgage and Security Agreement made by Queys Development Corporation recorded in Official Records Book 9504, page 2061 of the public records of Duval County, Florida ("Mortgage"). The undersigned hereby consents to the recording of this Declaration of Condominium for Queys Condominium and subject the lien of its Mortgage to the terms and conditions hereof.

IN WITNESS WHEREOF, the undersigned sets his hand and seal this 29th day of December, 1999.

Michael A. Brewer
Michael A. Brewer

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing Consent was acknowledged before me this 29th day of December, 1999, by Michael A. Brewer. He is known to the undersigned or has produced a valid Florida driver's license as identification.

Linda L. Shirley
(Signature of Notary Public)
LINDA L. SHIRLEY
(Print Name of Notary Public)
NOTARY PUBLIC, State of Florida

My Commission expires: JAN 16, 2000

Commission No.: CC503593

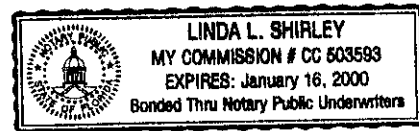


EXHIBIT "A"
TO
DECLARATION OF CONDOMINIUM
FOR
QUEYS CONDOMINIUM

Book 9504 Page 2102

Lot Nine (9), Block 132, PABLO BEACH SOUTH, according to plat thereof recorded in Plat Book 3, page 28, of the current public records of Duval County, Florida.

SUBJECT TO Covenants, Restrictions and Easements of record and further subject to real estate taxes subsequent to December 31, 1999.

EXHIBIT "B" TO
DECLARATION OF CONDOMINIUM
OF QUEYS CONDOMINIUM

Book 9504 Page 210

2103

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of QUEYS CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on December 29, 1999, as shown by the records of this office.

The document number of this corporation is N99000007639.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Twenty-ninth day of December, 1999



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

ARTICLES OF INCORPORATION
OF
QUEYS CONDOMINIUM ASSOCIATION, INC.

FILED
99 DEC 29 AM 11:04
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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**ARTICLES OF INCORPORATION
OF
QUEYS CONDOMINIUM ASSOCIATION, INC.**

a Corporation Not-For-Profit

In order to form a corporation under the laws of the State of Florida for the formation of corporations not-for-profit, the undersigned, hereby forms a corporation for the purposes and with the powers herein specified; and to that end the undersigned does, by these Article of Incorporation, set forth:

I. NAME

The name of the corporation shall be QUEYS CONDOMINIUM ASSOCIATION, INC. ("Association").

II. PURPOSE

The purposes and objects of the Association shall be to administer the operation and management of the **QUEYS CONDOMINIUM** ("Condominium") which may be established in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes ("Act") upon that certain real property situated in Duval County, Florida, described on Exhibit "A" of the Declaration of Condominium of Queys Condominium to be recorded in the public records of Duval County, Florida ("Declaration") as such Declaration is amended from time to time, and to perform the acts and duties incident to the operation and management of the Condominium in accordance with the provisions of these Articles of Incorporation, the Bylaws of the Association which will be adopted ("Bylaws") pursuant hereto and the Declaration as and when the property described therein together with the improvements situated thereon are submitted to the condominium form of ownership; and to own, operate, encumber, lease, manage, sell, convey, exchange and otherwise deal with the lands submitted to the condominium form of ownership; the improvements thereon and such other property, real and/or personal, as may be or become part of the Condominium ("Condominium Property") to the extent necessary or convenient in the administration of the Condominium as provided for in the Declaration. In addition, the Association may be designated as the Association to operate and maintain other condominiums. Upon designating the Association in a declaration of condominium creating a condominium, the Association shall have all the powers, duties and obligations as set forth in the declaration for such condominium and as set forth herein with respect to such condominium. The Association shall be conducted as a non-profit organization for the benefit of its members.

III. POWERS

The Association shall have the following powers:

A. All of the powers and privileges granted to corporations not-for-profit under the law pursuant to which this corporation is chartered.

B. All of the powers reasonably necessary to implement and effectuate the purposes of the Association, including, without limitation, the power, authority and right to:

1. Adopt, establish and amend reasonable rules and regulations governing use of the Units, Common Elements, Limited Common Elements in and of the Condominium, as such terms will be defined in the Declaration.

2. Levy and collect assessments for the Common Expenses, from Members of the Association in accordance with the Declaration.

3. Maintain, repair, replace, operate, lease and manage the Condominium and Common Elements and, including the right to reconstruct improvements after casualty and to further improve and add to the Condominium Property.

4. Contract for the management of the Condominium and, in connection therewith, delegate any and/or all of the powers and duties of the Association to the extent and in the manner permitted by the Declaration and the Act.

5. Employ personnel to perform the services required for the proper operation of the Condominium.

6. Enforce the provisions of these Articles of Incorporation, the Declaration, the Bylaws, and all rules and regulations governing use of the Condominium now existing or which may hereafter be established including without limitation the right to assess fines as provided herein.

7. Purchase Units in the Condominium and buy, own, operate, lease, sell, trade and mortgage the Units and other real and personal property for the benefit of its members.

8. Obtain and maintain adequate insurance to protect the Association and the Condominium Property in accordance with the requirements set forth in the Declaration.

9. Grant permits, licenses and easements over the Common Elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium.

10. Merge with other condominium associations, provided that such merger is approved by the majority of the votes of the members of the associations to be merged.

11. Contract to sue or be sued with respect to its exercise or non-exercise of its powers.

12. Access each Unit during reasonable hours, when necessary for the maintenance, repair or replacement of any Common Elements or to prevent damage to such Common Elements.

13. Borrow money, execute promissory notes and other evidences of indebtedness and to give security therefor.

14. To the extent that the Declaration, Articles or Bylaws, require the joinder of Members (Unit Owners), execute, acknowledge and deliver such documents, and Members (Unit Owners) by acceptance of their deeds, irrevocably nominate, constitute and appoint the Association, through its duly authorized officers, as their proper and legal attorney-in-fact for such purpose. This appointment is coupled with an interest and is therefore irrevocable.

15. Pay all taxes and assessments which are liens against the Condominium, other than Units and appurtenances thereto and assess the same against the Members and their Units.

16. Adopt hurricane shutter specifications, if the Board deems it to be reasonable.

17. Prepare or cause to be prepared all financial reports required by the Act or rules and regulations issued in accordance with the Act.

18. Enter into agreements, to acquire leaseholds, memberships and other possessory or use interests in lands or facilities including recreational facilities in clubs, whether such facilities are contiguous with the Condominium Property provided that such facilities are for the benefit of Members.

C. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and the Declaration, Bylaws and the Act (as of the date of incorporation).

IV. MEMBERS

The qualifications of members, manner of their admission to and termination of membership and voting by members shall be as follows:

A. The owners of all Units in the Condominium shall be members of the Association. Further in the event that this Association is designated as the Association to operate and manage another Condominium the owners of the units in such condominium shall also be members, except as provided for in Paragraph E, Article IV, hereof.

B. Membership shall be established by the acquisition of a fee title to a Unit in a Condominium, or by acquisition of a fee ownership interest therein, by voluntary conveyance or operation of law, and the membership of any person or entity shall be automatically terminated when such person or entity is divested of all title or his entire fee ownership in such Unit; provided, that nothing herein contained shall be construed as terminating the membership of any person or entity owning fee title to or a fee ownership interest in two or more Units at any time while such person or entity shall retain fee title to or a fee ownership interest in any Unit.

C. The interest of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the Unit(s) owned by such member. The funds and assets of the Association shall be expended, held and used only for the benefit of the membership and for the purposes authorized herein, in the Declaration, and in the Bylaws.

D. On all matters upon which the membership is entitled to vote, as hereinafter provided, there shall be one, and only one vote for each Unit in the Condominium, which vote may be exercised or cast by the Owner(s) of each Unit as provided for in the Bylaws. Should any member own more than one Unit, such member shall be entitled to exercise or cast one vote for each such Unit, in the manner provided for in the Bylaws.

E. Until such time as the Declaration is recorded in the public records of Duval County, Florida, the membership of the Association shall be comprised of the subscribers to these Articles,

each of whom shall be entitled to cast one vote on all matters upon which the membership would be entitled to vote.

V. EXISTENCE AND DISSOLUTION

The Association shall have perpetual existence. The Association may be dissolved with the assent given in writing and signed by not less than sixty six and two thirds (66-2/3%) percent of the Members in accordance with the provisions of the Declaration, subject to notice to the Division. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association as created, or for the general welfare of the residents of the county in which the Condominium Property is located. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes.

VI. PRINCIPAL OFFICE/REGISTERED OFFICE/REGISTERED AGENT

The principal office of the Association shall be located at 11762-1 Marco Beach Drive, Jacksonville, Florida 32224, but the Association may maintain offices and transact business in such places, within or without the State of Florida, as may from time to time be designated by the Board of Directors.

The Registered Agent is Michael A. Brewer. The Registered Agent is located at 11762-1 Marco Beach Drive, Jacksonville, Florida 32224.

VII. MANAGEMENT

The affairs of the Association shall be managed by the President of the Association assisted by the Vice President, Secretary and Treasurer and, if any, the Assistant Secretaries and Assistant Treasurers, who shall perform the duties of such offices customarily performed by like officers of corporations in the State of Florida subject to the direction of the Board of Directors. The Board of Directors, or the President, with the approval of the Board of Directors, may employ a managing agent, agency, and/or other managerial and supervisory personnel or entity to administer or assist in the administration of the operation and management of the Condominium and the affairs of the Association, and any and all such persons and/or entity or entities may be so employed without regard to whether any such person or entity is a member of the Association or a Director or officer of the Association, as the case may be.

VIII. BOARD OF DIRECTORS

There shall be three directors, provided that the Board may amend the number of directors if permitted by law. Unit Owners other than the Developer may elect one third of the members of the Board of Directors upon the sale of fifteen percent (15%) of the Units in the Condominium; Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors (a) three (3) years after fifty percent (50%) of the Units have been conveyed to purchasers, (b) until three (3) months ninety percent (90%) of the Units have been conveyed to purchasers, (c) until all the Units have been completed and some have been conveyed to the purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business, (d) when some of the Units have been conveyed and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, or (e) seven (7) years after recording the Declaration, which ever shall first occur. The Developer reserves the right

to elect at least one (1) director of the Condominium Association so long as it owns at least five percent (5%) of the Units.

IX. OFFICERS

The Board of Directors shall elect at the annual meeting of members each year, a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall deem advisable from time to time. The President shall be elected from the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

X. FIRST BOARD OF DIRECTORS

The name and addresses of the members of the first Board of Directors who, subject to the provisions of the laws of the State of Florida, these Articles of Incorporation and the Bylaws, shall hold office for the first year of the Association's corporate existence, and thereafter until their successors are selected and have qualified, are as follows:

Michael A. Brewer	P.O. Box 657, Ponte Vedra Beach, Florida 32004
Julie D. Little	P.O. Box 657, Ponte Vedra Beach, Florida 32004
Sandra Robinson	4479 Hunter's Haven Lane East, Jacksonville, Florida 32224

XI. FIRST OFFICERS

The officers of the Corporation, who shall hold office until their successors are elected pursuant to these Articles of Incorporation and the Bylaws, and have qualified, shall be the following:

President:	Michael A. Brewer	P.O. Box 657, Ponte Vedra Beach, Florida 32004
Secretary/Treasurer:	Julie D. Little	P.O. Box 657, Ponte Vedra Beach, Florida 32004

XII. BYLAWS

The original Bylaws of the Association shall be adopted by a majority vote of the subscribers to these Articles of Incorporation at a meeting at which a majority of the subscribers is present, and, thereafter, the Bylaws may be amended, altered or rescinded by affirmative vote of the majority of the Board of Directors. No amendment to the Bylaws shall be passed which would change the rights and privileges of the Developer referred to in the Declaration, and the Exhibits attached thereto, without the Developer's written approval.

XIII. INDEMNIFICATION

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, whether or not

he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance his duties; provided, that in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

XIV. AMENDMENTS TO ARTICLES OF INCORPORATION

An amendment or amendments to these Articles of Incorporation may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by the members of the Association owning ten percent (10%) of the Units in the Condominium, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to these Articles of Incorporation being proposed by the Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association or the acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than fourteen (14) days or later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written notice of such meeting stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the member at his post office address as it appears on the records of the Association, with postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting or by written approval, the amendment or amendments proposed must be approved by an affirmative vote of the members owning not less than two-thirds (2/3) of the Units of the Condominium in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of these Articles of Incorporation shall be transcribed and certified in such form as may be necessary to file the same in the office of the Secretary of State of the State of Florida. A certified copy of each such amendment of these Articles of Incorporation shall be recorded in the public records of Duval County, Florida, within thirty (30) days from the date on which the same is filed in the office of the Secretary of State. Notwithstanding the foregoing provisions of this Article, no amendment to these Articles of Incorporation which shall abridge, amend or alter the right of Developer to designate and select members of the Board of Directors of the Association, as provided in Article VIII hereof, may be adopted or become effective without the prior written consent of Developer.

XV. FIDELITY BONDING

In addition to the indemnification provisions hereof, the Association shall obtain and maintain blanket fidelity bonds on each Director, officer and employee of the Association and of any management firm. The total amount of fidelity bond coverage shall be based upon the best business judgment of the Board of Directors and shall not be less than the estimated maximum funds including reserve funds, in the custody of the Association or management firm, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months' aggregate assessments on all Units plus reserve funds or \$10,000, whichever is the greater. The fidelity bond shall name the Association as an obligee and shall contain waivers by the issuers of the bonds of all defenses based upon the

exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The premiums on all bonds shall be paid by the Association as a common expense (except for the premiums on fidelity bonds maintained by the management firm, if any). The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days' prior written notice to the Association.

IN WITNESS WHEREOF, the subscriber hereto has set his hand and seal this 28th day of DECEMBER, 1999.

Michael A. Brewer
Michael A. Brewer

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 28th day of DECEMBER, 1999 by Michael A. Brewer, who is personally known to me or who has produced FL DRIVER'S LICENSE as identification and who did not take an oath.

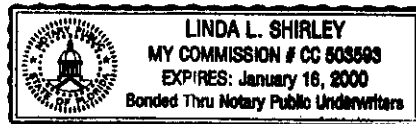
Linda L. Shirley
Notary Public, State of Florida

Print or type name LINDA L. SHIRLEY

My Commission Expires: JAN. 16, 2000

Commission Number: CC 503593

(SEAL)



**CERTIFICATE OF DESIGNATING PLACE OF BUSINESS OR DOMICILE
FOR THE SERVICE OF PROCESS WITHIN FLORIDA, NAMING AGENT
UPON WHOM PROCESS MAY BE SERVED**

IN COMPLIANCE WITH SECTION 48.091, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED;

QUEYS CONDOMINIUM ASSOCIATION, INC., DESIRING TO ORGANIZE OR QUALIFY UNDER THE LAWS OF THE STATE OF FLORIDA, WITH ITS PRINCIPAL PLACE OF BUSINESS AT 11762-1 MARCO BEACH DRIVE, JACKSONVILLE, FLORIDA 32224, HAS NAMED MICHAEL A. BREWER, LOCATED 11762-1 MARCO BEACH DRIVE, JACKSONVILLE, FLORIDA 32224, AS ITS AGENT TO ACCEPT SERVICE OF PROCESS WITHIN THE STATE OF FLORIDA.

QUEYS CONDOMINIUM ASSOCIATION, INC.

By: Michael A Brewer
Its President - Michael A Brewer

Dated: _____

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATE CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY AGREE TO ACT IN THIS CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES.

Michael A Brewer
Michael A. Brewer
Dated: _____

EXHIBIT "C"
TO
DECLARATION OF CONDOMINIUM FOR
QUEYS CONDOMINIUM
BYLAWS
OF
QUEYS

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CONDOMINIUM ASSOCIATION, INC.
a Florida Corporation Not for Profit

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BYLAWS
OF
QUEYS
CONDOMINIUM ASSOCIATION, INC.

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a Florida Corporation Not for Profit

I. IDENTITY

A. Applicability. These are the Bylaws of QUEYS CONDOMINIUM ASSOCIATION, INC. (the "Association"), a Florida corporation not-for-profit organized pursuant to the provisions of Chapters 617 and 718, Florida Statutes, 1998, as amended to the date of filing of the Articles of Incorporation. The purpose and object of the Association shall be to administer the operation and management of any condominium which may be established in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes, 1998 ("Act"), and for which the Declaration of Condominium specifies that the Association shall be the entity responsible for the operation and maintenance of the condominium.

B. Office. The office of the Association shall be at 11762-1 Marco Beach Drive, Jacksonville, Florida 32224, or at such other place as may be established by resolution of the Board of Directors.

C. Fiscal Year. The fiscal year of the Association shall be the calendar year.

D. Seal. The seal of the Association shall bear the name of Queys Condominium Association, Inc., the word "Florida", the words "Corporation Not-for-Profit", and the year of incorporation. An impression of the seal is as follows:

II. MEMBERSHIP, VOTING, QUORUM, PROXIES

A. Membership. The qualification of members of the Association (the "Members"), the manner of their admission to membership and termination of such membership, and voting by Members, shall be as set forth in Article IV of the Articles, the provisions of which are incorporated herein by reference.

B. Quorum. A quorum at meetings of Members shall consist of persons entitled to cast two thirds of the votes whether in person or by proxy.

C. Voting. The vote of the owner(s) of a Unit in the Condominium owned by more than one natural person, as tenants in common, joint tenants (except a husband and wife as tenants by the entirety), a partnership, or any other association of natural persons, or by a corporation, a trust, or any other entity shall be cast or otherwise exercised, at all meetings at which Members of the Association are entitled to vote or otherwise act, by one natural person designated by the owner(s) of such Unit as the "Primary Occupant" thereof. In each instance where title to a Unit is proposed to be conveyed or is otherwise to become vested in more than one natural person (except a husband and wife as tenants by the entirety), a partnership, or any association of natural persons, or a corporation, a trust, or any other entity, the prospective owner(s) shall, by written instrument acceptable to the

Association, designate one natural person as the Primary Occupant. The instrument designating the Primary Occupant shall be filed with the Association, and the person so designated shall be and remain the Primary Occupant of the Unit until such designation has been revoked by written instrument executed by the owner(s) of the Unit or by lawful conveyance of the Unit. The Primary Occupant of the Unit shall be the only person entitled to cast or exercise, in person or by proxy, the vote of the owner(s) of such Unit at any meeting of Members or in connection with any action concerning which Members of the Association shall be required or allowed to vote or otherwise act.

Matters properly brought before the Members shall be deemed passed if approved by a majority of the votes cast in person or by proxy at a meeting at which a quorum is present.

D. Approval. Evidence of the approval or disapproval of the owner(s) of a Unit upon any matter, whether or not the subject of an Association Meeting, shall be given to the Association by the Primary Occupant.

E. Vote Required. Except as otherwise required under the provisions of the Articles, these Bylaws or the Declaration, or where the same otherwise may be required by law, at any meeting of the general Membership of the Association, if any, duly called and at which a quorum is present, the acts approved by the affirmative vote of the majority of the votes present in person or by proxy and entitled to vote upon any question shall be binding upon the Members.

F. Proxies. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person or by proxy, provided, however that a proxy may not be utilized in electing directors. Any proxy given shall contain the date, time and place of the meeting for which the proxy is given. A limited proxy in the form specified by the Division of Land Sales, Condominiums and Mobile Homes which proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. The proxy shall set forth the name of the person voting by proxy and the name of the person authorized to vote the proxy for him. All such proxies shall be filed with the Secretary prior to or during the roll call of such meeting. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the Member executing it.

G. Limited or General Proxies. Limited or general proxies may be used to establish a quorum. Limited proxies shall be used for (a) votes taken to waive or reduce reserves; (b) votes taken to waive financial statement requirements; (c) votes taken to amend the Declaration; (d) votes taken to amend the Articles or the Bylaws; or (e) for any other matter for which this chapter requires or permits a vote of Members. No proxy, limited or general, may be used in connection with the election of the Board of Directors. General proxies may be used for other matters for which limited proxies are not required.

H. Consent to Action. Unless a duly called meeting of the Association shall be specifically required for action to be taken by the Members in these Bylaws, the Articles, the Declaration, the Act or other Florida Statutes, any action to be taken by the Association may be taken by written consent setting forth the action so taken, approved by Members

holding not less than the minimum number of votes necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voting.

III. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

A. **Annual Meeting.** The annual meeting of the Members shall be held at the office of the Association or such other place in Duval County, Florida and at such time as may be specified in the notice of the meeting, during the first week of June of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members.

B. **Special Meetings.** Special meetings of the entire membership of the Association shall be held whenever called by the President or Vice President or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from Members entitled to cast a ten percent (10%) of the votes of the entire membership.

C. **Notice of Meetings.**

(1) **Generally.** Written notice of all meetings of Members shall be given by the Secretary or, in the absence of the Secretary, another officer of the Association, to each Primary Occupant unless waived in writing. Each notice shall state the time and place of and purpose for which the meeting is called, shall contain an agenda and shall be posted at a conspicuous place on the Condominium Property at least fourteen (14) continuous days prior to the meeting. Unless a Primary Occupant waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meeting shall be sent by mail to each Primary Occupant. Where a Unit is owned by more than one person, the notice for the meeting and all other purposes shall be to the address initially identified in the corporate records or as the Primary Occupant shall thereafter advise the Association in writing and if there is no address identified and the parties do not agree, the notice shall be sent to the address on the deed conveying the Unit. The Secretary or, in the absence of the Secretary, another officer of the Association or the manager shall execute and file an affidavit or a United States Postal Service certificate of mailing in the Association's official records to evidence compliance with the notice requirement. The Board of Directors shall by duly adopted rule designate a specific location on the Condominium property upon which all notices of the meeting shall be posted.

(2) **Annual.** Notice of the annual meeting shall be given or mailed to each Member not less than fourteen (14) days prior to the date set for the meeting. Such notice shall be deemed properly given when deposited in the United States Mail addressed to the Primary Occupant at his post office address in the same manner as set forth in subparagraph (C)(1) above. Notices may also be delivered personally. If delivered personally, receipt of notice shall be signed by the Member, indicating the date received. Each notice shall, in addition, be posted at a conspicuous place in the Condominium at least fourteen (14) continuous days prior to the meeting.

(3) **Special.** Notice of Special Meetings shall be given to each Primary Member not less than fourteen (14) days prior to the date set for the meeting and shall be mailed by regular mail or delivered personally as provided above.

(4) Waiver. Any Member may, in writing signed by such Member, waive notice of any meeting prior to such meeting, and such waiver, when filed in the records of the Association shall be deemed equivalent to the giving of such notice to such Member.

(5) Adjourned Meetings. If any meeting of Members cannot be held because a quorum is not present, or because a greater percentage of the membership required to constitute a quorum for a particular purpose is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, the Bylaws or the Declaration, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present.

D. Presiding Officer and Minutes. At meetings of Members, the Chairman of the Board, or in his absence, the President, shall preside, or in the absence of both, the Members present shall select a chairman of the meeting. Minutes shall be kept in a businesslike manner and available for inspection by Directors, Members and their authorized representatives during normal business hours at the principal office of the Association. The Association shall retain these minutes for a period of not less than seven (7) years.

E. Order of Business. The order of business at annual meetings of Members, and, as far as practical, at other meetings of Members, shall be:

- (1) Calling of the roll and certifying of proxies
- (2) Proof of notice of meeting or waiver of notice
- (3) Reading or waiver of reading of minutes of previous meeting of Members
- (4) Reports of officers
- (5) Reports of committees
- (6) Appointment of Chairman of inspectors of election
- (7) Election of Directors
- (8) Unfinished business
- (9) New business
- (10) Adjournment

IV. BOARD OF DIRECTORS

A. Members of Board. The first Board of Directors shall consist of not less than three (3) persons as designated in the Articles of Incorporation. Pursuant to the Declaration of Condominium, Queys Development Corporation ("Developer") reserves the right to appoint Directors to the Board as set forth therein. At such time as the Members, other than the Developer, are entitled to elect the majority of the Directors, the number of Directors may be changed as permitted by the Statute.

B. Election of Directors. Directors shall be elected in the following manner:

(1) Commencing with the election of the Board to succeed the first Board as designated in the Articles, Developer shall appoint that number, and the identity, of the members of the Board which it shall be entitled to appoint in accordance with the Articles and these Bylaws, and upon such appointment by Developer, by written instrument presented to the meeting at which such election is held, the persons so appointed by Developer shall be deemed and considered for all purposes Directors of the Association and shall thenceforth hold the offices and perform the duties of such Directors until their successors shall have been elected or appointed, as the case may be, and qualified in accordance with the provisions of these Bylaws.

(2) For so long as the Developer shall retain the right to appoint at least one member of the Board of Directors, all members of the Board of Directors whom Developer shall not be entitled to appoint under these Bylaws shall be elected at large, by a plurality of the votes cast at the annual meeting of the general membership, immediately following designation of the members of the Board whom Developer shall be entitled to appoint. Commencing with the first annual election of Directors after the Developer shall have lost or relinquished the right to appoint at least one Director, the Members shall elect all the Directors, by a plurality of the votes cast by written ballot or voting machine at the annual meeting of the general membership.

(3) Vacancies on the Board may be filled, until the next scheduled election, by the remaining Directors except that, should any vacancy on the Board be created in a directorship previously filled by any person appointed by Developer, such vacancy should be filled by Developer appointing by written instrument delivered to any officer of the Association, the successor Director, who shall fill the vacated directorship for the unexpired term thereof.

(4) Until such time as the Members are entitled to elect all of the Directors, each Director shall serve for one year until the next annual meeting or such other time as his successor is elected.

(5) In the election of Directors, there shall be appurtenant to each Unit one (1) vote for each Director to be elected. Provided, however, that no Member may cast more than one vote for any person nominated as a Director, it being the intent hereof that voting for Directors shall be noncumulative. The election shall be by secret ballot, but if there is only one candidate for election to fill each vacancy, no election is required.

(6) Within sixty (60) days after Members other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, and at the annual meeting thereof, the Association shall, in accordance with the provisions of these Bylaws, hold a special meeting to elect members of the Board of Directors. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, to each Member entitled to vote, a first notice of the date of the election.

Any Member may nominate himself and any Member desiring to be a candidate for the Board must give written notice to the Board not less than forty (40) days before the scheduled election. The Association shall mail or deliver a written notice of the meeting and agenda together with a second notice of the election to all Members, together with a ballot which shall list all candidates and upon request of a candidate, an information sheet no larger than 8-1/2 by 11 inches, which must be furnished by the candidate not less than 35 days before the election.

(7) In the event that Developer selects any person or persons to serve on the Board, Developer shall have the absolute right at any time, in its sole discretion, to replace any such person or persons with another person or other persons to serve on the Board. Replacement of any person or persons designated by Developer to serve on any Board shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name or names of the person or persons designated as successor or successors to the persons so removed from the Board. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Developer to any officer of the Association.

C. **Election Procedure.** The election of the Board members shall be decided by a plurality of ballots cast. There shall be no quorum requirement for the election of Directors so long as at least twenty percent (20%) of the eligible voters cast a ballot. No Member shall permit any other Member to vote his ballot and any such ballots improperly cast shall be deemed invalid. Notwithstanding the provisions hereof, no election or balloting are required unless more candidates file notices of intent to run or are nominated than vacancies to be filled. The regular election shall occur on the date of the annual meeting.

D. **Regular Board Meeting.** Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived. Any item not included in a notice of a Board Meeting may be taken up on an emergency basis by a majority of the members of the Board plus one and such action shall be noticed and ratified at the next regular meeting.

E. **Special Meeting.** Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days notice of a special meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting, unless notice is waived.

F. Notices and Open Meetings. All meetings of the Board of Directors at which a quorum is present shall be open to all Members and notices of meetings shall be posted conspicuously in the Condominium forty-eight (48) continuous hours in advance for the attention of Members, except in an emergency and shall, to the extent possible, identify all agenda items. The Board shall adopt a rule to designate the place on the Condominium Property on which the notice shall be posted. Notice of any meeting where assessments against Members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments. Written notice of any meeting at which the annual budget, non-emergency special assessments or amendments to rules are to be considered shall be mailed or delivered to Members and posted conspicuously on the Condominium Property not less than fourteen (14) continuous days prior to the meeting. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. Provided that, the Board may adopt reasonable rules governing the duration and manner of the foregoing member statements.

Any item not included on the notice may be taken up on an emergency basis by a vote of at least a majority plus one of the members on the Board. Any emergency action shall be noticed and ratified at the next regular meeting of the Board. Written notice of any meeting at which non-emergency special assessments or at which an amendment to rules regarding Unit use will be considered shall be mailed or delivered to the Members and posted on the Condominium Property not less than fourteen (14) days prior to the meeting.

G. Board Minutes. Minutes of all meetings of the Board shall be kept in a businesslike manner and available for inspection by Members and Directors during normal business hours at the principal office of the Association. The Association shall retain these minutes for a period of not less than seven (7) years.

H. Waiver of Notice. Any Director may waive notice of a meeting before, at or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

I. Quorum. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. Any Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to an action unless he or she votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. Directors may not vote by proxy or by secret ballot at Board meetings, except that officers may be elected by secret ballot.

If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of the Directors required to constitute a quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these Bylaws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

J. Voting and Approval. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these Bylaws or the Declaration.

K. Removal and Recall. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective as provided herein. The Board shall duly notice and hold a Board meeting within five (5) full business days of the adjournment of the Member meeting to recall one or more of the Board members. At the meeting, the Board shall either certify the recall, in which case such member or members of the Board shall be recalled effective immediately and shall turn over to the Board within five (5) full business days any and all records and property of the Association in their possession or shall proceed as hereinafter provided. If the proposed recall is by agreement in writing by a majority of all voting interests, the agreement in writing or a copy thereof shall be served on the Association by certified mail or by personal service in the manner authorized by Chapter 48 and the Florida Rules of Civil Procedure. The Board shall duly notice and hold a meeting of the Board within five (5) full business days after receipt of the written agreement. At the meeting, the Board shall either certify the written agreement or shall recall the member or members of the Board, in which case such member or members of the Board shall be recalled effective immediately and shall turn over to the Board within five (5) full business days any and all records and property of the Association in their possession as hereinafter described. If the Board determines not to certify the written recall of a member or members of the Board or does not certify the recall by a vote at a meeting, the Board shall within five (5) full business days after the meeting, file with the Division a petition for arbitration pursuant to the Condominium Act. For purposes of this section, the members who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board, the recall will be effective upon mailing of the final order of arbitration to the Association. If the Association fails to comply with the order, the arbitrator of the Division may take action pursuant to the Condominium Act. Any member or member so recalled shall deliver to the Board any and all records of the Association in their possession within five (5) full business days of the effective date of the recall. If the Board fails to duly notice or hold a Board meeting within five (5) full business days of service of an agreement in writing or within five (5) full business days of the adjournment of the Member recall meeting, the recall shall be deemed effective and the Board members so recalled shall immediately turn over to the Board any and all records and property of the Association. If a vacancy occurs on a Board as a result of a recall, unless the majority of the Board members are removed, the vacancy may be filled by the affirmative vote of the majority of the remaining directors notwithstanding any other provision to the contrary in this section. If vacancies occur on the Board as a result of recall and a majority or more of the Board members are removed, the vacancy shall be filled in accordance with the provisions hereof.

Directors may be removed from office with or without cause by the vote or agreement in writing by a majority of all votes. A special meeting of Members to recall a Director may be called by ten percent (10%) of the votes, giving notice of the meeting and stating the purpose. The action of the Members in connection with recall shall be governed by the rules and regulations of the Board or Directors. Any recalled Director shall turnover

to the Board any and all records of the Association in their possession within five business days after the meeting at which the recall vote is passed.

L. Presiding Officer. The presiding officer of meetings of the Board shall be the Chairman of the Board, if such officer has been elected, or, if not, the President of the Association. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

M. Powers and Duties. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the laws of Florida, the Articles, these Bylaws and the Declaration. Such powers and duties shall be exercised in accordance with the Articles, these Bylaws and the Declaration.

V. OFFICERS

A. Generally. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries, Assistant Treasurers or other officers as the Board shall deem advisable from time to time. The officers shall serve at the pleasure of the Board. Subsequent to the transfer of control of the Board to non-Developer Members, the President shall be elected from the membership of the Board, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of the President and Secretary or Assistant Secretary be held by the same person. The Board may from time to time elect such other officers, and designate their powers and duties, as the Board may deem necessary to properly manage the affairs of the Association. Officers may be removed from office by the Board. The Board may remove such officers for cause or no cause in their discretion, by a majority vote.

B. President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of President of a corporation not for profit, including but not limited to the power to appoint committees from among the Members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association. He shall have such additional powers as the Board may designate.

C. Vice President. The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board.

D. Secretary. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He shall attend to the affairs of the Association. He shall have such additional powers as the Board may designate. He shall attend to the giving and serving of all notices to the Members and the Board, and such other notices as may be required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a corporation not for profit and as may be required by the Board and

the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

E. Treasurer. The Treasurer shall have custody of all of the property of the Association including funds, securities and evidences of indebtedness. He shall keep the assessment roll and accounts of the Members; he shall keep the books of the Association (including without limitation a separate set of books of account for each of the condominiums administered by the Association) in accordance with good accounting practices, and he shall perform all other duties incident to the office of Treasurer.

F. Compensation. No compensation shall be paid to any officer of the Association except with the approval of a majority of the membership, reflected by a vote taken at a duly constituted membership meeting. No officer who is appointed by the Developer shall receive any compensation for his services as an officer. Nothing herein shall be construed so as to prohibit or prevent the Board of Directors from employing any director or officer as an employee of the Association at such compensation as the Board shall determine, nor shall anything herein be construed so as to preclude the Board from contracting with a director or officer or with any corporation in which a director or officer or with any corporation in which a director or officer of the Association may be a stockholder, officer, director or employee, for the management of the Condominium for such compensation as shall be mutually agreed between the Board and such officer, director or corporation, or from contracting with a director or officer or corporation in which a director or officer of the Association may be a stockholder, officer, director or employee for the purpose of making available to the owners of condominium Units such services as are contemplated by the provisions of Article IV of these Bylaws. An officer, director or manager may not solicit, offer to accept, or accept anything of service or value for which consideration has not been provided for his own benefit or that of his immediate family, from any person providing or proposing to provide goods or services to the Association.

G. Committees. The Board may from time to time appoint such committees as it may deem necessary or convenient and for such purposes as the Board may elect. No committee meetings, except committees to take final action on behalf of the Board or to make recommendations to the Board regarding the Association shall be required to be open to the members.

VI. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions.

A. Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Member and his respective Unit. Such account shall designate the name and mailing address of the Member owning each Unit, the amount of each assessment against the Member, the amount of each assessment and due date thereof, and all amounts paid, and the balance due upon each assessment.

B. Annual Budget. The Board shall adopt, for, and in advance of, each fiscal year, a budget for each Condominium it operates and maintains, showing the estimated

costs of performing all of the functions of the Association as to such Condominium for the year. The budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the Common Expenses, which shall include, without limitation, the costs of operating and maintaining the Common Elements, Limited Common Elements, if maintained by the Association, wages and salaries of Association employees, management, legal and accounting fees, office supplies, public utility services not metered or charged separately to Units, premiums for insurance carried by the Association and reserve accounts for capital expenditures and deferred maintenance and any other reserves and/or funds which may be established from time to time by the Board. Such reserve accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement costs or deferred maintenance expenses of each reserve item. The Association may adjust replacement cost or deferred maintenance annually to take into consideration any changes in estimated or useful life of reserve item caused by deferred maintenance. All such reserve funds and interest thereon shall remain in such accounts for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority of the Members. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collected from the Members and due date(s) and amounts of installments thereof. Copies of the proposed budgets and proposed assessments shall be mailed or hand delivered to each Member at the last address furnished to the Association not less than fourteen (14) days prior to the meeting of the Board of Directors at which the budgets will be considered, together with a notice of the time and place of the meeting, which must be open to Members. Evidence of compliance with this fourteen (14) day notice must be made by affidavit executed by an officer of the Association or the manager or other person providing notice of the meeting and filed among the official records of the Association. If any budget is subsequently amended a copy shall be furnished to each affected Member. Delivery of a copy of any budget or amended budget to a Member shall not affect the liability of any Member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied pursuant thereto. Nothing herein contained shall be construed as a limitation upon the additional assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies. The Members may, by a vote of the majority of votes present at a duly called meeting of Members, determine to provide no reserves or reserves at a less than adequate amount as established under the Act. Prior to the turnover of control to the Members other than the Developer, the Developer may vote to waive reserves or reduce funding of reserves for the first two (2) years of operation of the Association, thereafter, reserves may be partially or fully waived only by the majority vote of the non-Developer votes present at a duly called meeting of the Association. If a meeting of Members has been called to determine to provide no reserves or reserves at less than required and the quorum requirement is not met, the reserves in the budget as prepared shall go into effect.

C. **Increased Budget(s).** If a budget is adopted by the Board which requires Assessment of the Members in any budget year exceeding one hundred fifteen percent (115%) of such Assessments for the preceding budget year, upon written application of ten percent (10%) of the Members, a special meeting of the Members shall be held upon not less than ten (10) days written notice to each Member, but within thirty (30) days of the delivery

of such application to the Board or any member thereof. At the special meeting, Members may consider only and enact only a revision of the budget. Any such revision of the budget shall require a vote of not less than fifty-one percent (51%) of the whole number of votes of all Members. The Board may in any event first propose a budget to the Members at any such meeting of Members or by writing, and if such budget or proposed budget be approved by a majority of the Members at the meeting or by a majority of all Members in writing, such budget is adopted, and such budget shall not thereafter be reexamined by the Members in the manner hereinabove set forth nor shall any and all Members of the Board be recalled under the terms hereof. If a meeting of the Members has been called and a quorum is not obtained or a substitute budget is not adopted by the Members, the budget adopted by the Board goes into effect as scheduled. In determining whether Assessments exceed one hundred fifteen percent (115%) of Assessments in the prior year, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, expenses which are not anticipated to be incurred on a regular or annual basis or assessments for betterment of the Condominium Property must be excluded from the computation.

D. Notice of Adopted Budgets. Upon adoption of budgets, the Board shall cause a written copy thereof to be delivered to all Members. Assessments shall be made against Members pursuant to procedures established by the Board, and in accordance with the terms of the Declaration and Articles. Members shall be liable to pay Assessments not less often than quarterly. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these Bylaws. Further, nothing provided herein shall be construed to preclude the right of the Association to accelerate assessments of a Member who is delinquent in his payment of assessments.

E. Assessments. Unless otherwise determined by the Board of Directors, assessments shall be payable monthly on the first day of each month, but in no event shall amounts be payable less often than quarterly. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and installments on such assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the fiscal year for which an amended assessment is made shall be payable in equal installments through the end of the fiscal year; provided, nothing herein shall serve to prohibit or prevent the Board of Directors from imposing a lump sum assessment in case of any immediate need or emergency.

F. Special Assessments. Special Assessments shall be levied and paid as determined by the Board and shall be those chargeable to all Members of a Condominium in the same proportions as regular Assessments to meet shortages or emergencies, to construct, reconstruct, repair or replace all or any part of the Common Elements (including fixtures and personal property related thereto) and for such other purposes as shall have been approved by the Board.

G. The Depository. The depository of the Association shall be such bank or banks or savings and loan association or associations as shall be designated from time to

time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks or withdrawals signed by such persons as are authorized. Any contract for the management and maintenance the Condominium Property entered into by the Board with a management agent may include in its provisions authority for the Manager to sign checks on behalf of the Association for payment of the obligations of the Association. Reserve and operating accounts shall not be Condominium Property.

H. Financial Records. Within sixty (60) days following the end of the fiscal year, the Board of Directors of the Association shall mail or furnish by personal delivery to each Member a complete Financial Report of actual receipts and expenditures for the previous twelve (12) months or a complete set of financial statements for the proceeding fiscal year prepared in accordance with generally accepted accounting principles. The reports shall show the amount of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications including, if applicable, but not limited to the following:

- (a) Costs for security;
- (b) Professional and management fees and expenses;
- (c) Taxes;
- (d) Costs for recreational facilities;
- (e) Expenses for refuse collection and utility services;
- (f) Expenses for lawn care;
- (g) Costs for building and maintenance repair;
- (h) Insurance costs;
- (i) Administrative and salary expenses; and
- (j) Reserves and capital expenditures, deferred maintenance and any other category for which the Association maintains a reserve account or accounts.

I. Fidelity Bonds. Fidelity bonds in an amount equal to the maximum amount of funds controlled by the Association and the Management Agreement shall be required from any persons handling or responsible for the control or disbursement of Association funds as the Board of Directors shall direct. The premiums of said bonds shall be paid by the Association.

J. Fines. The Association may levy reasonable fines against the Unit for the failure of the Owner of the Unit or its occupant, licensee or invitee to comply with any provision of the Declaration, these Bylaws or the rules and regulations issued in accordance therewith. No fine will become a lien against the Unit and no fine may exceed \$100.00 per violation. However, a fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing provided that no such fines shall in the aggregate exceed \$1,000.00. In assessing the fine, the Association shall follow the following procedure:

- (1) The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing after reasonable notice of not less than fourteen (14) days and said notice shall include:

- (a) a statement of the date, time and place of hearing;
- (b) a statement of the provision of the Declaration, Articles, Bylaws or association rules which have been violated; and
- (c) a short and plain statement of the matters asserted by the Association.

(2) The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument to all issues involved and shall have the opportunity at the hearing to review, challenge and respond to any material considered by the Association.

(3) The hearing must be held before a committee of other Members.

(4) If the Committee does not agree with the fine the fine may not be levied.

The provisions of this section do not apply to unoccupied units.

VII. OFFICIAL RECORDS

From the inception of the Association, the Association shall maintain each of the following items, when applicable, which shall constitute the Official Records of the Association:

(1) A copy of the plans, permits, warranties and other items provided by the Developer pursuant to § 718.301(4).

(2) A photocopy of the recorded Declaration of Condominium of the Condominium and of each amendment to the Declaration.

(3) A photocopy of the recorded Bylaws of the Association and of each amendment to the Bylaws.

(4) A certified copy of the Articles of Incorporation of the Association, or other documents creating the association and of each amendment thereto.

(5) A copy of the current rules and regulations of the Association.

(6) A book or books which contain the minutes of all meetings of the Association, of the Board of Directors, and of Members, which minutes shall be retained for a period of not less than seven (7) years.

(7) A current roster of all Members and their mailing addresses, Unit identifications, voting certifications, and, if known, telephone numbers.

(8) All current insurance policies of the Association and the Condominium.

(9) A current copy of any management agreement, lease or other contract to which the Association is a party or under which the Association or the Members have an obligation or responsibility.

(10) Any bills of sale or transfer documents for any property owned by the Association.

(11) Accounting records for the Association. All accounting records shall be maintained for a period of not less than seven (7) years. The accounting records shall include, but are not limited to:

- (a) Accurate, itemized and detailed records of all receipts and expenditures.
- (b) A current account and a monthly, bimonthly or quarterly statement of the account for each Unit designating the name of the Member, the due date and amount of each assessment, the amount paid upon the account, and the balance due.
- (c) All audits, reviews, accounting statements, and financial reports of the association or condominium.
- (d) All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of one (1) year.

(12) Ballots, sign-in sheets, voting proxies, and all other papers relating to voting by Members, which shall be maintained for a period of 1 year from the date of the election, vote or meeting to which the document relates.

(13) Any rental records, when the Association is acting as agent for the rental of condominium units.

(14) A copy of the current questions and answer sheet as described by § 718.504.

(15) Adequate number of copies of the year-end financial information requested by Section 718.504 to be maintained on the Condominium Property.

(16) All other records of the Association not specifically included in the foregoing which are related to the operation of the Association.

The official records of the Association shall be maintained within the state. The records of the Association shall be made available to a Member within five (5) working days after receipt of written notice required by the board or its designee. This paragraph may be complied with by having a copy of the official records of the Association available for inspection or copying on the Condominium Property.

The Official Records of the Association are open to inspection by any Member or the authorized representative of such Member at all reasonable times. The right to inspect the

records includes the right to make or obtain copies, at the reasonable expense, if any, of the Member. The Association may adopt reasonable rules regarding the frequency, time, location, notice and manner of record inspections and copying. The failure of an Association to provide the records within ten (10) working days after receipt of a written request shall create a rebuttable presumption that the Association willfully failed to comply with this paragraph. A Member who is denied access to Official Records is entitled to the actual damages or minimum damages for the Association's willful failure to comply as provided in the Act or the rules and regulations issued in connection therewith. The Association shall maintain an adequate number of copies of the Declaration, Articles of Incorporation, Bylaws and Rules, and all amendments to each of the foregoing, as well as the question and answer sheet provided for in § 718.504 on the Condominium Property to ensure their availability to Members and prospective purchasers, and may charge its actual costs for preparing the furnishing these documents to those requesting the same.

VIII. PARLIAMENTARY RULES

Robert's Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation or these Bylaws.

IX. ARBITRATION

In the event that there are internal disputes among Members, association or their agents and assigns arising from or in connection with the operation of the Condominium, the parties shall enter into mandatory non-binding arbitration pursuant to the rules and regulations of the Division of Land Sales or if there are no promulgated rules and regulations of the Division, then pursuant to the Rules and Regulations of the American Arbitration Association.

X. AMENDMENTS TO BYLAWS

Amendments to these Bylaws shall be proposed and adopted in the following manner:

A. Proposal. Amendments to these Bylaws may be proposed by the Board, acting upon vote of a majority of the Units in the Condominium, whether meeting as Members or by instrument in writing signed by them.

B. Notice. Upon any amendment or amendments to these Bylaws being proposed by the Board or Members, such proposed amendment or amendments shall be transmitted to the President of the Association or acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the Board of Directors for a date not sooner than fourteen (14) days or later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each Member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the Members is required as herein set forth. Members may express views and opinions of the proposed amendments to the Bylaws at the Board meeting.

C. **Content of Amendment.** No Bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of bylaw. See bylaw . . . for present text." Nonmaterial errors or omissions in the bylaw amendment process shall not invalidate an otherwise properly promulgated amendment.

D. **Voting.** In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of the majority of the Board of Directors. Thereupon, such amendment or amendments to these Bylaws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Public Records of Duval County, Florida as an amendment to the Declaration of Condominium within thirty (30) days from the date on which any amendment or amendments have been affirmatively approved by the Members.

E. **Written Vote.** At any meeting held to consider such amendment or amendments to these Bylaws, the written vote of any Member shall be recognized if such Member is not present at such meeting in person or by proxy, provided such written vote is delivered to the Secretary at or prior to such meeting.

F. **Developer's Reservation.** Notwithstanding the foregoing provisions of this Article IX, no amendment to these Bylaws which shall abridge, amend or alter the right of Developer to designate members of the Board of Directors of the Association, as provided in Article IV hereof or any other right of the Developer provided herein or in the Articles of Incorporation, may be adopted to become effective without the prior written consent of Developer.

G. **Proviso.** Provided, however, that no amendment shall discriminate against any Member or group of Units unless the Members so affected shall consent. No amendments shall be made that is in conflict with the Condominium Act, the Declaration of Condominium, or the Articles of Incorporation.

H. **Recording.** All amendments to the Bylaws shall be recorded in the public records of Duval County, Florida.

The foregoing were adopted as the Bylaws of QUEYS CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the 29th day of December 1999.

APPROVED:

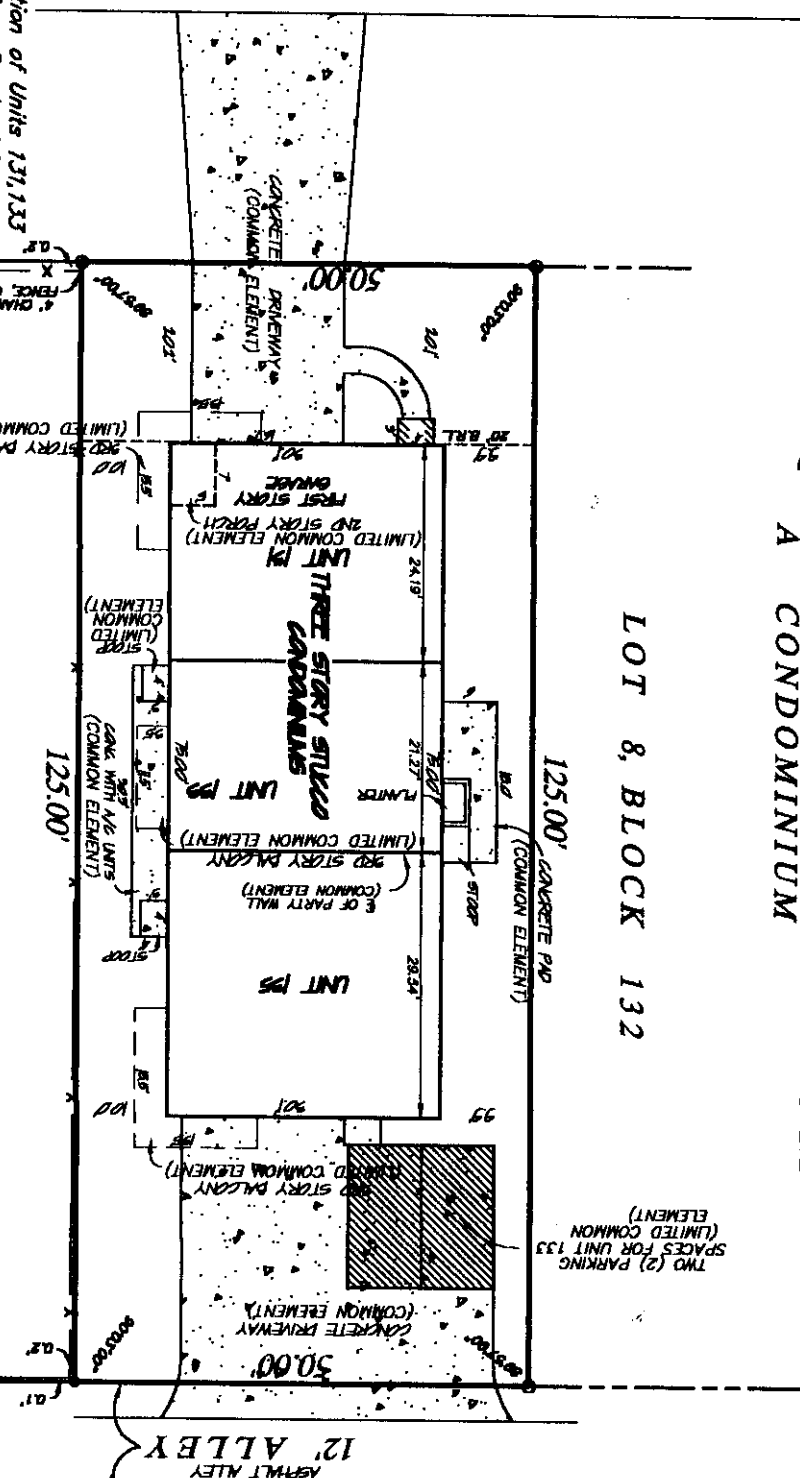
Michael A Brewa
President

Julie D Little
Secretary

EXHIBIT "D" TO
DECLARATION OF CONDOMINIUM
FOR QUEYS CONDOMINIUM

THE QUEYS CONDOMINIUM
A CONDOMINIUM

14th AVENUE SOUTH



LOT 10, BLOCK 132
SITE PLAN
SCALE: 1" = 20'

CERTIFICATION:
This is to certify that the construction of Units 131, 133 and 135, THE QUEYS CONDOMINIUMS, a Condominium, together with the Common Elements, and Limited Common Elements appurtenant to said Units has been constructed so that this material, together with the provisions of the Declaration describing the Condominium Property, is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the Common Elements and Limited Common Elements, and of each Unit referenced above can be determined from the plans.

Richard A. Lamer
Registered Professional Land Surveyor
State of Florida
RICHARD A. LAMER & ASSOCIATES
PROFESSIONAL LAND SURVEYORS
6701 BEACH BLVD. SUITE #200
JACKSONVILLE, FLORIDA 32216
Dated 12-29-99
Fax (904) 721-5758
Tele. (904) 721-1226

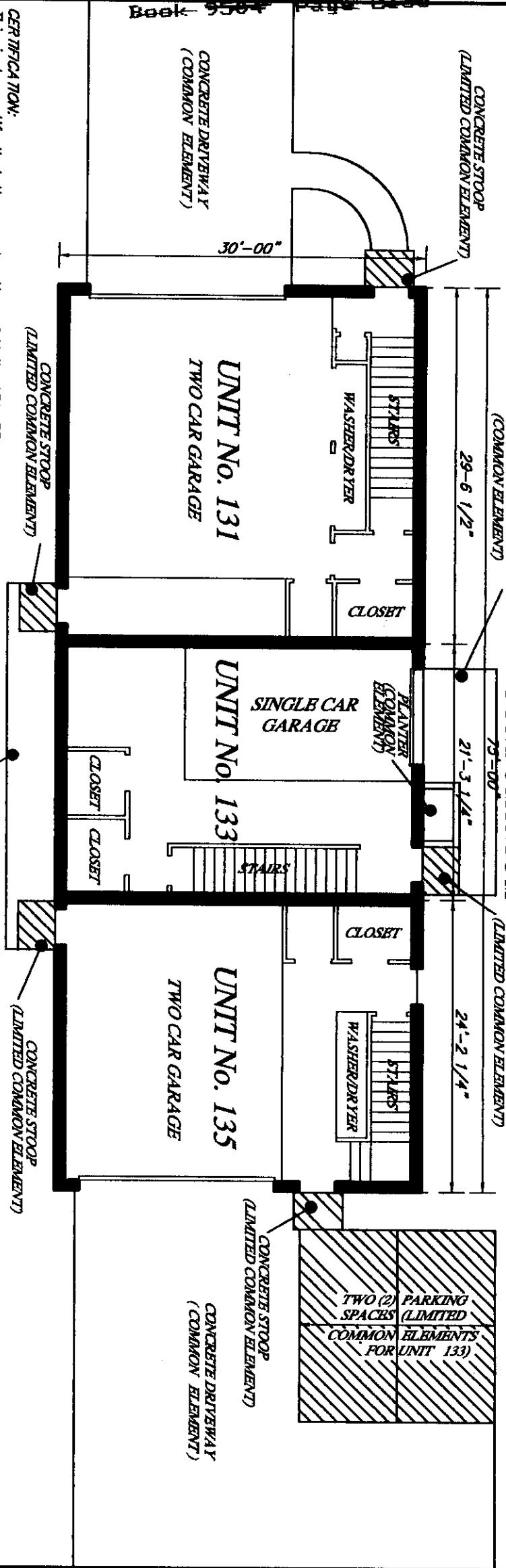
LEGAL DESCRIPTION OF
OVERALL PROPERTY:

Lot 9, Block 132, PABLO BEACH SOUTH, as shown on the plat thereof, recorded in Plat Book 3, page 28 of the Current Public Records of Duval County, Florida.

GENERAL NOTES:

- 1) [Hatched Box] Denotes Limited Common Element
- 2) [Solid Box] Denotes Common Element (Not a Part of Unit)
- 3) No. 131 Denotes Unit Number
- 4) Those ceiling elevations referred to herein are the elevations of a horizontal plane projected across the Condominium Unit; however, those Units having cathedral type ceilings, the spaces above this horizontal plane and below the underside of the finish surface of the vaulted ceiling is a part of the Condominium Unit.
- 5) Interior walls as shown herein may be altered from locations shown in accordance with individual Unit owners preference.
- 6) Interior room dimensions subject to normal construction variances and tolerances.
- 7) Units 131, 133 and 135 are As-Built.

**THE QUEYS CONDOMINIUM
A CONDOMINIUM**



FIRST FLOOR PLAN

SCALE: 1" = 10'

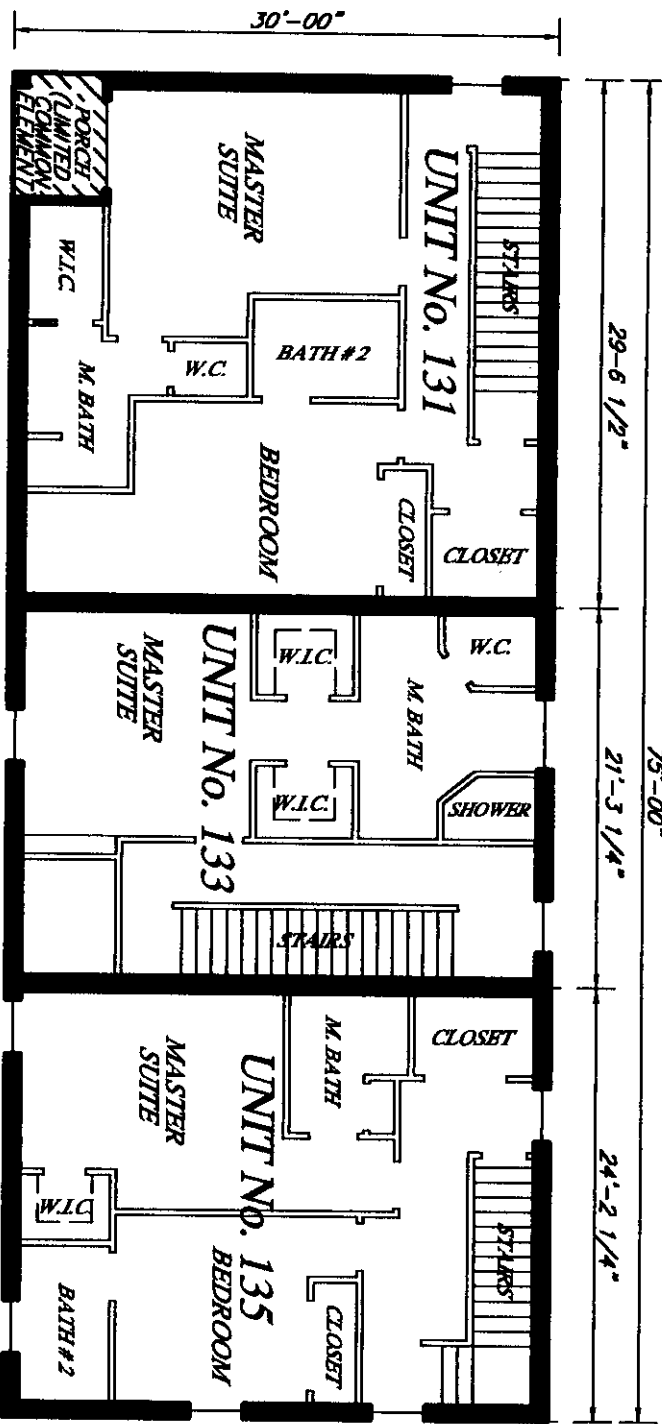
CERTIFICATION:
This is to certify that the construction of Units 131, 133 and 135, THE QUEYS CONDOMINIUMS, a Condominium, together with the Common Elements, and Limited Common Elements appurtenant to said Units has been constructed so that this material, together with the provisions of the Declaration describing the Condominium Property, is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the Common Elements and Limited Common Elements, and of each Unit, referenced above can be determined from this material.

Richard A. [Signature]
Registered Professional Engineer
State of Florida
RICHARD A. [Signature] & ASSOCIATES
PROFESSIONAL ENGINEERS
6701 BEACH BLVD., SUITE 200
JACKSONVILLE, FLORIDA 32209
Fax (904) 721-5758
Tele. (904) 721-1226

- GENERAL NOTES:**
- 1) [Hatched Box] Denotes Limited Common Element
 - 2) [Solid Box] Denotes Common Element (Not a Part of Unit)
 - 3) No. 131 Denotes Unit Number
 - 4) Those ceiling elevations referred to herein are the elevations of a horizontal plane projected across the Condominium Unit; however, those Units having cathedral type ceilings, the spaces above this horizontal plane and below the underside of the finish surface of the vaulted ceiling is a part of the Condominium Unit.
 5. Interior walls as shown herein may be altered from locations shown in accordance with individual Unit owners preference.
 6. Interior room dimensions subject to normal construction variances and tolerances.
 7. Units 131, 133 and 135 are As-Built.

THE QUEYS CONDOMINIUM A CONDOMINIUM

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SECOND FLOOR PLAN

SCALE: 1" = 10'

CERTIFICATION:
This is to certify that the construction of Units 131, 133 and 135, THE QUEYS CONDOMINIUMS, a Condominium, together with the Common Elements, and Limited Common Elements appurtenant to said Units has been constructed so that this material, together with the provisions of the Declaration describing the Condominium Property, is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the Common Elements and Limited Common Elements and Unit referenced above can be determined by reference to the materials.

[Signature]
Registered Professional Engineer
State of Nevada
No. 3848

Dated 12-29-99

RICHARD A. MILLER & ASSOCIATES
PROFESSIONAL LAND SURVEYORS
6701 BEAUMONT, SUITE #200
JACKSONVILLE, FLORIDA 32216

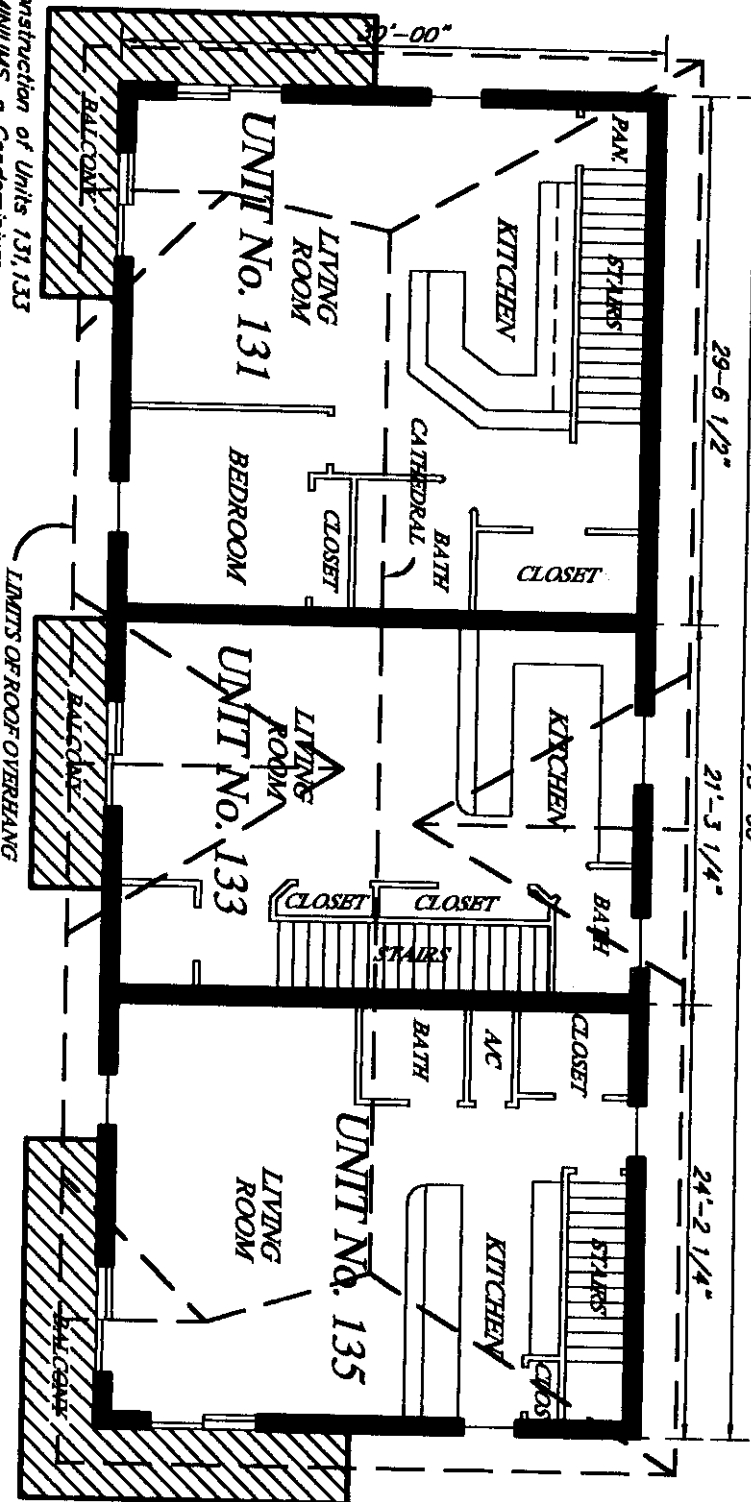
Fax (904) 721-5758
Tel. (904) 721-1226

- GENERAL NOTES:**
- 1) Denotes Limited Common Element
 - 2) Denotes Common Element (Not a Part of Unit)
 - 3) Denotes Unit Number
 - 4) Those ceiling elevations referred to herein are the elevations of a horizontal plane projected across the Condominium Unit; however, those Units having cathedral type ceilings, the spaces above this horizontal plane and below the underside of the finish surface of the vaulted ceiling is a part of the Condominium Unit.
 5. Interior walls as shown herein may be altered from locations shown in accordance with individual Unit owners preference.
 6. Interior room dimensions subject to normal construction variances and tolerances.
 7. Units 131, 133 and 135 are As-Built.

EXHIBIT D SHEET 3

THE QUEYS CONDOMINIUM A CONDOMINIUM

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THIRD FLOOR PLAN

SCALE: 1" = 10'

CERTIFICATION:
This is to certify that the construction of Units 131, 133 and 135, THE QUEYS CONDOMINIUM, a Condominium, together with the Common Elements, and Limited Common Elements appurtenant to said Units, has been constructed so that this material, together with the provisions of the Declaration describing the Condominium Property, is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of a) Common Elements and Limited Common Elements, and of each Unit referenced above can be determined from these platoids.

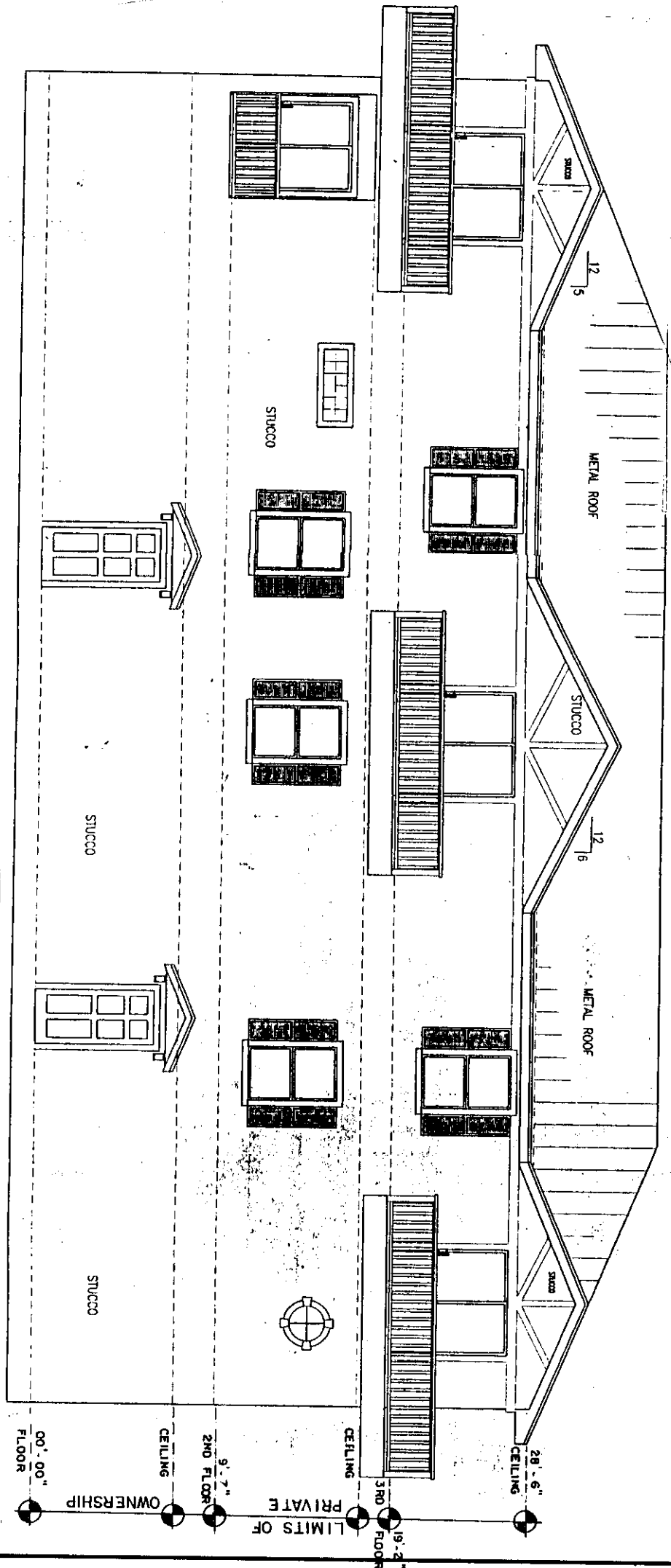
Richard A. Meers
Richard A. Meers
Registered Professional Land Surveyor
State of Florida
RICHARD A. MEERS & ASSOCIATES
PROFESSIONAL LAND SURVEYORS
6701 BEACH BLVD., SUITE 1200
JACKSONVILLE, FLORIDA 32216
Fax (904) 721-5758
Tele. (904) 721-1226

12-29-99
Dated

- GENERAL NOTES:**
- 1) Denotes Limited Common Element
 - 2) Denotes Common Element (Not a Part of Unit)
 - 3) No. 131 Denotes Unit Number
 - 4) Those ceiling elevations referred to herein are the elevations of a horizontal plane projected across the Condominium Unit; however, those Units having cathedral type ceilings, the spaces above this horizontal plane and below the underside of the finish surface of the vaulted ceiling is a part of the Condominium Unit.
 - 5) Interior walls as shown herein may be altered from locations shown in accordance with individual Unit owners preference.
 - 6) Interior room dimensions subject to normal construction variances and tolerances.
 - 7) Units 131, 133 and 135 are As-Built.

EXHIBIT D SHEET 4

THE QUEYS CONDOMINIUM
A CONDOMINIUM

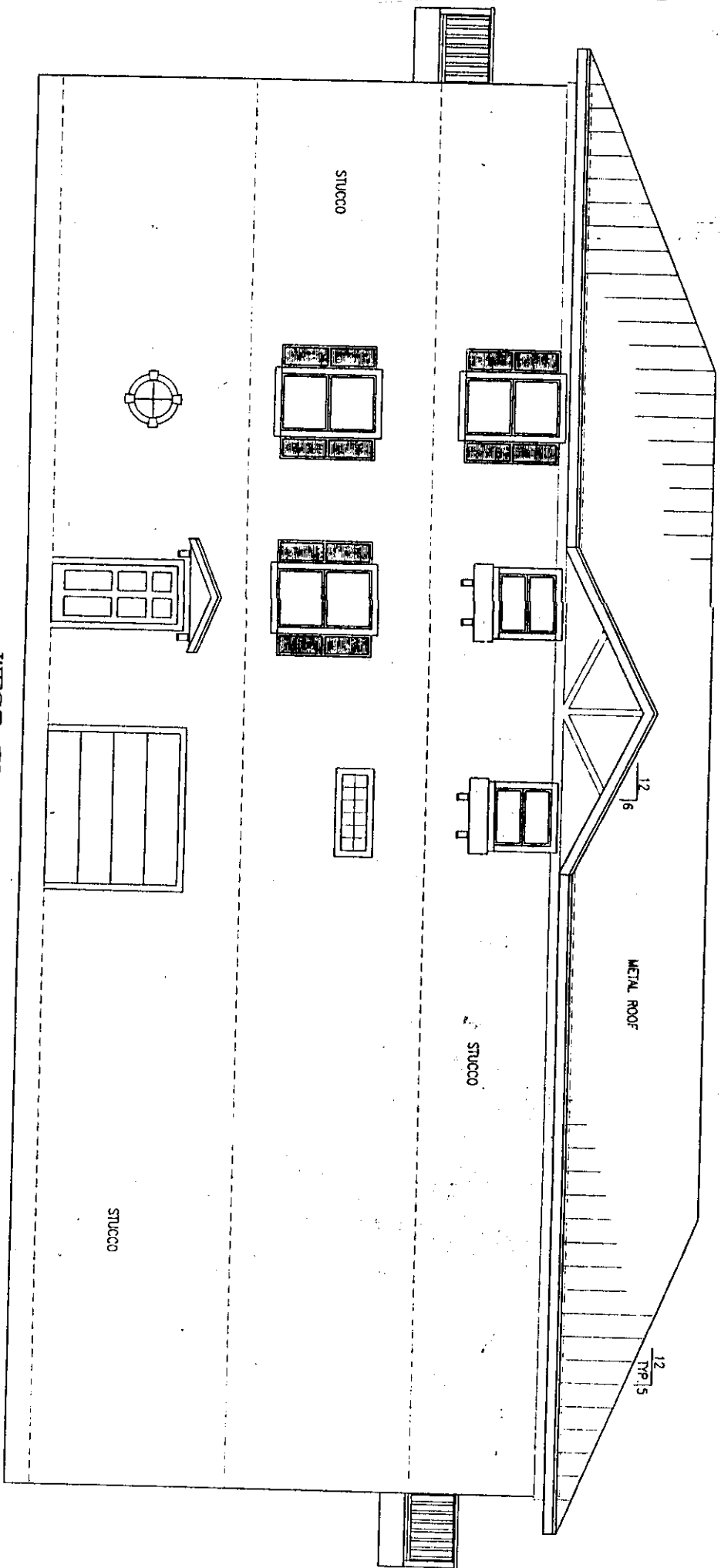


EAST ELEVATION

RICHARD A. MILLER & ASSOCIATES
 PROFESSIONAL LAND SURVEYORS
 6701 BEACH BLVD., SUITE #200
 JACKSONVILLE, FLORIDA 32216
 Fax (904) 721-5758
 Tele (904) 721-1228

EXHIBIT D SHEET 5

THE QUEYS CONDOMINIUM
A CONDOMINIUM



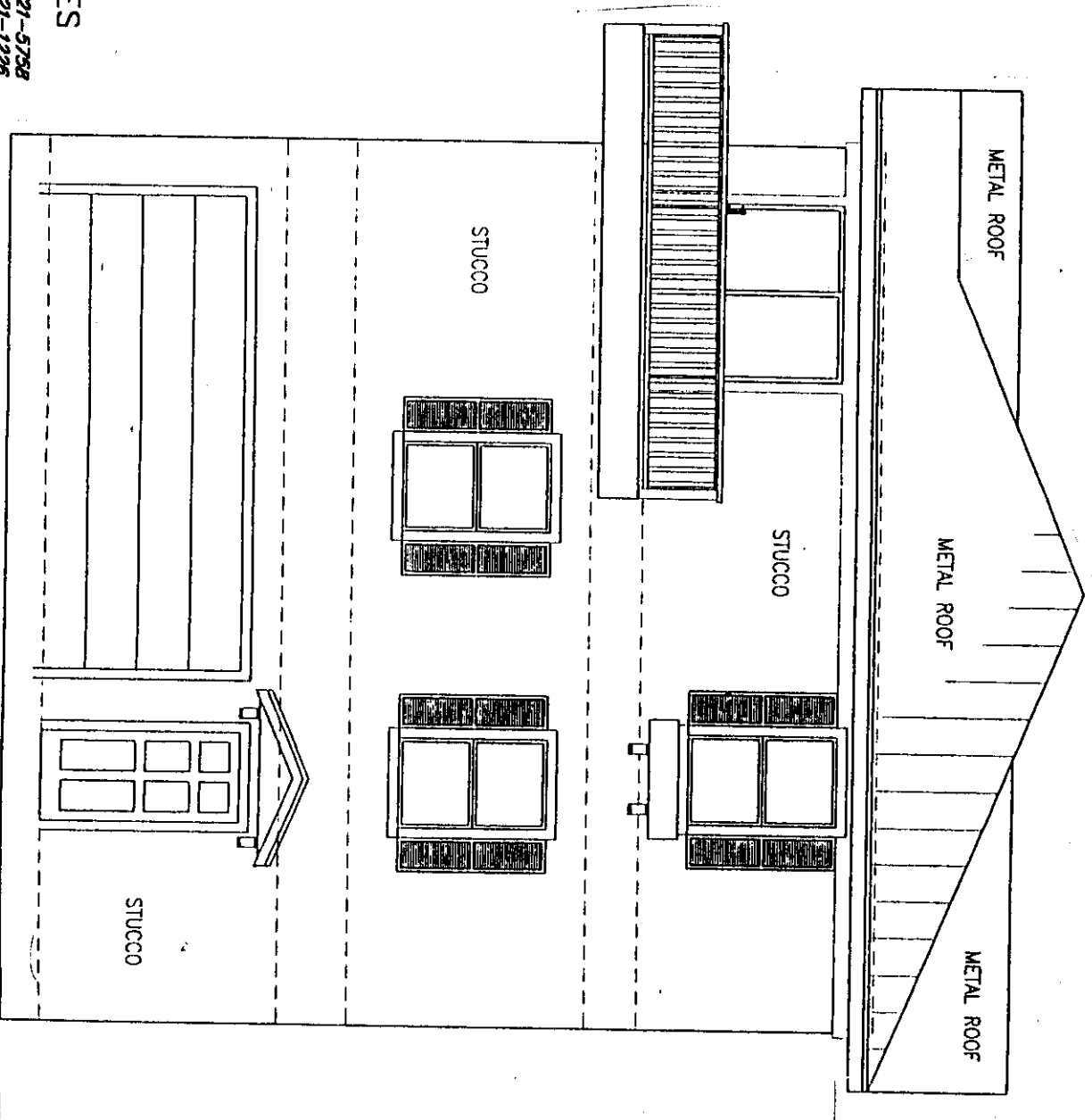
WEST ELEVATION

RICHARD A. MILLER & ASSOCIATES
 PROFESSIONAL LAND SURVEYORS
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 JACKSONVILLE, FLORIDA 32216
 Fax (904) 721-5758
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EXHIBIT D SHEET 6

THE QUEYS CONDOMINIUM
A CONDOMINIUM

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NORTH ELEVATION

RICHARD A. MILLER & ASSOCIATES
PROFESSIONAL LAND SURVEYORS
6701 BEACH BLVD., SUITE #200
JACKSONVILLE, FLORIDA 32216

Fax (904) 721-5758
Tel. (904) 721-1226

EXHIBIT D SHEET 2

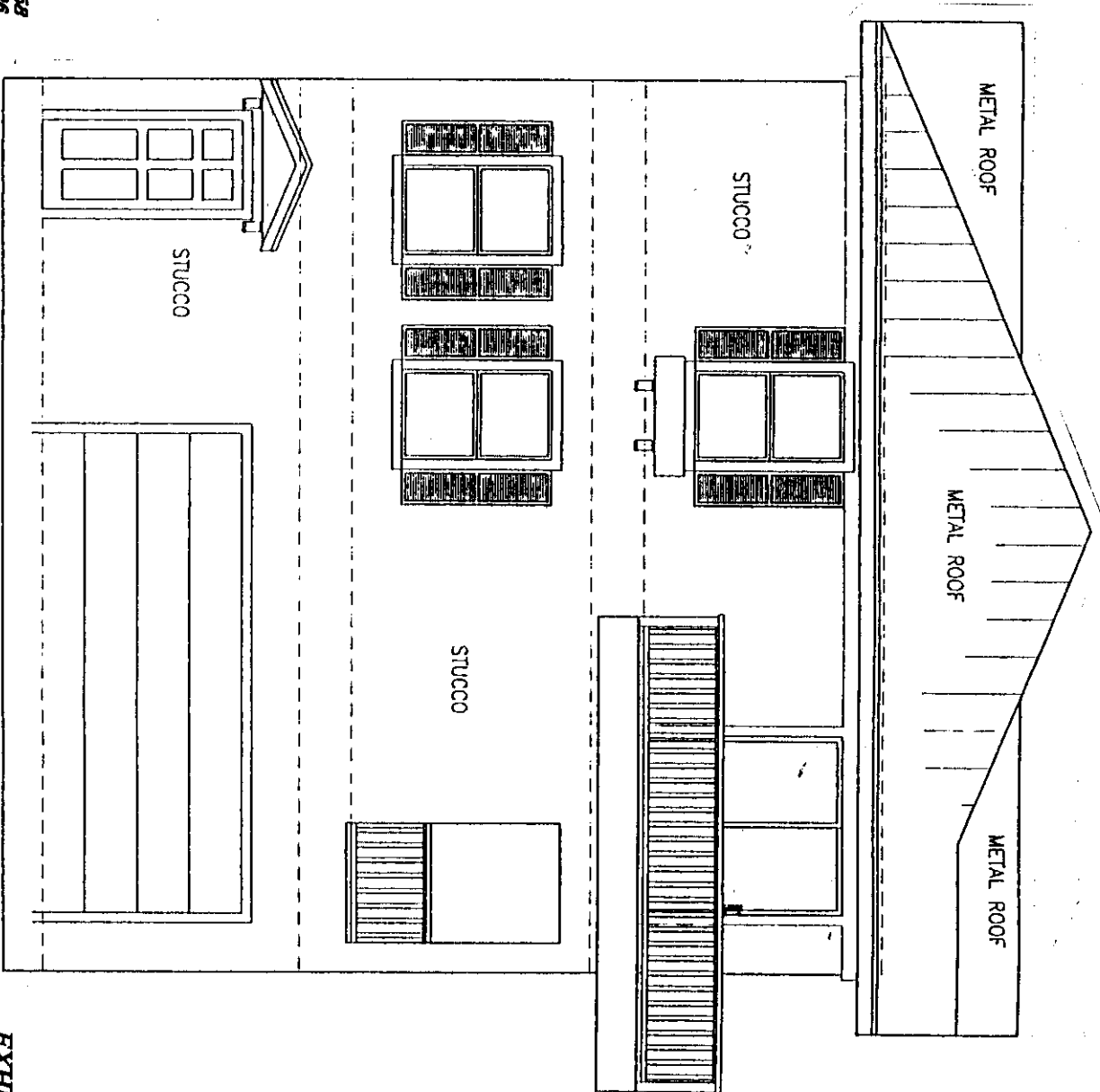
**THE QUEYS CONDOMINIUM
A CONDOMINIUM**

Book 9504 Page 2141

RICHARD A. MILLER & ASSOCIATES
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6701 BEACH BLVD., SUITE #200
JACKSONVILLE, FLORIDA 32216

Fax (904) 721-5738
Tel. (904) 721-1226

SOUTH ELEVATION



EXHIBIT

D SHEET S