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**DECLARATION OF CONDOMINIUM
OF
OCEANIA CONDOMINIUM OF JACKSONVILLE BEACH**

THIS DECLARATION is made as of the 29th day of October, 2001, by OCEANIA JB DEVELOPERS, LC, a Florida limited liability company (the "Developer"), as the record owner of fee simple title to the land described in the attached Exhibit A (the "Land").

I. SUBMISSION TO CONDOMINIUM OWNERSHIP

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

II. NAME

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

III. DESCRIPTION OF CONDOMINIUM PROPERTY

A graphic description of the Condominium building, including an identification by number of each Unit (as defined herein and in the Condominium Act), is attached hereto and made a part hereof, as Exhibit B. A survey of the Land and a plot plan of the Improvements located thereon are attached hereto as Exhibits C and D, respectively.

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IV. UNITS, COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

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

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

(1) All spaces and improvements lying outside the unfinished inner surfaces of the perimeter walls, floors and the horizontal plane of the upper structural elements of the Unit;

(2) All spaces and improvements lying outside or between the unfinished inner surfaces of all interior columns, bearing walls or bearing partitions; and

(3) All pipes, ducts, vents, wires, conduits and other equipment or apparatus running through any interior wall or horizontal or vertical portion of a Unit, for the furnishing of utility services, heating and cooling or ventilation to any other Unit, the Common Elements or the Limited Common Elements.

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

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

(1) Those Improvements and features designated as Common Elements by the Condominium Laws;

(2) Elevators and other fixtures, personal property and equipment owned or held for the common use, benefit and enjoyment of all owners of Units in the Condominium; and

(3) Easements for utilities and other purposes serving the Condominium Property.

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

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

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

(3) The storage rooms on the second floor of the Condominium which are assigned to the Units as shown on Exhibit B (each, a "Storage Room"). A Storage Room may only be used in conjunction with the simultaneous use of the Unit to which it is assigned as shown on Exhibit B, in accordance with the Rules and Regulations of the Association (as hereinafter defined), and may not be transferred to or used by anyone else, including but not limited to other Unit owners.

(4) The covered automobile parking spaces on the ground floor of the Condominium shown on Exhibit B (each, a "Garage Space"). A Garage Space may only be used in conjunction with the simultaneous use of the Unit in the Condominium to which it is then appurtenant, in accordance with the Rules and Regulations of the Association. Each Garage Space shall initially be assigned by the Developer in writing as a Limited Common Element appurtenant to a specific Unit, and may thereafter from time to time be reassigned as a Limited Common Element appurtenant to any other Unit in the Condominium, as hereinafter provided. The Association shall at all times maintain a list of the Garage Spaces and the Units to which they are appurtenant, as part of the records of the Association. A Garage Space may only be reassigned as a Limited Common Element by a written instrument signed, witnessed and notarized with the same formalities as a deed, from the owner of the Unit to which such Garage Space is then appurtenant (joined by each mortgagee of that Unit, if any, to evidence the mortgagee's release of the exclusive right to use that Garage Space which is appurtenant to the condominium parcel encumbered by the lien of his or its mortgage), to the owner of the other Unit in the Condominium to which such Garage Space shall thereafter be appurtenant, specifically designating the Unit to which the Garage Space shall thereafter be appurtenant, and in each instance a copy of such instrument of reassignment shall be furnished by the maker thereof to the Association. Upon the conveyance of a Unit, whether voluntary or involuntary, it shall be presumed that each Garage Space, if any, which was appurtenant to that Unit immediately prior to its conveyance shall remain appurtenant to that Unit after its conveyance unless, prior to the recording of its conveyance in the public records of Duval County, Florida, a written instrument meeting the requirements of this section and assigning the Garage Space in question to thereafter be an appurtenant part of the Limited Common Elements of a different Unit is received by the Association.

V. APPURTENANCES TO UNITS

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

A. **Common Elements and Surplus.** An undivided share in the Common Elements and in the Common Surplus (as that term is hereinafter defined), which has been calculated on a uniform prorata basis in accordance with the total floor area square footage of the Units, as shown in Exhibit E.

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

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

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

E. **Encroachment.** An exclusive easement for the unintentional and non-negligent encroachment by any Unit upon any other Unit or upon the Common Elements, for any reason not caused by or resulting from the willful or negligent act of the Developer or any Unit owner, including but not limited to encroachments caused by or resulting from the original construction of the Improvements, which exclusive easement shall exist at all times during the continuance of such encroachment as an easement appurtenant to the encroaching Unit or other Improvement, to the extent of such encroachment.

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

VI. COMMON EXPENSES AND COMMON SURPLUS

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

VII. THE ASSOCIATION

A. **Operation of the Condominium.** The entity responsible for the operation of the Condominium shall be OCEANIA CONDOMINIUM ASSOCIATION OF JACKSONVILLE BEACH, INC., a Florida corporation not for profit (the "Association"). Copies of the Articles of Incorporation (the "Articles") and Bylaws (the "Bylaws") of the Association are attached hereto as Exhibits F and G, respectively. Subject to the rights reserved to the Developer herein and in the Condominium Act to administer and manage the Condominium initially, the Association shall operate, administer and manage the Condominium, and the Association may delegate its maintenance, management and operational duties by contract to the extent permitted by the Condominium Laws.

B. **Power to Grant Easements.** The Association shall have the power to grant easements over the Common Elements without the necessity of joinder of the Unit owners. The Association's power to grant such easements shall be governed and exercised in accordance with the provisions of the Condominium Laws, this Declaration, the Articles and Bylaws, and shall not be exercised in a manner that would materially and adversely affect the property rights of any Unit owner.

VIII. VOTING RIGHTS OF UNIT OWNERS

Each Unit owner shall become a member of the Association automatically upon and simultaneously with delivery of a deed of conveyance of fee title thereto from the Developer or, in a conveyance by a grantee or a remote grantee of the Developer, a deed which otherwise complies with the terms and conditions of this Declaration, the Articles and Bylaws of the Association. There shall be appurtenant, and pass with title, to each Unit one vote as a member of the Association, which may be exercised by the Unit owner at all meetings of members and in connection with all matters upon which members of the Association are entitled to vote. The qualification of members of and manner of admission to membership in the Association, the termination of such membership and voting by members shall be as provided for in the Articles and Bylaws of the Association.

IX. AMENDMENT OF DECLARATION

Except for amendments which the Developer is authorized or obligated to make, and except as may otherwise be permitted or required by the Condominium Laws, this Declaration may be amended only in the following manner:

A. **Notice.** Notice of the subject matter of any proposed amendment to this Declaration shall be included in the notice of any meeting at which such proposed amendment is to be considered.

B. **Proposal.** Amendments to this Declaration may be proposed by the Board of Directors of the Association (the "Board") by resolution adopted by a majority vote of the Directors present at any regular or special meeting of the Board at which a quorum is present or, in the alternative, by a written instrument signed by a majority of the Board, or by the owners of a majority of the Units, whether by vote of such Unit owners as members of the Association at a special or regular meeting of the members or by written instrument signed by them.

C. **Adoption.** Any amendment to this Declaration so proposed by the Board or members of the Association shall be transmitted to the President of the Association, or, in the absence of the President, to a Vice President or other acting chief executive officer, who shall thereupon call a special meeting of the Unit owners to consider and vote upon such proposed amendment; provided, that a proposed amendment may be considered and voted upon at an annual meeting of the members of the Association if the next such meeting is to be held within the time hereafter limited and if notice of the proposed amendment shall be included in the notice of such meeting. The special or annual meeting, as the case may be, of the members shall be held no sooner than thirty (30) days nor later than sixty (60) days from the date of receipt by the Association of the proposed amendment. Notice of the meeting shall be in the form and shall be delivered and the meeting shall be called and held as provided for in the Bylaws of the Association; provided, that any member may, in writing signed by such member, waive

notice of any such meeting in the manner provided for in the Bylaws of the Association and such waiver, when delivered to the Secretary of the Association for filing in its records, whether before, during or after such meeting shall be construed to be the equivalent of giving notice to such member. The proposed amendment may be adopted, and shall become effective, by and upon the affirmative vote at such meeting of Unit owners owning not less than sixty-six and two-thirds percent (66-2/3%) of the Units; provided, that any amendment so proposed may be adopted, without a formal meeting of the members, by an instrument executed and acknowledged with the formalities of a deed by members owning not less than sixty-six and two-thirds percent (66-2/3%) of all Units. Notwithstanding the foregoing provisions for adoption of amendments to this Declaration or any other provisions for amendment in the Condominium Act, no amendment shall:

- (1) materially change the configuration or size of any Unit, or materially modify any appurtenance to a Unit, unless the record owner thereof and all record owners of liens thereon shall join in the execution and acknowledgment of the amendment;
- (2) discriminate against any Unit owner or against any Unit or building or class of buildings comprising part of the Condominium Property, unless the record owners of all affected Units shall join in the execution and acknowledgment of the amendment;
- (3) change the share of Common Elements appurtenant to any Unit or Units or the share of any Unit owner in the Common Surplus, or increase the share of any Unit owner in the Common Expenses, unless the record owners of all Units and the record owners of all liens thereon shall join in the execution and acknowledgment of such amendment;
- (4) materially and adversely affect the lien or priority of any previously recorded mortgage.

D. **Amendment by Developer.** Notwithstanding any provision to the contrary set forth in this Declaration or in the Articles or Bylaws of the Association, the Developer may amend this Declaration (i) to add a surveyor's certificate of the Land and the Improvements, if necessary, as required by the Condominium Act, (ii) to redesignate Storage Rooms which shall constitute Limited Common Elements appurtenant to particular Units, and (ii) to amend any provision of this Declaration in a manner that will not materially and adversely affect the property rights of any Unit owner other than the Developer, without the consent or joinder of any Unit owner. The Developer's right to amend this Declaration as provided in subsection (iii) shall cease and be terminated at such time as the Developer no longer owns any Unit in the Condominium.

X. MAINTENANCE, REPAIRS AND REPLACEMENTS

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

A. **Units.** Each Unit, and the fixtures, equipment and appliances comprising a part thereof, located therein, or exclusively serving same shall be maintained, kept in good repair and replaced by and at the expense of the owner thereof. All maintenance, repairs or replacements for which Unit owners

are responsible and obligated to perform, which, if not performed or omitted, would affect other Units or Common Elements, shall be performed promptly as the need arises. Notwithstanding the obligation of Unit owners for maintenance, repair and replacement of and in the Units, the proceeds of all insurance awards or payments under insurance carried by the Association for loss or damage to or within Units shall be applied against repairs and replacements of the Units to the extent that such awards or payments exceed the deductible provisions of such insurance.

B. **Common Elements.** The Association shall be responsible for, and shall assess against and collect from the Unit owners, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition, all of the Common Elements, except for certain Limited Common Elements described below. The Association shall, at the expense of the Unit owners, repair any and all incidental damage to Units resulting from the maintenance, repair or replacement of or to the Common Elements.

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

D. **Garage Spaces.** The Garage Spaces shall be operated, maintained, repaired and replaced by the Association at the expense of the owners of only those Units entitled to use the Garage Spaces. The estimated costs of operating, maintaining, repairing and replacing the Garage Spaces shall be budgeted annually by the Association in the manner provided by the Condominium Laws, separately from the costs applicable to the remainder of the Condominium. The owner of each Unit entitled to use a Garage Space shall be assessed an equal fractional share of the budgeted costs of the Garage Spaces for each such Garage Space assigned to the owner's Unit as an appurtenant part of the Limited Common Elements. Such Garage Space assessments shall be payable at the same time and in the same manner as the assessments of costs applicable to the remainder of the Condominium.

XI. INSURANCE

Insurance shall be carried and kept in force at all times in accordance with the following provisions:

A. **Duty and Authority to Obtain.** The Association shall obtain and keep in force at all times the insurance coverage which it is required hereby to carry and may obtain and keep in force all of such other or additional insurance coverage as it is authorized hereby to carry. All insurance obtained by the Association shall be purchased for the benefit of the Association and the Unit owners and their mortgagees. A certificate evidencing a mortgagee endorsement shall be issued to the mortgagee of each Unit upon the request of such mortgagee. The owner of each Unit may, at that Owner's expense, obtain insurance coverage against damage to and loss of the contents of the Unit, personal liability for injury to and death of persons and damage to and loss of personal property of others, and against additional living expenses, provided, that all such insurance purchased by Unit owners may be obtained from the insurer from which the Association purchases coverage against the same risk, liability or peril, if the Association has such coverage; and, provided, that each policy of such insurance purchased by a Unit

owner shall, where such provision is available, provide that the insurer waives its right of subrogation as to any claim or claims against other Unit owners, the Association, and their respective employees, agents, guests and invitees. In any event, any insurance policy purchased by an individual Unit owner shall provide that coverage afforded by such policy is excess over the amount recoverable under any other policy covering the same property without rights of subrogation against the Association.

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

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

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

(3) Public liability insurance, in such amounts, with such coverage and in such forms as shall be required by the Board to protect the Association and the Unit owners of all Units, including, without limitation, hired automobile, non-owned automobile, off premises employee coverage, water damage and legal liability, with cross-liability endorsements to cover liability of all Unit owners as a group to each Unit owner and waiver of rights of subrogation;

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

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

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

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

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

E. Assured. All policies of insurance obtained and purchased by the Association shall be for the benefit of the Association, its members and their mortgagees, as their interests may appear, shall provide that all proceeds covering casualty losses shall be paid to the Condominium Association or

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

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

G. **Insurance Trustee.** The Association shall have the right to designate the Insurance Trustee and all persons beneficially interested in such insurance coverage shall be bound by the Association's selection of the Insurance Trustee. The Insurance Trustee shall be a bank with trust powers, doing business in the State of Florida, or if no such Insurance Trustee is designated, shall be the Board of Directors of the Association. The Insurance Trustee shall not be liable for the payment of premiums, the renewal of any policy or policies of casualty insurance, the sufficiency of coverage, the form or content of policies, nor for the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds of casualty insurance as are paid and to hold the same in trust for the purposes herein stated, and for the benefit of the Association, Unit owners and their respective mortgagees, to be disbursed as herein provided. The Association shall pay a reasonable fee to the Insurance Trustee for services rendered hereunder and shall pay such costs and expenses as the Insurance Trustee may incur in the performance of its duties hereunder; such fees and costs to be assessed against and collected from Unit owners as a Common Expense. The Insurance Trustee shall be liable only for its willful misconduct, bad faith or gross negligence, and then only for such money as may come into the possession of the Insurance Trustee. If and when the Insurance Trustee is required to distribute insurance proceeds to Unit owners and their mortgagees, as their respective interests may appear, the Insurance Trustee may rely upon a certificate of the President and Secretary of the Association, executed under oath and provided to the Insurance Trustee upon request to the Association; such certificate to certify the name or names of the Unit owners, the mortgagees thereof, and the respective percentages of any distribution which is to be made to the Unit owners and mortgagees, as their respective interests may appear. If and when insurance proceeds are paid to the Insurance Trustee for any casualty loss, the holder(s) of any mortgage or mortgages encumbering a Unit shall not have the right to determine or participate in the determination of repair or replacement of any loss or damage, and shall not have the right to elect to apply insurance proceeds to the reduction of indebtedness secured by such mortgages, unless the insurance proceeds represent a distribution to the Unit owners and the mortgagees thereof, after such insurance proceeds have been first applied to repair, replacement or reconstruction of any loss or damage, or unless such casualty insurance proceeds are authorized to be distributed to the Unit owners, and the mortgagees thereof by reason of loss of or damage to personal property constituting a part of the Common Elements and as to which a determination is made not to repair, replace or restore such personal property.

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

(1) **Common Elements Only.** The proceeds paid to the Insurance Trustee for loss of or damage to real property or Improvements constituting Common Elements only shall be applied to the repair, replacement or reconstruction of such loss or damage. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements, the excess shall be paid by the Insurance Trustee to the Unit owners, and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each Unit in the Common Elements. If the insurance proceeds shall be insufficient to pay the cost of the repair, replacement or reconstruction of such Common Elements, the Association shall deposit with the Insurance Trustee, from any Association reserve fund which may have been established, the difference between the total cost of repairing, replacing or reconstructing such loss or damage to the Common Elements and the amount of the insurance proceeds. If no such Association reserve fund has been established, or if any such Association reserve fund has been established and is insufficient to pay to the Insurance Trustee such difference, the Association shall assess the amount of the difference against, and collect it from, all Unit owners, as a Common Expense.

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

I. **Deposits to Insurance Trustee After Damage.** Within sixty (60) days after a loss of or damage to Condominium Property covered by casualty insurance, the Association shall obtain estimates of the cost of repairing, replacing or restoring the same, including the cost of professional fees

and any construction bond which the Board may require. If, from such estimates, it shall appear that the insurance proceeds payable for such loss or damage will be insufficient to pay the total costs thereof, whether it is to be paid by one or more Unit owners, the deficit shall be deposited with the Insurance Trustee not later than thirty (30) days from the day on which the Insurance Trustee receives the insurance proceeds.

XII. RECONSTRUCTION OR REPAIR AFTER CASUALTY

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

A. **Residential Building.** If the residential building shall be damaged or destroyed, repair or reconstruction thereof, or termination of the Condominium, shall be in accordance with the following:

(1) **Total Destruction of the Building.** If the Condominium building is totally destroyed or is so damaged that no Unit therein is habitable, then neither the building nor any of the Improvements constituting Common Elements shall be reconstructed, and the Condominium shall then be terminated, unless the owners of at least a majority of the Units agree in writing, within 60 days after the date of such destruction, to reconstruct the same, or unless any policy or policies of casualty insurance covering the same shall require reconstruction thereof as a condition precedent to the payment of proceeds thereunder, and in either case as long as the then applicable zoning and other regulatory laws and ordinances shall allow same to be reconstructed.

(2) **Partial Destruction of the Building.** If one or more but less than all of the Units in the building remain habitable, the damaged or destroyed Common Elements or Units shall be repaired or reconstructed so that the building or Units shall be restored to substantially the same condition as existed prior to such damage or destruction, unless within sixty (60) days after the casualty it is determined by agreement of the Unit owners and mortgagees in the manner provided herein, that the Condominium shall be terminated.

B. **Common Elements.** Damaged or destroyed Improvements constituting part of the Common Elements shall be repaired, reconstructed or replaced unless in the event of total destruction of the Units, or by agreement after partial destruction, the Condominium shall be terminated.

C. **Certificate.** The Insurance Trustee may rely upon a certificate executed by the President and Secretary of the Association to determine whether or not damaged or destroyed Condominium Property shall be repaired or reconstructed.

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

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

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

(1) **Association.** If the total funds assessed against and collected from Unit owners by the Association for payment of repair and reconstruction costs is more than five thousand dollars (\$5,000.00), then all such sums shall be deposited by the Association with and disbursed by the Insurance Trustee. In all other cases the Association shall hold such sums so assessed and collected and shall disburse the same in payment of the costs of reconstruction and repair.

(2) **Insurance Trustee.** The proceeds of insurance collected on account of a casualty, and the sums assessed against and collected from Unit owners by the Association and deposited with the Insurance Trustee shall constitute a construction fund which shall be disbursed in payment of the costs of repair and reconstruction in the following manner:

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

(b) **Association--Lesser Damage.** If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is Five Thousand and No/100 Dollars (\$5,000.00) or less, then the construction fund shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request to the Insurance Trustee by a mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(c) **Association--Major Damage.** If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than Five Thousand and No/100 Dollars (\$5,000.00), then the construction fund shall be disbursed in payment of such costs in the manner required by the Board and upon approval of an architect registered to practice in Florida and employed by the Association to supervise the work.

(d) **Surplus.** It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in the construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner

elsewhere herein stated; except, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

(e) **Certificate.** Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by Unit owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the assessments paid by Unit owners. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a mortgagee is herein required to be named as payee the Insurance Trustee shall also name the mortgagee as payee; and further provided that when the Association, or a mortgagee which is the beneficiary of an insurance policy the proceeds of which are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association.

XIII. USE RESTRICTIONS

Use of the Condominium Property shall be in accordance with and subject to the following provisions so long as the Condominium exists:

A. **Units.** Each of the Units shall be occupied only by a single family, its servants and guests or lessees, as a residence and for no other purposes.

B. **Common Elements and Limited Common Elements.** The Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of such Improvements.

C. **Nuisances.** No nuisances shall be allowed upon the Condominium Property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Condominium Property by residents. All parts of the Condominium Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor shall any fire hazard be allowed to exist. No use shall be made of any Unit or of the Common Elements, or Limited Common Elements, or which will increase the rate of insurance upon the Condominium Property.

D. **Lawful Use.** No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to maintenance, replacement, modification or repair of the Condominium Property shall be the same as is elsewhere herein specified.

E. **Rule and Regulations.** Reasonable rules and regulations concerning the use of the Condominium Property (collectively, the "Rules and Regulations") may be made and amended from time to time by the Board, provided that all such Rules and Regulations and any amendments thereto shall be approved by the owners of not less than seventy-five percent (75%) of the Units in the Association, and provided further that in no event shall any restrictions concerning the use, occupancy, transfer, leasing or rental of a Unit be adopted or imposed (whether as part of this Declaration, the Articles or Bylaws of the Association, a separate rule of the Association, or otherwise) without the unanimous written approval of the Unit owners. Members not present at meetings considering such Rules and Regulations or amendments thereto may express their approval in writing, either before or after the meeting. Copies of such Rules and Regulations and amendments thereto shall be furnished by the Association to all Unit owners and residents of the Condominium upon request.

F. **Rights of the Developer.**

(1) **Construction.** The Developer reserves for itself, its nominees, designees, successors and assignees, an easement over and across the boundaries of the Condominium Property as may be reasonably necessary in connection with the construction of Improvements on the Land, including but not limited to the use of necessary and usual equipment in connection with such construction activity, the usual and common noise level created by such construction activity and together with all other common and usual activities associated with such construction activity.

(2) **Easement for Ingress and Egress.** The Developer, for itself, its successors, assigns, nominees, designees and grantees, hereby reserves a perpetual, alienable, releasable, and non-exclusive easement, privilege, and right of ingress and egress over and across all paved roadways and drives located within the Condominium Property. Such right of ingress and egress shall include pedestrian and vehicular traffic. The Developer shall have the unrestricted and sole right and power of assigning in whole or in part, alienating and releasing the privileges, easement, and rights referred to in this paragraph. Such easement is and shall remain a private easement and the sole and exclusive property of the Developer, its successors, assigns, nominees, designees and grantees; provided however such easement rights shall not be used so as to interfere with the installation and location of completed vertical Improvements upon the Condominium Property.

(3) **No Interference.** Until the Developer has completed and sold all of the Units, neither the Unit owners nor the Association shall interfere with the completion of the proposed Improvements and the sale of the Units. The Developer may make such use of the unsold Units and Common Elements as may facilitate such completion and sale, including, but not limited to, maintenance of a model sales office, and the display of signs, use of the Common Elements in the promoting of sale or rental of additional Units in the Condominium. In addition, the Developer has the right to develop the remaining tract of land lying southwest of the Condominium, and neither the Association, the Unit owners, nor anyone claiming under them shall have any right to object to such development by the Developer or its successors, nor to the noise, disruption, inconvenience and normal levels of construction debris that may result.

XIV. COMPLIANCE AND DEFAULT

Each Unit owner shall be governed by and shall comply with the terms of the Declaration of Condominium, the Articles and Bylaws of the Association, and any and all Rules and Regulations adopted pursuant thereto, as they may be amended from time to time. Failure of the Unit owner to comply therewith shall entitle the Association or other Unit owners to the following relief in addition to the remedies provided by the Condominium Laws:

A. **Negligence.** Each Unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents, lessees or other invitees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association.

B. **Costs and Attorneys' Fees.** In any proceeding arising because of an alleged failure of a Unit owner to comply with the terms of the Declaration, the Articles and Bylaws of the Association, and any and all Rules and Regulations adopted pursuant thereto, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court.

C. **Fines, etc.** The Association shall be authorized to levy reasonable fines against Unit owners for violations of the terms and conditions of this Declaration, the Articles and Bylaws of the Association, and any and all Rules and Regulations adopted pursuant thereto. No fine may exceed the limits for single violations and aggregate violations established by the One Hundred Dollars (\$100.00) for any single violation, except that a fine may be levied on the basis of each day of a continuing violation. In such event, the fine shall not exceed One Thousand Dollars (\$1,000.00) in the aggregate. No fine may be levied except after giving reasonable notice and an opportunity for a hearing before a committee comprised of Unit owners appointed by the Board in accordance with procedures to be established by the Board.

D. **No Waiver of Rights.** The failure of the Association or any Unit owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles and Bylaws of the Association, or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

XV. ASSESSMENTS: LIABILITY, LIEN AND ENFORCEMENT

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

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

Exhibit E, plus the applicable Garage Space assessment for each Garage Space, if any, assigned to the Unit as a part of its Limited Common Elements.

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

C. **Annual Budget.** The Board shall establish annual budgets in advance for each fiscal year which shall estimate all expenses for the forthcoming fiscal year required for the proper operation, management and maintenance of the Condominium, including, when deemed necessary or advisable by the Board, a reasonable allowance for contingencies and reserves and shall estimate all income to be collected during the year. The Board's budgets each fiscal year shall include a separate budget for the estimated costs of operating, maintaining, repairing and replacing the Garage Spaces, as opposed to the costs estimated for the operation, management and maintenance of the remainder of the Condominium.

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

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

F. **Reserve Fund.** The Board, in establishing each annual budget for the Condominium, shall include therein a sum to be collected and maintained as a reserve fund for the capital expenditures, deferred maintenance and replacement of the Common Elements and personal property held for the joint use and benefit of all Unit owners. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost of each reserve item. No such reserve shall be included within the annual budget for the Condominium Property if the Unit owners owning not less than fifty-one percent (51%) of the Units in the Condominium have, at a duly called meeting of the Association, voted to provide no fiscal reserves or a lesser amount of fiscal reserves than as provided herein for any fiscal year. If a meeting of the Unit owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves, as included in the Annual Budget, shall go into effect.

G. **General Operating Reserve.** The Board, when establishing each annual budget, may, when deemed necessary or desirable, include therein a sum to be collected and maintained as a general

operating reserve to provide a measure of financial stability during periods of special stress when such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by Unit owners, as a result of emergencies or for other reason placing financial stress upon the Association.

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

I. **Delinquency or Default.** The payment of any assessment or installment thereof due to the Association shall be in default if not paid to the Association on or before the due date thereof. Upon such default, the Association shall be entitled to charge an administrative fee, in addition to interest, in an amount not to exceed the greater of Twenty-Five Dollars (\$25.00) or five percent (5%) of each delinquent installment. Upon default and the recording of a claim of lien pursuant to this Article, the Association shall have the option of accelerating all remaining installments due from the defaulting Unit owner for the remainder of the budget year in which the default occurs. When in default, the delinquent assessments (or accelerated installments thereof, if applicable) shall bear interest at the highest rate permitted under applicable law until same and all interest due thereon have been paid in full.

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

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

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

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

N. Effect of Voluntary Transfer. When a Unit owner proposes to sell or mortgage a Unit, the Association, within fifteen (15) days after written request from the Unit owner, shall furnish to the proposed purchaser or mortgagee a statement verifying the status of payment of any assessments or other monies which shall be due and payable to the Association by the owner of the Unit. Such statement shall be executed by an officer of the Association, and any purchaser or mortgagee may rely upon it in concluding the proposed purchase or mortgage transaction. In the event that a Unit is to be leased at the time when payment of any assessment against the Unit shall be in default (whether or not a claim of lien has been recorded by the Association), the rent shall be applied by the lessee first to payment of any then delinquent assessment or installment thereof before payment of the balance of the rent to the Unit owner. In any voluntary conveyance of a Unit or reassignment of a Garage Space as an appurtenance to a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor made prior to the time of transfer of title, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor. Institution of a suit at law to collect any delinquent assessments shall not be deemed to be an election by the Association which shall prevent its thereafter seeking to collect any sums due it by foreclosure, nor shall proceeding by foreclosure to effect such collection be deemed to be an election precluding the institution of suit at law to attempt to collect any sum then owed to it. 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 parcel and proceed in the same manner as provided in the Condominium Act for the collection of unpaid assessments.

XVI. REGISTRY OF OWNERS, MORTGAGEES, ETC.

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

**XVII. ALTERATIONS OF AND IMPROVEMENTS TO UNITS
AND COMMON ELEMENTS**

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

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

(1) remove, in whole or in part, replace, reroute, or otherwise affect any column, bearing wall or partition, pipe, duct, wire or conduit, or obstruct any easement herein provided for;

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

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

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

(5) otherwise change, modify or alter the exterior of any Unit or building so that it thereby differs in appearance from any other Units or buildings, of the same type.

B. Common Elements. There shall be no material alterations or substantial improvements or additions to the Common Elements except as hereafter set forth. Subject to the foregoing restrictions against changing the exterior appearance of Units or buildings, upon the affirmative vote of a majority of the members of the Board, the Association shall have the right to make or cause to be made alterations, improvements or additions to the Common Elements, except the acquisition of additional real property. The acquisition of additional real property shall be approved by the owners of seventy-five percent (75%) of the Units in the Condominium. The cost of such alterations,

improvements or additions shall be assessed against and collected from all Unit owners as Common Expenses.

XVIII. TERMINATION

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

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

B. **Agreement.** The Condominium may be terminated at any time by the approval in writing of all of the Unit owners in the Condominium, and by all record owners of mortgages upon Units. If the proposed termination is submitted to a meeting of the members of the Association (the notice of which meeting gives notice of the proposed termination), and if the approval of the owners of Units to which not less than seventy-five percent (75%) of the Common Elements are appurtenant, and of the record owners of first mortgages encumbering seventy-five percent (75%) of the Units in the Condominium, are obtained not later than thirty (30) days from the date of such meeting, then the approving Unit owners shall have an option to buy all of the Units of the other Unit owners for the period ending on the sixtieth (60th) day from the date of such meeting. Such option shall be upon the following terms:

(1) **Exercise of Option.** The option shall be exercised by delivery or mailing by certified mail of an agreement to purchase signed by the record owners of Units who will participate in the purchase to each of the Unit owners of the Units to be purchased. The agreement shall indicate which Units will be purchased by each participating owner and shall agree to purchase all of the Units owned by owners not approving the termination, but the agreement shall effect a separate contract between each seller and his purchaser.

(2) **Price.** The sale price for each Unit shall be the fair market value determined by agreement between the seller and purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be confirmed in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(3) **Payment.** The purchase price shall be paid in full in cash or shall include assumption of any existing mortgage financing plus cash.

(4) **Closing.** The sale shall be closed within ten (10) days following the determination of the sale price.

C. **Certificate.** The termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of Duval County, Florida.

D. **Shares of Owners After Termination.** After termination of the Condominium, the Unit owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the Unit owners. Such undivided shares of the Unit owners shall be the same as the undivided shares in the Common Elements appurtenant to the owner's Units prior to the termination as set forth in Exhibit E hereto, except that any part of the Common Surplus derived from assessments, insurance proceeds or condemnation awards applicable only to the Garage Spaces shall instead be owned solely by the owners of the Units to which such Garage Spaces were appurtenant, in fractional shares, the denominator of which shall be the total number of Garage Spaces existing immediately prior to the termination and the numerator of which shall be the number of such Garage Spaces appurtenant to the Unit in question.

E. **Amendment.** This Article cannot be amended without consent of four-fifths (4/5) of the voting interests in the Association.

XIX. CONDEMNATION

A. **General.** Whenever all or any part of the Condominium Property shall be taken by any authority having the power of condemnation or eminent domain, each Unit owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association if such award amounts to less than Five Thousand Dollars (\$5,000.00) and to the Insurance Trustee if such award amounts to Five Thousand Dollars (\$5,000.00) or more. Unless otherwise provided by law at the time of such taking, any award made therefor shall be disbursed by the Association or the Insurance Trustee, as the case may be, as hereinafter provided in this Article.

B. **Common Elements.** In the event of a taking by eminent domain of part or all of the Common Elements, if 75% or more of the Unit owners approve the repair and restoration of such Common Elements, the Board of Directors shall arrange for the repair and restoration of such Common Elements, and the Board of Directors or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that 75% or more of the Unit owners do not approve the repair and restoration of such Common Elements or if no repair or restoration is required, the Board of Directors or the Insurance Trustee, as the case may be, shall disburse the net proceeds of such award in the same manner as they are required under this Declaration to distribute insurance proceeds where such proceeds exceed the cost of repair or restoration of the damage.

C. **Condemnation of a Unit, or Part of a Unit, or its Limited Common Elements.** Where all or part of a Unit or its appurtenant Limited Common Elements has been taken by eminent domain and 75% or more of the Unit owners duly approve the repair and restoration of the building and

Common Elements, the Board of Directors shall adjust such loss with the affected Unit owner, including, but not limited to, the payment of compensation and reduction or elimination of the Unit owner's undivided interest in the Common Elements. Any such settlement shall not be effective unless approved by the mortgagee(s) of the affected Unit, a majority of the Unit owners, and the Developer, if the Developer shall then own two or more Units in the Condominium. In no event shall the Board of Directors be required to make any payment in excess of that portion of the over-all condemnation award that is reasonably attributable to the particular Unit owner's loss. In no event shall the Board of Directors be required to make any payment pursuant to the terms of this section prior to receipt of sufficient funds by the Board for such purpose from the condemning authority or Insurance Trustee. However, nothing contained in this section shall be deemed to prohibit the Board of Directors from making an advance or partial payment to such Unit owner when the Board, in its discretion, deems such advance or partial payment to be reasonable and proper. Nothing contained in this section shall be deemed to relieve such Unit owner of the obligation to contribute to repair or restoration of the building and Common Elements as elsewhere provided, although the Board of Directors may, in a proper case, reduce the amount of such obligation or eliminate the same.

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

XX. MISCELLANEOUS

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

B. **Assignment by Developer.** The Developer shall have the right to assign any or all of its interest in the Condominium Property and rights and obligations under this Declaration without consent of any Unit owner or the Association.

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

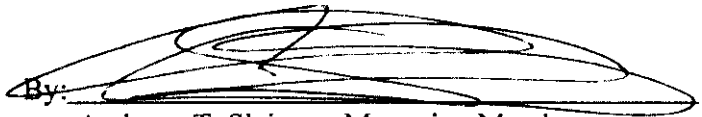
IN WITNESS WHEREOF, the Developer has executed this Declaration of Condominium as of the date set forth above.

Signed, sealed and delivered
in the presence of:

OCEANIA JB DEVELOPERS, LC,
a Florida limited liability company



Print Name ROBERT A. HEEKIN



By: Anthony T. Sleiman, Managing Member



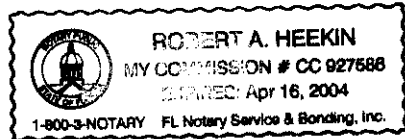
Print Name Robert K. Doss

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 29th day of October, 2001, by Anthony T. Sleiman, as the managing member of Oceania JB Developers, LC, a Florida limited liability company, on behalf of the company. He is personally known to me ~~or has produced~~ _____ as identification and did not take an oath.



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



JOINDER AND CONSENT

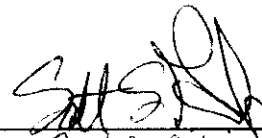
THE UNDERSIGNED, being the owner and holder of that Mortgage and Security Agreement executed by Oceania JB Developers, LC, dated June 5, 2000 and recorded in Official Records Book 9659, page 2224, that Collateral Assignment of Leases, Rents and Profits dated June 5, 2000 and recorded in Official Records Book 9659, page 2240, and that UCC-1 Financing Statement recorded in Official Records Book 9659, page 2246, all of the public records of Duval County, Florida (collectively, the "Mortgage") hereby joins in and consents to the foregoing Declaration of Condominium pursuant to Section 718.104(3), Florida Statutes, in order to subordinate the lien, operation and effect of the Mortgage to said Declaration.

IN WITNESS WHEREOF, this Joinder and Consent has been executed as of the 29th day of October, 2001.

Signed, sealed and delivered
in the presence of:

AMSOUTH BANK

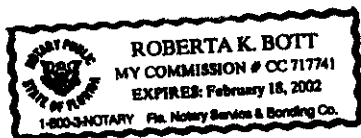

Print name Roberta K. Bott

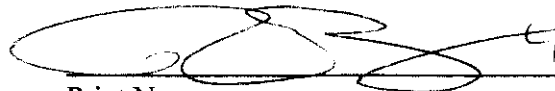
By: 
Name Scott E. Gilpin
Title Vice President


Print name ROBERT A. HEEKIN

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 29th day of October 2001, by Scott E. Gilpin, as Vice President of AmSouth Bank, an Alabama banking corporation, on behalf of the corporation, and is personally known to me or has produced as ~~identification~~ and did not take an oath.




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

Exhibits

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

EXHIBIT A

Legal Description

All of Lots 1, 2, 3 and 4, Block 141, Pablo Beach North, according to the plat thereof recorded in Plat Book 3, page 28, public records of Duval County, Florida;

TOGETHER WITH all land abutting and lying East of the East line of said Block 141, and lying between the East line of said Block 141 and the concrete bulkhead as now established and between the North line of said Block 141 and the South line of said Block 141, if said North and South lines were projected East to intersect said concrete bulkhead.

Book 10215 Page 2245

Floor Plan

First Story

A T L A N T I C O C E A N

OCEANIA CONDOMINIUM OF JACKSONVILLE BEACH

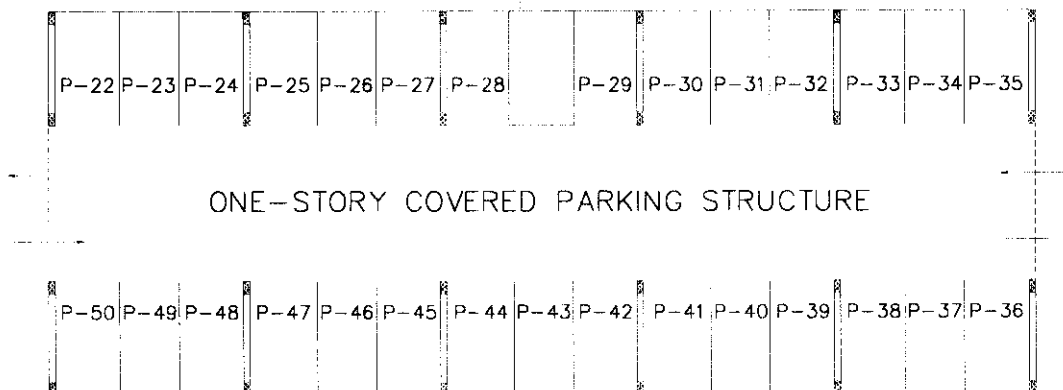
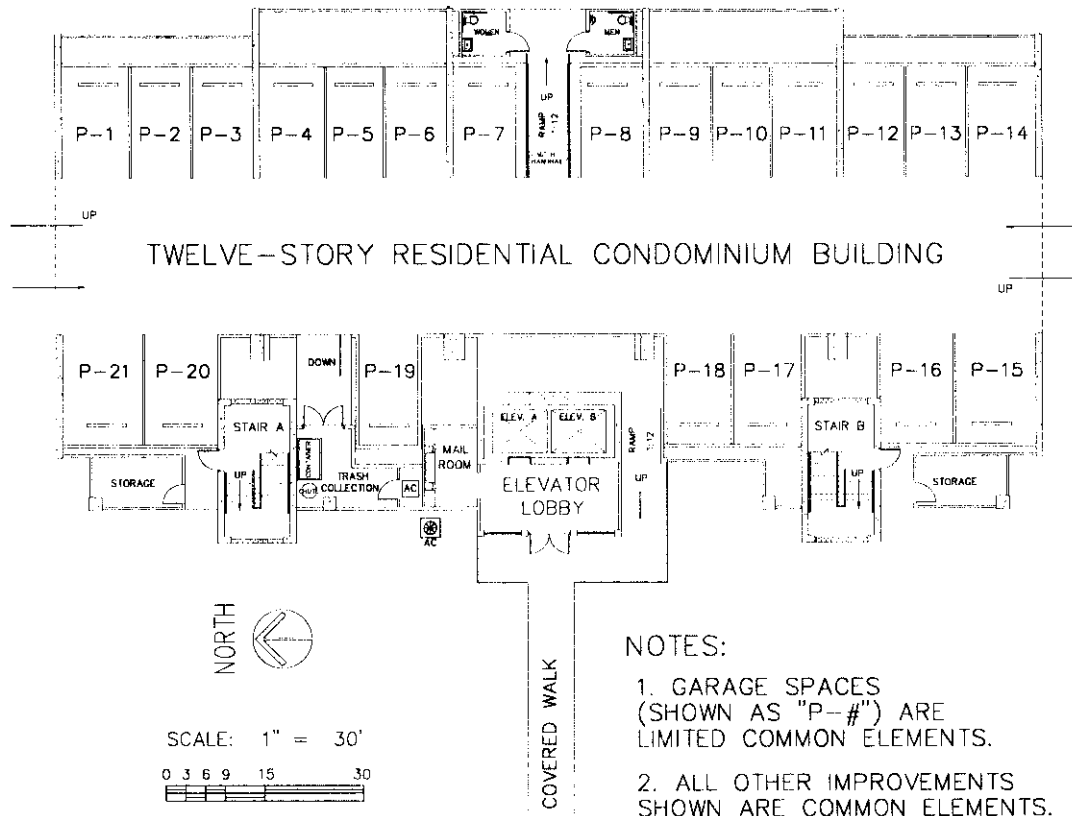


EXHIBIT B
Floor Plan
Second Story

Book 10215 Page 2246

ATLANTIC OCEAN
OCEANIA CONDOMINIUM OF JACKSONVILLE BEACH

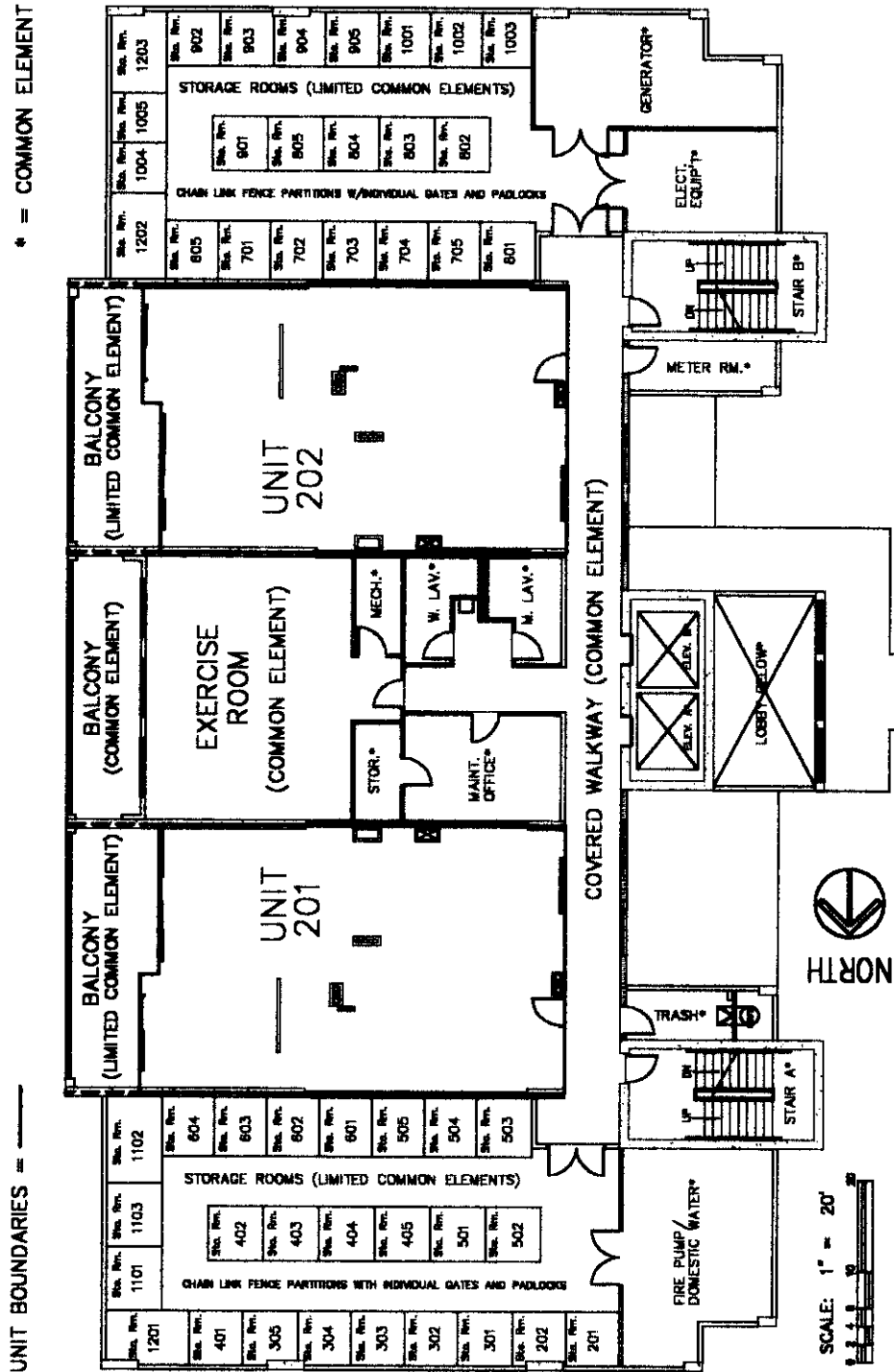
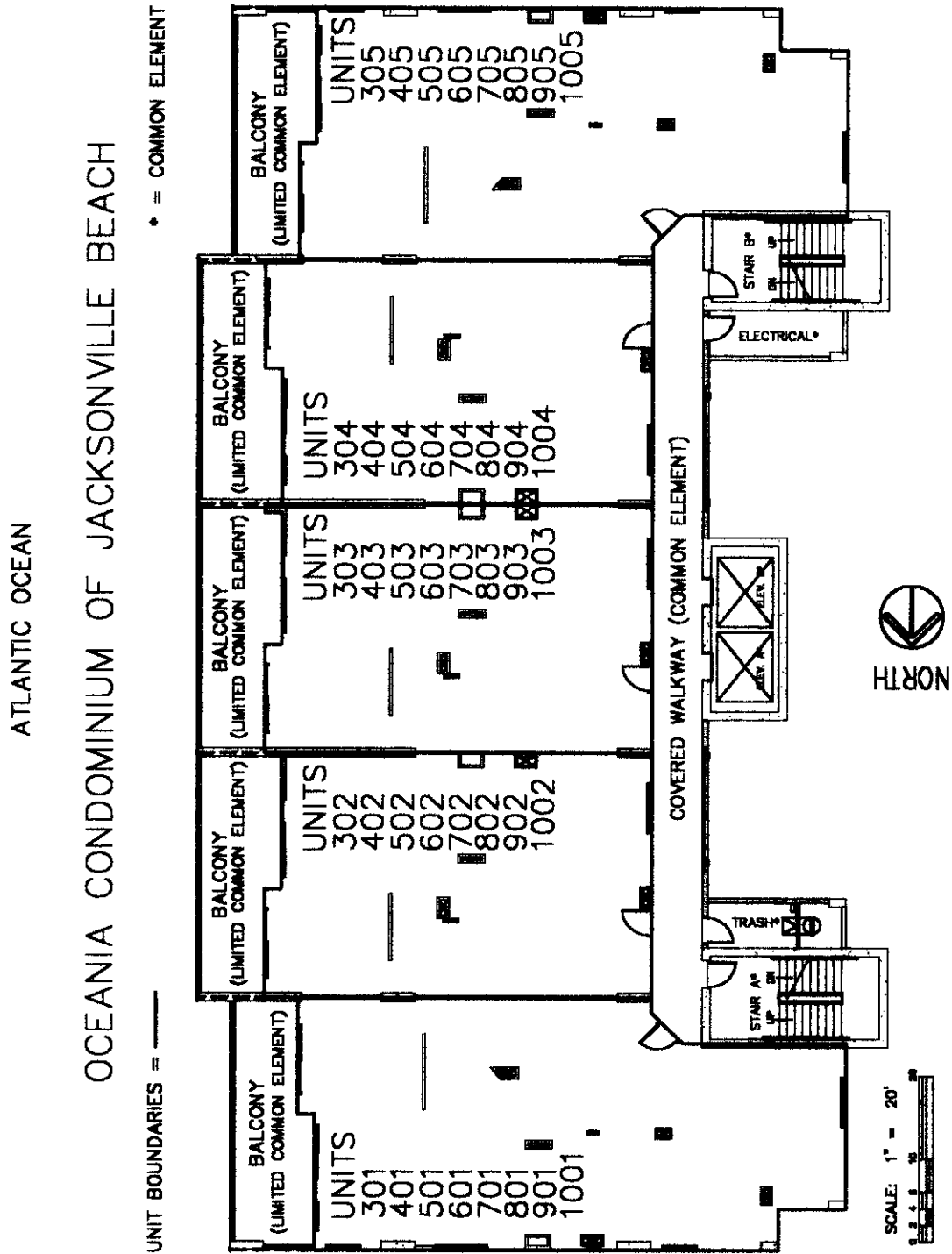


EXHIBIT B
 Floor Plan
 Third through Tenth Stories

Book 10215 Page 2247



ATLANTIC OCEAN

OCEANIA CONDOMINIUM OF JACKSONVILLE BEACH

UNIT BOUNDARIES = ——— * = COMMON ELEMENT

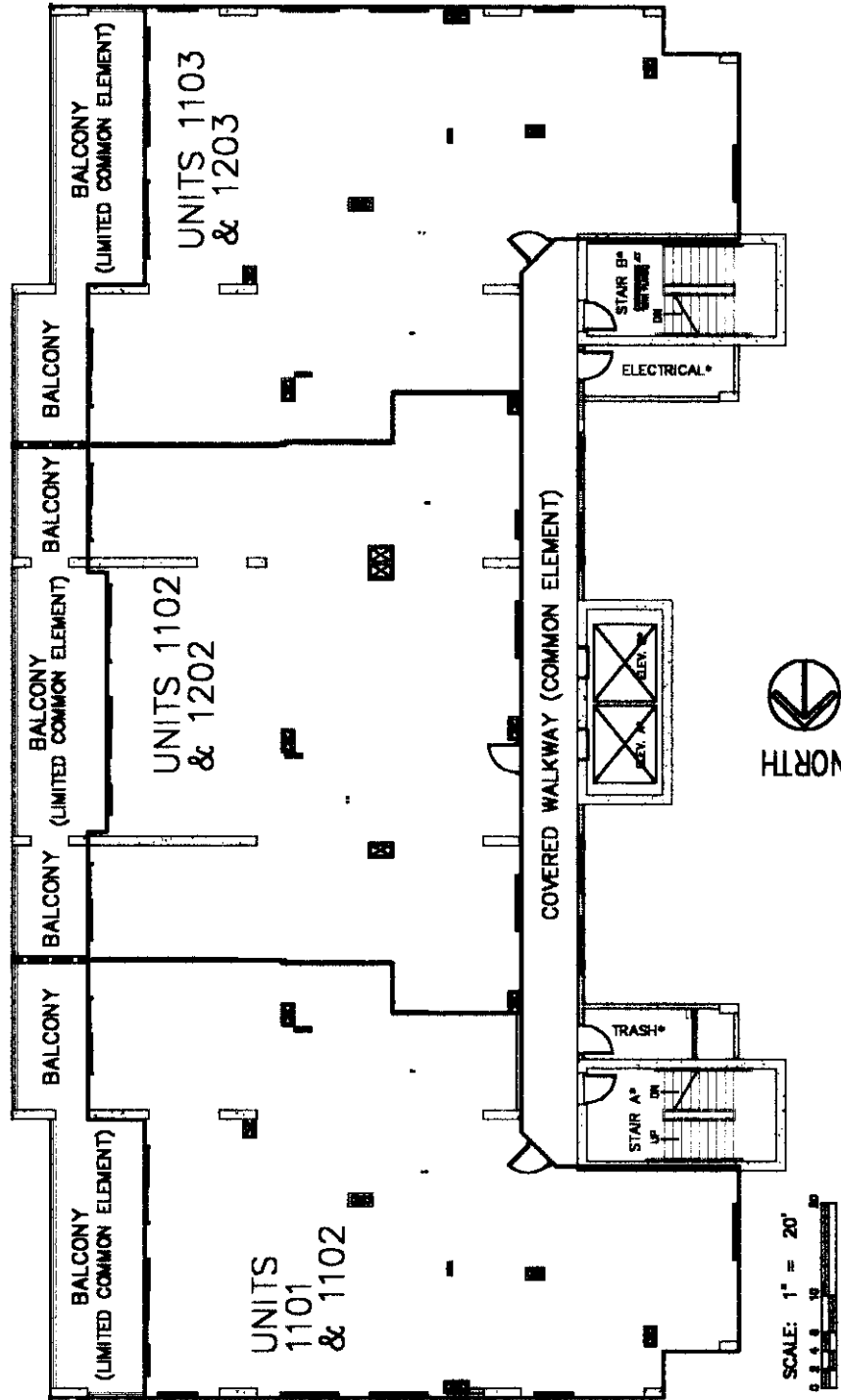
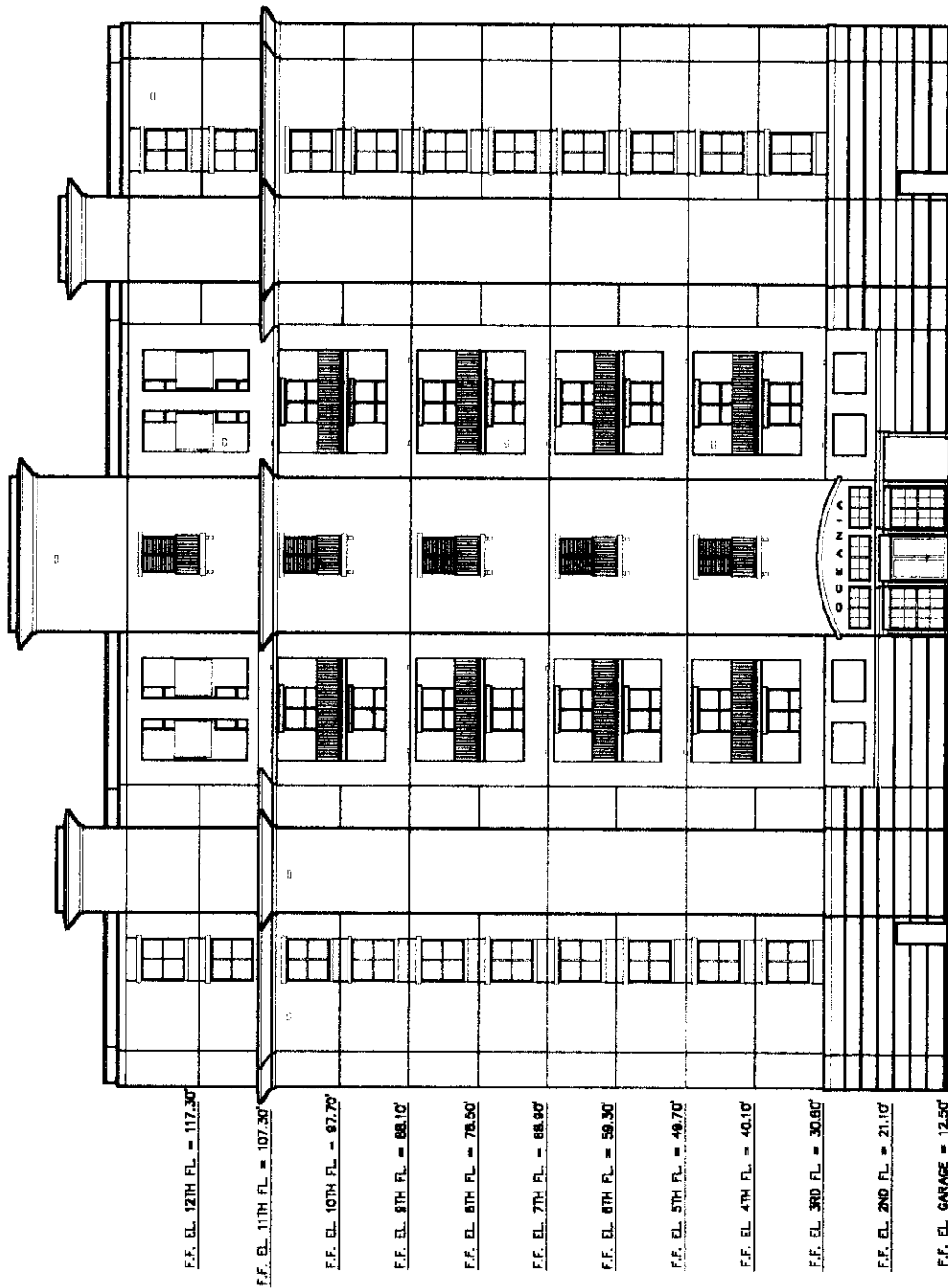


EXHIBIT B
Floor Plan
Eleventh and Twelfth Stories

Book 10215 Page 2248



WEST ELEVATION
8' 4' 0' 8' 16'



Book 10215 Page 2250

Tri-State Land Surveyors, Inc.

8411 Baymeadows Way, Suite 2 • Jacksonville, Florida 32256
(904) 731-7235

I HEREBY CERTIFY THAT THE CONSTRUCTION OF THE IMPROVEMENTS FOR OCEANIA CONDOMINIUM OF JACKSONVILLE BEACH IS SUBSTANTIALLY COMPLETE SO THAT THE MATERIAL, TOGETHER WITH THE PROVISIONS OF THE DECLARATION DESCRIBING THE CONDOMINIUM PROPERTY, IS AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF THE IMPROVEMENTS AND SO THAT THE IDENTIFICATION, LOCATION, AND DIMENSIONS OF THE COMMON ELEMENTS AND OF EACH UNIT CAN BE DETERMINED FROM THESE MATERIALS.


LARRY G. EDDY
FLORIDA PROFESSIONAL LAND
SURVEYOR NO. 4144

EXHIBIT D

Plot Plan

Book 10215 Page 2252

OCEANIA CONDOMINIUM OF JACKSONVILLE BEACH

ATLANTIC OCEAN

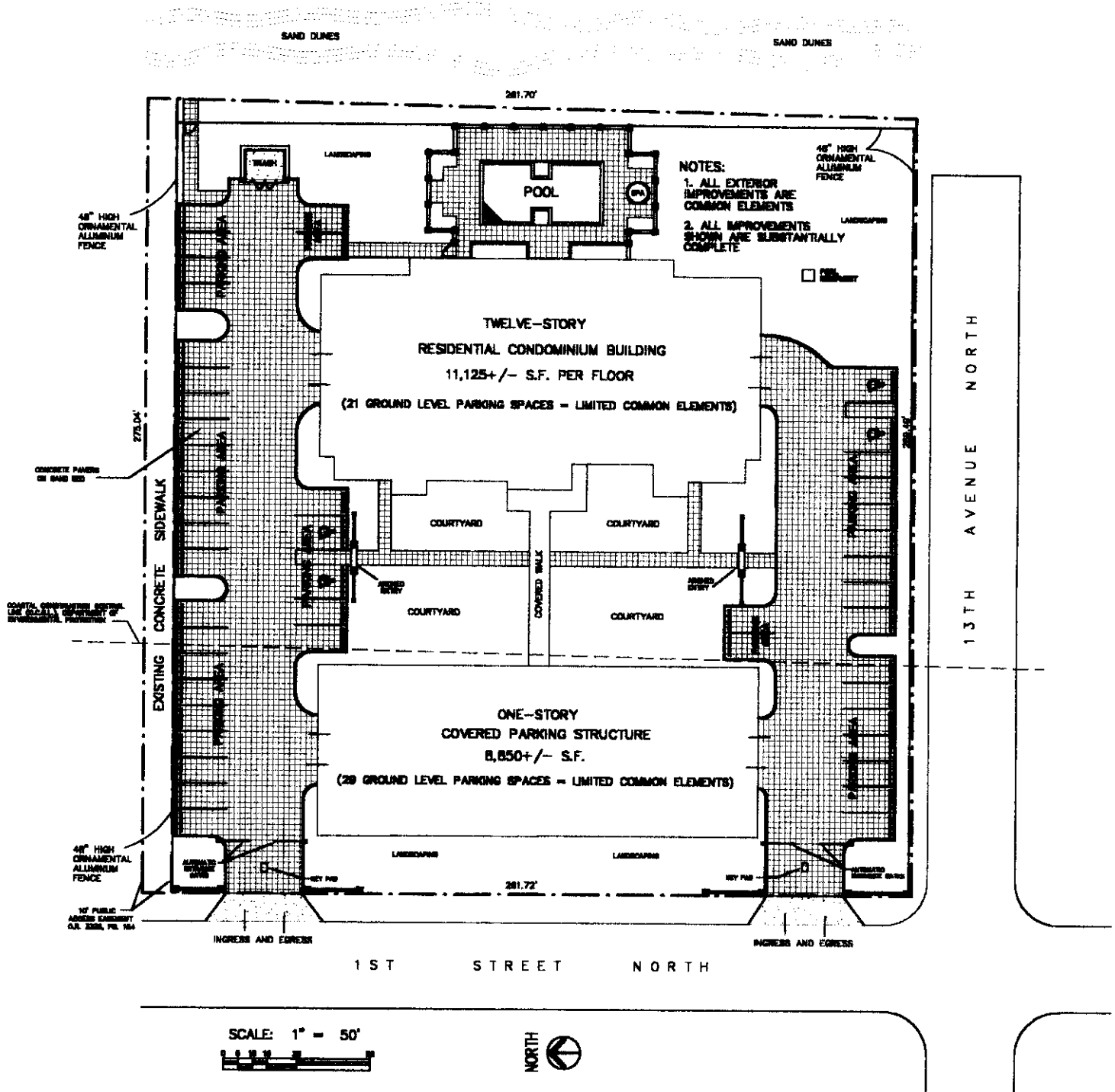


EXHIBIT E

Percentage of Undivided Interest
in Common Elements and Common Expenses

<i>Unit Number</i>	<i>Floor Area Square Footage</i>	<i>Percentage of Undivided Interest</i>
201	1,325	1.70%
202	1,325	1.70%
301	1,780	2.28%
302	1,325	1.70%
303	1,346	1.72%
304	1,325	1.70%
305	1,780	2.28%
401	1,780	2.28%
402	1,325	1.70%
403	1,346	1.72%
404	1,325	1.70%
405	1,780	2.28%
501	1,780	2.28%
502	1,325	1.70%
503	1,346	1.72%
504	1,325	1.70%
505	1,780	2.28%
601	1,780	2.28%
602	1,325	1.70%
603	1,346	1.72%
604	1,325	1.70%
605	1,780	2.28%
701	1,780	2.28%
702	1,325	1.70%
703	1,346	1.72%
704	1,325	1.70%
705	1,780	2.28%
801	1,780	2.28%
802	1,325	1.70%
803	1,346	1.72%

<i>Number</i>	<i>Floor Area Square Footage</i>	<i>Percentage of Undivided Interest</i>
804	1,325	1.70%
805	1,780	2.28%
901	1,780	2.28%
902	1,325	1.70%
903	1,346	1.72%
904	1,325	1.70%
905	1,780	2.28%
1001	1,780	2.28%
1002	1,325	1.70%
1003	1,346	1.72%
1004	1,325	1.70%
1005	1,780	2.28%
1101	2,432	3.11%
1102	2,627	3.36%
1103	2,432	3.11%
1201	2,432	3.11%
1202	2,627	3.36%
1203	2,432	<u>3.11%</u>
		<u>100.00%</u>

H1864R1

EXHIBIT F

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

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

ARTICLE I

NAME AND ADDRESS

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

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

ARTICLE II

PURPOSE; DURATION

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

Section 2.2 **Duration.** This corporation shall exist perpetually. Corporate existence shall commence on the date these Articles are filed by the Department of State of Florida.

ARTICLE III

MEMBERSHIP

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

Section 3.2 Restrictions on Transfer of Membership. The ownership of each member's interest in this corporation shall pass with title to the Unit to which it relates, and may not be separately transferred or encumbered. There are substantial restrictions on the sale or transfer of the Units contained in the Declaration, to which reference is made for a complete statement of those restrictions.

ARTICLE IV

INITIAL REGISTERED OFFICE AND AGENT

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

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

ARTICLE V

DIRECTORS AND OFFICERS

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

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

<u>Name</u>	<u>Address</u>
Anthony T. Sleiman	4347-10 University Boulevard South Jacksonville, Florida 32216
Richard R. McAlpin	127 South Alcaniz Street Pensacola, Florida 32501
Peter D. Sleiman	4347-10 University Boulevard South Jacksonville, Florida 32216

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

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

ARTICLE VI

BYLAWS

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

ARTICLE VII

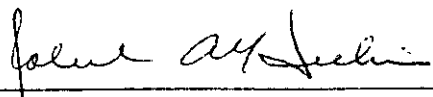
INCORPORATOR

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

Name
Robert A. Heekin

Address
4347-4 University Boulevard South
Jacksonville, Florida 32216

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation as the incorporator and initial registered agent of the corporation this 25th day of June, 1999.



Robert A. Heekin
Incorporator / Registered Agent
JUN 28 PM 4:49
TALLAHASSEE, FLORIDA
FILED

H1387

EXHIBIT G

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

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

ARTICLE I

OWNERS' MEETINGS

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

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

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

Section 1.4 Notice. Written notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered in the manner and at the time specified in the Condominium Laws. Whenever notice is required to be

given to any owner, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be the equivalent to the giving of such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the owners need be specified in the written waiver of notice.

Section 1.5 Owner Quorum. A majority of the owners entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of owners. If a quorum is present, the affirmative vote of a majority of the owners represented at the meeting and entitled to vote on the subject matter shall be the act of the owners, unless the vote of a greater number or voting by class is required by Chapter 617 of the Florida Statutes, or by the Condominium Laws, the Declaration, the Articles, or these Bylaws. After a quorum has been established at a owners' meeting, the subsequent withdrawal of owners, so as to reduce the number of owners entitled to vote at the meeting below the number required for a quorum shall not affect the validity of any action taken at the meeting or any adjournment thereof.

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

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

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

(c) At each election for directors every owner shall have the right to vote, in person (but not by proxy, unless otherwise permitted by the Condominium Laws), that number of votes equal to the number of Units owned by him multiplied by the number of directors to be elected at that time and for whose election he has a right to vote.

Section 1.7 Action by Owners Without a Meeting.

(a) Any action required to be taken at any annual or special meeting of the owners, or any action which may be taken at any such annual or special meeting, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, shall be signed by not less than the minimum number of owners that would be necessary to authorize or take such action at a meeting at which all owners entitled to vote thereon were present and voted; provided, however, that in every case there must be an annual meeting of the Unit owners unless otherwise prescribed by the Condominium Laws.

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

ARTICLE II

DIRECTORS

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

Section 2.2 **Qualification.** Except as required by the Articles, the Declaration or the Condominium Laws, directors need not be residents of this state nor owners of this Association.

Section 2.3 **Election and Term.**

(a) Section 718.301(1), Florida Statutes provides that:

“(1) When unit owners other than the developer own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect no less than one-third of the members of the board of administration of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of administration of an association:

“(a) Three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

“(b) Three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers;

“(c) When all the units that will be operated ultimately by the association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the developer in the ordinary course of business;

“(d) When some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business; or

“(e) Seven years after recordation of the declaration of condominium; or, in the case of an association which may ultimately operate more than one condominium, 7 years after recordation of the declaration for the first condominium it operates; or, in the case of an association operating a phase condominium created pursuant to s. 718.403, 7 years after recordation of the declaration creating the initial phase,

“whichever occurs first. The developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent, in condominiums with fewer than 500

units, and 2 percent, in condominiums with more than 500 units, of the units in a condominium operated by the association. Following the time the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for the purposes of reacquiring control of the association or selecting the majority members of the board of administration.”

(b) The Developer shall appoint the initial directors, and any successor of the initial directors, who shall hold office until the Unit owners other than the Developer are entitled under the Condominium Laws to elect one or more of the directors. At that time, the Unit owners shall be duly notified and an election shall be held in the manner and at the time called for by the Condominium Laws to elect the number of directors which they are then entitled to elect. Thereafter, the Developer shall appoint as many of the directors as it is permitted to do under the Condominium Laws, and it shall have the right to remove and replace such Developer-appointed directors from time to time as it may choose.

(c) At each annual meeting of the owners thereafter, the owners shall elect the number of directors they are then entitled to elect under the Condominium Laws, to hold office until the next succeeding annual meeting. Each director shall hold office for the term for which he is elected and until his successor shall have been elected and qualified or until his earlier resignation, removal from office, or death.

Section 2.4 Removal of Directors. Except for the directors which the Developer is entitled to appoint (who may only be removed by the Developer), any other director may be removed, with or without cause, at a meeting of the owners called expressly for that purpose, as provided by the Condominium Laws.

Section 2.5 Vacancies. Except for the directors which the Developer is entitled to appoint (who may only be replaced by the Developer), any vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the Unit owners in the manner provided for herein. A director elected to fill a vacancy shall hold office only until the next annual meeting of the Unit owners.

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

Section 2.7 Executive and other Committees.

(a) The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more committees each of which, to the extent provided in such resolution, shall have and may exercise all the authority of the Board of Directors, except as limited by the laws of the State of Florida.

(b) The Board of Directors, by resolution adopted in accordance with this section, may designate one or more directors as alternate members of any such committee, who may act in the place and stead of any absent member or members at any meeting of such committee.

Section 2.8 Time, Notice and Call of Meetings.

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

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

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

Section 2.9 Action Without a Meeting. Any action required to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the directors or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so to be taken, signed by all of the directors, or all the members of the committee, as the case may be, is filed in the minutes of the proceedings of the board or of the committee. Such consent shall have the same effect as a unanimous vote.

Section 2.10 Director Conflicts of Interest.

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

(i) The fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves, or ratifies the contract or transaction by a vote or

consent sufficient for the purpose without counting the votes or consents of such interested directors;
or

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

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

ARTICLE III

OFFICERS

Section 3.1 **Officers.** This Association shall have a President, who shall be a director, a Secretary and a Treasurer. They shall be chosen by the Board of Directors at the first meeting of the Board of Directors held following each annual meeting of owners, and shall serve until their successors are chosen and qualify. All other officers, agents and factors shall be chosen, serve for such terms and have such duties as may be determined by the Board of Directors. Any person may hold two or more offices.

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

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

(b) The **Secretary** shall have custody of, and maintain, all of the corporate records except the financial records, shall record the minutes of all meetings of the owners and the Board of Directors or its committees, shall send all notices of meetings, and shall perform such other duties as may be prescribed by the Board of Directors or the President.

(c) The **Treasurer** shall have custody of all corporate funds and financial records, shall keep full and accurate accounts of receipts and disbursements and render accounts thereof at the annual meetings of owners and whenever else required by the Board of Directors or the President, and shall perform such other duties as may be prescribed by the Board of Directors or the President.

(d) The **Vice President**, if one is elected, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. He also shall perform whatever duties and have whatever powers the Board of Directors may from time to time assign him. If more than one Vice President is elected, one thereof shall be designated as Executive Vice President and shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and

each other Vice President shall only perform whatever duties and have whatever powers the Board of Directors may from time to time assign him.

Section 3.3 **Removal of Officers.** Any officer or agent elected or appointed by the Board of Directors may be removed by the board whenever in its judgment the best interests of the Association will be served thereby.

Section 3.4 **Vacancies.** Any vacancy, however occurring, in any office may be filled by the Board of Directors.

ARTICLE IV

BOOKS AND RECORDS

Section 4.1 **Books and Records.**

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

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

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

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

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

ARTICLE V

AMENDMENT

Section 5.1 **Power to Amend.** These bylaws may be altered, amended or repealed, and new bylaws may be adopted by either the Board of Directors or the owners in the manner specified in the Articles, the Declaration and the Condominium Laws, but the Board of Directors may not alter, amend

or repeal any bylaw adopted by the owners if the owners specifically provide that such bylaw is not subject to amendment or repeal by the Board of Directors.

H1384R2