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**DECLARATION OF CONDOMINIUM
LAS PALMAS AT JACKSONVILLE BEACH, A CONDOMINIUM**

This Declaration made on June 25, 2003, pursuant to Florida Statutes §718.104, by Las Palmas at Jacksonville Beach, Inc., a corporation organized and existing under the laws of Florida, having its principal offices at 1300 Greenridge Road, in the City of Jacksonville, County of Duval, State of Florida, referred to below as "Developer."

1. Submission of property. Developer, who is owner in fee simple absolute of the lands, the building, and all other improvements constructed or to be constructed thereon, together with all easements, rights, and appurtenances belonging to it, and all other property, personal or mixed, intended for use in connection with it, as described below and collectively referred to as the "property," declares certain divisions, covenants, restrictions, limitations, conditions, and uses respecting the property, intending to submit the property to the provisions of Chapter 718 of the Florida Statutes, referred to below as the Condominium Act, and further intending to create covenants running with the land and binding Developer and its successors and assigns forever.

2. Name of condominium. The name by which the property shall be known is Las Palmas at Jacksonville Beach, a condominium.

3. Description of land. The land on which the building and improvements constituting the property are to be located, as depicted on the survey attached as Exhibit "A" and incorporated by reference, is more particularly described as follows:

Lot 2, Block 63, Pablo Beach South as recorded in Plat Book 3, page 28 of the current public records of Duval County, Florida.

4. Description of building. The building to be constructed on the land, designated as "Building" on the survey attached as Exhibit "A", will be constructed principally of concrete masonry and wood framing, and will consist of a ground floor, and two upper floors above the ground floor, comprising a total building area of 11,685 gross square feet, of which 11,685 gross square feet will constitute four family units.

5. Units. As depicted in plats of the building, attached as Exhibit "B" and incorporated by reference, there will be four units, which will be named consecutively from A to D. The units will be referred to as Unit A, Unit B etc, respectively.

Each unit will be equipped with stainless steel kitchen sink, wall cabinets, range,

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microwave/hood combination, dishwasher, refrigerator-freezer, and bathtubs, showers, toilets, and wash basins.

Each unit will consist of the area enclosed by the interior surfaces of its perimeter walls, floors, and ceilings, and the exterior surfaces of its balconies and terraces, including the portions of the building so described and the airspace so enclosed, but not including any common elements located therein. When interpreting deeds, mortgages, deeds of trust, and other instruments of any representation of any unit contained in the plats referred to above, the existing physical boundaries of such unit or any unit reconstructed in substantial accordance with the original plans of such unit shall be conclusively presumed to be the boundaries regardless of any settling, rising, or lateral shifting of the building.

a. Unit Description: As shown on the floor plans attached as Exhibit "B", there are four (4) substantially identical three-story townhome units, each with a total area of 2921 gross square feet, including a balcony, a deck and a garage. Each unit's main door has access to the outside of the building on the ground floor. The only significant difference between units is with respect to their orientation.

Each unit consists of the following rooms and areas: First Floor: A foyer of 55 square feet, a laundry room of 77 square feet, a storage room of 99 square feet, an outdoor locked storage room of 15 square feet, and a 2-car garage of 480 square feet. Second Floor: a living room of 320 square feet, a dining room of 109 square feet, a bath of 54 square feet, a kitchen of 115 square feet, which includes 1 stainless steel sink, 1 range, 1 microwave/hood combination, 1 dishwasher, 1 side by side refrigerator-freezer, and base/wall cabinets with breakfast bar, and an outdoor covered deck of 180 square feet. Third Floor: Three bedrooms, one of 140 square feet, one of 100 square feet, and one of 176 square feet; two bathrooms, one of 55 square feet, including bathtub, toilet and vanity with basin, and one of 100 square feet, with whirlpool bathtub, shower, toilet and vanity with basin, and an outdoor balcony of 80 square feet.

6. General common elements. The general common elements shall consist of the following:

a. The parcel of land described above.

b. The following facilities located throughout the property:

(1) The foundations, columns, girders, beams, supports, exterior walls (not including portions thereof on unit sides of such walls), walls and partitions separating units from common areas (not including portions on unit sides of such walls), all walls separating unit, (not including the surfaces of such walls), and all roofs.

(2) Central and appurtenant installations for services such as power, telephone, light, hot and cold water, heating and air conditioning.

(3) All sewer pipes.

(4) All landscaped areas of common use.

(5) All other elements of the property desirable or rationally of common use, necessary to the existence, upkeep and safety of the condominium regime, or designated common elements by the Florida Condominium Act as that Act may be from time to time amended.

7. Limited common elements: None

8. Ownership of common elements. Each owner of a unit will own in fee simple absolute a proportionate, undivided interest in the common elements listed in Section 6 equal to the proportion that the value of the unit bears to the total value of all units, as follows:

<u>Unit Description</u>	<u>Value of Unit</u>	<u>Value of all Units</u>	<u>Percentage</u>
A	\$350,000.00	\$1,400,000.00	25%
B	\$350,000.00	\$1,400,000.00	25%
C	\$350,000.00	\$1,400,000.00	25%
D	\$350,000.00	\$1,400,000.00	25%

9. Ownership of restricted common elements. None

10. Proportionate representation; participation in common profits and expenses. Each unit owner will share in the common profits and expenses, as defined, and in the total voting power of the association of owners, in accordance with such unit owner's interest in the common elements as set forth above.

a. For purposes of this declaration, "common profits" means the excess of all receipts over all disbursements of the association.

b. For purposes of this declaration, "common expenses" means expenses for the administration, maintenance, and repair of the property, and all sums that may be designated common expenses by this declaration or the bylaws of the association.

11. Covenants and agreements. Developer, its successors and assigns, by this declaration, and all future owners of units, by acceptance of their respective deeds, covenant and agree as follows:

a. The common elements will remain undivided, and no right will exist to partition or divide any of them, except when termination of the condominium and its removal from the provisions of Chapter 718 of the Florida Statutes is authorized by unanimous agreement of all of the owners of the units and all creditors in whose behalf the encumbrances are recorded against the property. On such authorization, all unit owners, mortgagees, and lienors shall execute and file for record in the office where this declaration is filed, an instrument of revocation of this declaration. On the filing of such instrument of revocation, the owners shall become tenants in common of the property, and each shall own an undivided interest therein equal to the percentage of his or her undivided interest in the common elements before the filing of such instrument. On the filing of such instrument of revocation, all liens shall be transferred to the undivided share in the property attributable to the unit originally encumbered by the lien in its same priority. Termination of the

condominium shall not bar subsequent resubmission to the provisions of the Condominium Act in accordance with the terms thereof.

b. Each unit owner will have an easement in common with all other unit owners for the use and maintenance of all pipes, wires, ducts, cables, conduits, public utility lines, and other common elements located in any of the other units and serving his or her unit, and each unit will be subject to such easement in favor of owners of all other units. Subject to reasonable regulation as may be provided in the bylaws, the board of administration will have a right of access to each unit to inspect it, and to maintain, repair, or replace all common elements located within it.

c. Units will be occupied and used by the respective owners only as private dwellings for the owner, the owner's family, tenants, and social guests, and for no other purpose except as provided in section 22 (a) of this declaration.

d. Each owner of a unit or units will, automatically on becoming owner the unit or units, become a member of Las Palmas at Jacksonville Beach Condominium Association, Inc., herein referred to as the association, and will remain a member until his or her ownership ceases, at which time membership in the association will also cease.

e. Each unit owner will, immediately on becoming an owner, grant to the board of administration on behalf of all unit owners, an irrevocable power of attorney coupled with an interest, to acquire title to or lease any unit whose owner desires to surrender, sell, or lease, or that may be the subject of a foreclosure or other judicial sale, and to convey, sell, lease, sublease, mortgage, or otherwise deal with any unit so acquired.

f. Any unit leased or acquired by the board of administration in any manner will be held by the board on behalf of all unit owners, in proportion to the respective common interests of the owners as set forth above.

g. Administration of the condominium will be in accordance with the provisions of this declaration and the bylaws of the association, attached as Exhibits "C" and "D", respectively, as those documents may be amended from time to time.

h. Each unit owner, and all tenants who are occupants of units, will comply with the provisions of this declaration, and the bylaws, decisions, and resolutions of the association, as lawfully amended from time to time. Failure to comply with these provisions, decisions, or resolutions will be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the association or by any unit owner or by a person who holds a blanket mortgage or unit mortgage and is aggrieved by any such noncompliance.

i. No unit owner may exempt himself or herself from liability for his or her proportionate share of the common expenses by waiver of the use or enjoyment of any of the common elements, or by abandonment of his or her unit.

12. Assessment liens. All sums assessed by the association for common charges applicable to any unit remaining unpaid will constitute a lien on the unit effective from and relating back to the

recording of this declaration. However, as to first mortgages of record, the lien is effective from and after the recording of a claim of lien in the public records of Duval County, Florida. This lien may be foreclosed by suit of the board of administration, acting on behalf of all unit owners, in like manner as a mortgage of real property. In any such foreclosure, if so ordered by the court the defaulting unit owner will be required to pay a reasonable rental for the unit for the period beginning on the date notice of default is first served and ending on the date of sale of the unit. If the unit is rented leased during the pendency of a foreclosure action, the board of administration will be entitled to a receiver to collect the rent. The board of administration, acting on behalf of all unit owners, will have the power to bid on units at foreclosure, and to acquire, hold, lease, mortgage, deed in trust, and convey the units. Suit to recover a money judgment for unpaid common charges may also be maintained by the board without foreclosing or waiving the lien securing the payment of such expenses.

13. Acquisition of unit at foreclosure or other sale; effect. A first mortgagee, its successors or assigns who acquires title to a unit by purchase at a foreclosure sale or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the deed, but in no event shall the mortgagee be liable for more than six months of the unit's unpaid common expenses or assessments accrued before the acquisition of the title to the unit by the mortgagee or 1% of the original mortgage debt, whichever amount is less. This provision shall not apply unless the first mortgagee joined the board of administration as a defendant in the foreclosure action. Such mortgagee may obtain title, own, occupy, lease, sell, or otherwise dispose of such unit without the approval of the board of administration. This paragraph shall be deemed amended so as to remain in conformity with the provisions of F.S. 718.116 as it is amended from time to time. Any unpaid share of common expenses or assessments resulting from the limitations of this section will be deemed common expenses collectible from all units including the unit acquired by the purchaser, his or her heirs, successors and assigns.

14. Rental of units. Units will not be rented for transient or hotel purposes, which are defined as: (1) rental for any period less than one month; or (2) rental for any period if the occupants of the unit are provided with customary hotel services, such as room service for food and beverages, maid service, laundry and linen, and bellboy service. With the exception of rentals for transient or hotel purposes, unit owners will have the absolute right to lease their units, provided these leases are made subject to the covenants and restrictions contained in this declaration, and in the bylaws and rules and regulations of the condominium, as such documents may from time to time be amended.

15. Destruction of or damage to property; effect. In the event the property is damaged or destroyed, the repair, reconstruction, or disposition of the property shall be as provided in the Florida Statutes. In the event the property is not repaired, reconstructed, or rebuilt within a reasonable time, any unit owner is entitled to equitable relief as provided in Florida Statutes § 718.118.

16. Eminent domain. If all or any part of the common elements shall be taken, injured, or destroyed by eminent domain, each unit owner shall be entitled to notice of such taking and to participate through the association in all condemnation and other proceedings. Any damages shall be for the taking, injury, or destruction as a whole and shall be collected by the association and distributed by it among unit owners in proportion to their respective undivided interests in the common elements or limited common elements so taken, injured, or destroyed, except that such funds as are deemed by the association necessary or appropriate to be applied to the repair or restoration of property so injured or destroyed may be so applied.

17. Conveyance of units; unpaid assessments. A unit owner, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he or she is the unit owner. Additionally, the unit owner is jointly and severally liable with the previous unit owner for all unpaid assessments that came due up to the time of the transfer of title. The person acquiring title shall pay the amount owed to the association within 30 days after transfer of title. Failure to pay the full amount when due shall entitle the association to record a claim of lien against the unit and proceed in the same manner as provided for the collection of unpaid assessments. Any payment by the purchaser will be without prejudice to the right of the purchaser to recover from his or her seller any amounts for which he or she was not liable under his or her contract of sale. Additionally, any purchaser, mortgagee, or trust deed beneficiary will be entitled to a statement from the board of administration setting forth the amount of unpaid common charges due the association from any seller.

18. Insurance. The board of administration of the association, or the managing agent, will obtain and continue in effect insurance against loss by fire or other casualties in form and amounts satisfactory to mortgagees holding first mortgages covering a majority of units, but without prejudice to the right of each unit owner to obtain individual unit insurance as he or she may see fit. The board of administration, or the managing agent, shall also obtain and continue in effect insurance against liability for personal injury and death and for damage to property arising from accidents occurring within the common elements and limited common elements in such form and amounts, satisfactory to mortgagees holding first mortgages on the units, as shall be determined by the board of administration. Insurance premiums for such insurance coverage will be a common expense to be paid by monthly assessments levied by the association. These payments will be held in a separate escrow account of the association, and will be used solely for the payment of the insurance premiums as those premiums become due.

19. Duties and liabilities of Developer. So long as Developer, its successors and assigns, owns one or more of the units established and described herein, Developer, its successors and assigns, will be subject to the provisions of this declaration and of all attached exhibits. Developer further covenants to take no action that would adversely affect the right of the association with respect to assurances against latent defects in the property, or other rights assigned to the association by reason of the establishment of the condominium. Under F.S. 718.116(9)(a)2, Developer hereby guarantees from the date of recordation of this Declaration until the date of the meeting at which transfer of the Association from Developer to the unit owners occurs, that the assessment for common expenses imposed on unit owners will not exceed \$233.08 per unit per month. During the guaranty period, Developer shall be excused from the payment of its pro rata share of the assessments for all units it owns; however, Developer shall pay any amount of common expenses incurred that exceeds assessments collected from unit owners other than Developer while the guaranty period is in effect.

20. Unit owners' association. The administration and management of the condominium shall be vested in an association, to be known as Las Palmas at Jacksonville Beach Condominium Association, Inc. The association shall be organized as a Florida corporation and shall be governed by the bylaws. The articles of incorporation creating the unit owners' association is annexed as Exhibit "C".

21. Unit owner's membership and voting rights in association. The unit owners' membership and

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voting rights in the association shall be as provided in the bylaws annexed as Exhibit D. All agreements and determinations lawfully made by the association in accordance with the voting percentages established in the bylaws shall be binding on all unit owners, their heirs, successors, and assigns.

22. In addition to all of the covenants and conditions contained in this declaration of condominium, the use of the property and each condominium is subject to the following:

a. Condominium use. No unit shall be occupied and used except for residential purposes by the owners, their tenants, and social guests, and no trade or business shall be conducted, except a unit may be used as a combined residence and executive or professional office by the owner of it, so long as the use does not interfere with the quiet enjoyment by other unit owners of their units. No tent, shack, trailer, basement, garage, outbuilding or structure of a temporary character shall be used at any time as a residence, either temporarily or permanently.

(1) Residents shall be limited as follows: No more than two persons per bedroom in any unit shall be permitted as permanent residents. "Permanent" means more than thirty days out of each 12-month period, provided that one child under eighteen years of age shall be allowed in addition to the maximum number of permanent residents otherwise permitted in each unit.

(2) No unit or units or any portion of them in the project shall be leased, subleased, occupied, rented, let, sublet, or used for or in connection with any timesharing agreement, plan, program, or arrangement, including, without limitation, any so-called "vacation license," "travel club," "extended vacation," or other membership or time-interval ownership arrangement. The term "timesharing" as used here shall be deemed to include, but shall not be limited to, any agreement, plan, program, or arrangement under which the right to use, occupy, or possess the unit or units or any portion thereof in the project rotates among various persons, either corporate, partnership, individual, or otherwise, on a periodically reoccurring basis for value exchanged, whether monetary or like-kind use privileges, according to a fixed or floating interval or period of time thirty consecutive calendar days or less. This section shall not be construed to limit the personal use of any unit or any portion thereof by any unit owner or his or her or its social or family guests.

(3) No health care facilities operating as a business or charity in serving the sick, elderly, disabled, handicapped, or retarded shall be permitted on the property.

b. Nuisances. No noxious, illegal, or seriously offensive activities shall be carried on in any unit, or in any part of the property, nor shall anything be done which may be or may become a serious annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of each of the owners of his or her respective unit, or which shall in any way increase the rate of insurance for the property, or cause any insurance policy to be canceled or cause a refusal to renew the same or which will impair the structural integrity of any building.

c. Vehicle restrictions. No trailer, camper, mobile home, motor home, house car, commercial vehicle, truck (other than standard size pick-up truck or standard size van), boat, inoperable

automobile, or similar equipment shall be permitted to remain upon any area within the property, other than temporarily, unless placed or maintained within an enclosed garage or car port. Commercial vehicles shall not include sedans or standard size vans and pick up trucks which are used both for business and personal use, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the board of administration of the association. No noisy or smoky vehicles shall be operated on the property. No unlicensed motor vehicles shall be operated upon the property. Garages shall be used to park permitted vehicles, and not for storage. Twenty four hours after notice has been personally delivered to the owner by an agent of the association or placed on the windshield of the vehicle or twenty four hours after notice has been mailed to the address of the registered owner of the vehicle parked, stored, or maintained on the premises, in violation of the provisions of this declaration, the owner shall be deemed to have consented to removal of the vehicle from the property. The association or its agents or employees shall then have authority to tow away and store any such vehicle, whether the vehicle shall belong to a unit owner, or his or her tenant, a member of the owner's family, or the owner's guest or invitee. Charges for towing and storage shall be paid by the unit owner responsible for the presence of such vehicle.

c. Signs. No signs shall be displayed to the public view in any units or on any portion of the property except signs approved by the board or committee appointed by the board. Only one "for sale" or "for rent" sign per unit shall be allowed, provided it does not exceed three square feet in size.

d. Animals. No animals of any kind shall be raised, bred, or kept in any unit, or in any portion of the property, except as follows. Ordinary domestic pets such as birds, hamsters, and goldfish kept in cages or aquariums are permitted. Not more than a total of three usual and ordinary household pets, such as a dog, cat, bird, etc. may be kept provided that they are not kept, bred, or maintained for any commercial purposes, and they are kept under reasonable control at all times.

(1) Notwithstanding the foregoing, no pets may be kept on the property which are obnoxious or annoying to other unit owners. No pets shall be allowed in the common area except as may be permitted by the rules of the board of administration. No dog shall enter the common area except while on a leash which is held by a person capable of controlling it.

(2) After making a reasonable attempt to notify the owner, the association or any owner may cause any unleashed dog found within the common area to be removed by the association to a pound or animal shelter under the jurisdiction of the City of Jacksonville Beach, or the County of Duval, State of Florida by calling upon the appropriate authorities, where the owner may, on payment of all expenses, repossess the dog. Owners shall prevent their pets from soiling any portion of the common area and shall promptly clean up any mess left by their pets. Owners shall be fully responsible for any damage caused by their pets.

e. Garbage and refuse disposal. All rubbish, trash, and garbage shall be regularly removed from the property, and shall not be allowed to accumulate on the property. Trash, garbage, and other waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of

the materials shall be kept in a clean and sanitary condition. All equipment, garbage cans, wood piles, or storage piles shall be kept screened and concealed from view of other units, streets, and common areas.

f. Radio and Television Antennas. No alteration to or modification of a central radio or television antenna or cable television system, whichever is applicable, if one is developed by the Developer or a cable television franchisee and as maintained by the association or the franchisee, shall be permitted, and no owner may be permitted to construct or use and operate an external radio or television antenna without the consent of the board. All fees for the use of any cable television system shall be borne by the respective unit owners, and not by the association.

g. Right to lease. No owner shall be permitted to lease his or her unit for any period less than 30 days. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the condominium declaration, to the bylaws of the condominium association, and to all rules and regulations adopted by the board, and that any failure of the lessee to comply with the terms of these documents shall be a default under the lease. All owners leasing or renting their units shall promptly notify the secretary of the association in writing of the names of all tenants and members of tenant's family occupying such unit and of the address and telephone number where the owner can be reached. All leases shall be in writing.

h. Architectural control. No building, fence, wall, obstruction, outside or exterior wiring, balcony, screen, patio, patio cover, tent, awning, carport, carport cover, improvement, or structure of any kind shall be commenced, installed, erected, painted, repainted or maintained upon the property, nor shall any alteration or improvement of any kind be made, until it has been approved in writing by the board, or by an architectural control committee appointed by the board.

(1) Plans and specifications showing the nature, kind, shape, color, size, materials, and location of the improvements, alterations, etc., shall be submitted to the board or to the architectural control committee for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location with respect to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with Developer's original color scheme, or to rebuild in accordance with Developer's original plans and specifications. No permission or approval shall be required to repaint in accordance with a color scheme previously approved by the board or an architectural control committee, or to rebuild in accordance with plans and specifications previously approved by the board or by the architectural control committee appointed by the board. Nothing contained herein shall be construed to limit the right of an owner to paint the interior of his or her unit with any color desired.

(2) No landscaping of patios or yards visible from the street or from the common areas not involving the use of natural plants, grass, trees, or shrubs, and which involves the use of synthetic materials, or concrete, rock, or similar materials shall be undertaken by any owner until plans and specifications showing the nature, kind, shape, and location of the

materials shall have been submitted to and approved in writing by the board or by an architectural control committee appointed by the board.

(3) The architectural control committee shall consist of three members. Developer may appoint all the original members of the committee and all replacements until the first anniversary of the issuance of the initial certificate of occupancy for the property. Developer reserves to itself the power to appoint a majority of the members of the committee until one hundred percent of all the units in the project have been sold. Thereafter, the board shall have the power to appoint all of the members of the architectural control committee. Members appointed to the architectural control committee by Developer need not be members of the association. A majority of the architectural control committee may designate a representative to act for it. In the event of death or resignation of any member of the committee, the successor shall be appointed by the person, entity, or group that appointed the member until Developer no longer has the right to appoint any members to the committee, and after that, the board shall appoint a successor. Neither the members of the committee nor its designated representatives shall be entitled to any compensation for services performed. In the event the committee fails to approve or disapprove plans and specifications within forty-five days after the same have been submitted to it, approval will not be required and the related covenants shall be deemed to have been fully complied with.

- i. Drapes. All drapes, curtains, window coverings, shutters, or blinds visible from the street or common area shall be uniform in color or lined in or of colors, materials, and patterns that are approved by the board or its authorized committee.
- j. Clotheslines. There shall be no outside laundering or drying of clothes, except inside fenced patios with clothes to be hung below fence level so as not to be visible from streets or common areas or other units. No draping of towels, carpets or laundry over railings shall be permitted.
- k. Power equipment and car maintenance. No power equipment, hobby shops, or car maintenance (other than emergency work) shall be permitted on the property except with prior written approval from the board. Approval shall not be unreasonably withheld and, in deciding whether to grant approval, the board shall consider the effects of noise, air pollution, dirt or grease, fire hazard, interference with radio or television reception, and similar objections.
- l. Liability of owners for damage to common area. The owner of each unit shall be liable to the association for all damage to the common area or improvements on it caused by the owner or any occupant of his or her unit or guest or by the owner's pets, except for that portion of the damage, if any, fully covered by insurance. Liability of an owner shall be established only after notice to the owner and hearing before the board. In the event an owner disagrees with the decision of the board on the question of liability, the owner may petition a court of law or submit the matter to arbitration pursuant to the rules of the American Arbitration Association, and the decision of the arbitrator shall be final and conclusive on the parties.
- k. Basketball standards. No basketball apparatus or fixed sport apparatus attached to the exterior surface of any portion of the common area shall be permitted on the property.

l. Parking spaces; storage. Each unit includes two garaged parking spaces. The owner of each unit may park additional cars on the driveway leading to each garage if necessary. Included with each unit is a locked outdoor storage space. Items belonging to the owner shall be kept inside the unit or within this storage space, and shall not be kept elsewhere on the exterior of the property.

m. Heavy use of electrical power. No unusually large or heavy use of electrical power shall be permitted within the project where there is a central meter or master meter serving more than one unit. In any case where a garage or carport assigned to a particular unit is supplied with power through a central meter or master meter, the owner of the unit to which the garage or carport is assigned shall not use electrical outlets in the garage or carport for running appliances, tools, power equipment, battery chargers, or any other machinery or equipment using large amounts of electrical power.

n. Joining units. An owner of horizontally adjacent units shall have the right to join the units. In furtherance of that, subject to the prior written approval of any such modifications by the architectural control committee, an owner may modify and utilize common areas between the units so long as the modifications do not affect the structural integrity of the Building or impair any other owner's reasonable use of the common areas, or affect the utilities that may be located on the common areas, or impair the value of the property. All costs and expenses of the modifications and subsequent restoration of the areas shall be borne by the owner of the units so joined. After approval of the proposed modifications by the architectural control committee and prior to commencement of work, the owner making the modification shall post a bond or bonds in an amount acceptable to the architectural control committee to protect the association and property against liens and to insure completion of the work. The modifications shall not, however, change the status of units, which shall continue to be treated legally as separate condominium units, each entitled to one vote, and each required to pay its separate assessment. In the event common ownership of joined units is for any reason terminated, common areas which have been altered shall be immediately restored to their original design and status.

23. In the event a unit owner shall wish to sell his or her unit and shall have received a bona fide offer from a prospective purchaser, the owner shall give written notice of the offer together with an executed copy of the offer to the board of administration of the association. The board, acting on behalf of all of the other unit owners, may purchase the unit at the same price and on the same terms as offered by the proposed purchaser, provided written notice of the election to purchase is given to the selling owner, and a matching down payment or deposit is provided to the selling owner during the 15-day period immediately following the delivery of the notice of the offer and a copy of it to the board.

In the event any owner shall attempt to sell his or her unit without offering to the board the right of first refusal, the sale shall be null and void. If the board fails to so notify the owner within the 15-day period, the owner may sell the owner's unit to the prospective purchaser in accordance with the terms of the offer.

The failure or refusal of the board to exercise the right of first refusal shall not constitute a waiver of the right to purchase the unit when the owner receives any subsequent bona fide offer from a prospective purchaser, or receives an offer containing different terms and conditions.

The right of first refusal set forth above shall not affect the right of any owner to subject his or her condominium unit to a deed of trust, mortgage, or other security instrument. Any first position mortgage lender coming into possession of a unit pursuant to mortgage foreclosure or deed in lieu of foreclosure shall be exempt from any right of first refusal. A unit owner may sell or give his or her unit to his or her spouse, children, parents, or brothers and sisters, or to a trust created for the benefit of any one of them, without first offering to sell the unit to the board.

24. Amendment of declaration. This declaration may only be amended at a meeting of the unit owners at which the amendment is approved by the holders of at least seventy five percent of the ownership interest in the condominium. No amendment to this declaration may change the size or configuration of any unit in any material fashion, materially alter or modify the appurtenances to the unit, change the proportion or percentage by which the unit owner shares the common expenses of the condominium and owns the common surplus of the condominium unless the record owner of the unit and all record owners of liens on the unit join in the execution of the amendment and unless all record owners of all units in the condominium approve the amendment. No amendment to this declaration may permit timeshare estates to be created in any unit unless the record owner of each unit in the condominium and the record owners of liens on each unit join in the execution of the amendment. The consent or joinder by record owners of liens on the units shall not be unreasonably withheld, delayed or conditioned. No amendment to this declaration shall be effective until recorded in the public records of Duval County, Florida.

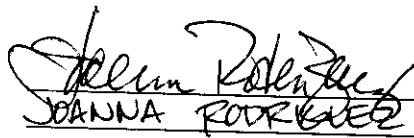
25. Invalidity. If one or more provisions of this declaration are declared invalid, such invalidity shall in no way impair or affect the validity, enforceability, or effect of the remainder of this declaration.

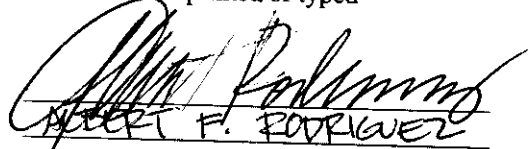
26. Waiver. No provision contained in this declaration will be deemed waived by reason of any failure to enforce the same, irrespective of the number of violations or the consistency of the failure of enforcement.

27. Captions. Captions are inserted in this declaration for convenience and reference only, and will not be taken in any way to limit or describe the scope of this declaration or any of its provisions.

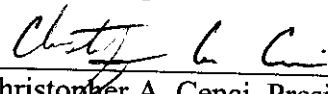
In witness, Developer has executed this Declaration on June 25, 2003, at 10:17 AM.

Executed in the presence of:


JOANNA RODRIGUEZ
name printed or typed

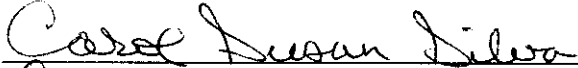

ALBERT F. RODRIGUEZ
name printed or typed

Las Palmas at Jacksonville Beach, Inc.,
a Florida corporation

By: 
Christopher A. Cenci, President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 25th day of June, 2003 by Christopher A. Cenci, as President of Las Palmas at Jacksonville Beach, Inc., a Florida corporation, on behalf of the corporation. He is personally known to me or produced himself as identification.


Carol Susan Silva

name printed or typed

Notary Public. State of Florida at Large.

My commission expires:

CAROL SUSAN SILVA

Notary Public, State of Florida
My Comm. expires April 27, 2004
Comm. No. CC 931733

CONSENT BY MORTGAGEE

CenterBank of Jacksonville, N.A., a national banking association ("Mortgagee") having a mailing address of 1325 Hendricks Avenue, Jacksonville, Florida 32207, is the owner and holder of: (i) that certain Mortgage and Security Agreement dated May 7, 2003 and recorded May 29, 2003 in Official Records Book 11117, page 20; (ii) that certain UCC-1 Financing Statement recorded in Official Records Book 11117, page 42; and (iii) that certain Conditional Assignment of Rents and Leases recorded in Official Records Book 11117, page 48; all of which are in the current public records of Duval County, Florida and are, collectively, the "Security Documents". The Security Documents encumber the real property and improvements described in the foregoing Declaration and which are being submitted to the condominium form of ownership to be known as Las Palmas at Jacksonville Beach, a condominium, does hereby consent and join in the making of the foregoing Declaration and the submission of the real property to the condominium form of ownership on accordance with the terms, provisions and conditions of the foregoing Declaration, and subordinates the lien of the Security Documents to the terms, provisions and conditions of the Declaration, provided, however, that the lien of the Security Documents shall encumber each and every of the Units created by the Declaration.

In Witness Whereof, Mortgagee has caused this Consent by Mortgagee to be executed in its name and on its behalf this 24th day of June, 2003.

Executed in the presence of:

Nacy Cole
Tracy Cole
name printed or typed

CenterBank of Jacksonville, N.A.,
a national banking association

By: Jerry Landowski
Jerry Landowski
name printed or typed

Its: Senior Vice President

Sharon M. Saladino
Sharon M. Saladino
name printed or typed

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 24th day of June, 2003 by Jerry Landowski, as Se Vice President of CenterBank of Jacksonville, N.A., a national banking association, on behalf of the national banking association. He or she is personally known to me or produced _____ as identification.

Sharon M. Saladino
Sharon M. Saladino
name printed or typed

Notary Public. State of Florida at Large.
My commission expires:



Sharon M. Saladino
MY COMMISSION # DD176034 EXPIRES
January 7, 2007
BONDED THRU TROY FAIR INSURANCE, INC.

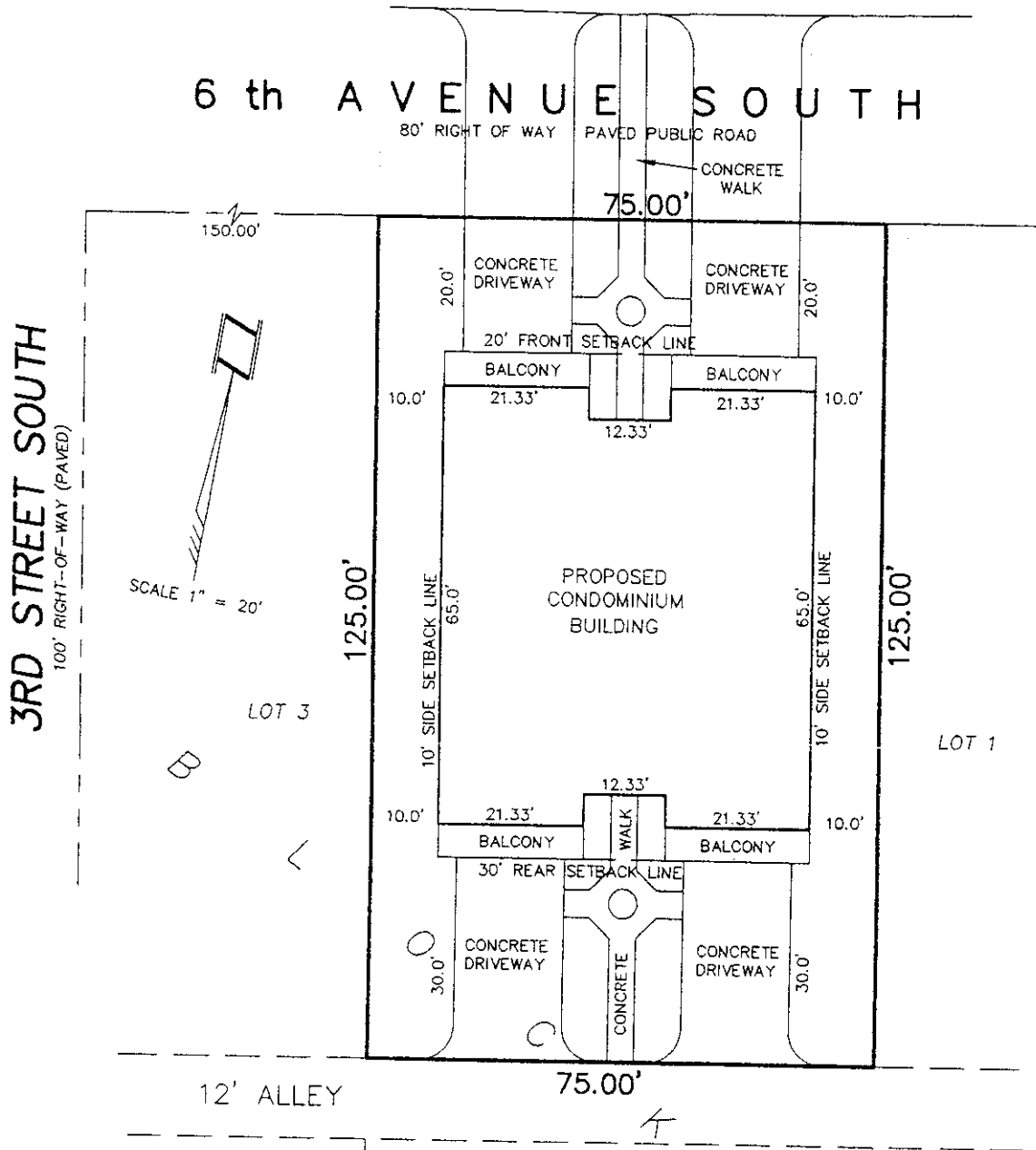
PROPOSED LAS PALMAS CONDOMINIUMS

MAP OF

Book 11201

Page 591

LOT 2, BLOCK 63, PABLO BEACH SOUTH, AS RECORDED IN PLAT BOOK 3, PAGE 28 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA.



NOTES:
THIS IS A MAP OF THE LAND AND BUILDING BEING SUBMITTED TO THE CONDOMINIUM FORM OF OWNERSHIP AS "LAS PALMAS CONDOMINIUMS".
THIS MAP IS ON SURVEY BY BOATWRIGHT LAND SURVEYORS, INC. DATED MARCH 22, 2002, FILE No. 2002-310.

THE PROPERTY SHOWN HEREON APPEARS TO LIE IN FLOOD ZONE "X" (AREA OUTSIDE 500 YEAR FLOOD PLAIN) AS WELL AS CAN BE DETERMINED FROM THE "FLOOD INSURANCE RATE MAP" COMMUNITY-PANEL NUMBER 120078 0002 D REVISED APRIL 17, 1989 FOR THE CITY OF JACKSONVILLE BEACH, DUVAL COUNTY, FLORIDA.

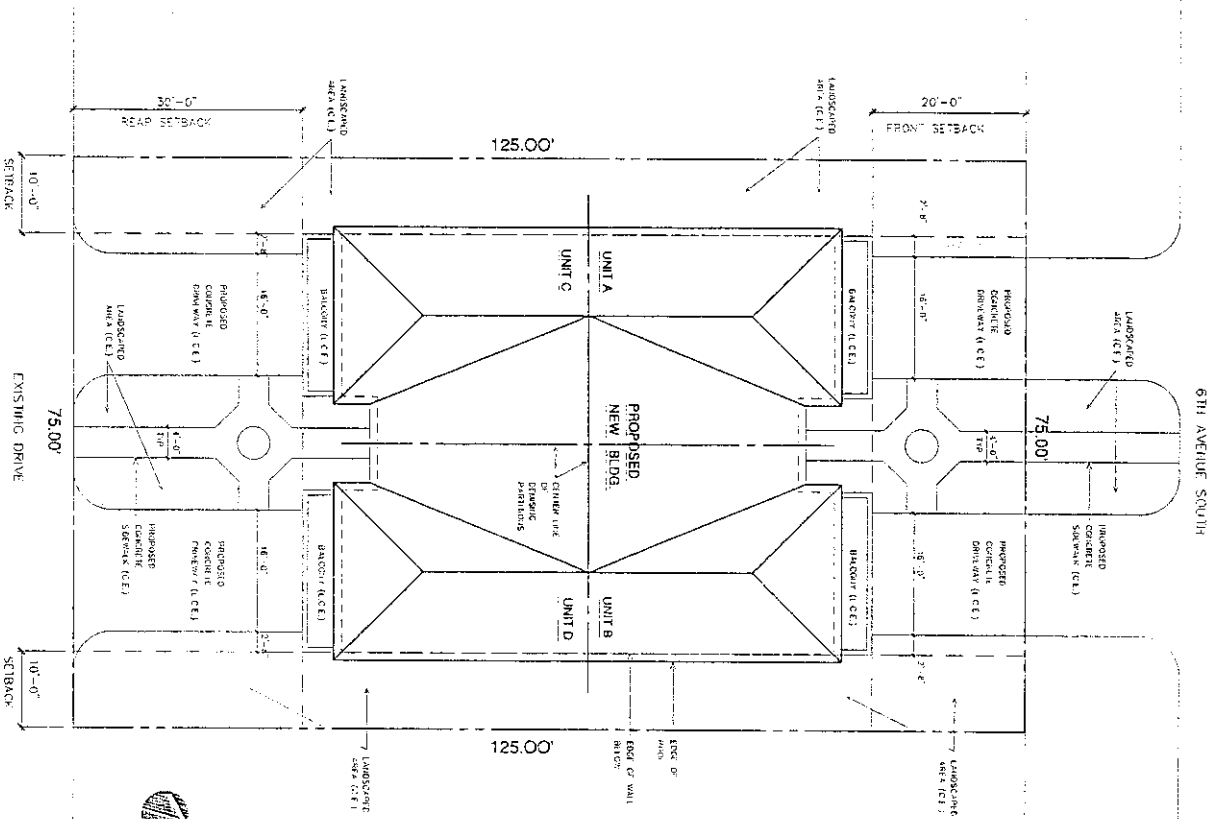
THIS MAP WAS MADE IN COMPLIANCE WITH THE MINIMUM TECHNICAL STANDARDS SET FORTH IN CHAPTER 61 G17-6 OF THE FLORIDA ADMINISTRATIVE CODE.

[Signature]
DONN W. BOATWRIGHT, P.S.M.
FLA. LIC. SURVEYOR AND MAPPER No. LS 3295
SINISS No. LB 3672

CHECKED BY: _____
DRAWN BY: MCC
FILE #: 2002-674

EXHIBIT A

JUNE 5, 2002
SHEET 1 OF 1



PROPOSED SITE PLAN

NOTE: ALL IMPROVEMENTS SHOWN ON THIS SITE PLAN ARE PROPOSED (NO ELEMENTS ARE EXISTING)

LAS PALMAS
 at Jacksonville Beach
 TOWNHOME CONDOMINIUMS
 214 Sixth Avenue South
 Jacksonville Beach, Florida

LEGAL DESCRIPTION

LOT 2, BLOCK 63, PALM OAKS SOUTH AS RECORDED IN PLAT BOOK 3, PAGE 28 OF THE CURRENT PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

CODE REVIEW

APPLICABLE BUILDING CODE: FLORIDA BUILDING CODE 2001

APPLICABLE ZONING CODE:

JACKSONVILLE DEACON LAND DEVELOPMENT COOD

ZONING CLASSIFICATION: RM-2, RESIDENTIAL MEDIUM DENSITY

FRONT YARD SETBACK: 20 FEET
 REAR YARD SETBACK: 30 FEET
 SIDE YARD SETBACK: 10 FEET
 FLOOR AREA PER UNIT RECD: 1100 SF MIN; ACTUAL: 1025 SF
 RESHED LOT COVERAGE ALLOWED: 65%; ACTUAL: 63%
 HEIGHT ALLOWED: 35 FEET; ACTUAL: 35 FEET

FIRE SEPARATION: 2 HOURS BETWEEN UNITS

KEY

CE: CEILING ELEVATION
 CL: FINISH CONCRETE ELEVATION

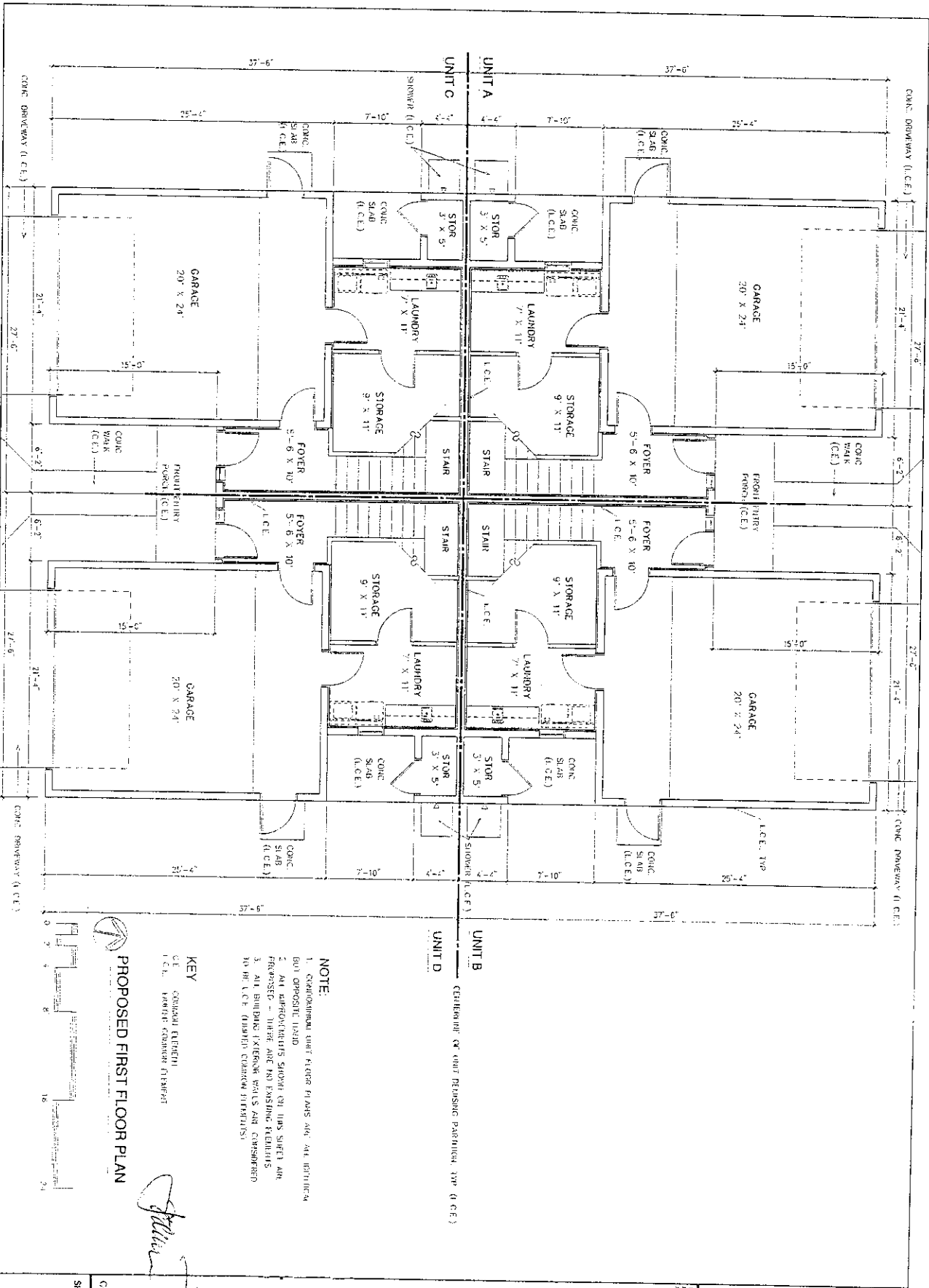
[Handwritten signature]
 JOANNA C. RODRIGUEZ
 N.C.A.R.B.

CONM. NO. 00101
 SHEET NO.

SITE

EXHIBIT B
 page one of six
 Jacksonville Beach, FL

1	JOANNA C. RODRIGUEZ N.C.A.R.B.
2	500 Westside Way Jacksonville, FL 32209
3	604-738-0286
4	P.L. 00-380-5463
5	L.P. NO. AM0000177



PROPOSED FIRST FLOOR PLAN

KEY
 C.E. CONCRETE ELEMENT
 I.C.E. INTERIOR CONCRETE ELEMENT

- NOTE:**
1. EXISTING UNIT FLOOR PLANS ARE ALL IDENTICAL BUT GROUND USED.
 2. ALL APPOINTMENTS SHOWN ON THIS SHEET ARE PROPOSED - THERE ARE NO EXISTING ELEMENTS.
 3. ALL BUILDING EXTERIOR WALLS ARE CONSIDERED TO BE I.C.E. QUARTER CHAMFER DETAILS.

COMMA No. 00101
 SHEET NO.

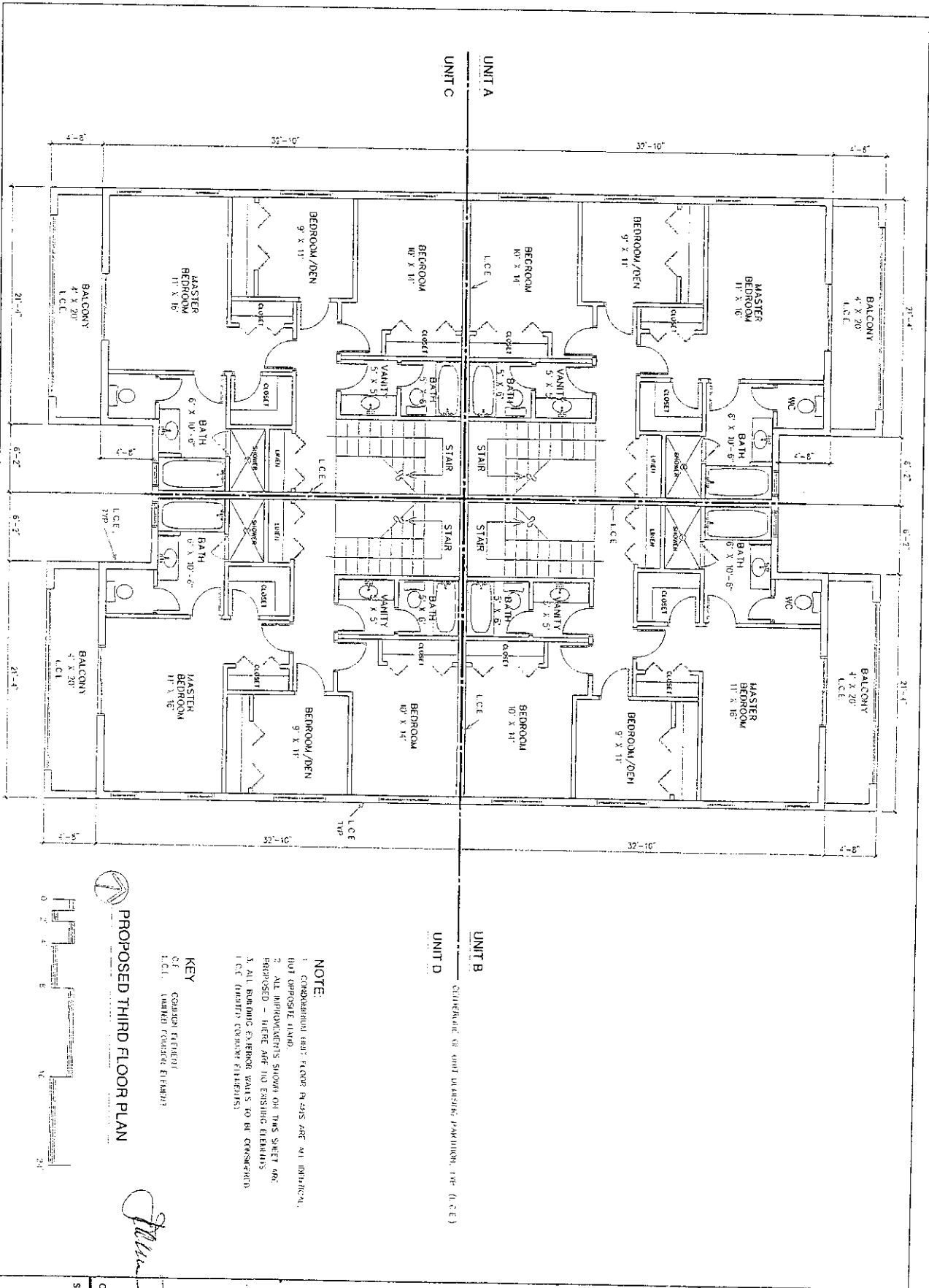
A-1

Joanna C. Rodriguez
 N.C.A.R.B.

EXHIBIT B
 page two of six

Jacksonville Beach, FL

JOANNA C. RODRIGUEZ
 N.C.A.R.B.
 200 VICTORIA WAY
 JACKSONVILLE, FL 32207
 904-734-0900
 622 9th Street, Suite 100
 JACKSONVILLE, FL 32207
 1-904-734-0900



PROPOSED THIRD FLOOR PLAN

- NOTE:**
1. CONSTRUCTION AND FLOOR FINISHES ARE NOT INDICATED, BUT OPPOSITE HAND.
 2. ALL IMPROVEMENTS SHOWN ON THIS SHEET ARE PROPOSED - THERE ARE NO EXISTING ELEMENTS.
 3. ALL BUILDING EXTERIOR WALLS TO BE CONSTRUCTED.
- KEY**
- COMMON ELEMENT
 - EXISTING ELEMENT
 - PROPOSED ELEMENT

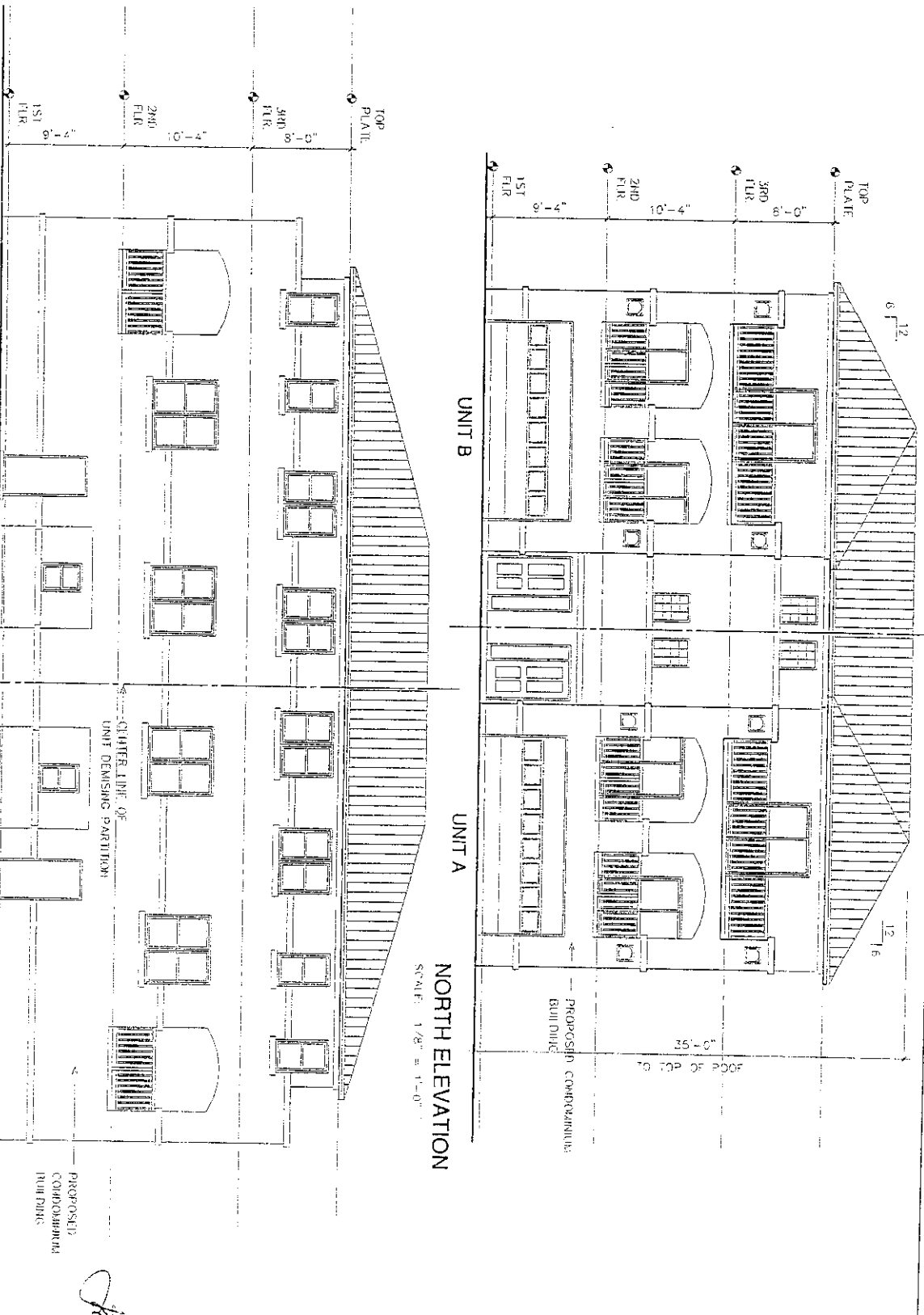
Joanna C. Rodriguez

EXHIBIT B
page four of six
Jacksonville Beach, FL

COMMA No. 000101
SHEET NO.

A-3

JOANNA C. RODRIGUEZ
N.C.A.R.B.
Professional Engineer
No. 12345
Jacksonville, FL 32207
P.O. Box 12345
Tel: 904-123-4567
Fax: 904-123-4567
E-MAIL: JOANNA@EXAMPLE.COM



EAST ELEVATION
SCALE: 1/8" = 1'-0"

NORTH ELEVATION
SCALE: 1/8" = 1'-0"

CONDA No. 00011
SHEET NO.

A-4

EXHIBIT B
page five of six

JACKSONVILLE, FL

JOANNA C. RODRIGUEZ
N.C.A.R.B.
380 Westshore Way
Jacksonville, FL 32207
904-908-0766
Fax: 904-908-0766
LIC. NO. AR00000177

Handwritten signature

ARTICLES OF INCORPORATION
OF
LAS PALMAS AT JACKSONVILLE BEACH, INC.

The undersigned incorporator(s), for the purpose of forming a corporation under the Florida Business Corporation Act, hereby adopt(s) the following Articles of Incorporation.

ARTICLE I NAME

The name of the corporation shall be: Las Palmas at Jacksonville Beach, Inc.

ARTICLE II PRINCIPAL OFFICE

The principal place of business and mailing address of this corporation shall be:

1300 Greenridge Road
Jacksonville, Florida 32207

ARTICLE III CAPITAL STOCK

The number of shares of stock that this corporation is authorized to have outstanding at any one time is:

100,000 shares common stock all at \$0.01 par value

ARTICLE IV INITIAL REGISTERED AGENT AND ADDRESS

The name and address of the initial registered agent is:

Joanna C. Rodriguez
1300 Greenridge Road
Jacksonville, Florida 32207

FILED
02 JUN 21 AM 11:45
SECRETARY OF STATE
TALLAHASSEE, FLORIDA



ARTICLE V INCORPORATOR(S)

The name(s) and street address(es) of the incorporator(s) to these Articles of Incorporation is (are):

Joanna C. Rodriguez
1300 Greenridge Road
Jacksonville, Florida 32207

ARTICLE VI DIRECTOR(S)

The name(s) and street address(es) of the initial director(s) of this corporation is (are):

Joanna C. Rodriguez
1300 Greenridge Road
Jacksonville, Florida 32207

Albert F. Rodriguez
1300 Greenridge Road
Jacksonville, Florida 32207

Chris Cenci
214 Sixth Avenue South
Apt. #2
Jacksonville Beach, Florida 32250

The undersigned has executed these Articles of Incorporation this 31 day of May, 2002.


Joanna C. Rodriguez - Incorporator



CERTIFICATE OF DESIGNATION

REGISTERED AGENT/REGISTERED OFFICE

Pursuant to the provision of section 607.0501, Florida Statutes, the undersigned corporation, organized under the laws of the State of Florida, submits the following statement in designating the registered office/registered agent, in the state of Florida.

- 1. The name of the corporation is: Las Palmas at Jacksonville Beach, Inc.
- 2. The name and address of the registered agent and office is:

Joanna C. Rodriguez
1300 Greenridge Road
Jacksonville, Florida 32207

SIGNATURE:

Joanna C. Rodriguez

TITLE: Incorporator

DATE: May 31, 2002

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.

SIGNATURE:

Joanna C. Rodriguez
Joanna C. Rodriguez

DATE: May 31, 2002

FILED
02 JUN 21 AM 11:45
SECRETARY OF STATE
TALLAHASSEE, FLORIDA



**BYLAWS OF
LAS PALMAS OF JACKSONVILLE BEACH A CONDOMINIUM
ORGANIZED PURSUANT TO THE FLORIDA CONDOMINIUM ACT**

Article One

Plan of Unit Ownership

Section One. Unit ownership. The condominium, located at 214 Sixth Avenue South, in the City of Jacksonville Beach, County of Duval, State of Florida, and known as Las Palmas of Jacksonville Beach, a condominium, was submitted to the provisions of Chapter 718 of the Condominium Act (the "Act"), by declaration recorded simultaneously herewith in the office of the County recording officer of the County of Duval, State of Florida.

Section Two. Applicability to property. The provisions of these bylaws are applicable to the condominium, which term includes the land, the building and all other improvements on it, all easements, rights, and appurtenances belonging to it, and all other property, personal or mixed, intended for use in connection with it.

Section Three. Applicability to persons. All present and future owners, lessees, and mortgagees, their employees, and any other person who may use the facilities of the condominium in any manner will be subject to these bylaws, relevant unit deeds, and rules and regulations pertaining to the use and operation of the condominium property attached as Exhibit "A" and incorporated by reference.

Acquisition, rental, or occupancy of any unit in the condominium will be sufficient to signify acceptance and ratification of the provisions of the above instruments, and an agreement to comply with them.

Section Four. Office. The office of the condominium and of the board of administration shall be located at 214 Sixth Avenue South in the City of Jacksonville Beach, County of Duval, State of Florida.

Article Two

Board of Administration

Section One. The association and board of administration. The affairs of the condominium shall be administered and managed by an association of unit owners organized as a Florida corporation not for profit, having the name Las Palmas of Jacksonville Beach Condominium Association, Inc. and hereinafter called the "association." All power and authority of the association shall be exercised through its board of directors, to be known as the "board of administration," consisting of three members.

Section Two. Composition of board of administration. Members of the board of administration shall be designated by Las Palmas at Jacksonville Beach, Inc., a Florida corporation, hereinafter called "developer," or elected by unit owners as follows:

(a) When unit owners other than developer own fifteen percent (15%) or more of the units in the condominium that will be operated ultimately by the association, the unit owners other than the developer shall be entitled to elect one third of the members of the board of administration.

(b) The unit owners' other than the developer are entitled to elect a majority of the members of the board of administration, after the earliest of the following events: (1) the date three (3) years after sales by developer of fifty percent (50%) of the units in the condominium have closed; or (2) the date three (3) months after sales by developer of ninety percent (90%) of the units in the condominium have closed; (3) the date when all the units have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by developer in the ordinary course of business; (4) when some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in

the ordinary course of business; or (5) seven years after recordation of the declaration. At such election, and in all subsequent elections, the unit owners other than developer shall elect the greater of (1) a majority of the members of the board, or (2) that number of members corresponding to the aggregate voting power of unit owners other than developer.

(d) Developer shall be entitled to elect at least one (1) member of the board for so long as developer holds at least five (5) percent of the units in the condominium for sale in the ordinary course of business.

Persons elected to the board of administration by unit owners other than developer shall be owners, co-owners, spouses of owners, or mortgagees of units, or, in the case of corporate owners or mortgagees of units, officers, directors, shareholders, or employees of the corporations.

Section Three. Powers and duties. The board of administration will have the powers and duties necessary for the administration of the affairs of the condominium, and may do all acts and things as are not by law, by the declaration, or by these bylaws directed to be exercised and done by the owners. The powers and duties to be exercised by the board of administration include, but are not be limited to, the following:

- (a) Care, upkeep, maintenance, and operation of the common elements.
- (b) Determination, assessment, and collection of funds to defray common expenses of the condominium.
- (c) Entering into contracts deemed necessary or appropriate in furtherance of the interests of unit owners generally.
- (d) Maintenance of detailed, written, and accurate records of receipts and disbursements arising from the operation of the property, which records, together with vouchers accrediting entries made therein, will be made available for examination by unit owners at convenient hours on working days.
- (e) Authorization and prosecution of suits to foreclose liens for nonpayment of common charges, or to recover money judgments for unpaid common charges, on behalf of the association.
- (f) Authorization and prosecution of actions or proceedings on behalf of two or more unit owners concerning a matter related to the common elements of two or more units.
- (g) Employment and dismissal of personnel necessary or appropriate for the maintenance and operation of the property, the common elements, and the restricted common elements.
- (h) Adoption and amendment of rules and regulations, not inconsistent with these bylaws, covering the details of operation and use of the property.
- (i) Establishment of bank accounts in the name of the condominium, and authorization of signatories therefor.
- (j) Purchasing, leasing, or otherwise acquiring in the name of the board of administration, or its designee, corporate or otherwise, on behalf of the unit owners, units offered for sale, lease, or surrender by their owners to the board of administration.
- (k) Purchasing units at foreclosure or other judicial or trustee's sale in the name of the board of administration or its designee, corporate or otherwise, on behalf of all unit owners.
- (l) Selling, leasing, encumbering, or otherwise dealing with units acquired by, and subleasing units leased by the board of administration or its designee, corporate or otherwise, on behalf of

the council of owners.

(m) Organizing corporations to act as designees of the board of administration in acquiring title to or leasing units on behalf of all unit owners.

(n) Leasing of stores, professional offices, and, parking spaces, issuance of swimming pool memberships, and granting of vending machine licenses.

(o) Procuring of insurance for the condominium property, including the units, as set forth herein.

(p) Contracting for repairs of and additions and improvements to the property, and for repairs to and restoration of the property in accordance with the provisions of these bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(q) Employment of a managing agent or manager at reasonable compensation to perform duties authorized by the board of administration. However, the board will not delegate to any managing agent or manager any of the powers set forth in subsections (b), (e), (f), (h), (i), (k), (l), and (m) of this section.

Section Four. Election and terms of office. At the first annual meeting of unit owners, the terms of office of the board of administration will be fixed as follows: The term of office of one member will be set at three years; the term of office of one member will be set at two years; and the term of office of one member will be set at one year. At the expiration of the initial term of office of each board member, his or her successor will be elected to serve for a term of three years. Board members will hold office until their successors have been elected and hold their first meeting.

Section Five. Vacancies. Vacancies in the board of administration caused by any reason other than the removal of a board member by a vote of the unit owners will be filled by vote of the majority of the remaining board members, even though they may constitute less than a quorum. Each person so elected will hold office until a successor is elected at the next annual meeting of unit owners.

Section Six. Removal of board members. Subject to the provisions of Section 718.301, Florida Statutes, any member of the board of administration may be recalled and removed from office with or without cause by the vote or agreement in writing of all the voting interests. A special meeting of the unit owners may be called for this purpose by 10% of the voting interests on giving notice of the meeting as provided in these bylaws. The notice shall state the purpose of the special meeting. Any vacancy on the board of administration thus created shall be filled by the members of the association at the same meeting. No member of the board of administration shall continue to serve on the board if, during the board member's term of office, the board member's membership in the association is terminated for any reason.

Section Seven. Organizational meeting. The first meeting of the board of administration will be held within ten days after the first annual meeting of the unit owners at which board members are elected and at a place as may be fixed by the board. No notice will be necessary to the newly elected board of administration in order legally to constitute the meeting except notice to the unit owners required by Section 718.112 (2) (c), Florida Statutes. The board of administration may meet immediately following the meeting at which they are elected for the purpose of electing officers and changing banking resolutions without further notice, except for announcement at the unit owner's meeting.

Section Eight. Regular meetings. Regular meetings of the board of administration may be held at such times and places as are determined by the board. However, at least one meeting will be held during each calendar year. Notice of each regular meeting of the board will be given to each board member personally, or by mail, telephone or telegraph, at least fourteen days prior to the date set for the meeting. Notice of any meeting in which assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

Section Nine. Special meetings. Special meetings of the board of administration may be called by the president, and will be called by the president or secretary on the written request of at least one board member, on fourteen days' notice to each board member, given personally, or by mail, telephone or telegraph. Any notice will state the time, place, and purpose of the meeting.

Section Ten. Meetings open to unit owners. All meetings of the board of administration shall be open to all unit owners. Notice of each meeting will be posted at each owner's mailbox at least 48 hours before the meeting, except in the case of emergency meetings.

Section Eleven. Waiver of notice. Any board member may at any time waive notice of any meeting of the board of administration in writing, and any written waiver will be deemed equivalent to the giving of the notice required in this agreement. Attendance by any board member of any meeting of the board will constitute a waiver by that member of notice of the time and place thereof. If all board members are present at any meeting of the board, no notice will be required, and any business may be transacted at any such meeting.

Section Twelve. Quorum; adjournments. At all meetings of the board of administration, a majority of the board will constitute a quorum for the transaction of business, and the acts of a majority of members present at a meeting at which a quorum is present will constitute the acts of the board of administration. If at any meeting of the board of administration less than a quorum is present, a majority of those present may adjourn the meeting. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section Thirteen. Minutes. Minutes shall be taken at all meetings of the board of administration. Copies of the minutes shall be available for inspection at the office of the association by unit owners and board members at all reasonable times.

Section Fourteen. Fidelity bonds. Each officer and member of the board of administration of the association who controls or disburses its funds (including, but not limited to, individuals authorized to sign checks and the president, secretary and treasurer of the association) shall be bonded by a fidelity bond or insurance policy in the principal sum of not less than the maximum amount of funds that will be in the custody of the association or its management agent at any one time. The premiums on such bonds will constitute a common expense.

Section Fifteen. Compensation. No member of the board of administration will receive compensation from the condominium for acting as such, but by resolution of the board of administration, a fixed fee and expenses of attendance may be allowed for attendance at each regular and special meeting. Nothing contained in this agreement will be construed to preclude any board member from serving the unit owners or the board of administration in any other capacity and receiving compensation for those services.

Section Sixteen. Liability of board of administration. Members of the board of administration will not be liable to unit owners for mistakes in judgment, for negligence, or otherwise, except for their own willful misconduct or bad faith. Nor will members of the board of administration be personally liable with respect to any contract made by them on behalf of the unit owners, and the owners will indemnify the board of administration and each member of it against all contractual liability to third parties arising out of contracts made by the board of administration on behalf of the condominium. However, such indemnification will not extend to any contract made in bad faith or contrary to the provisions of the declaration, or of these bylaws. The liability of each unit owner arising out of any contract made by the board of administration or out of the indemnification of the members of the board of administration will be the proportion of the total liability that the unit owner's interest in the common elements bears to the interests of all unit owners in the common elements. Every agreement made by the board of administration or by any managing agent or manager employed by the board of administration on behalf of the unit owners will provide that the members of the board of administration, or the managing agent or manager, as the case may be, are acting only as agents for the unit owners, and will have no personal liability under the agreement except as unit owners. Agreements will further provide that each unit owner's liability under the agreement is limited to the proportion of the total liability under it that his or her interest in the common elements bears to the interests of all unit owners in the common elements.

Article Three

Unit Owners

Section One. Membership. Each unit owner will, automatically on becoming an owner, become a member of the association, sometimes called the unit owners, and will remain a member until such time as his or her ownership ceases, at which time his or her membership in the association will likewise cease.

Section Two. Annual meetings. Annual meetings of the unit owners will be held on the first Monday in February of each year. Members of the board of administration shall be elected at the annual meeting in the following manner. The board of administration shall be elected by written ballot or voting machine. Proxies shall not be used to elect the members of the board of administration, either in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless the unit owners by affirmative vote approve the use of proxies for that purpose. The association shall mail or deliver, whether separately or included in other mailings, a first notice of the date of the election to each unit owner no less than 60 days before the scheduled election. The association shall mail or deliver to the unit owners at the addresses listed in the official records of the association a second notice of the election, ballot, and any information sheets timely submitted by the candidates no less than 30 days prior to the scheduled election. The second notice and accompanying documents shall not contain any communication from the board of administration that endorses, disapproves, or otherwise comments on any candidate. The owners may also transact any other business of the condominium as may properly come before the meeting.

Section Three. Special meetings. The president may, and will if directed by resolution of the board of administration or by petition signed and presented to the secretary by unit owners owning a total of at least seventy-five percent of the common interest, call a special meeting of the unit owners. The notice of any special meeting will state the time and place of the meeting, and the intended purpose. No business will be transacted at a special meeting except as stated in the notice unless by consent of seventy-five percent of the common interest of owners present, either in person or by proxy.

Section Four. Place of meetings. Meetings of unit owners will be held at the principal office of the condominium, or at any other suitable place convenient to the owners as may be designated by the board of administration.

Section Five. Notice of meetings. It will be the duty of the secretary to mail a notice of each annual or special meeting, stating its purpose, time, and place, to each unit owner, at the address last furnished the association, at least fourteen days prior to the meeting. The mailing of a notice in the manner provided in this section will be considered notice served. Notice of the annual meeting shall be posted at _____ [specify location which must be in a conspicuous place on the condominium property] at least fourteen days prior to the annual meeting.

Section Six. Quorum; majority of unit owners defined. At all meetings of the unit owners, a majority of unit owners will constitute a quorum for the transaction of business, and the acts of those unit owners entitled to exercise fifty-one percent or more of the total voting power of those unit owners present at a meeting at which a quorum is present will bind all unit owners for all purposes except those for which the approval of a higher percentage is required by these bylaws, by the declaration, or by law. If, at any meeting of unit owners, there is less than a quorum present, a majority of those owners entitled to exercise fifty-one percent of the total voting power of those unit owners present may adjourn the meeting to a time not less than twenty-four hours from the time the original meeting was called. At any such subsequent meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice. As used in these bylaws, the term "majority of unit owners" will mean those owners holding fifty-one percent in the aggregate in both common interest and in the number of units.

Section Seven. Order of business. The order of business at all meetings of the unit owners will be as follows:

- a. Collection of any election ballots not yet cast.

- b. Call to order.
- c. Election of a chairman of the meeting, unless the President or Vice President is present, in which case he or she shall preside.
- d. Calling of the roll, certifying of proxies, determination of a quorum.
- e. Proof of notice of meeting or waiver of notice.
- f. Reading and disposal of any unapproved minutes.
- g. Reports of Officers.
- h. Reports of committees.
- i. Appointment of inspectors of election.
- j. Determination of number of Directors.
- k. Election of Directors.
- l. Unfinished business.
- m. New business.
- n. Adjournment.

Section Eight. Voting. The owner or owners of each unit, or some person appointed by the owner or owners to act as proxy on his or her or their behalf, will be entitled to cast the vote appurtenant to each such unit at all meetings of the unit owners. The appointment of any proxy will be made in a writing filed with the secretary, and will be revocable at any time by notice in writing to the secretary. In any meeting of the unit owners, each unit shall have one voting interest. The vote of a unit is not divisible.

Section Nine. Minutes. Minutes shall be taken at all meetings of unit owners. Copies of the minutes shall be available for inspection at the office of the association by unit owners and members of the board of administration at all reasonable times.

Section Ten. Title to units. Title to units may be acquired and held in the name of an individual, in the name of two or more persons as joint tenants, tenants-in-common, or any other joint estate recognized under Florida law, or in the name of a corporation, a partnership, or a fiduciary.

Article Four

Officers

Section One. Designation. The principal officers of the association will be a president, a vice president, a secretary, and a treasurer, all of whom will be elected by and from the board of administration. The board may also appoint one or more assistant vice presidents, an assistant treasurer, an assistant secretary, and any other officers as in its judgment may be necessary. Any one person may hold more than one position.

Section Two. Election of officers. The officers of the association will be elected annually by the board of administration at the organizational meeting of each new board, and will hold office at the pleasure of the board.

Section Three. Removal of officers. On the affirmative vote of a majority of the members of the board of administration, any officer may be removed, with or without cause, and his or her successor may be elected at any regular meeting of the board of administration, or at any special meeting of the board called for that purpose.

Section Four. President. The president will be the chief executive officer of the association. He or she will preside at all meetings of the board of administration and of unit owners. He or she will have all general powers and duties that are incident to the office of president of a corporation not for profit organized in Florida], including, but not limited to the power to appoint committees from among the owners as he or she may deem appropriate to assist in the conduct of the affairs of the association.

Section Five. Vice president. The vice president shall take the place of the president and perform his or her duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the board of administration will appoint some other member of the board to do so on an interim basis. The vice president will also perform any other duties as may from time to time be imposed on him or her by the board of administration.

Section Six. Secretary. The secretary shall keep the minutes of all meetings of the board of administration and of the unit owners; he or she will have charge of the books and papers as the board of administration may determine; and he or she will, in general, perform all duties incident to the office of secretary of a corporation not for profit organized under the laws of the State of Florida.

Section Seven. Treasurer. The treasurer shall have responsibility for the funds and securities of the condominium, for keeping full and accurate accounts showing all receipts and disbursements, and for the preparation of all necessary financial statements. He or she shall be responsible for the deposit of all moneys and other valuable effects in the name of the board of administration or managing agent, in the depositories as may from time to time be designated by the board of administration, and will, in general, perform all duties incident to the office of treasurer of a corporation not for profit organized under the laws of the State of Florida.

Section Eight. Compensation. The salaries of all officers will be fixed by the board of administration, and the fact that any officer is a member of the board will not preclude him or her from receiving his or her salary or from voting on any resolution providing for the same, or no officer will receive any compensation from the association for acting as such. However, nothing contained herein will be construed to preclude any officer from serving the association in any other capacity, and receiving compensation therefore.

Article Five

Operation of Property

Section One. Determination of common charges. The board of administration will from time to time, and at least annually, prepare a budget for the condominium. This budget will include projections of common expenses, common revenues (from sources other than assessments of unit owners), the amount of common charges required to meet the excess of the former over the latter, and an allocation and assessment of the common charges against unit owners as provided in the declaration.

As used in these bylaws, the term "common expenses" or "common charges" shall mean expenses or charges for the association and condominium for which unit owners are proportionately liable, and shall include, but shall not be limited to the following:

- (a) All expenses of administration of the association.
- (b) Management fees.
- (c) All expenses for maintenance, repair, and replacement of the common elements.
- (d) Rent for recreational and other commonly used facilities.

- (e) Taxes on association property.
- (f) Taxes on leased areas.
- (g) Insurance premiums on all policies of insurance obtained by the board of administration, managing agent, or manager.
- (h) Security expenses.
- (i) Working capital reserve.
- (j) General operating reserve.
- (k) Repair and replacement reserve.
- (l) Reserve for deficits accrued in prior years.
- (m) Reserve for acquisition or lease of units, the owners of which have elected to sell or lease the same, or that may become available at a trustee's sale or at foreclosure or other judicial sale.
- (n) Utility expenses for water and gas, and related sewer rents.
- (o) Utility expenses for electricity serving the common elements.
- (p) All other amounts that the owners may agree upon or that the board of administration may deem necessary or appropriate for the operation, administration, and maintenance of the condominium.
- (q) All other amounts designated common expenses by the declaration, by these bylaws, or by law.

The board of administration will furnish copies of the budget on which the allocations and assessments of common charges are based to all unit owners and mortgagees and trust deed beneficiaries.

Section Two. Collection of assessments. The board of administration will assess common charges against the unit owners from time to time, and at least annually, and will advise each unit owner in writing of the amount of common charges payable by him or her. If any common charge remains unpaid for more than thirty (30) days from the date due, the board of administration will take prompt action to collect the same.

Section Three. Common surplus. If in any taxable year, the net income of the unit owners from assessments and all other sources except casualty insurance proceeds and other non-recurring items exceeds the sum of (a) total common expenses for which payment has been made or liability incurred within the taxable year, and (b) reasonable reserves for common expenses in the next succeeding taxable year as may be determined by the board of administration, the excess will be returned forthwith to unit owners, the share of each being in proportion to the amount of assessments for common expenses paid by him or her within the taxable year.

Section Four. Liability for assessments. All unit owners are obligated to pay the common charges assessed by the board of administration at such times as the board may determine. No unit owner may exempt himself or herself from liability for any assessment for common charges by waiver of the use or enjoyment of any of the common elements or by abandonment of his or her unit. However, no unit owner will be liable for any assessment for common charges against his or her unit subsequent to a sale, transfer, or other conveyance by him or her of the unit made in accordance with the provisions of Section Three of Article Seven of these bylaws. Moreover, any owner of an unit that is free and clear of all liens and encumbrances other than a first mortgage or deed of trust and any lien for unpaid common charges, may, subject to the provisions of these bylaws, convey the unit to the board of administration or its designee, corporate or otherwise, as grantee on behalf of all other unit owners and such conveyance will exempt the owner from liability for any common charges assessed thereafter. A

unit owner, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he or she is the unit owner. Additionally, the unit owner is jointly and severally liable with the previous unit owner for all unpaid assessments that came due up to the time of the transfer of title. The person acquiring title shall pay the amount owed to the association within 30 days after transfer of title. Failure to pay the full amount when due shall entitle the association to record a claim of lien against the unit and proceed in the same manner as provided for the collection of unpaid assessments. Any payment by the purchaser will be without prejudice to the right of the purchaser to recover from his or her seller any amounts for which he or she was not liable under his or her contract of sale. Additionally, any purchaser or mortgagee or trust deed beneficiary will be entitled to a statement from the board of administration setting forth the amount of unpaid common charges due the association from any seller, and will be entitled to rely on the statement. A first mortgagee, its successors or assigns who acquires title to a unit by purchase at a foreclosure sale or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the deed, but in no event shall the mortgagee be liable for more than six months of the unit's unpaid common expenses or assessments accrued before the acquisition of the title to the unit by the mortgagee or 1% of the original mortgage debt, whichever amount is less. This provision shall not apply unless the first mortgagee joined the board of administration as a defendant in the foreclosure action. Such mortgagee may obtain title, own, occupy, lease, sell, or otherwise dispose of such unit without the approval of the board of administration. This paragraph shall be deemed amended so as to remain in conformity with the provisions of F.S. 718.116 as it is amended from time to time.

Section Five. Default in payment of common charges. In the event an unit owner fails for thirty (30) days following the due date, to pay to the board of administration the common charges assessed against his or her unit, the unit owner will be deemed in default, and will be obligated to pay interest at the legal rate on the common charges from the due date thereof, together with all expenses, including reasonable attorneys' fees, incurred by the board of administration in any proceeding brought to collect the same, or to foreclose the lien for nonpayment thereof.

Section Six. Foreclosure of liens for unpaid common charges. It will be the right and duty of the board of administration to attempt to recover unpaid common charges, together with interest, and expenses of the proceeding, including reasonable attorneys' fees, by an action brought against any unit owner in default on his or her obligation to pay the same, or by foreclosure of the lien on any unit in respect to which the default has occurred. Any such lien may be foreclosed in the same manner as a mortgage on real property. In any such foreclosure, if so ordered by the court the defaulting unit owner will be required to pay a reasonable rental for the unit for the period beginning on the date notice of default is first served and ending on the date of sale of the unit. If the unit is rented leased during the pendency of a foreclosure action, the board of administration will be entitled to a receiver to collect the rent. The board of administration, acting on behalf of all unit owners as the unit owners, will have power to bid on and purchase any such unit, and to acquire, hold, lease, encumber, convey, or otherwise deal with it. Suit to recover a money judgment for unpaid common charges will be maintainable without foreclosing or waiving the lien securing the same, and foreclosure will be maintainable notwithstanding the pendency of a suit to recover a money judgment.

Section Seven. Maintenance and repair.

(a) Each owner will promptly perform all maintenance and repair work within his or her own unit, which if omitted would affect any common element, any portion of the property belonging to other owners, or the condominium as a whole, being expressly responsible for all damages and liabilities that any failure to repair or maintain may cause.

(b) All maintenance, repairs, and replacements to the common elements, whether located inside or outside individual units, will be the responsibility of the board of administration and will be charged to all unit owners as common expenses unless the maintenance, repairs, or replacements are necessitated by the negligence or misconduct of individual unit owners, in which case the expenses will be the responsibility of and will be charged to the individual unit owners.

(c) Each unit owner will be responsible for and reimburse the association for any expenditures incurred in repairing or replacing any common element damaged through his or her fault.

Section Eight. Uses of units.

- (a) Units will be occupied and used by their respective owners only as private dwellings for the owner, his or her family, tenants, and social guests, and for no other purpose whatsoever.
- (b) No portion of an unit other than the entire unit may be rented, and no unit may be rented for hotel or transient purposes.
- (c) Residents will exercise extreme care about making noises or playing music which may disturb other residents. Residents keeping domestic animals must abide by municipal sanitary regulations.
- (d) Hanging, cleaning, or beating garments, rugs, etc., from or on the windows, terraces, or facades of the building is prohibited.
- (e) Throwing garbage or trash outside disposal installations provided for such purposes is prohibited.
- (f) No owner, resident, or lessee will install wiring for any electrical or telephone installation, television antenna, air-conditioning unit, or machine of any kind, on the exterior of the project which protrudes through the walls or the roof of the project except as authorized by the board of administration or a majority of unit owners.
- (g) Owners will not take or cause to be taken within their units any action that would jeopardize the soundness or safety of any part of the condominium property or impair any easement or right appurtenant to it or affect the common elements without the unanimous consent of all unit owners who might be affected.
- (h) Owners will not permit anything to be done or kept in their units that would increase the rate of fire insurance on it or on the condominium as a whole.
- (i) No immoral, improper, offensive, or unlawful uses will be made of condominium property or any part of it, and each unit owner, at his or her own expense, will comply with, perform, and fully satisfy all city, state, and federal laws, statutes, ordinances, regulations, orders, or requirements affecting his or her unit.

Section Nine. Modifications by unit owners. No unit owner will make any structural addition or alteration in or to his or her unit without the prior written consent of the board of administration. On request by any unit owner for approval of a proposed addition or alteration, the board of administration will answer the same within thirty days after receipt of it, and failure to do so within the stipulated time will constitute a consent. Any application to any governmental authority for a permit to make any addition or alteration in or to any unit will be executed by the board of administration only. However, neither the board nor any member of the board will be liable to any contractor, subcontractor, or workers, or to any person claiming injury to person or property as a result of the addition or alteration or the construction of it. The provisions of this section will not apply to units owned by developer until the units have been initially sold by developer and paid for.

Section Ten. Right of entry. Each unit owner will grant to the manager, managing agent, or other person or persons authorized by the board of administration, a right of entry to correct any condition threatening his or her unit or originating in his or her unit and threatening another unit or a common element; or to install, alter, or repair mechanical or electrical services or other common elements located in his or her unit or elsewhere. Requests for entry will be made in advance and will be scheduled for times convenient to the owner except that in case of emergencies, right of entry will be immediate, and will exist whether the unit owner is present at the time or not.

Section Eleven. Use of common elements. Unit owners will not place or cause to be placed in the vestibules and other condominium areas and facilities of a similar nature comprising either general or limited common elements, any furniture, packages or objects of any kind. The areas will be used for no other purpose than for normal transit through them.

Section Twelve. Modifications by board of administration. Any additions or alterations in or to the common elements costing \$100.00 or less may be made by the board of administration without approval of the unit owners or of unit mortgagees or trust deed beneficiaries, and the costs of it will be treated as common expenses. Whenever in the judgment of the board of administration, the common elements require additions or alterations costing in excess of \$100.00, the making of the additions or alterations will require approval by a majority of unit owners, and by those mortgagees holding first mortgages, or those beneficiaries under deeds of trust, on three or more units. After approval has been obtained, the board of administration will proceed with the additions or alterations, and the costs will be treated as common expenses.

Section Thirteen. Repair or reconstruction. In the event of any damage to or destruction of any improvements on the condominium property or any part thereof, including any unit therein, but excluding furniture, fixtures, decorations, equipment or personal property installed or placed therein by unit owners or to any common element or elements or any part of them, the improvements or common elements will be promptly repaired and restored by the board of administration using the proceeds of any insurance procured and maintained as provided in this agreement. If the proceeds are inadequate to cover the cost of repair and restoration, unit owners directly affected by the damage or destruction will be assessed on an equitable basis according to the benefit to be derived by them from the repair and restoration. If any one or more of those comprising a minority of unit owners refuses to pay the assessments, on proper resolution setting forth the circumstances of the case, the majority may proceed with the repair or restoration at the expense of the unit owners to be benefited by the repairs and restoration. However, if fifty percent or more of the building is destroyed or substantially damaged, as shall be determined by the unit owners, unless otherwise unanimously agreed on by the unit owners; the board of administration will proceed to realize on the salvage value of the portion of the condominium property damaged or destroyed, by sale or otherwise, and will collect the proceeds of any insurance. After that the net proceeds of the sale or other disposition of the property, together with the proceeds of any insurance, after making provision for the removal of all debris and the restoration of the land to level grade, if appropriate, will be considered as one fund, and will be divided among unit owners directly affected by the damage or destruction or their mortgagees or trust deed beneficiaries, as their interests may appear, in accordance with the percentages of their common interest as set forth in the declaration.

Section Fourteen. Fire and extended coverage insurance. The board of administration, or the managing agent or manager, as the case may be, will obtain and continue in effect insurance against loss by fire and other casualties normally covered under broad-form fire and extended coverage insurance as written in Florida, covering all general and limited common elements, all structural portions of the condominium property, and all units, but not including furniture, fixtures, decorations, equipment, or personal property installed or placed therein by unit owners, in an amount satisfactory to mortgagees holding first mortgages and/or beneficiaries under first trust deeds on three or more units but in any event not less than ninety percent of the assessed value thereof. The premiums for such insurance will be a common expense to be paid by monthly assessments levied by the board of administration.

Section Fifteen. Liability insurance. The board of administration or the managing agent or manager, as the case may be, will obtain and continue in effect insurance against liability for personal injury and death and for damage to property arising from accidents occurring within the general and limited common elements in such amounts, satisfactory to mortgagees holding first mortgages and/or beneficiaries under first trust deeds on three or more units, as will be determined by the board of administration. The premiums for the insurance will be a common expense to be paid by monthly assessments levied by the board of administration.

Section Sixteen. Beneficiaries of insurance. All policies of insurance herein required to be obtained will be written in the name of the unit owners or the association, as trustee for all unit owners, mortgagees, and trust deed beneficiaries. Even though not named in such policies, however, each unit owner and his or her mortgagee or mortgagees, or trust deed beneficiary or beneficiaries, if any, will be a beneficiary in the percentage assigned to his or her respective unit in the declaration.

Section Seventeen. Right of owners to insure units. Any insurance procured or maintained by the board of administration, or managing agent or manager, as the case may be, will be without prejudice to the right of each unit owner to procure and maintain the unit insurance as he or she sees fit.

Section Eighteen. Rules and regulations. Rules and regulations concerning the use of the common elements and of individual units may be promulgated and amended from time to time by the board of administration with the approval of a majority of unit owners. Copies of all rules and regulations will be furnished by the board of administration to each unit owner prior to their effective date. Initial rules and regulations, which will be effective until amended by the board of administration with the approval of a majority of unit owners, are shown in attached Exhibit "A" and incorporated by reference.

Section Nineteen. Fines. The board of administration may impose fines on unit owners in reasonable sums as the board may deem appropriate, not to exceed \$50 for violations of the declaration, these bylaws, or lawfully adopted rules and regulations, by unit owners, their guests, invitees, or tenants. Additionally, in the case of a violation (other than the nonpayment of an assessment) by a unit owner of any of the provisions of the Act, the declaration, the articles, these bylaws, or any lawfully adopted rules and regulations, the association by direction of its board of administration may transmit to the unit owner by certified mail, return receipt requested, a notice of the violation. If the violation shall continue for a period of 30 days from the date of the notice, the association shall have the right to treat the violation as an intentional and material breach of the provision cited in the notice. It then, at its option, may take the following actions: (a) File an action to recover for its damages on behalf of the association or on behalf of other unit owners. (b) File an action for injunctive relief requiring the offending unit owner to take or desist from taking certain actions. (c) File an action for both damages and injunctive relief. A unit owner may bring an action against the association or any member of the board of administration for damages, injunctive relief, or both, if the association or a member of the board of administration willfully and knowingly fails to comply with the provisions of the Act, the declaration, the articles, these bylaws, or the rules and regulations. The prevailing party in any action under this section shall be entitled to recover reasonable attorney's fees.

Section Twenty. Arbitration. In the event of a disagreement that involves: the authority of the board of administration to require any unit owner to take any action, or not to take any action, involving that unit owner's unit or its appurtenances; the authority of the board of administration to alter or add a common area or element; the failure of the board of administration to properly conduct elections; the failure of the board of administration to give adequate notice of meetings or other actions; the failure of the board of administration to properly conduct meetings; or the failure of the board of administration to allow inspection of books and records; then, prior to the institution of court litigation, a party to the dispute shall petition the Division of Florida Land Sales and Condominiums of the Department of Business Regulation for nonbinding arbitration in accordance with Section 718.1255, Florida Statutes.

Section Twenty-one. Certificate of compliance. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the board of administration as evidence of compliance of the units to the applicable fire and life safety code.

Article Six

Mortgages and Deeds of Trust

Section One. Notice of encumbrance. An owner who mortgages his or her unit or deeds his or her unit in trust will, within thirty days after such mortgage or deed of trust has been executed, notify the manager, managing agent, or secretary of the association of the name and address of his or her mortgagee or trust deed beneficiary; and the secretary will maintain such information in a book entitled "Mortgagees of Units."

Section Two. Payment of assessments. The board of administration is authorized to withhold consent to the request by any unit owner to lease that unit owner's unit in the event he or she has not paid in full to the board of administration all unpaid charges assessed against his or her unit, and until he or she has satisfied all unpaid liens against his or her unit other than mortgage liens.

Section Three. Notice of unpaid assessments. The secretary of the association will, at the request of a mortgagee or trust deed beneficiary of a unit, report any unpaid assessments due from the owner of such unit.

Section Four. Notice of default. On giving notice to a unit owner of a default, whether in payment of common charges or otherwise, the board of administration will send a copy of the notice to each holder of a mortgage secured by the unit, or trust deed beneficiary of the unit, whose name and address appears in the book entitled "Mortgagees of Units."

Section Five. Inspection of books. Unit owners, mortgagees, and beneficiaries under deeds of trust covering units will be permitted to inspect the books of account of the condominium at reasonable times during business hours.

Article Seven

Sales and Leases of Units

Section One. Compliance with article. No unit owner may sell or lease his or her unit or any interest in the unit except by complying with the provisions of this article.

Section Two. Severance of ownership. Any sale of a unit must include the sale of the undivided interest in the common elements appurtenant to that unit; the interest of the seller in any units acquired by the board of administration, or the proceeds of the sale or lease of it; and the interest of the seller in any other assets of the condominium (collectively referred to in this agreement as appurtenant interests). No part of the appurtenant interests of any unit may be sold, transferred, or otherwise disposed of, except as part of a sale, transfer, or other disposition of the unit to which the interests are appurtenant; or as a part of a sale, transfer, or other disposition of such part of the appurtenant interests of all units. Any deed, mortgage, deed of trust, or other instrument purporting to affect a unit or one or more appurtenant interests without including all the interests will be deemed to include the interest or interests that were omitted; it being the intention here to prevent any severance of combined ownership of units and their appurtenant interests.

Section Three. Right of first refusal. Any unit owner who receives a bona fide offer for the sale or lease of his or her unit which he or she intends to accept, will give notice to the board of administration of the terms of the offer, the name and address of the offeror, and other information as the board may reasonably request. The giving of this notice will constitute a warranty and representation by the unit owner to the board of administration that the owner believes the offer to be bona fide in all respects, and intends to accept it. Within fifteen days after receipt of the notice, the board may elect, by notice to the unit owner, to purchase or lease the unit, on behalf of the unit owners, on the same terms and conditions stated in the unit owner's notice. If the board or its designee fails, within fifteen days to give notice of its intent to purchase or lease the unit, the unit owner will be free to contract, to sell, or lease the same to the outside offeror on the terms and conditions set forth in the original offer.

Section Four. Consent of unit owners. The right of first refusal set forth above may not be exercised by the board of administration without the prior approval of a majority of unit owners.

Section Five. Release of right of first refusal. The right of first refusal set forth above may be released or waived by the board of administration.

Section Six. Certificate of termination or waiver of right of first refusal. Any unit owner who has given the notice required in Section Three of this article, or in respect to whom the provisions of the section have been waived, may request a certificate of termination or waiver, as the case may be, of the right of first refusal. On the request, a certificate of termination or waiver will be executed and acknowledged by the secretary of the association, and the certificate will be conclusive on the board of administration and the unit owners in favor of all persons relying on it in good faith.

Section Seven. Financing acquisition of unit units by board of administration. Acquisition of units may be financed from the acquisitions reserve, working capital, and common charges in the hands of the board of administration. If the funds are insufficient, the board may levy an assessment against unit owners in proportion to their ownership of the common elements, as a common charge. The board is also authorized to borrow money to

finance the acquisition of these units. However, no lien or encumbrance on any property, other than the unit to be acquired, may be suffered to secure the financing.

Section Eight. Exceptions. The right of first refusal stated in this agreement will not apply to any sale or lease of an unit by its owner to his or her spouse, to any of his or her children, to his or her parent or parents, to his or her brothers or sisters, or to any one or more of them; nor will the right apply to any unit owned by the developer, or to the acquisition or sale of any unit by a mortgagee or trust deed beneficiary acquiring title by foreclosure or by exercise of a power of sale. Nor will the right apply to any transfer or conveyance of an unit by gift, by devise, or by intestate succession.

Article Eight

Eminent Domain

Section One. Condemnation of common elements. If all or any part of the general or limited common elements is taken, injured, or destroyed by eminent domain, each unit owner will be entitled to participate, through the association, in the proceedings incident to it. However, any damages shall be for the taking, injury, or destruction as a whole, and will be collected by the board of administration. If those unit owners entitled to exercise fifty percent or more of the total voting power of the association duly and promptly approve the repair and restoration of the general or limited common elements, the board of administration will contract for repair and restoration, and will disburse the proceeds of the award in appropriate progress payments to contractors engaged in repair and restoration. If the proceeds of the award are insufficient to defray the entire expense of repair and restoration, the excess of the expense over the proceeds will be treated as a common expense or limited common expense. In the event that those unit owners entitled to exercise fifty percent or more of the total voting power of the council do not duly and promptly approve the repair and restoration of the common elements, the net proceeds will be divided by the board of administration among all unit owners in proportion to their respective general or limited common interests, as the case may be, paying out of the share of each unit owner the amount of any unpaid liens on his or her unit, in the order of priority of the liens.

Section Two. Condemnation of units. If all or any part of any unit or units, other than the undivided interest or interests in the general and limited common elements appurtenant to it, is taken, injured, or destroyed by eminent domain, each unit owner so affected will be entitled to participate directly in the proceedings incident to it. Any damages will be payable directly to the unit owner or owners.

Article Nine

Records

Section One. Records; certification or review by accountants. The manager, managing agent, and board of administration will keep detailed records of all actions of the manager, managing agent, and board of administration, as well as minutes of the meetings of the board of administration, minutes of the meetings of the unit owners, and financial records and books of account for the condominium, including a chronological record of all receipts and disbursements. A separate account will also be kept for each unit containing, among other things, the amount of each assessment against the unit, the date when due, amounts paid on it, and the balance remaining due. The board of administration will also prepare a quarterly written report summarizing receipts and disbursements of the condominium, copies of which will be made available to all unit owners. Additionally, within 90 days after the end of the fiscal year, the board of administration shall prepare and complete, or cause to be prepared and completed a financial report for the preceding fiscal year. Within 21 days after the financial report is completed or received by the board of administration from the third party, the board of administration shall mail to each unit owner at the address last furnished to the board of administration by the unit owner, or hand deliver to each unit owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon receipt of a written request from the unit owner. The financial report shall be a report of cash receipts and expenditures and shall disclose the amount of receipts by accounts and receipt classifications and the amount of expenses by accounts and expense classifications, including, but

not limited to, the following, as applicable: costs for security, professional management fees and expenses, taxes, costs for recreation facilities, expenses for lawn care, costs for building maintenance and repair, insurance costs, administration and salary expenses, and reserves accumulated and expended for capital expenditures, deferred maintenance, and any other category for which the association maintains reserves.

Article Ten

Miscellaneous

Section One. Notices. All notices required or permitted to be sent to the board of administration will be sent by registered or certified mail in care of the manager or managing agent, or if there is no manager or managing agent, to the office of the board of administration 214 Sixth Avenue South, in the City of Jacksonville Beach, County of Duval, State of Florida, or to any other address as the board may, from time to time designate. All notices required or permitted to be sent to any unit owner will be sent by registered or certified mail to the condominium or to any other address as the owner may have designated in writing to the board of administration. All notices to unit mortgagees or trust deed beneficiaries will be sent by registered or certified mail to their respective addresses, as maintained by the secretary in the book entitled "Mortgagees of Units." All notices will be deemed to have been given when mailed, except notices of change of address which will be deemed to have been given when received.

Section Two. Waiver. No restriction, condition, obligation, or provision contained in these bylaws will be deemed to have been abrogated or waived by reason of any failure to enforce it, irrespective of the number of violations and failures to enforce that may occur.

Section Three. Invalidity. If any provision or provisions of these bylaws is or are declared invalid, the invalidity will in no way impair or affect the validity, enforceability, or effect of the remaining provisions of these bylaws.

Section Four. Captions. Captions are inserted in these bylaws for convenience and reference only, and will not be taken in any way to limit or describe the scope of these bylaws or any provision thereof.

Section Five. Provision For Administrative Rules And Regulations. The board of administration may, by vote of a majority adopt administrative rules and regulations governing the use and operation of the condominium property which are not in conflict with the articles of incorporation or the bylaws. The administrative rules and regulations must be recorded with the secretary and sent to each unit owner by certified mail, return receipt requested, prior to the effective date of their application. The rules and regulations may be amended from time to time by majority vote of the members of the board of administration.

Article Eleven

Amendments

Section One. Amendments. These bylaws may be amended or supplemented by the vote of those unit owners entitled to exercise seventy-five percent or more of the total voting power of the unit owners at a meeting of unit owners duly called and held for this purpose, but only with the written approval of those mortgagees holding mortgages constituting first liens and/or beneficiaries under first deeds of trust on three or more units. Any amendment or supplement shall be filed for record in the office in which these bylaws are recorded.

Article Twelve

Conflicts

Section One. Conflicts. These bylaws are intended to comply with the requirements of, and are written

according to the provisions of Chapter 718 of the Florida Statutes. If these bylaws or any provisions hereof are so construed as to be in conflict with the provisions of such statutes or of the declaration to which they are attached, the provisions of the statutes or of the declaration, as the case may be, will control.