

DECLARATION OF CONDOMINIUM

-OF-

CASA DEL MAR, A CONDOMINIUM

Prepared by and return to the offices of:
PATTERSON, ANDERSON & FELDMAN, P. A.
By: Adam K. Feldman
3010 South Third Street
Jacksonville Beach, Florida 32250

March 14, 2007

12

**INDEX
TO
DECLARATION OF CONDOMINIUM

CASA DEL MAR, A CONDOMINIUM**

ARTICLE		Page
	INDEX.....	2
I	DEFINITIONS.	5
II	CONDOMINIUM NAME, APPURTENANCES, POSSESSION AND ENJOYMENT.	8
III	DESCRIPTION OF PROPERTY SUBMITTED TO CONDOMINIUM OWNERSHIP AND IMPROVEMENTS.	9
IV	COMMON ELEMENTS.	10
V	LIMITED COMMON ELEMENTS.	11
VI	ALTERATIONS OF AND IMPROVEMENTS TO UNITS AND COMMON ELEMENTS.	12
VII	AMENDMENT OF DECLARATION.	14
VIII	THE ASSOCIATION, ITS POWERS AND RESPONSIBILITIES.	15
IX	MAINTENANCE.	16
X	COMMON EXPENSES AND COMMON SURPLUS.	18
XI	ASSESSMENTS: LIABILITY, LIENS, PRIORITY, INTEREST AND COLLECTIONS.	18
XII	TERMINATION OF CONDOMINIUM.	21
XIII	LIMITATION OF LIABILITY.	22
XIV	LIENS.	22
XV	EASEMENTS.	23
XVI	USE RESTRICTIONS.	28
XVII	INSURANCE.	36
XVIII	RECONSTRUCTION OR REPAIR AFTER CASUALTY.	40

XIX	EMINENT DOMAIN OR CONDEMNATION PROCEEDING.	42
XX	LIABILITY GENERALLY.	45
XXI	GENERAL PROVISIONS.	45

EXHIBITS TO DECLARATION

- A. Legal Description of Property
- B. Fractional Share of Common Elements, Common Expenses and Common Surplus
- C. Plot Plan and Survey
- D. Graphic Depictions of Units and Floor Plans
- E. Articles of Incorporation
- F. Bylaws

**DECLARATION OF CONDOMINIUM
-OF-
CASA DEL MAR, A CONDOMINIUM**

NORTH BEACHES CASA DEL MAR, INC., a Florida corporation ("Developer"), being the owner of the fee simple title to the property described in Exhibit A attached hereto and made a part hereof, for itself, its successors, grantees and assigns, hereby submits said property, improvements thereon and appurtenances thereto to condominium ownership pursuant to Chapter 718 of the Florida Statutes, as amended from time to time and as it may be renumbered ("Condominium Act").

All the restrictions, reservations, covenants, conditions, easements and limitations of record contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, shall run perpetually unless terminated as provided herein, and shall be binding upon all Unit Owners as hereinafter defined. In consideration of receiving and by acceptance of a grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons, agree to be bound by the provisions hereof, the Articles of Incorporation and the Bylaws of the Association hereinafter defined. Both the benefits provided and the burdens imposed shall run with each Unit and the interests in Common Elements as defined herein.

I DEFINITIONS.

A. **"Articles"** and **"Bylaws"** mean the Articles of Incorporation and the Bylaws of the Association as they exist from time to time, copies of which are attached as Exhibits E and F.

B. **"Assessment"** means a share of the funds required for the payment of Common Expenses which from time to time are assessed against each Unit Owner.

C. **"Association"** means NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC., the Florida non profit corporation responsible for the operation of the Condominium in accordance with the terms of this Declaration.

D. **"Association Property"** means that property, real and personal, which is owned or leased by, or is dedicated by a recorded plat to the Association for the use and benefit of its members and such other persons to whom the Association or Developer may grant use rights.

E. **"Board of Directors"** means the board of directors or other representative body responsible for the administration of the Association.

F. **"Common Elements"** means that portion of the Condominium Property not included in the Units. Common Elements shall also include all rights and improvements more fully described in Article IV.

G. **"Common Expenses"** means the expenses of administration, maintenance, operation, repair and replacement of the Condominium Property, as well as any Association

Property and any other properties owned by the Association, other expenses declared by the Association or this Declaration to be Common Expenses, and any other valid expenses or debts of the Condominium as a whole or the Association which are assessed against the Unit Owners. Common Expenses shall also include, without limitation, (a) all reserves required by the Act or otherwise established by the Association, regardless of when reserved funds are expended; (b) the cost of a master antennae television system or duly franchised cable television service obtained pursuant to a bulk contract; (c) if applicable, costs related to reasonable transportation services, (d) insurance for directors and officers; (e) road maintenance and operation expenses; (f) in-house and/or interactive communications or surveillance systems; (g) the real property taxes, assessments and other maintenance expenses attributable to the Units acquired or leased by the Association or any Association Property; (h) all expenses of installation, repair and maintenance of hurricane shutters approved by the Board; (i) any unpaid share of Common Expenses or Assessments extinguished by a foreclosure of a superior lien or deed in lieu of foreclosure. Provided that the expenses for the maintenance and repair of the surface water or stormwater management systems including but not limited to work within the retention areas, drainage structures and drainage easement, including those within the Association Property.

H. **"Common Surplus"** means the excess of all receipts of the Association, including, but not limited to Assessments, rents, profit and revenues on account of the Common Elements, over the amount of the Common Expenses.

I. **"The Condominium"** or "this Condominium" means Casa Del Mar, a Condominium.

J. **"Condominium Building"** means the structure which comprises that part of the Condominium Property within which the Units are located.

K. **"Condominium Parcel"** means a Unit together with the undivided share in the Common Elements that are appurtenant to the Unit.

L. **"Condominium Property"** means and includes all lands that are subjected hereunder to condominium ownership, whether or not contiguous, including the Association Property, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

M. **"County"** means County of Duval, State of Florida.

N. **"Declaration"** or **"Declaration of Condominium"** means this instrument as it may from time to time be amended.

O. **"Developer"** means North Beaches Casa Del Mar, Inc., a Florida corporation, and its successors and assigns. Developer may assign all or a portion of its rights hereunder or all or a portion of such rights in connection with specific portions of the Condominium. In the event of any partial assignment, the assignee shall not be deemed the Developer, but may exercise such rights of the Developer as are specifically assigned to it. Any such assignment may be made on a non-exclusive basis. The rights of the Developer under this Declaration are independent of the Developer's rights to control the Board of Directors of the Association, and, accordingly, shall

not be deemed waived, transferred or assigned to the Unit Owners, the Board or the Association upon transfer of control of the Association.

P. **"Individual Unit Charge"** means a cost associated with a particular Unit, as designated through this Declaration. An Individual Unit Charge is not a Common Expense; provided, however, that an Individual Charge may be enforced and collected and is payable by the responsible Owner as provided herein.

Q. **"Limited Common Elements"** means and includes those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units. References to Common Elements herein shall mean or refer to Limited Common Elements unless the context would prohibit it or it is otherwise expressly prohibited.

R. **"Mortgagee"** means a bank, savings and loan association, insurance company, mortgage company, real estate investment trust, recognized institutional type lender or its loan correspondent, or agency of the United States Government, or the Developer, which owns, holds or insures a first mortgage encumbering a Condominium Parcel. "Mortgagee" also includes the Federal National Mortgage Association or other similar insurers or guarantors of mortgages.

S. **"Operation"** or **"Operation of the Condominium"** means and includes the operation, administration and management of the Condominium Property.

T. **"Property"** means the land described in Exhibit A.

U. **"Surface Water or Stormwater Management System"** means a system now or hereafter located on or about the Condominium Property which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, overdrainage, environmental degradation and water pollution, or to otherwise affect the quality and quantity of discharge from the system.

V. **"Unit"** means a part of the Condominium Property that is subject to private ownership, as designated in this Declaration.

W. **"Unit Owner"** or **"Owner of a Unit"** means the owner of a Condominium Parcel as shown by the real estate records in the office of the Clerk of the County, whether such Owner be the Developer, one or more persons firms, associations, corporations or other legal entities. "Owner" shall not mean or refer to the holder of a mortgage or security deed, its successors or assigns, unless and until such holder has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

X. **"Utility Service"** as used in the Condominium Act, construed with reference to this Condominium, and as used in this Declaration, the Articles and the Bylaws shall include, but not be limited to, electric power, gas, water, trash and sewage disposal, telephone, and cable television.

References to lettered exhibits in this Declaration shall refer to the Exhibits attached hereto and references thereto in this Declaration shall automatically incorporate such Exhibits to this Declaration.

II CONDOMINIUM NAME, APPURTENANCES, POSSESSION AND ENJOYMENT.

A. Name. The name of this Condominium is CASA DEL MAR, A CONDOMINIUM.

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

(1) An undivided fractional share in the Common Elements, Common Expenses and Common Surplus, as more fully described in Exhibit B.

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

(3) Membership of the Unit Owner in the Association, and the right to use the Association Property and to access properties owned by the Association, subject to the rules and regulations as adopted from time to time by the Association.

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

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

C. Possession and Enjoyment. Each Unit Owner is entitled to the exclusive possession of his Unit subject to the provisions of this Declaration. Each Unit Owner shall be entitled to the use of the Common Elements, in accordance with the provisions of this Declaration and the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of other Unit Owners. There shall be a joint use of the Common Elements and a mutual easement for that purpose is hereby created.

D. No Time Share Estates. "Time share estates" may not be created in any Unit by any person or entity. Provided, however, the Units may be owned by a partnership or other joint ownership arrangement and all partners or joint owners shall have the right to use the Unit on such basis as the partners or joint owners may agree.

III DESCRIPTION OF PROPERTY SUBMITTED TO CONDOMINIUM OWNERSHIP AND IMPROVEMENTS.

A. Land. The legal description of the Property hereby submitted to condominium ownership is set forth in Exhibit A.

B. Units. The legal description of each Unit is identified by a specific numerical or numerical/alphabetical designation as set forth in Exhibit B. Each Unit includes that part of the structure which lies within the following boundaries:

1) Vertical Boundaries. The perimetrical or vertical boundaries of each Unit shall be the centerline of the wall separating the Unit from the exterior wall or walls of the Condominium Building and the centerline of the wall separating the Unit from the hallway of the floor on which the Unit is located in the Condominium Building. With respect to common walls between Units, the perimetrical or vertical boundary of the Units served thereby shall be the centerline of such wall. The vertical boundaries include the wallboard or other material comprising the wall of the Unit.

2) Horizontal Boundaries.

a) If the Unit is on the top floor of the Condominium Building, the upper horizontal boundary of such Unit is the uppermost, unfinished, unexposed surface of the wallboard or other material comprising the ceiling of the Unit, with such material constituting part of the Unit. The lower horizontal boundary of such Unit is the lowermost surface of the floor truss structure comprising the subflooring of the Unit, with the flooring and subflooring constituting part of the Unit.

b) If the Unit is on the bottom floor of the Condominium Building, the upper horizontal boundary of such Unit is the lowermost surface of the floor truss system comprising the subflooring of the Unit above, with the subflooring of the Unit above not constituting part of the Unit below. The lower horizontal boundary of such Unit is the uppermost surface of the concrete slab on which the Unit is constructed, with the flooring, if any, constituting part of the Unit and the concrete subflooring and Condominium Building foundation not constituting part of the Unit.

c) If the Unit is not on the top or bottom floors of the Condominium Building, the upper horizontal boundary of such Unit is the lowermost surface of the truss system comprising the subflooring of the Unit above, with the subflooring of the Unit above not constituting part of the Unit below. The lower horizontal boundary of such Unit is the lowermost surface of the floor truss system comprising the subflooring of the Unit, with the flooring and subflooring constituting part of the Unit.

3) Additional Information to Interpret Unit Boundaries. Both sides of entry doors and exterior glass surfaces, including, but not limited to, windows and glass doors, serving the Unit shall be included within the boundaries of the Unit. Heating and air conditioning systems, water heaters, heat pumps and all other mechanical equipment serving a single Unit (including any part of such system located outside the boundaries of the Unit), all duct work for

heating and air conditioning systems and appliances and plumbing fixtures within a Unit shall be part of the Unit.

If any chutes, flues, ducts, conduits, wires, pipes, utility lines or other apparatus lies within and partially outside of the designated boundaries of the Unit, any portion thereof which serves only that Unit shall be deemed to be a part of that Unit, while any portions thereof which serve more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements. As set forth more fully in Section IVA(8), where there are apertures in any boundary of a Unit, including, but not limited to, windows, doors and skylights, such fixtures are included within the definition of a Unit.

C. Site Plan, Survey and Graphic Depiction. Exhibit C includes a survey and plot plan of the Property, and Exhibit D contains a graphic description of the building and each floor on which Units are located on the Property and plans for each Unit Type. The identification, location, dimensions and a graphic depiction of each Unit and the Common Elements of the Property appear on Exhibit D, which consists of three (3)-story building containing four (4) Units. Unit Type A contains approximately two thousand two hundred ninety nine (2,299) square feet of heated and air conditioned space and consists of three (3) bedrooms and three and one-half (3 1/2) bathrooms; Unit Type B contains approximately two thousand two hundred ninety (2,290) square feet of heated and air conditioned space and consists of three (3) bedrooms and three and one-half (3 1/2) bathrooms; and Unit Type C contains approximately two thousand two hundred eighty eight (2,288) square feet of heated and air conditioned space and consists of three (3) bedrooms and three and one-half (3 1/2) bathrooms. Together with this Declaration, Exhibits B, C and D include sufficient detail to identify the Common Elements and each Unit on the Property and provide accurate representations of their locations and dimensions.

D. Other Condominium Improvements. In addition to the Condominium building situated thereon, the Condominium also includes improvements consisting of stairways, mechanical rooms, driveways, walks, plants, landscaping, garages and all underground structures and improvements which are not part of or located within the Condominium building and which are not elsewhere herein reserved to or retained by the Developer or located on Condominium Property.

IV COMMON ELEMENTS.

A. Common Elements. Common Elements include the following:

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

(2) Any portion of the Condominium Property, including all improvements thereto, which are not included within the definition or boundaries of the Units, including, without limitation, stairways, mechanical rooms, driveways, walks, plants, landscaping and all underground structures and improvements which are not within the Condominium Building and are not elsewhere reserved to or retained by the Developer or conveyed to the Association as Association Property.

(3) Easements through Units for conduits, ducts, pipes, plumbing, wiring, cable television services and other facilities for the furnishing of Utility Services to the Units and the Common Elements.

(4) Easements of support which are hereby created in every portion of a Unit which contributes to the support of a Condominium Building.

(5) The property and installations required for the furnishing of Utility Services and other services to more than one Unit, the Common Elements or a Unit other than the Unit containing the installation, except those whose ownership is retained by the Utility Company or other entity providing service.

(6) Fixtures owned or held for the common use, benefit and enjoyment of all Owners of Units in the Condominium.

(7) Easements for ingress and egress serving the Condominium Property.

(8) Where there are apertures in any boundary, including but not limited to windows, doors and skylights, the Unit shall be defined to include the windows, doors and other such fixtures located within such apertures, including all framework, window casings and weather stripping thereof, together with the exterior surfaces of glass or other transparent material; provided, however, that the exterior of doors within any of the exterior walls shall be Common Elements.

B. Fractional Shares of Ownership. The undivided share in the Common Elements, Common Expenses and Common Surplus appurtenant to each Unit shall be a fraction, the numerator of which is one and the denominator of which is the number of Units in the Condominium. The fractional share of the Common Elements, Common Expenses and Common Surplus appurtenant to each Unit is set forth in Exhibit B.

C. Restraint Upon Separation and Partition of Common Elements.

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

(2) A share in the Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Unit.

(3) The shares in the Common Elements appurtenant to Units shall remain undivided, and no action for partition of the Common Elements shall lie.

V LIMITED COMMON ELEMENTS.

There are Limited Common Elements appurtenant to Units in this Condominium, as reflected by the plot plan, survey and graphic depictions attached as Exhibits C and D, which shall include, but not be limited to, garages, balconies, porches and lanais. All Units have appurtenant to them a balcony and garage as depicted in Exhibit D. All of the Limited Common

Elements are reserved for the use of the Units to which they are appurtenant or assigned to the exclusion of other Units, and there shall pass with a Unit as an appurtenance thereto the exclusive right to use the Limited Common Elements so appurtenant or assigned.

The Board has the right, but not the obligation, to install temporary or permanent hurricane shutters. In the event the Board does not install such shutters, Unit Owners may install shutters in accordance with Article XVI(N) of this Declaration. Any hurricane shutter affixed to the exterior of a Building by a Unit Owner and serving a particular Unit is assigned as a Limited Common Element to the Unit so served.

VI ALTERATIONS OF AND IMPROVEMENTS TO UNITS AND COMMON ELEMENTS.

A. Limitation on Alterations. The design, type, location, size, color and intensity of all exterior lights shall be subject to control by the Association. Subject to the restrictions set forth in Article XVI, no Unit Owner shall make any addition, alteration or improvement in or to his Unit, the Common Elements or the Limited Common Elements, including the lighting (as set forth above), and no fence, wall, gate, enclosure or other structure or improvement may be erected, installed, maintained or removed on the Condominium Property, including the Association Property, until the design, construction, specifications and a plan showing the location of the structure have been approved in writing by, and in the sole and absolute discretion of, the Board of Directors (or an architectural review committee appointed by it) as to quality, design and materials, harmony with existing structures, location with respect to topography and finished grade elevation, or purely aesthetic recommendations. Such approval of the Board of Directors (or its designee) shall not be required in the event that the Board of Directors (or its designee) fails to give such approval or request additional information within forty-five (45) days after receipt of a written request for same. The written decision of the Board of Directors (or an architectural review committee appointed by it) shall be final. The Association shall have the right to require any Owner to remove any such construction, addition, change or alteration which has not been so approved; and in addition to any other rights or remedies the Association may have, if the Owner involved shall refuse or fail to remove any such construction, addition, change or alteration within 72 hours after the Association shall give such Owner notice to remove the same, the Association shall have the right to remove or cause to be removed any such construction, addition, change or alteration and the cost of such removal shall be charged to said Owner's account as an Individual Unit Charge.

The Board of Directors (or an architectural review committee appointed by it upon approval of the Board) shall also have the power and authority to set and modify fees that are, in its sole and absolute discretion, necessary for carrying out its architectural review duties, including without limitations, fees for different types of submittals, administrative fees for non-submittals and construction compliance deposits and the Board shall have the power and authority to set forth reasonable architectural criteria that is consistent with the terms of this Declaration. Furthermore, the Board of Directors (or an architectural review committee appointed by it) shall have the power to require that payment of Assessments and/or Individual Unit Charges due by an Owner be current and paid in full as a condition to approval of a submission. Nothing contained in this paragraph shall be construed to lessen the obligation of any Owner to make prompt application for and obtain all necessary governmental permits and

other approvals with respect to any such structure. In no event shall a Unit Owner make any alterations in the portions of the improvements of the Condominium which are to be maintained by the Association, remove any portion thereof, make any additions thereto, do any work which would jeopardize the safety or soundness of the Condominium Building containing his Unit, or impair any easement.

Each Owner acknowledges and agrees that the members of the Board of Directors (or an architectural review committee appointed by it upon approval of the Board) will change from time to time and that interpretation, application and enforcement of this Declaration and any architectural criteria promulgated by the Board, from time to time, may vary accordingly. Each Owner further agrees that the Board may adopt different architectural criteria for different parts of the Condominium based on street visibility and location of the proposed modification in the Condominium Building. The approval of either the Board (or an architectural review committee appointed by it upon approval of the Board) of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board (or an architectural review committee appointed by it upon approval of the Board) shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

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

C. Developer Rights. Until such time as the Declaration is recorded, the Developer shall have the right, without the vote or consent of the Association or prospective purchasers of a Unit, to:

(1) Make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or nonstructural, interior, exterior, ordinary or extraordinary;

(2) Change the layout or number of rooms in any Developer-owned Units;

(3) Provided, however, that the fractional interest in the Common Elements and share of the Common Surplus and Common Expenses of any Units (other than the Developer-owned Units) shall not be changed by reasons thereof unless the prospective purchasers of such Units are provided copies of amendments to the Condominium documents prior to recordation of this Declaration, and such prospective purchasers shall consent thereto by signing a receipt for amended documents and/or plot plans and/or floor plans showing the change in the fractional interests and in proceeding with the

closing on a Unit after fifteen (15) days have expired from the date of the signed receipt, and provided further, that the Developer shall comply with all laws, ordinances, regulations of all governmental authorities having jurisdiction in so doing. Any amendments to this Declaration required by the actions taken pursuant to this Article may be effected by the Developer alone. Without limiting the generality of this paragraph, the provisions of this paragraph may not be added to, amended or deleted without the prior consent of the Developer.

D. Additions, Alterations or Improvements to the Common Elements by the Association. Whenever, in the sole and absolute discretion of the Board of Directors, the Common Elements, or any part thereof, shall require capital additions, alterations or improvements (as distinguished from maintenance, repair and/or replacements) costing in excess of \$100,000.00 in the aggregate in any calendar year, the Association may proceed with such additions, alterations or improvements only if the making of such additions, alterations or improvements shall have been approved by the Owners of sixty-six and two-thirds percent (66 2/3%) of the Units represented at a duly called meeting at which a quorum has been attained. Any such additions, alterations or improvements to such Common Elements, or any part thereof, costing in the aggregate of \$100,000.00 or less in a calendar year may be made by the Board of Directors without the approval or consent of the Unit Owners. The cost and expense of any such additions, alterations or improvements to such Common Elements shall be a Special Assessment of the Unit Owners as provided in Article XI of this Declaration. For purposes of this Section, "aggregate in any calendar year" shall include the total debt incurred in that year, if such debt is incurred to perform the above-stated purposes, regardless of whether the repayment of any part of that debt is made beyond that year.

VII AMENDMENT OF DECLARATION.

A. Procedure. This Declaration may be amended at any regular or special meeting of Unit Owners called or convened in accordance with the Bylaws by the affirmative vote of the Owners holding more than three quarters (3/4) of the votes. All amendments shall be evidenced by a certificate executed as required by the Condominium Act and recorded among the public records of the County, and shall be effective upon recording. Provided, however, that except as otherwise provided in this Declaration:

(1) Subject to the provisions of Article VI, no amendment shall change the configuration or the size of any Unit in any material fashion, materially alter or modify the appurtenances to such Unit, nor change the proportional fraction by which a Unit Owner shares the Common Expenses and owns the Common Surplus, unless the record Owner thereof and all record owners of liens thereon shall join in the execution of such amendment and unless the Owners holding a majority of all votes approve the amendment;

(2) No amendment shall be passed which shall materially impair or prejudice the rights and priorities of any Mortgagee or otherwise violate a Federal National Mortgage Association or Federal Home Loan Mortgage Corporation requirement without the prior written consent of such Mortgagee, which consent shall not be unreasonably withheld; and

(3) No amendment shall be passed which shall in any way affect any of the rights, privileges, powers or options of the Developer without the prior written consent of the Developer.

B. Developer's Rights. Notwithstanding anything to the contrary herein, the Developer reserves the exclusive right to amend the Declaration and any Exhibits hereto, which exclusive rights shall continue for such period of time as the Developer shall be in control of the Association; provided, however, that no such amendment by the Developer shall include the matters referred to in §§718.110(4) and (8), Florida Statutes, and no amendment shall materially impair or prejudice the rights and priorities of any Mortgagee or otherwise violate a Federal National Mortgage Association or Federal Home Loan Mortgage Corporation requirement without the prior written consent of such Mortgagee, which consent shall not be unreasonably withheld. Such amendment need be executed and acknowledged only by the Developer and need not be approved by the Association, Unit Owners, lienors or Mortgagees, whether or not elsewhere required for amendments.

VIII THE ASSOCIATION, ITS POWERS AND RESPONSIBILITIES.

A. Association. Subject to the rights reserved to the Developer herein and in the Condominium Act, the operation of the Condominium shall be vested in the Association; provided, however, that the Association may, to the extent permitted by the Condominium Act, by contract, delegate its maintenance, management and operational duties and obligations. The Association has been organized as a non-profit Florida corporation and a copy of its Articles of Incorporation is attached hereto and made a part hereof as Exhibit E. The administration of the Association and the Operation of the Condominium Property shall be governed by the Bylaws of the Association, a copy of which is attached hereto and made a part hereof as Exhibit F.

B. Members' Rights and Obligations. No Unit Owner, except a duly elected officer or director of the Association, shall have any authority to act for the Association. All Unit Owners shall automatically be members of the Association upon delivery of a deed of conveyance of fee simple title to a Unit and a Unit Owner's membership shall terminate when he or she no longer owns his or her Unit.

Unit Owners shall be entitled to one (1) vote for each Unit owned in accordance with the voting privileges set forth in the Articles and Bylaws. Multiple owners of a Unit shall collectively be entitled to one (1) vote for said Unit in accordance with voting privileges set forth in the Articles and Bylaws. There shall be no cumulative voting. In addition, only one Unit Owner per Unit may serve on the Board of Directors at a time (i.e. a husband and wife may not both serve on the Board of Directors at the same time).

C. Powers. The powers of the Association shall include those set forth in the Articles, the Bylaws, the Condominium Act, and this Declaration.

D. Restrictions. Except as provided by statute in case of condemnation or substantial loss to the Units or Common Elements, unless at least the majority of the Mortgagees (based upon one vote for each first mortgage owned) and all of the Owners (other than the Developer)

have given their prior written approval, such approval not to be unreasonably withheld, the Association shall not be entitled to:

(1) Change the pro rata interest or obligations of any individual Unit for the purpose of (i) levying Assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each Unit in the Common Elements;

(2) Partition or subdivide any Unit;

(3) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements; provided that the granting of easements for Utilities or for other purposes consistent with the intended use of the Common Elements by the Owners shall not be deemed a transfer within the meaning of this clause; or

(4) Use hazard insurance proceeds for losses to any portion of the Condominium for other than the repair, replacement or reconstruction of such portion.

IX MAINTENANCE.

A. Units. Each and every portion of a Unit, including, without limitation, the furniture, furnishings, fixtures, ducts, flues, conduits, pipes, wires, utility lines, apparatus, heating and air conditioning equipment, water heaters, heat pumps, and all other equipment and appliances comprising a part thereof, located within the boundaries of a Unit, deemed to be a part of the Unit, or exclusively serving the Unit shall be maintained, kept in good repair and replaced by and at the sole expense of the Owner(s) thereof. All maintenance, repairs or replacements for which Unit Owners are responsible and obligated to perform, whether structural or nonstructural, ordinary or extraordinary, shall be performed promptly as the need arises. Each Unit Owner shall provide for pest control and termite treatment services within his or her Unit and shall provide written evidence thereof if requested by the Association. Provided, however, the Board of Directors may determine that it is in the best interest of the Condominium to provide for pest control for the entire Condominium and in such event may revise the budget to so provide. Each Unit owner(s) shall be responsible for the costs of maintenance, repair or replacement for damage or costs incurred by another Unit owner or to the Common Elements or Limited Common Elements caused by such Unit or such Unit owner(s) use of said Unit (e.g. a water leak in the plumbing of one Unit causing water damage to a Unit below it).

In addition, each Unit Owner shall have the responsibility:

1) To perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Units.

2) To promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible.

3) To pay for the costs of maintaining, repairing, replacing or cleaning any item which is the responsibility of the Unit Owner but which responsibility such Owner fails or

refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of maintaining, repairing, replacing or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Unit Owner, his or her family, tenants or guests, with the cost thereof to be charged to the Owner as an Individual Unit Charge.

B. Common Elements and Association Property. The Association shall be responsible for, and shall assess against and collect from all Unit Owners as a part of the Assessments hereinafter set forth, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition all of the Common Elements, the Association Property, and the structural and mechanical aspects of the Limited Common Elements. The Association shall, at the expense of all Unit Owners as and Individual Unit Charge, repair all incidental damage to Units resulting from maintenance, repairs and replacement of or to Common Elements, the Limited Common Elements and the Association Property.

C. Limited Common Elements. The responsibility for the cost of keeping in a clean and orderly condition the Limited Common Elements which are appurtenant to a certain Unit or Units to the exclusion of other Units, shall be borne by the Owner(s) of the Unit(s) to which the same are appurtenant, including without limitation, general cleaning, upkeep of area and appearance, sliding glass doors and any wiring, electrical outlets and fixtures. The Association shall be responsible for maintaining, repairing, repainting, refinishing and replacing the structural and mechanical elements of the Limited Common Elements, including the balconies, porches, lanais and covered garages and shall assess against and collect from the Owners of all Units as a part of the Assessments, the cost of such maintenance, repair, repainting, refinishing and replacement.

D. Right of Access to Units. The Association has the irrevocable right of access to each Unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements, or of any portion of a Unit to be maintained by the Association pursuant to this Declaration, or as necessary to prevent damage to the common elements or to a Unit or Units.

E. Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligations with regard to maintenance, repair or replacement of items for which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal. The notice shall set forth with reasonable particularity the maintenance, repair or replacement deemed necessary by the Board of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete the specified maintenance, repair or replacement, or if the maintenance, repair or replacement is not capable of completion within such time period, to commence maintenance, repair or replacement within ten (10) days. If the Owner does not complete the required maintenance, repair and/or replacement within the time allotted, and if the repair, replacement and/or maintenance is of an item which, if not performed would affect other Units or the Common Elements but which does not create an emergency, the Board may provide such maintenance, repair or replacement and such cost shall be charged to the Owner as an

Individual Unit Charge. If the Board determines that an emergency exists by virtue of an Owner's failure to maintain, then the Board may enter the Unit as provided in Section IX(D) above and provide the necessary maintenance, repair and/or replacement and such cost shall be charged to the Unit Owner as an Individual Unit Charge. Any cost charged to the Unit Owner as an Individual Unit charge under this Section may include reasonable administrative fees and shall bear interest at the highest rate permitted by law from the date expended until paid in full.

If the Board determines that the need for maintenance, repair or replacement is to the Common Elements and/or Limited Common Elements and is caused by the willful or negligent act of any Owner, tenant or occupant of a Unit or the family, guests or invitees of any Owner, tenant or occupant of a Unit, then the Association shall charge the Unit Owner as an Individual Unit Charge for the cost of any maintenance, repair or replacement and any such amount so charged may include reasonable administrative fees and shall bear interest at the highest rate permitted by law from the date expended until paid in full.

F. Surface Water or Stormwater Management System. The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities, as permitted by the St. Johns River Water Management District. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

X COMMON EXPENSES AND COMMON SURPLUS.

A. Definition. Common Expenses shall include the expenses of the operation, maintenance, repair or replacement of the Common Elements, costs of carrying out the powers and duties of the Association, costs of maintaining any facilities and property owned by the Association, and any other expense designated as Common Expenses by the Condominium Act, this Declaration or the Bylaws.

B. Ownership of Common Expenses and Common Surplus. Common Expenses shall be assessed against Unit Owners in accordance with the fraction set forth in Exhibit B attached hereto and made a part hereof. The Common Surplus, if any, shall be owned by Unit Owners in a proportion equal to those proportions of ownership in the Common Elements as provided in Exhibit B.

XI ASSESSMENTS: LIABILITY, LIENS, PRIORITY, INTEREST AND COLLECTIONS.

A. Determination of Assessments. The Association, through its Board of Directors, shall have the power to determine and fix the sums necessary to provide for the Common Expenses, including the expense allocable to services being rendered by a management company with whom the Association may contract. Assessments shall also be used for the maintenance and repair of the surface water or stormwater management systems, including, but not limited to, work within retention areas, drainage structures and drainage easements. The annual Assessment

shall initially be payable monthly in advance; however, the Board of Directors shall have the power to establish other collection procedures (provided, however, that Assessments shall never be made less frequently than quarterly). If the annual Assessment proves insufficient to provide for the Common Expenses, the Board, in its sole discretion, may adopt a supplemental annual budget and levy a Supplemental Annual Assessment for the purpose of paying the deficiency in the Common Expenses. All of the provisions of this Declaration regarding payment and liability for Assessments shall be applicable to any such Supplemental Annual Assessment and any other Special Assessment levied by the Board of Directors, both of which shall be in accordance with §718.116, Florida Statutes. In addition, the Association shall have the power to levy Special Assessments against Units in their respective fractional shares for the other following purposes: (i) for the costs incurred by the Association for specific purposes of a nonrecurring nature which are not capital improvements; or (ii) costs incurred by the Association for the acquisition, installation, construction, maintenance, repair or replacement of any capital improvements located or to be located within the Common Elements or Association Property. In addition to the reserves which may be required to be maintained by the Association, the Board of Directors may include line items in the operating portion of the budget to establish funds for future contingencies in each annual Assessment.

The Board's failure or delay in preparing or adopting the annual budget for any fiscal year shall not waive or release an Owner's obligation to pay Assessments whenever the amount of such Assessment is finally determined. In the absence of an annual Association budget each Owner shall continue to pay the annual Assessment at the rate established for the previous fiscal year until notified otherwise.

B. Individual Unit Charges. In addition to the Assessments authorized above, the Association may charge an Individual Unit Charge against a particular Unit for the purpose of defraying, in whole or in part, the cost of: (i) any construction, reconstruction, repair, replacement, remediation of a capital improvement upon the specific Unit, (ii) any remedial work done by the Association because of the specific Unit Owner's violation of the terms and conditions of this Declaration, (iii) other special services to such Unit or (iv) any other charges designated in this Declaration as an Individual Unit Charge. Unless otherwise expressly provided by the Board in writing, an Owner shall pay an Individual Unit Charge charged against such Owner on or before the first day of the month immediately following the month in which the same is charged. Each Owner of a Unit, by acceptance of a deed or other transfer document, whether or not it shall be expressed in such deed or transfer document is deemed to covenant, promise and agree to pay the Association the Individual Unit Charges.

C. Liability for Assessments and/or Individual Unit Charges. A Unit Owner, regardless of the manner in which he acquired title to his Unit including, without limitation, a purchaser at a judicial sale or by deed in lieu of foreclosure, shall be personally liable for all Assessments and/or Individual Unit Charges while he is the Owner of a Unit. A grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid Assessments against the latter for his share of the Common Expenses up to the time of the conveyance, except that the liability for prior Assessments of only first Mortgagees joining in a foreclosure action and acquiring title through foreclosure or deed in lieu of foreclosure shall be limited to the lesser of: (i) the Unit's unpaid Common Expenses and regular periodic Assessments which accrued or came due during the six (6) months immediately preceding the acquisition of title and for which

payment in full has not been received by the Association, or (ii) one percent (1%) of the original mortgage debt, provided the first mortgagee joined the Association as a defendant in the foreclosure action. The liability for Assessments and/or Individual Unit Charges may not be avoided by waiver of the use or enjoyment of any Common Elements, services or recreation facilities, or by abandonment of the Unit against which the Assessment was made. The Association may charge an administrative late fee, in addition to interest, on any late Assessment and/or Individual Unit Charge payments not to exceed the maximum amount permitted under the Condominium Act.

Any unpaid share of Common Expenses or Assessments for which a first mortgage Mortgagee is relieved from liability under the provisions of this Declaration shall be deemed to be a Common Expense, collectible from all Unit Owners, including the acquirer of the Condominium Parcel, his successors and assigns. A Mortgagee may not, during the period of its ownership of such Parcel, whether or not such Parcel is unoccupied, be excused from the payment of some or all of the Common Expenses coming due during the period of such ownership. Nothing contained herein shall abridge or limit the right or responsibilities of Mortgagees as set forth in the Condominium Act.

D. Delinquent Payment. Assessments and installments thereof and/or Individual Unit Charges not paid when due shall bear interest from the due date until paid at the maximum rate allowed under Florida law. The Association may charge, in addition to the interest, an administrative late charge for Assessments and/or Individual Unit Charges not paid when due in an amount established by the Board of Directors from time to time, but not to exceed the greater of Twenty-Five Dollars (\$25.00) or five percent (5%) of each installment. If the delinquent installment(s) of Assessments, including interest and any late charge(s) thereon and/or Individual Unit Charges, including interest and any late charge(s) thereon are not paid in full when due, the Association at its option may, in accordance with the requirements of the Condominium Act, declare all of the unpaid balance of the annual Assessment to be immediately due and payable without further demand and may enforce the collection thereof and all charges thereon in the manner authorized by law and this Declaration, including, without limitation, an action against the Owner for payment of amount due.

Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, then to any Individual Unit Charges and then to any delinquent Assessments. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation or instruction in or accompanying the payment.

E. Association Lien Rights and Remedies. The Association shall have a lien upon each Condominium Parcel to secure the personal obligation of each Unit Owner thereof for any unpaid Assessment and interest thereon. Such lien shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such Assessment or enforcement of such lien. The lien shall be evidenced by a claim recorded among the public records of the County in the manner provided by the Condominium Act. As to other than first mortgages of record, the lien shall relate back to the recording of the original Declaration of Condominium creating the Unit. As to first mortgages of record, the lien shall be effective from and as of the time of such recording. The Board of Directors may take such action as it deems necessary to collect

Assessments by bringing an action in its name to foreclose a lien for Assessments in the manner a mortgage of real property is foreclosed and/or bringing an action to recover a money judgment for the unpaid Assessments and/or Individual Unit Charges without waiving any claim of lien it may have on the unpaid Assessments. The Association is entitled to recover its reasonable attorney's fees incurred in either a lien foreclosure action against unpaid Assessments or an action to recover a money judgment for unpaid Assessments and/or Individual Unit Charges.

Liens for Assessments may be foreclosed by suit brought in the name of the Association in like manner as set forth in the Condominium Act. If the unit owner remains in possession of the unit after a foreclosure judgment has been entered, the court, in its discretion, may require the unit owner to pay a reasonable rental for the unit. If the unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent. The expenses of the receiver shall be paid by the party which does not prevail in the foreclosure action. The Association may bid for the Condominium Parcel at foreclosure sale and apply as a cash credit against its bid all sums due the Association secured by the lien being enforced, and the Association may acquire and hold, lease, mortgage and convey any Condominium Parcel so acquired.

F. Developer's Liability. The Developer will vote not to levy or fund reserves for one fiscal year from the date the Association begins operation, or when the Developer no longer controls the Board of Directors, whichever occurs first. If turnover has still not occurred, then the Developer shall reserve the right to vote to waive the reserves for a second fiscal year of Association operation, pursuant to the provisions of §718.112(2)(f) of the Condominium Act. Thereafter, the non-Developer Unit Owners may determine, by a majority vote, whether to fully or partially fund the reserves.

Provided, however, so long as the Association has maintained all insurance coverages required by Section 718.111(11)(a), Florida Statutes, the Common Expenses incurred during the Guarantee Period, resulting from a natural disaster or an Act of God, which are not covered by insurance proceeds from insurance maintained by the Association, may be assessed against all Unit Owners owning Units on the date of such natural disaster or Act of God, including the Developer, to the extent the Developer owns Units as of that date.

XII TERMINATION OF CONDOMINIUM.

The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain as more particularly described in this Declaration, or (ii) such time as the withdrawal of the Condominium Property from the provisions of the Act is authorized by a vote of the Owners owning at least eighty percent (80%) of the applicable interests in the Common Elements and by the Mortgagees of Units to which at least sixty-seven percent (67%) of the voting interests of the Units subject to mortgages held by Mortgagees are appurtenant. When the Board intends to terminate or merge the Condominium, or dissolve or merge the Association, the Board shall so notify the Division of Florida Land Sales, Condominiums and Mobile Homes before taking any action to terminate or merge the Condominium or the Association, in accordance with §718.117, Florida Statutes. In the event such withdrawal is authorized as aforesaid, the Condominium Property shall be subject to an action for partition by any Unit Owner, Mortgagee or lienor as if owned in common, in which event the net proceeds of the

partition sale shall be divided among all Unit Owners in proportion to their respective interest in the Common Elements, provided, however, that no payment shall be made to the Unit Owner until there has first been paid out of his share of net proceeds all the mortgages and liens on his Unit in the order of their priority. The termination of the Condominium, as aforesaid, shall be evidenced by a certificate of the Association executed by its president and secretary certifying as to the basis of termination and said certificate shall be recorded among the public records of the County. Upon recordation of said instrument, the Association shall notify the Division of Florida Land Sales, Condominiums and Mobile Homes, in accordance with §718.117, Florida Statutes. This paragraph shall not be amended without the consent of the Developer so long as it holds any Unit for sale in the ordinary course of business.

XIII LIMITATION OF LIABILITY.

A. Unit Owner Liability. The liability of each Unit Owner for Common Expenses shall be limited to the amounts assessed against him from time to time in accordance with the Condominium Act, this Declaration, the Articles and the Bylaws.

A Unit Owner may be personally liable for any damages caused by the Association in connection with the use of the Common Elements, but only to the extent of his or her pro rata share of that liability in the same fractional share as his interest in the Common Elements, and in no event shall said liability exceed the value of his Unit. Each Unit Owner shall be liable for injuries or damages resulting from an accident in his own Unit to the same extent and degree that the owner of a house or any other property owner would be liable for such an occurrence.

B. Association Liability. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable to Unit Owners for entry or damage, other than the cost of maintenance and repair, caused by any latent condition of the Condominium Property. Further, the Association shall not be liable for any such injury or damage caused by defects in the design or workmanship or other reason connected with any additions, alterations or improvements or other activities done by or on behalf of any Unit Owners regardless of whether or not the same shall have been approved by the Association as provided hereunder. The Association shall not be liable to any Unit Owner or lessee or to any other person or entity for any property damage, personal injury, death or other liability on the grounds that the Association did not obtain or maintain insurance (or carried insurance with any particular deductible amount) for any particular matter where: (i) such insurance is not required hereby, or (ii) the Association could not obtain such insurance at reasonable cost or upon reasonable terms.

C. Legal Action Against the Association. In any legal action in which the Association may be exposed to liability in excess of insurance coverage protecting it and the Unit Owners, the Association shall give notice of the exposure within a reasonable time to all Unit Owners, and they shall have a right to intervene in and defend any action arising therefrom.

XIV LIENS.

A. Liens Against All Condominium Property. With the exception of liens which may result from the initial construction of this Condominium or provided for in this Article, no

liens of any nature shall arise or be created subsequent to the recording of this Declaration against the Condominium Property (as distinguished from individual Units) without the unanimous consent of the Unit Owners.

B. Liens Against Units. Unless a Unit Owner has expressly requested or consented to work being performed or materials being furnished to his Unit, such labor or materials may not be the basis for the filing of a lien against same. No labor performed or materials furnished to the Common Elements shall be the basis for a lien thereon unless authorized by the Association, in which event, the same may be the basis for the filing of a lien against all Condominium Parcels in the proportions for which the Owners thereof are liable for Common Expenses.

C. Release of Liens. In the event a lien against two or more Condominium Parcels becomes effective, each Owner thereof may release his Condominium Parcel from the lien by paying the proportionate amount attributable to his Condominium Parcel. Upon such payment, it shall be the duty of the lienor to release the lien of record from such Condominium Parcel.

XV EASEMENTS.

A. Access Easement. A non-exclusive easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, and stairs, and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements and Association Property as may from time to time be intended for such purposes. All of such easements shall be for the use and benefit of the Unit Owners and their families, tenants, guests, servants, invitees and licensees; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium Property, except to the extent that space may be specifically designated and assigned for parking purposes. Provided, however, no restrictions on parking and types of vehicles shall apply to those vehicles which are used in connection with any activity relating to construction, maintenance or marketing of Units.

B. Easements for Encroachments. The Condominium Property shall be subject to perpetual easements for encroachments presently existing or which may hereafter be caused by settlement or movement of the Condominium Building, minor inaccuracies in construction, alteration or repair of Common Elements made by or with the consents of the Developer or Association, which easements shall continue until such encroachments no longer exist. If the Condominium Property is destroyed and then rebuilt, encroachments due to reconstruction shall be permitted and a valid easement for said encroachments shall exist. If any portion of the Common Elements encroaches upon any Unit, or any Unit encroaches upon the Common Elements, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements contained in the Condominium Property, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

C. Utility Easements. The Condominium Property and Association Property shall be subject to such easements for utilities as may be determined by the Association or required to properly and adequately serve the Condominium Property as it exists from time to time. Each of said easements, whether heretofore or hereafter created, shall constitute covenants running with

the land of the Condominium, and, notwithstanding any other provisions of this Declaration, may not be substantially amended or revoked in such a way as to unreasonably interfere with its proper and intended use and purpose and shall survive the termination of the Condominium. To the extent that the creation of any such utility easements require the joinder of Unit Owners, the Association by its duly authorized officers may, as the agent or the attorney-in-fact for the Unit Owners, execute, acknowledge and deliver such instruments; and the Unit Owners, by the acceptance of deeds to their Units, irrevocably nominate, constitute and appoint the Association, through its duly authorized officers, as their proper and legal attorney-in-fact for such purpose. Said appointment is coupled with an interest and is, therefore, irrevocable. Any such instrument executed pursuant to this Article shall recite that it is made pursuant to this Article.

D. Sales and Development Easements. The Developer hereby reserves for itself, its successors, nominees and assigns an easement over the Condominium Property exclusive of any Units not owned by it for any activity that Developer determines in its sole discretion to be necessary to consummate the sale, lease or rental of any Unit, including, but not limited to, the right to maintain models, post signs, use employees in the models or permit use of the Common Elements for marketing purposes. Further, such activities are hereby expressly authorized and permitted.

E. Drainage Easements. For so long as the Developer owns units for sale, the Developer reserves for itself and its designees an easement and a right on, over and under the ground within the Condominium Property to maintain and direct drainage of surface water and other erosion controls in order to maintain reasonable standards of safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of soil, or take any other similar action reasonably necessary in which event the Developer shall restore the effected Condominium Property to substantially its condition prior to its action. The Developer shall give reasonable notice of intent to take such action as to all affected Owners, unless in the opinion of the Developer an emergency exists which precludes such notice. The rights granted hereunder may be exercised at the sole option of the Developer and shall not be construed to obligate the Developer to take any affirmative action in connection therewith.

F. Stormwater Management System.

(1) Blanket Easement. The plan for the development of the Condominium includes the construction of a Stormwater Management System, which may include, without limitation, retention areas, swales, conduits, weirs, pipes, pumps, and berms across the Condominium Property. Developer hereby reserves for itself, its successors and assigns, and grants to the Association and its designees, a perpetual, nonexclusive easement over and across all areas of the surface water or stormwater management system for access to operate, maintain or repair the system. By this easement, the Developer and the Association shall have the right to enter upon any portion of the common elements or limited common elements which is a part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner, to operate, maintain or repair the surface water or stormwater management system as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual, non-exclusive easement for drainage over the entire surface water or stormwater management system. No person shall alter the drainage flow

of the surface water or stormwater management system, including buffer areas or swales, without the prior written approval of the St. Johns River Water Management District.

(2) Maintenance. The Association shall operate, maintain, and repair the Stormwater Management System as required by the St. Johns River Water Management District ("District") permit. In order to provide adequate assurance that this stormwater management system will adequately function, the following maintenance procedures are hereby established for the permanent maintenance staff: (i) inspect all inlets and control structures for vandalism, deterioration or accumulation of sand and debris, and remove debris and repair as necessary; (ii) inspect and remove any debris in control structures, or blockage of orifice system, if so equipped; (iii) inspect and/or repair skimmer boards around control structures as necessary. Such right expressly includes the right to cut any trees, bushes or shrubbery, to make any gradings of soil, construct or modify any berms placed along the rear of any Units as part of the Stormwater Management System, providing maintenance and erosion control to the embankments of the surface water management system or take any other action reasonably necessary, following which Developer or the Association shall restore the affected property to its original condition as nearly as practicable.

Such maintenance shall include the exercise of practices which allow the Stormwater Management System to provide drainage, water storage, conveyance, or other capabilities in accordance with all the permits, statutes, rules and regulations pertaining to surface water management, drainage, and water quality promulgated by the District, Florida Department of Environmental Protection, and all other local, state and federal authorities having jurisdiction. The Association shall maintain and control the water level and quality of the Stormwater Management System, the bottoms of any portion of the surface water management system or drainage easements which retain or hold stormwater on a regular basis. The Association shall have the power, as may be required by any applicable governmental entity, to control and eradicate plants, fowl, reptiles, animals, fish and fungi in and on any portion of the surface water management system or drainage easements. The Association shall maintain all shoreline vegetation and the grade and control of all embankments to the water's edge (as it may rise and fall from time to time) irrespective of ownership of such land, keep the grass, plantings, and other lateral support of the embankments in a clean and safe manner and to prevent erosion and shall remove trash and debris as it may accumulate in the System, from time to time.

(3) Use and Access. Developer and the Association shall have the right to adopt reasonable rules and regulations from time to time in connection with the use of the surface waters of any portion of the Stormwater Management System and shall have the right to deny such use to any person who, in the opinion of Developer or the Association, may create or participate in a disturbance or nuisance on any part of the Stormwater Management System. The use of such surface waters by the Owners shall be subject to and limited by the rules and regulations of Developer and the Association, all permits issued by governmental authorities, and any rights granted to other persons pursuant to the rules and regulations of Developer and the Association. Only Developer and the Association shall have the right to pump or otherwise remove any water from any part of

the Stormwater Management System for purposes of irrigation or any other use. No gas or diesel driven watercraft shall be operated on any portion of the Stormwater Management System, including the retention lakes.

(4) LIABILITY. NEITHER DEVELOPER NOR THE ASSOCIATION SHALL HAVE ANY LIABILITY WHATSOEVER TO OWNERS, GUESTS, TENANTS, OR INVITEES IN CONNECTION WITH THE SURFACE WATER MANAGEMENT SYSTEM AND DRAINAGE EASEMENTS OR ANY PART OF THE STORMWATER MANAGEMENT SYSTEM. EACH OWNER, FOR ITSELF AND ITS GUESTS, TENANTS, OR INVITEES RELEASES DEVELOPER AND THE ASSOCIATION FROM ANY LIABILITY IN CONNECTION THEREWITH.

NEITHER DEVELOPER, THE ASSOCIATION, NOR ANY OF THEIR SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (COLLECTIVELY), THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, RETENTION AREA, CANAL, CREEK, MARSH AREA, STREAM OR OTHER WATER BODY WITHIN OR ADJACENT TO THE PROPERTY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR ENTITY AS REFERENCED HEREIN. FURTHER, ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY LOCATED ADJACENT TO OR HAVING A VIEW OF ANY OF THE AFORESAID AREAS SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF A DEED TO, OR USE OF, SUCH PROPERTY, TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FROM ALL LIABILITY RELATED TO ANY CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN SUCH BODIES.

ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME ALLIGATORS AND OTHER WILDLIFE MAY INHABIT OR ENTER IN TO WATER BODIES CONTAINED WITHIN OR ADJACENT TO THE PROPERTY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT AGAINST ANY DEATH, INJURY OR DAMAGED CAUSED BY SUCH WILDLIFE.

ALL PERSONS ARE HEREBY NOTIFIED THAT LAKE BANKS AND SLOPES WITHIN CERTAIN AREAS OF THE PROPERTY MAY BE STEEP AND THAT DEPTHS NEAR SHORE MAY DROP OFF SHARPLY. BY THEIR ACCEPTANCE OF A DEED TO, OR USE OF, ANY UNIT WITHIN THE PROPERTY, ALL OWNERS OR USERS OF SUCH PROPERTY SHALL BE DEEMED TO HAVE AGREED TO HOLD HARMLESS THE LISTED PARTIES FROM ALL LIABILITY OR DAMAGES ARISING FROM THE DESIGN, CONSTRUCTION OR TOPOGRAPHY OR ANY LAKE BANKS, SLOPES OR BOTTOMS.

(5) Wetlands and Jurisdictional Lands. This Declaration is subject to the rights of the State of Florida over portion of the Property which may be considered wetlands, marshes, sovereignty or jurisdictional lands, and every Owner and the Association shall obtain any permit necessary prior to undertaking any dredging, filling, mowing, improving, landscaping, or removal of plant life existing on the Condominium Property.

(6) Rights of the District. Notwithstanding any other provisions contained elsewhere in this Declaration, the District shall have the rights and powers enumerated in this Article. The District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration which related to the maintenance, operation and repair of the Stormwater Management System. Any repair or reconstruction of the Stormwater Management System shall be as permitted, or if modified, as approved by the District. No person shall alter the drainage flow of the Stormwater Management Systems, including any buffer areas, swales, treatment berms or swales, without the prior written approval of the District. Any amendment to this Declaration which alters the Stormwater Management System, beyond maintenance in its original condition, including the water management portions of the Condominium and Association Property, must have prior written approval of the District. In the event that the Association is dissolved, prior to such dissolution, all responsibility relating to the Stormwater Management System must be assigned to and accepted by an entity approved by the District.

(7) Indemnity. Developer may be required to assume certain duties and liabilities for the maintenance of the Stormwater Management System or drainage system within the Property under the permits, or certain agreements with governmental agencies. The Association further agrees that subsequent to the recording of this Declaration, it shall hold Developer harmless from all suits, actions, damages, liabilities and expenses in connection with loss of life, bodily or personal injury or property damage arising out of any occurrence in, upon, at or from the maintenance of the Stormwater Management System occasioned in whole or in part by any action, omission of the Association or its agents, contractor, employees, servants, or licensees but not excluding any liability occasioned wholly or in part by the acts of the Developer, its successors or assigns. Upon completion of construction of the Stormwater Management System or drainage system Developer shall assign all its rights, obligations and duties thereunder to the Association. The Association shall assume all such rights, duties and liabilities and shall indemnify and hold Developer harmless therefrom.

G. Cable Television, Central Telecommunication and Data Receiving and Distribution System.

Developer hereby reserves unto itself, its successors and assigns, an exclusive easement for installing, maintaining and supplying the services of any central telecommunication and/or data receiving and distribution system serving the Condominium Property. This easement shall terminate when Developer no longer owns units for sale. Until this easement terminates, Developer reserves to itself, its successors and assigns, the right to connect any central telecommunication and/or data receiving and distribution system to such source as Developer

may in its sole discretion deem appropriate, including, without limitation, companies licensed to provide CATV or satellite service or wiring in the County, for which service Developer, its successors and assigns, shall have the right to charge the Association and/or individual Owners or Tenants a reasonable fee not to exceed any maximum allowable charge for phone, data or CATV or satellite service or wiring to commercial owners/users as from time to time defined by the Code of Laws and Ordinances of the County. Any additional services will be at the Unit Owners' cost and expense.

H. Construction; Maintenance.

Developer (including its affiliates and its or their designees, contractors, agents, successors and assigns) shall have the right, in its (and their) sole and absolute discretion from time to time, to enter the Condominium Property and take all other action necessary or convenient for the purpose of undertaking and completing the construction thereof, or any part thereof, of any improvement or Units located or to be located thereon, and for repair, replacement or maintenance or warranty purposes or where the Developer, in its sole and absolute discretion, determines that it is required or desires to do so.

I. Blanket Easements and Additional Easements.

The Association through its Board, on the Association's behalf and on the behalf of all Unit Owners (each of whom hereby appoints the president of the Association as its attorney in fact for this purpose) shall have the right to grant such additional general ("blanket") and specific electric, gas or other utility, cable television, security system, communications or service easement (together with appropriate bills of sale for equipment, conduits, pipes, lines and similar installations pertaining thereto) or modify or relocate any such existing easements or drainage facilities on any portion of the Condominium Property and to grant access easements or relocate any existing access easements over any portion of the Condominium Property, as the Board shall deem necessary or desirable for the proper operation and maintenance of the improvements, or any portions thereof or any improvements located on the Common Property or any improvements located within the Condominium Property for the purposes of carrying out any provisions of this Declaration provided that such easements or the relocation of such easements will not prevent or unreasonably interfere with the reasonable use of the Units for any dwelling purposes.

XVI USE RESTRICTIONS.

In order to provide for congenial occupancy of the Condominium Property and for the protection of the value of the Units, the use of the Condominium Property shall be in accordance with the following provisions, so long as the Condominium exists:

A. Occupancy. Owners shall notify the Association's manager in writing in advance of the arrival and departure of anyone other than the Unit's Owner who has permission to use a Unit in the Owner's absence. No person under eighteen (18) years of age shall occupy a Unit unless such person's parent or the Owner is also in residence. Except as otherwise specifically provided in this Declaration, no Unit shall be used for any purpose other than that of a residence for individuals living together as a single housekeeping unit, and uses customarily incidental

thereto; provided, however, that no Unit may be used as a group home, commercial foster home, fraternity or sorority house, or any similar type of lodging, care or treatment facility. Notwithstanding the foregoing: (i) an occupant maintaining a personal or professional library, keeping personal business or professional records or accounts, conducting personal business (provided that such use does not involve customers, employees, licensees or invitees coming to the Unit), making professional telephone calls, or corresponding in or from a Unit, is engaging in a use expressly declared customarily incidental to residential use and shall not be in violation of these restrictions; (ii) it shall be permissible for the Developer to maintain, during the period of its sale or rental of Units, one or more Units as sales and rental models and offices, and for storage and maintenance purposes; and (iii) one or more Units may be maintained for the use of the Association in fulfilling its responsibilities. The Board of Directors shall have the right to promulgate, modify and abrogate, from time to time, reasonable rules and regulations regarding permissible business activities within a Unit.

B. Limitation in 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 enjoyment of the Units. There shall be no obstruction or alteration of, nor shall anything be stored, altered or constructed in, or removed from, the Common Elements or Limited Common Elements without the written consent of the Association. Children shall not play on or about the Common Elements or Limited Common Elements except under the reasonable supervision of a responsible adult.

C. Leasing of Units. The leasing of Units shall be restricted as follows:

(i) General. No Owner shall lease his Unit for transient or hotel purposes, and no Owner of a Unit may lease less than his entire Unit. The Board of Directors shall have the right, but not the obligation, in its sole and absolute discretion, to approve a lease form that must be used by any Unit Owner wishing to lease his or her Unit. If the Board does so approve a lease form then the Board shall maintain and, upon request, shall provide the lease form to Unit Owners that is deemed acceptable. All leases shall be required to be in writing, and except for Units leased by Developer shall have a minimum term of three (3) months, or such lesser term as is required by Fannie Mae Project Standards, Legal Requirements. There shall be no subleasing of a Units or assignment of leases without written approval of the Association. Within ten (10) days after executed a lease agreement for the lease of a Unit, the Owner shall provide the Board (or the property manager, if applicable) with a true copy of the lease and the name of the tenant and all other people occupying the Unit. Each Unit Owner covenants and agrees to provide each tenant with copies of this Declaration, the Articles of Incorporation, Bylaws and rules and regulations and/or architectural criteria promulgated by the Board, and any and all amendments of the same.

(ii) Liability for Assessments and/or Individual Unit Charges, Use of Common Elements and Compliance with Declaration, Articles, Bylaws, Rules and Regulations and Architectural Criteria. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be deemed incorporated into the lease by existence of this covenant, and the tenant, by occupancy of the Unit, agrees to the applicability and incorporation of the following language into the lease:

(a) Compliance with Declaration, Articles, Bylaws, Rules and Regulations and Architectural Criteria. The tenant shall comply with all provisions of the Declaration, Articles, Bylaws, Rules and Regulations and Architectural Criteria (if any) adopted pursuant thereto and shall control the conduct of the other occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all tenants and/or occupants of his or her Unit to comply with the Declaration, Articles, Bylaws, Rules and Regulations and Architectural Criteria (if any) adopted pursuant thereto, and shall be responsible for all violations by such tenants and/or occupants, notwithstanding the fact that such tenants and/or occupants of the Unit are fully liable and may be sanctioned for any such violation. If the tenant, or a person living with the tenant, violates the Declaration, Articles, Bylaws, Rules and Regulations and Architectural Criteria (if any) adopted pursuant thereto for which a fine is imposed, notice of the violation shall be given to the Owner and the tenant, and if the fining committee imposes a fine, such fine shall be an Individual Unit Charge against the Unit, payable by the tenant. If such fine is not paid by the tenant within the time period set forth by the fining committee, the Owner covenants, promises and agrees to pay the fine as an Individual Unit Charge upon notice from the Association of the tenant's failure to pay the fine and will be subject to the same enforcement procedures for Individual Unit Charges as is set forth elsewhere in this Declaration.

Any violation of the Declaration, Articles, Bylaws, Rules and Regulations and Architectural Criteria (if any) adopted pursuant thereto by the tenant or any occupant or guest living with the tenant is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the tenant in accordance with Florida law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority (but not the responsibility) of enforcement against the tenant for breaches resulting from violation of the Declaration, Articles, Bylaws, Rules and Regulations and Architectural Criteria (if any) adopted pursuant thereto, including the power and authority (but not the responsibility) to evict the tenant as attorney-in-fact on behalf of and for the benefit of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the tenant, any and all costs of the eviction, including, without limitation, reasonable attorney's fees and court costs associated with the eviction shall be an Individual Unit Charge against the Unit.

(b) Use of Common Elements. The Owner transfer and assigns to the tenant, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements, including, but not limited to, the use of any and all recreational facilities and other amenities.

(c) Liability for Assessments and/or Individual Unit Charges. When a Unit Owner who is leasing his or her Unit fails to pay any annual Assessment, Supplemental Annual Assessment, Special Assessment or Individual Unit Charge charged against the Unit for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the tenant during the period of delinquency, and, upon request by the Board, the tenant shall pay to the Association all unpaid annual Assessments, Supplemental Annual Assessments, Special Assessments or Individual Unit Charges payable during and prior to the term of the lease and any other periods of occupancy by tenant. However, tenant need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such

payments made by tenant shall reduce, by the same amount, tenant's obligation to make monthly payments to the Owner. If tenant fails to comply with the Board's request to pay any of the above Assessments and/or Individual Unit Charges, tenant shall pay to the Association all amounts authorized under the Declaration as if tenant were an Owner. None of the foregoing shall be construed to release the Owner from any obligation, including the obligation to pay annual Assessments, Supplemental Annual Assessments, Special Assessments and/or Individual Unit Charges, for which he or she would otherwise be responsible.

(iii) Further Restrictions on Leasing. Each Owner covenants and agrees that the Board of Directors shall have the right, from time to time, to establish, amend and abrogate reasonable rules and regulations further restricting leasing.

(iv) Applicability of this Section. Notwithstanding the above, except as required by the Act, or the regulations implementing the Act, as the Act or such regulations may be amended from time to time, the foregoing restrictions on leasing shall not be applicable to any leasing transaction entered into by the Developer (regardless of whether said lease is entered into prior to or after the Developer has relinquished control of the Association in accordance with Section 718.301 of the Act, the Association, or the holder of any first mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage.

D. Nuisance. No obnoxious or offensive activities shall be permitted upon the Condominium Property nor any use or practice which is a nuisance to Unit Owners or their families, guests, tenants, servants, invitees or licensees, 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. The Board of Directors shall have the absolute and unrestricted right to determine in its sole discretion whether any activity constitutes a nuisance in violation of this Declaration and the decision of the Board shall be final.

E. Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or of 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. The Condominium Property, the Condominium Building and any and all of the Units shall comply at all times with the requirements of the Life Safety Code Handbook published by the National Fire Protection Association, as such may be amended from time to time.

F. Automobiles and other Motor Vehicles, Trailers, Parking, etc. Motor vehicles shall be operated and parked only upon those portions of the Common Elements and Limited Common Elements designated for such purpose by the Board. Mobile homes, motor homes, truck campers, oversized vehicles (excepting larger SUV's and Hummers), recreational vehicles, trailers of any kind and boats are prohibited and shall not be kept, placed, stored, parked, maintained or operated upon any portion of the Property. No Owner, nor any occupant of such

Owner's Unit including tenants, nor any of their respective family members, employees, guests, invitees or licensees, shall park in any parking space the exclusive use of which has been assigned to another Owner; each Owner hereby expressly agreeing that, in the event of the violation of this provision, the Association shall have the right to have any such vehicle removed at the expense of the violating Owner and the cost incurred by the Association to have any such vehicle removed and stored shall be charged against the violating Owner as an Individual Unit Charge. Further, the violating Owner hereby expressly waives any claim against the Association or the party removing any such vehicle owned by the Owner for any damage that may be incurred thereby in the removal and storage thereof; and the violating Owner hereby expressly agrees to indemnify and hold harmless the Association and the party removing any such vehicle owned by any occupant of such violating Owner's Unit, including tenants, or any of their respective family members, employees, guests, invitees or licensees for any damage that may be incurred thereby in the removal and storage thereof.

G. Exterior Appearance. To provide a neat, attractive and harmonious appearance throughout the Condominium, each Owner shall adhere to, and shall cause the occupants of such Owner's Unit including tenants, as well as their respective family members, employees, guests and invitees, to adhere to the following restrictions:

(1) No foil or other reflective materials shall be used on any window or door of any Unit for sun screens, blinds, shades or any other purpose. All shutters shall be neutral in color on the exterior side and all curtains or draperies covering any windows, doors or enclosures that may be seen from the outside shall be of a solid material (having no pattern), neutral in color, or be lined on the exterior side with a solid material that is neutral in color. No clothing, rugs or any other item shall be hung on or from any balcony, window or other exterior opening. Nothing shall be dropped, thrown, swept or otherwise expelled from any window, door or balcony. No plants, pots, receptacles or other decorative articles shall be kept, placed, hung or maintained on any ledge or balcony railing. All loose or movable objects shall be removed from balconies upon notice of an approaching hurricane or other inclement weather characterized by conditions of high winds.

(2) Window mounted air-conditioners are prohibited in respect to all Units.

(3) Refuse and garbage shall be deposited only in the receptacles provided therefore. No garbage cans, supplies or other articles serving the occupants of a particular Unit shall be placed in any halls, corridors, stairwells or any other portion of the Common Elements. Fire exits shall not be obstructed in any manner, and the Common Elements shall be kept free and clear of rubbish, debris and the unsightly material.

(4) Sidewalks, entrances, halls, corridors, elevator, lobbies, stairways and all other portions of the common Elements intended for ingress and egress shall not be obstructed or used for any purpose other than ingress and egress to and from the premises; nor shall any carriages, velocipedes, bicycles, wagons, shopping carts, chairs, benches, tables or any other object of a similar nature be stored therein.

(5) The personal property of all Unit occupants shall be stored within the Unit or within any storage space assigned as a Limited Common Element to the Unit, or within the

balcony serving the Unit in such a manner as not to be unsightly or interfere with the comfort and convenience of the occupants of other Units or in such a manner as not to detract from the attractiveness and harmonious appearance of the Condominium in general. The garage (including the parking spaces but excluding the storage spaces) beneath the building containing the Units shall not be used by the Owners and their tenants for the storage of anything other than their motor vehicles. The Association may permit Owners and their guests to store bicycles within their respective parking spaces so long as the same, in the opinion of the Association, do not constitute a nuisance or interfere with the use and maintenance of the garage.

H. No Unit Owner shall install, within his or her Unit, or upon the Common Elements or Condominium Property, non-breathable wall-coverings or low-permeance paints. Additionally, any and all built-in casework, furniture, and or shelving in a Unit must be installed over floor coverings to allow air space and air movement and shall not be installed with backboards flush against any gypsum board wall. Additionally, all Unit Owners, whether or not occupying the Unit, shall periodically run the air conditioning system to maintain the Unit temperature, whether or not occupied, at 78 degrees F, to minimize humidity in the Unit.

While the foregoing are intended to minimize the potential development of molds, fungi, mildew and other mycotoxins, each Owner understands and agrees that there is no method for completely eliminating the development of molds or mycotoxins. The Developer does not make any representations or warranties regarding the existence or development of molds or mycotoxins and each Owners shall be deemed to waive the expressly release any such warranty and claim for loss or damages resulting from the existence and/or development of same. In furtherance of the rights of the Association as set forth above, in the event that the Association reasonably believes that the provisions of this Section are not being complied with, then, the Association shall have the right (but not the obligation) to enter the Unit (without requiring the consent of the Owner or any other party) to turn on the air conditioning in an effort to cause the temperature of the Unit to be maintained as required hereby (with all utility consumption costs to be paid by the Unit Owner). If the utilities have been turned off, the Association shall have the right to connect the electric service and the Unit Owner would be responsible for promptly reimbursing the Association.

I. Antennae. To the extent permitted by law, no antenna or other device for the transmission or reception of television signals, radio signals, or any form of electromagnetic radiation or other signals shall be erected, used, or maintained outdoors on any portion of the Condominium, whether attached to a building or structure or otherwise; provided, however, Developer and the Association shall have the right to erect, construct and maintain such devices. Nothing in this section shall be deemed to interfere with 47 C.F.R. Section 1.4000, which prohibits certain restrictions on the use of antennas used to receive video programming.

J. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken on any portion of the Property.

K. No Discrimination. No action shall at any time be taken by the Association or its Board which in any manner should discriminate against any Owner or Owners in favor of any other Owner or which would discriminate against any tenants of Owners.

L. Governmental Regulations. All governmental building codes, health regulations, zoning restrictions and the like applicable to the Condominium shall be observed. In the event of any conflict between any provisions of any such governmental code, regulation or restriction and any provision of this Declaration, the more restrictive shall apply.

M. Insurance. No use shall be made of any Unit or of the Common Elements or Limited Common Elements which will increase the rate of insurance upon the Condominium Property without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements or Limited Common Elements which will result in a cancellation of insurance on any Unit or any part of the Common Elements, or which will be in violation of any law, including without limitation any law, rule or regulation governing the storage, use, generation, or disposal of hazardous or toxic materials.

N. Hurricane Shutters. The Board of Directors may, from time to time, establish hurricane shutter, titanium screen or laminated glass or window film specifications which comply with the applicable building code and which establish permitted colors/tints, styles and materials for hurricane shutters, titanium screens or such laminated glass or indoor window film. Subject to the provisions of Article VI, the Association shall approve the installation or replacement of hurricane shutters, titanium screens or laminated glass and/or window film as applicable, conforming with the Board's specifications. The Board may, with the approval of the majority voting interests of the Condominium, install hurricane shutters, titanium screens or laminated glass or other indoor window film and may (without regard to approval of the membership) maintain, repair or replace such Common Elements, Units or Association Property; provided, however, that if titanium screens, laminated glass and/or window film in accordance with all applicable building codes and standards, architecturally designed to serve as hurricane protection is installed, the Board will not install and need not permit the installation of hurricane shutters in accordance with this provision. If shutters are permitted, all shutters shall remain open unless and until a storm or a storm warning is announced by the National Weather Center or other recognized weather forecaster and must be re-opened within 48 hours of the discontinuance of a storm warning by the National Weather Center or other recognized weather forecaster. A Unit Owner or occupant who plans to be absent during all or any portion of the hurricane season must prepare a Unit prior to departure by designating a responsible firm or individual to care for his Unit should a hurricane threaten the Unit or should the Unit suffer hurricane damage and must furnish the Association with the names of such firm or individual.

O. Signs. No sign of any kind shall be displayed to public view on or from any Unit or the Common Elements without the prior written consent of the Board of Directors, which may be withheld in its sole discretion, except that the Developer shall be entitled to install such marketing signs as are necessary and convenient during the period of time the Developer is marketing the Units.

P. Pets. Unit Owners are granted a license to maintain not more than a total of two (2) pets, which must be either dogs or cats. The maintenance of pets is a license and not a

privilege and is subject to such rules and regulations as the Board of Directors may, from time to time, adopt, including, without limitation, limitations on the size and weight of the dogs and cats, the obligation to leash all dogs and to clean up all animal waste. A Unit Owner is fully responsible for any damage to person or property caused by his Pet. Neither the Board nor the Association shall be liable for any personal injury, death or property damage resulting from a violation of the foregoing and any occupant, tenant and/or Owner of a Unit committing such a violation shall fully indemnify and hold harmless the Developer, the Board of Directors, the Association and each other Unit Owner in such regard. In the event of any damage to the Condominium Property caused by a Pet, the decision of the Board of Directors as to the amount of the damage shall be determinative and the Unit Owner shall be charged to the Unit Owner's account said amount as an Individual Unit Charge. No pets shall be housed in any Limited Common Element areas. Further, all pet owners will be expected to comply with all county and city codes and ordinances regulating domestic animals. Any pet that violates the foregoing restrictions and/or which becomes a nuisance, in the sole and absolute discretion of the Board of Directors, shall be removed from the Property and a Unit Owner's failure to remove a pet creating a nuisance shall, in addition to all other remedies available to the Association or another Unit Owner seeking enforcement of this provision at law or in equity, be subject to fines (as provided hereafter) for each day such Unit Owner fails to abide by the Board's decision.

Q. Floor Coverings. Installation of hard surfaced floor coverings such as tile, marble, wood and the like in any portion of the Unit (or Limited Common Elements appurtenant thereto) other than foyers, bathrooms and kitchens, must first be submitted to and approved by the Board of Directors, and if approved, meet all sound installation standards established by the Board from time to time and also meet applicable structural requirements. Further, approval shall only be granted if Owners use the installation materials approved, from time to time, by the Board. At the time of construction, all areas of the Unit which have hard surfaced flooring will be underlaid with an approved material. Developer makes no representations or warranties with respect to the sound transmission qualities of such material. The installation of any improvement or heavy object must be submitted to, and approved by, the Board, and must be compatible with the overall structural design of the Building. The Board of Directors may require a structural engineer to review certain of the proposed improvements with such review to be at the Owner's sole cost and expense. In addition, the Board will have the right to specify the exact material to be used on balconies. Owners will be held strictly liable for all violations of these restrictions and for all damages resulting therefrom and the Association has the right to require immediate removal of such violations. Each Owner by acceptance of a deed or other conveyance to their Unit, hereby acknowledges and agrees that sound transmission in a multi-story building such as the Condominium is very difficult to control and that noises from adjoining or nearby Units or mechanical equipment can often be heard in another Unit. The Developer does not make any representation or warranty as to the level of sound transmission between and among the Units and other portions of the Condominium Property, and each Unit Owner hereby waives and expressly releases any such representation and warranty and claim for loss or damages resulting from sound transmission.

R. Attractiveness and Safety of Units.

(1) Each Owner shall keep all parts of his Unit in good order and repair and free from debris or hazards. Each Owner shall keep in a neat and clean condition and free of

debris or hazards any balcony serving such Owner's Unit and any reserved parking space(s) or storage space assigned to such Owner's Unit as a Limited Common Element.

(2) Clotheslines. No clothesline or other clothes-drying apparatus shall be permitted in any part of a Unit, or any Limited Common Element such as a balcony or assigned parking space, where it may be visible from the Common Elements, Limited Common Elements or any other Unit.

(3) Garbage and Trash Containers. All garbage and trash containers must be placed and maintained in accordance with Rules and Regulations adopted by the Board. No portion of the Property shall be used for dumping refuse.

(4) Balconies. No Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors, balconies, porches, lanais or windows of the Building (including, but not limited to, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), nor plant or grow any type of shrubbery, flower, tree, vine grass or other plant life outside its Unit, without the prior written consent of the Association, subject always to the provisions thereof. The provisions of this section shall not prohibit a Unit Owner from displaying one portable, removable United States flag in a respectful manner; and on Armed Forces Day, Memorial Day, Flag Day, Independence Day and Veterans Day, a Unit Owner may display in a respectful way, portable, removable official flags, not larger than 41/2 feet by 6 feet, that represent the United States Army, Navy, Air Force, Marine Corps, or Coast Guard.

S. Rules or Regulations. Reasonable rules and regulations governing the details of the operation, use, maintenance and control of the Units, Common Elements, Limited Common Elements, the Condominium Property and any facilities or services made available to the Unit Owners may be promulgated, modified or amended, from time to time, by the Board. 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. The Association shall have the right to enforce all restrictions set forth in this Article and in the Declaration in any manner it deems necessary, including, without limitation, suits for injunctions, actions for damages, or fines.

XVII INSURANCE.

A. Purchase of Insurance. The Association shall use its best efforts to obtain and maintain adequate insurance to protect the Association, the Association Property, the Common Elements and Condominium Property. Such insurance shall include fire and extended coverage insurance, vandalism and malicious mischief insurance insuring all of the insurable improvements within the Common Elements, together with such other insurance as the Association deems necessary, in a company with an "A+10" rating or better, in an amount which shall be equal to the maximum insurable replacement value as determined annually. The premiums for such coverage and other expenses in connection with said insurance shall be assessed against the Unit Owners as part of the Common Expenses. The named insured shall be the Association, individually and as agent for the Unit Owners, without naming them, and as agent for their Mortgagees.

(1) Provision shall be made for the issuance of Mortgagee endorsements and memoranda of insurance to Mortgagees. Such policies shall provide that payments for losses thereunder by the insurer shall be made to the Insurance Trustee hereinafter described, and all policies and endorsements thereon shall be deposited with the Insurance Trustee.

(2) For purposes of this and the following Article, all buildings constituting the Condominium, as described in Exhibits C and D, shall collectively be deemed one Building and shall include any additional buildings as a part thereof which may hereafter become a part of this Condominium.

B. Coverage.

(1) Casualty. All buildings and improvements upon the Property described in Exhibit A shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, and all personal property included in the Common Elements shall be insured for its maximum insurable replacement value, said value to be determined annually by the Board of Directors. The Board shall have the discretion to approve such coverage and limits as they deem prudent and reasonable. Such coverage shall afford protection against:

- (a) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement.
- (b) Flood and windstorm insurance to the extent available.
- (c) Such other risks as from time to time shall customarily be covered with respect to buildings similar in construction, location and use as the buildings described in this subparagraph A(2) including, but not limited to, vandalism and malicious mischief.
- (d) Every hazard policy which is issued to protect a Condominium Building shall provide that the word "building" wherever used in the policy includes, but is not necessarily limited to, fixtures, installations or additions comprising that part of the building within the unfurnished interior surfaces of the perimeter walls, floors and ceilings of the individual Units initially installed, or replacements thereof of like kind or quality, in accordance with the original plans and specifications. Provided, however, the word "building" does not include Unit floor coverings, wall coverings or ceiling coverings, or any of the following: electrical fixtures, appliances, water heaters or built-in cabinets within the Units, and heating and air conditioning equipment, whether located within or without the Unit, nor any furniture or furnishings.

(2) Public liability insurance in such amounts and with such coverage as shall be required by the Board of Directors, including, but not limited to, hired automobile and

non-owned automobile coverages, including a cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.

(3) Worker's compensation insurance meeting all the requirements of the laws of Florida.

(4) Directors and officers liability insurance, if available.

(5) Fidelity Insurance, covering all persons who control or disburse Association funds, in an amount equal to the maximum funds in the custody of the Association or its management agent at any one time.

(6) Such other insurance as the Board of Directors shall determine from time to time to be desirable, including, without limitation, such insurance as may be required by any agency of the United States government which holds a first mortgage encumbering a Unit or insures to the holder thereof the payment of the same.

C. Individual Policies. Every insurance policy issued to an individual Unit Owner shall provide that the coverage afforded by such policy in excess over the amount recoverable under any other policy shall cover the same property without rights of subrogation against the Association.

D. Premiums. Premiums upon insurance policies purchased by the Association shall be assessed by the Association against the Unit Owners as part of the Common Expenses. If, at any time, the cost of the insurance premiums may be deemed too high, the Board may adjust such insurance coverage as it deems prudent and reasonable.

E. Insurance Trustee: Shares of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association, the Unit Owners and their Mortgagees, as their interest may appear, and shall provide that all proceeds covering property losses shall be paid to an Insurance Trustee which shall be designated by the Board of Directors. The Insurance Trustee shall not be liable for payment of premiums, the renewal or the sufficiency of policies, or the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein and for the benefit of the Unit Owners and their Mortgagees in the following shares, which shares need not be set forth on the records of the Insurance Trustee:

(1) Common Elements. Proceeds on account of damage to Common Elements: an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Element appurtenant to his Unit.

(2) Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(a) When the Condominium Building is to be restored, for the Unit Owner so damaged in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Association.

- (b) When the Condominium Building is not to be restored, an undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.

(3) Mortgages. In the event a Mortgagee endorsement has been issued as to a Unit, the share of that Unit Owner shall be held in trust for the Mortgagee and the Unit Owner, as their interest may appear; provided, however, that no Mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no Mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except those proceeds paid to the Unit Owner and Mortgagee pursuant to the provisions of this Declaration.

F. Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed in the following manner:

(1) Expenses of the Trustee. All expenses of the Insurance Trustee shall be paid first or provision made therefor.

(2) Reconstruction or repair. If the damage for which the proceeds are paid shall be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners thereof, remittances to Unit Owners and their Mortgagees being payable jointly to them. This is a covenant for the benefit of any Mortgagee of any Unit and may be enforced by such Mortgagee.

(3) Failure to reconstruct or repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners thereof, remittance to Unit Owners and their Mortgagees being payable jointly to them. This is a covenant for the benefit of any Mortgagee of any Unit and may be enforced by such Mortgagee.

(4) Certificate. In making distributions to Unit Owners and their Mortgagees, the Insurance Trustee may rely upon a certificate of the Association, executed by its President or Vice President and Secretary or Assistant Secretary, as to the names of the Unit Owners and their respective shares of the distribution.

G. Association as Agent. The Association is hereby irrevocably appointed agent for each Unit Owner, for each applicable Mortgagee and for each owner of any other interest in the Condominium Property, with power to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims.

H. Unit Owner's Obligation. Each Unit Owner shall have the obligation to purchase public liability insurance to protect himself against claims due to accidents within his Unit, and casualty insurance on the contents within said Unit. In addition, each Unit Owner should review

the coverage of the Association to determine any additional insurance that may be advisable for him or her to purchase.

XVIII RECONSTRUCTION OR REPAIR AFTER CASUALTY.

A. Determination to Reconstruct or Repair. If any part of the Condominium Property is damaged by casualty, whether it shall be reconstructed or repaired shall be determined in the following manner:

- (1) Common Elements. If the damaged improvement is a Common Element, the damaged property shall be reconstructed or repaired unless it is determined in the manner elsewhere provided that the Condominium shall be terminated.
- (2) Condominium Building:
 - (a) Lesser damage. If the damaged improvement is the Condominium Building, and if Units to which fifty percent (50%) or more of the Common Elements are appurtenant are found by the Board of Directors to be tenantable, the damaged property shall be reconstructed or repaired unless, within sixty (60) days after the casualty, it is determined by agreement in the manner elsewhere provided that the Condominium shall be terminated.
 - (b) Major damage. If the damaged improvement is the Condominium Building, and if Units to which more than fifty percent (50%) of the Common Elements are appurtenant are found by the Board of Directors to be untenable, the damaged property shall neither be reconstructed nor repaired and the Condominium shall be terminated without agreement as elsewhere, provided unless, within sixty (60) days after the casualty, the majority of Owners of the Common Elements agree in writing to such reconstruction or repair.
- (3) Certificate. The Insurance Trustee may rely upon a certificate of the Association executed by its President or Vice President and Secretary or Assistant Secretary in determining whether the damaged property is to be reconstructed or repaired.

B. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original Condominium Property; or, if not, then in accordance with plans and specifications approved by the Board of Directors and, if the damaged property is the Condominium Building, by the Owners of not less than seventy five percent (75%) of the Common Elements, including the Owners of all damaged Units, whose approval shall not be unreasonably withheld.

C. Responsibility. If the damage is only to those portions of a Unit or Units for which the responsibility of maintenance and repair is that of the Unit Owner(s), then the Unit

Owner(s) shall be responsible for reconstruction and repair after casualty. In all other instances, it shall be the Association's responsibility to reconstruct and repair after casualty.

D. Estimate of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility for reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

E. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction or repair, the funds for the payment of the costs thereof are insufficient, Assessments shall be made against all Unit Owners in sufficient amounts to provide funds for the payment of such costs.

F. Construction Funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of insurance proceeds held by the Insurance Trustee and funds collected by the Association from Assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:

(1) Association. If the total Assessments made by the Association in order to provide funds for the payment of costs of reconstruction and repair which is the responsibility of the Association exceed \$50,000.00, the sums paid upon such Assessments shall be deposited by the Association with the Insurance Trustee. In all other cases, the Association shall hold the sums paid upon such Assessments and 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 deposited with the Insurance Trustee by the Association from collections of Assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(a) Association – Under \$50,000.00. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than \$50,000.00, 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 any 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.

(b) Association – Over \$50,000.00. If the amount of estimated costs of reconstruction and repair which is the responsibility of the Association is \$50,000.00 or more, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors upon approval of an architect qualified to practice in Florida and employed by the Association to supervise the work.

(3) Unit Owner. The portion of the insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a Unit Owner shall be paid by the Insurance Trustee to the Unit Owner, and, if there is a Mortgagee endorsement as to such Unit, then to the Unit Owner and the Mortgagee jointly.

(4) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of 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 stated; except, however, that the part of a distribution to a beneficial owner which represents Assessments paid by such Owner into the construction fund shall not be made payable to any Mortgagee.

(5) 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, whether the disbursements from the construction fund are to be upon the order of the Association or upon approval of an architect or otherwise, whether a disbursement is to be made from the construction fund, or whether surplus funds to be distributed are less than the Assessments paid Owners. Instead, the Insurance Trustee may rely upon a certificate of the Association, executed by its President or Vice President and Secretary or Assistant Secretary, as to any or all of such matters stating that the sums to be paid or due and properly payable in the name of the designated 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 of any distribution or insurance proceeds to a Unit Owner; 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 prior to disbursements in payment of costs of reconstruction and repair.

G. Failure to Reconstruct. In the event of "major damage" to or destruction of all or a substantial part of the Condominium Property and if the Property is not repaired, reconstructed or rebuilt within a reasonable period of time, any Unit Owner shall have the right to petition a court of competent jurisdiction for equitable relief which may, but need not, include termination of the Condominium and partition.

XIX EMINENT DOMAIN OR CONDEMNATION PROCEEDING.

A. Deposit of Awards With Insurance Trustee. The taking of portions of Condominium Property or Association Property by the exercise of the power of eminent domain shall be deemed a casualty and any awards for that taking will be deemed to be proceeds of insurance on account of the casualty and shall be deposited with the Insurance Trustee. Even though the awards may be payable to the Unit Owners, Unit Owners shall deposit the awards with the Insurance Trustee, and, in the event of failure to do so, in the discretion of the Directors of the Association, a charge shall be made against the defaulting Unit Owner in the amount of

the award or the amount of the award shall be set off against funds hereinafter made payable to that Owner.

B. Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for whether damaged Property will be constructed or repaired after a casualty. For this purpose, the taking by eminent domain shall also be deemed a casualty.

C. Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the award and Special Assessments shall be deemed to be insurance proceeds and shall be owned and distributed in a manner provided with respect to the ownership and distribution of insurance proceeds, as if the Condominium is terminated after casualty.

If the Condominium is not terminated after condemnation, the size of the Unit, and the remaining portion of the Unit can remain habitable (in the sole opinion of the Association) the award from the taking of the portion of the Unit shall be used for the following purposes and in the order stated and the following changes shall be made to the Condominium:

(a) Restoration of the Unit. The Unit shall be made habitable and if the cost of the restoration exceeds the amount of the award, the additional funds required shall be charged to and paid by the Owner of the Unit;

(b) Distribution of Surplus. The balance of the award, with respect to the Unit, if any, shall be distributed to the Owner of the Unit and to each Mortgagee of the Unit, the remittance being made payable jointly to the Owner and to such Mortgagees;

D. Unit Made Non-Inhabitable. If the taking is of the entire Unit or so reduces the size of the Unit that it cannot be habitable (in the sole opinion of the Association), the award for the taking the Unit shall be used for the following purposes and in the order stated and the following changes shall be made to the Condominium:

(1) Payment of Award. The award shall be paid first to the applicable Mortgagee in the amount sufficient to pay off any Mortgagee in connection with such Unit which is not habitable; Second, to the Association for any due and unpaid Assessments; Third, jointly to the effective Unit Owners and other Mortgagees of their Units. In no event shall the total of such distributions, with respect to a specific Unit, exceed the market value of such Unit immediately prior to the taking. The balance, if any, shall be applied to the repairing or replacing of Common Elements.

(2) Addition to the Common Elements. The remaining portion of the Unit, if any, shall become a part of the Common Elements and shall be placed in a condition allowing, to the extent possible, for the use of all Unit Owners, in a manner approved by the Board of the Association, provided that if the cost of the work therefore shall exceed the balance of the funds of the award from the taking, such work shall be approved in the manner elsewhere required for capital improvement to the Common Elements.

(3) Adjustment of Shares. The shares of any Common Element, Common Expenses, and Common Surplus pertinent to the Units that continue as a part of the

Condominium shall be adjusted to distribute the shares of the Common Element, Common Expenses and Common Surplus among the reduced number of Unit Owners (in and among the reduced Units). This shall be affected by restating the shares of the continuing Unit Owners as follows:

The numerator shall be 1 and the denominator shall be the total number of remaining habitable units.

(4) Assessments. If the balance of the award (and after payments to the Unit Owner and such Unit Owner's Mortgagees as provided above), for the taking is not sufficient to alter the remaining portions of the Unit for the use with the Common Elements, the additional funds required for such purposes shall be raised for Assessments against all the Unit Owners who will continue as Owners of Units after the changes in the Condominium affected by this taking. The Assessment shall be made in proportion to the applicable percentage shares of those Owners after all adjustments to such shares effective pursuant hereto, by reason of this taking.

(5) Arbitration. If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and Mortgagees of each Unit and the Association within thirty (30) days after notice of any dispute by any affected party, the value shall be determined by arbitration in accordance with, if any, 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. A judgment upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction in accordance with the Florida Arbitration Code. The cost of Arbitration proceedings shall be assessed against all Unit Owners, including all Unit Owners who will not continue after the taking, in proportion to the applicable percentage shares of such Unit Owners as they exist prior to the adjustment of such shares effective pursuant hereto and by reason of the taking.

E. Taking of Common Elements. The award for the taking of Common Elements shall be used to render the remaining portion of the Common Elements able to be usable in the manner provided by the Board of Directors of the Association; provided, however, that if the cost of the work shall exceed the balance of the funds from the award from the taking, that the work shall be approved in the manner elsewhere required for capital improvements to the Common Elements. The balance of the award for the taking of the Common Elements, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements to these shares effective pursuant hereto for the reason of the taking. If there is a mortgage on the Unit, the distribution shall be made jointly to the Owner and the Mortgagee of each Unit.

F. Amendment to the Declaration. The changes in the Unit, and the Common Elements and the ownership of the Common Elements and the share of the Common Expenses and Common Surplus that are effected by the taking shall be evidenced by an Amendment to this Declaration of Condominium that is only required to be approved by and executed upon the direction of the majority of all Directors of the Association.

XX LIABILITY GENERALLY.

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

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

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

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

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

C. Owner Covenant. Each Owner, his heirs, successors and assigns, by virtue of his or her acceptance of title, and each other person or entity having an interest or lien upon, or making the use of, any portion of the Property, by virtue of accepting such interest or lien or by making use thereof, will be bound by this Article and will be deemed to have automatically waived any and all rights, claims, demands, or causes of action against the Association or the Developer arising from or connected with any matter for which the liability of the Association or the Developer has been disclaimed in this paragraph.

XXI GENERAL PROVISIONS.

A. Partial Invalidity. If any provision of this Declaration, the Articles, the Bylaws or the Condominium Act, or any section, sentence, clause, phrase or work, or the application thereof, in any circumstances, is held invalid, the validity of the remainder of this Declaration, the Articles, the Bylaws, or the Condominium Act, and the application of any such invalid provision, section, sentence, clause, phrase, or word in other circumstances shall not be affected thereby.

B. Developer Approval. For so long as the Developer holds Units for sale in the ordinary course of business, none of the following actions may be taken without the Developer's written approval.

(1) Assessment of the Developer as a Unit Owner for capital improvements; and,

(2) Any action by the Association that would be detrimental to the Developer's marketing or sale of Units.

C. Notices. Notices to Unit Owners shall be sent to their place of residence in the Condominium Building, unless the Unit Owner has, by written notice to the Association, specified a different address. Notices to the Association shall be delivered by certified mail to 400 Fourteenth Avenue North, Jacksonville Beach, Florida 32250. All notices shall be deemed sent when mailed. Any party may change his or its mailing address by written notice to the other party.

D. Fines. 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 of Incorporation of the Association, the Bylaws, or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter. In addition to all other remedies available to the Association in law or equity, the Association may levy against any Owner or its Tenant a fine not in excess of \$100.00 per violation, or the highest fine permitted under the Condominium Act, for each day that such Owner or Tenant continues to violate any of the requirements of this Declaration or any of the rules and regulations promulgated by the Association after the Association has given notice of the violation and an opportunity for hearing to the Unit Owner or Tenant. A fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing to the Unit Owner or Tenant before a committee of other unit owners who are not directors, agents or employees of the Association, or the spouse of a director, agent or employee of the Association, provided that no such fine shall in the aggregate exceed \$1,000.00, unless the Condominium Act is revised to permit fines in excess of said amount and the Board of Directors approves such an increase. If the committee does not agree with the fine, the fine may not be levied. Any and all fines shall be charged to the Unit Owner's account as an Individual Unit Charge.

E. Election of Remedies. All rights, remedies and privileges granted to the Association or Unit Owner pursuant to any terms, provisions, covenants or conditions of the Property Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to such other party by the Property Documents, or at law or in equity.

F. Notices to Mortgagees. Upon written notice to the Association by any Mortgagee holding, insuring or guaranteeing a mortgage encumbering any portion of the Unit, identifying the name and address of the Mortgagee and the Unit encumbered by such mortgage, any such Mortgagee will be entitled to timely written notice of:

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

(2) Any sixty (60) day default in the payment of charges or Assessments owed to the Association or in the performance of any obligation hereunder by the Owner of the Unit on which it holds the mortgage.

(3) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(4) Any proposed action that requires the consent of a specified percentage of Mortgagees.

G. Mortgagee Approval. Whenever the consent or approval of any, all or a specified percentage or portion of the Mortgagees is required by this Declaration, the Articles, the Bylaws, or any applicable statute or law, to any amendment of the Declaration, the Articles, or the Bylaws, or to any action of the Association, or to any other matter relating to the Property, the Association may request such consent or approval of such Mortgagee by written request sent certified mail, return receipt requested, or equivalent delivery evidencing such request was delivered to and received by such Mortgagee. Any Mortgagee receiving such request shall be required to consent to or disapprove the matter for which the consent or approval is requested in writing, by certified mail, return receipt requested, or equivalent delivery evidencing such request was delivered to and received by the Association, which response must be received by the Association within thirty (30) days after the Mortgagee receives such request; and if such response is not timely received by the Association, the Mortgagee shall be deemed to have consented to and approved the matter for which such approval or consent was requested. Such consent or approval given or deemed to have been given, where required, may be evidenced by an affidavit signed by all of the directors of the Association, which affidavit, where necessary, may be recorded in the public records of the county where the Property is located, and which affidavit shall be conclusive evidence that the applicable consent or approval was given as to the matters therein contained. The foregoing shall not apply where a Mortgagee is otherwise required to specifically join in an amendment to this Declaration.

H. Attorney's Fees. Notwithstanding anything to the contrary in this Declaration, all remedies for a violation provided by the Condominium Act, at law or in equity, shall be in full force and effect. Any and all such remedies are non-exclusive and may be applied cumulatively. Each Unit Owner agrees that the failure of the Association to seek any and all such remedies, for no matter how long, shall not be deemed a waiver by the Association of the right to seek such any and all such remedies. In addition thereto, should the Association find it necessary to institute legal action upon a finding by a court in favor of the Association, the defendant Unit Owner shall reimburse the Association for its costs of suit, including reasonable attorney's fees at both trial and appellate levels, in bankruptcy, post-judgment collection, or alternative methods of dispute resolution, incurred by it in bringing such action.

I. Interpretation. Whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular, and the singular shall include the plural. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of the Condominium. The Captions herein and in the Exhibits are instituted only as a matter of convenience and for ease of

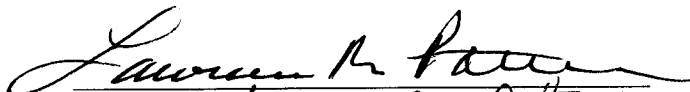
reference and in no way define or limit the scope of the particular document or any provision thereof.

J. Conflict. In the event of conflict between the terms, covenants, conditions and restrictions contained in this Declaration, or the Articles, Bylaws or Rules and Regulations promulgated from time to time, then the terms, covenants, conditions and restrictions of the Declaration shall control first, followed by the Articles, then the Bylaws and finally the Rules and Regulations.

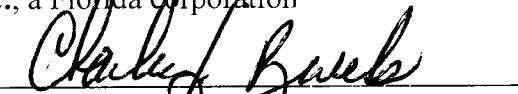
IN WITNESS WHEREOF, this Declaration of Condominium has been duly executed on this 14 day of March, 2007.

Signed, sealed and delivered
in the presence of:

**NORTH BEACHES CASA DEL MAR,
INC.**, a Florida corporation


Print Name: Lawrence R. Patterson

By:

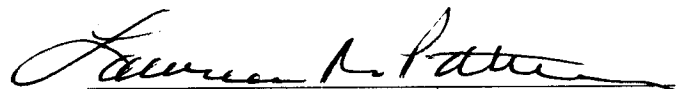

Charles F. Revels
Its: President


Print Name: LINDSYE D. GREENE

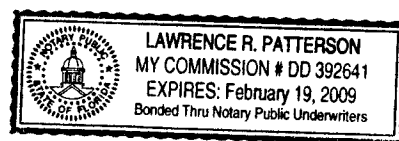
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this ____ day of March, 2007, by Charles F. Revels, as the President of North Beaches Casa Del Mar, Inc., a Florida corporation, on behalf of the company. He is personally known to me or has produced a Florida driver's license as identification.


Printed Name: _____

[NOTARIAL SEAL]



JOINDER

North Beaches Casa Del Mar Condominium Association, Inc., a Florida non profit corporation agrees to accept all the benefits and duties and responsibilities, obligations and burdens imposed on it by the provision of this Declaration and Exhibits attached hereto.

IN WITNESS WHEREOF, the parties set their hands and seals as of this 14 day of March, 2007.

Signed, sealed and delivered
in the presence of:

**NORTH BEACHES CASA DEL MAR
CONDOMINIUM ASSOCIATION, INC.,** a
Florida non profit corporation

Lawrence R. Patterson
Charles F. Revels
Print Name: Lawrence R. Patterson

By: Charles F. Revels
Charles F. Revels
Its: President

Lindsey D. Green
Print Name: Lindsey D. Green

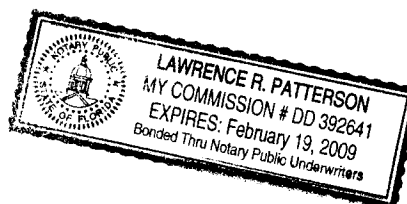
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this ____ day of March, 2007, by Charles F. Revels, as the President of North Beaches Casa Del Mar Condominium Association, Inc., a Florida non profit corporation, on behalf of the corporation. He is personally known to me or has produced a Florida driver's license as identification.

Lawrence R. Patterson
Printed Name: Lawrence R. Patterson

[NOTARIAL SEAL]



CONSENT OF MORTGAGEE

The undersigned is the holder of a Mortgage and Security Agreement as re-recorded in Official Records Book **13179**, page **2015**, in the current public records of Duval County, Florida, and hereby joins in and consents to the recording of the Declaration of Condominium of Casa del Mar, a Condominium, dated March 14, 2007, and hereby subordinates the lien of its Mortgage to the terms and conditions thereof.

IN WITNESS WHEREOF, the undersigned sets its hand and seal on this 7th day of March, 2007.

Signed, sealed and delivered
in the presence of:

R. P. Pender
Print Name: R. P. Pender

Penny Fender
Print Name: Penny Fender

FIRST COAST COMMUNITY BANK, a
Florida corporation

By: Stanley G. Fishburne
Name: Stanley G. Fishburne
Its: Vice President

(Corporate Seal)

STATE OF FLORIDA
COUNTY OF Nassau

The foregoing instrument was acknowledged before me this 7th day of March, 2007, by Stan Fishburne, as the Vice President of First Coast Community Bank, a Florida corporation, on behalf of the corporation. He/she is personally known to me or has produced a Florida driver's license as identification.

Penny Fender
Printed Name: Penny Fender

[NOTARIAL SEAL]

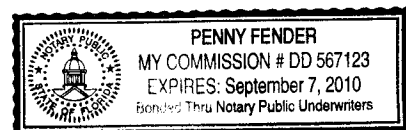


EXHIBIT A
TO
DECLARATION OF CONDOMINIUM
CASA DEL MAR, A CONDOMINIUM

The legal description of Casa Del Mar, a Condominium, is as follows:

Lot 8, Block 1, SURF PARK, UNIT ONE, according to the map or plat thereof, as recorded in Plat Book 19, pages 39 and 39A, of the current public records of Duval County, Florida.

EXHIBIT B
TO
DECLARATION OF CONDOMINIUM

CASA DEL MAR, A CONDOMINIUM

**FRACTIONAL SHARE OF COMMON ELEMENTS,
COMMON EXPENSES, AND COMMON SURPLUS**

The Common Elements, Common Expenses and Common Surplus are apportioned among individual Unit Owners in fractional shares, the numerator of which will be the number "1" and the denominator of which shall be the total of all Units subject to the Declaration.

The Fractional Shares of Common Elements, Common Expenses and Common Surplus for the Condominium are as follows:

FRACTIONAL SHARES

Unit Type	Unit Number(s)	# of Units	Square Feet/Unit	Fractional Share Per Unit
A	D	1	2,299	1/4
B	C	1	2,290	1/4
C	A & B	2	2,288	1/4

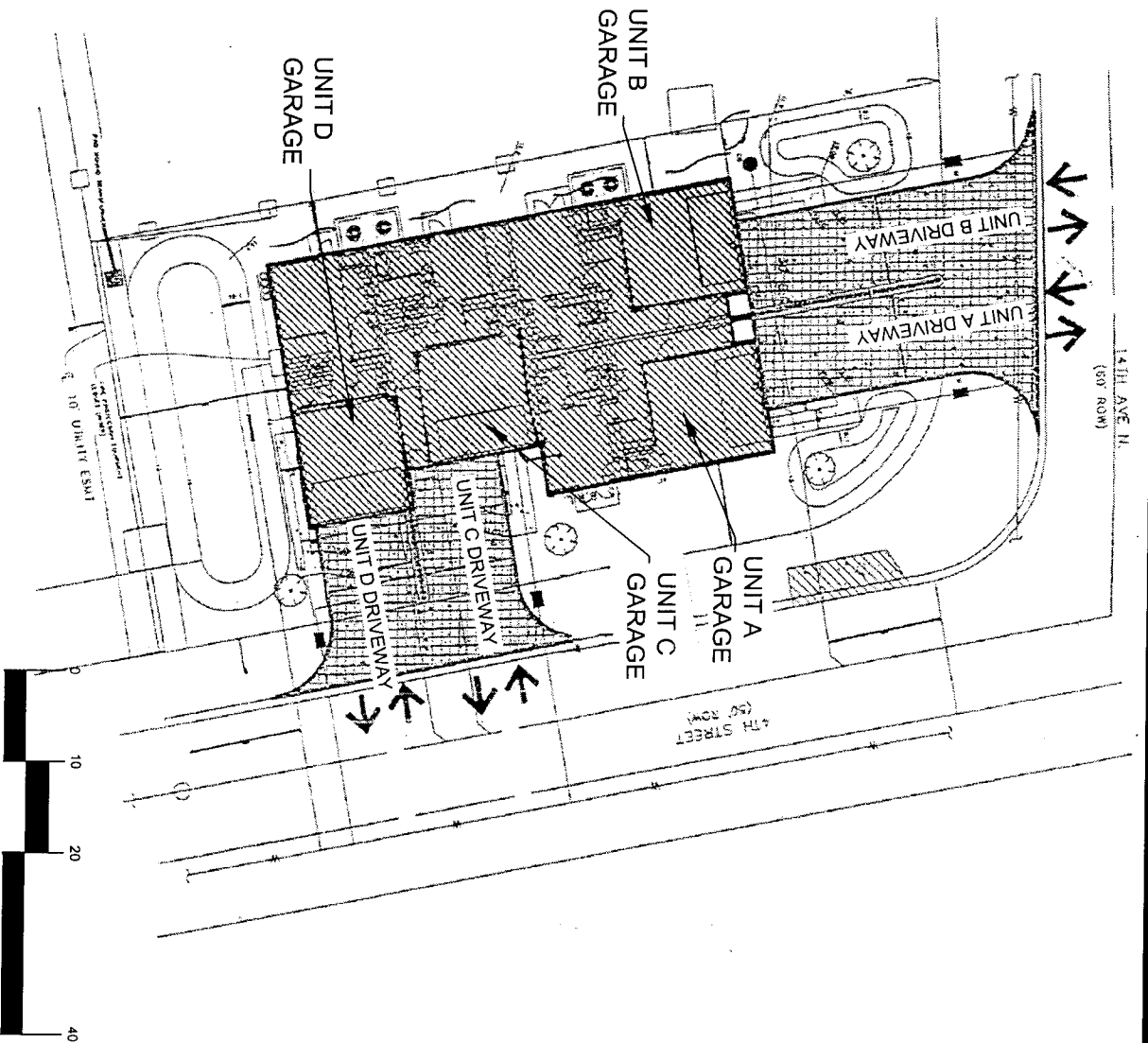
EXHIBIT C
TO
DECLARATION OF CONDOMINIUM
CASA DEL MAR, A CONDOMINIUM
PLOT PLAN AND SURVEY

Attached hereto is the plot plan and survey of the Condominium Property, together with the floor plans and Unit Plans, attached as Exhibit D.

The plot plan contains the Residential Units as well as the Common and the Limited Common Elements of the Residential Units.

All dimensions and locations are approximate.

Garage spaces shall be numbered A, B, C and D, as shown on the garages set forth in this Exhibit.



ALL IMPROVEMENTS ARE EXISTING

- COMMON AREAS
- BUILDING UNITS
- COMMON AREADRIVEWAY

BUILDING HEIGHT: MEAN ROOF HEIGHT 33'-1 1/4"

CEILING HEIGHT: FIRST FLOOR 7'-11 1/4"
SECOND FLOOR 10'-1 1/8"
THIRD FLOOR 8'-1 1/8"

BUILDING FOOTPRINT: APPROX. 3,942 S.F.

BUILDING SUMMARY:
3 TOTAL FLOORS
FOUR 3 STORY UNITS
1 DRIVEWAY W/GARAGE PER EACH UNIT

LIMITED COMMON ELEMENTS: GARAGES
ARE THE SOLE LIMITED COMMON ELEMENTS

Submital for:

Casa Del Mar

a Condominium
Jacksonville Beach, FL

SITE PLAN

PREPARED BY: BENJAMIN ELLIS DESIGN © 2007

1

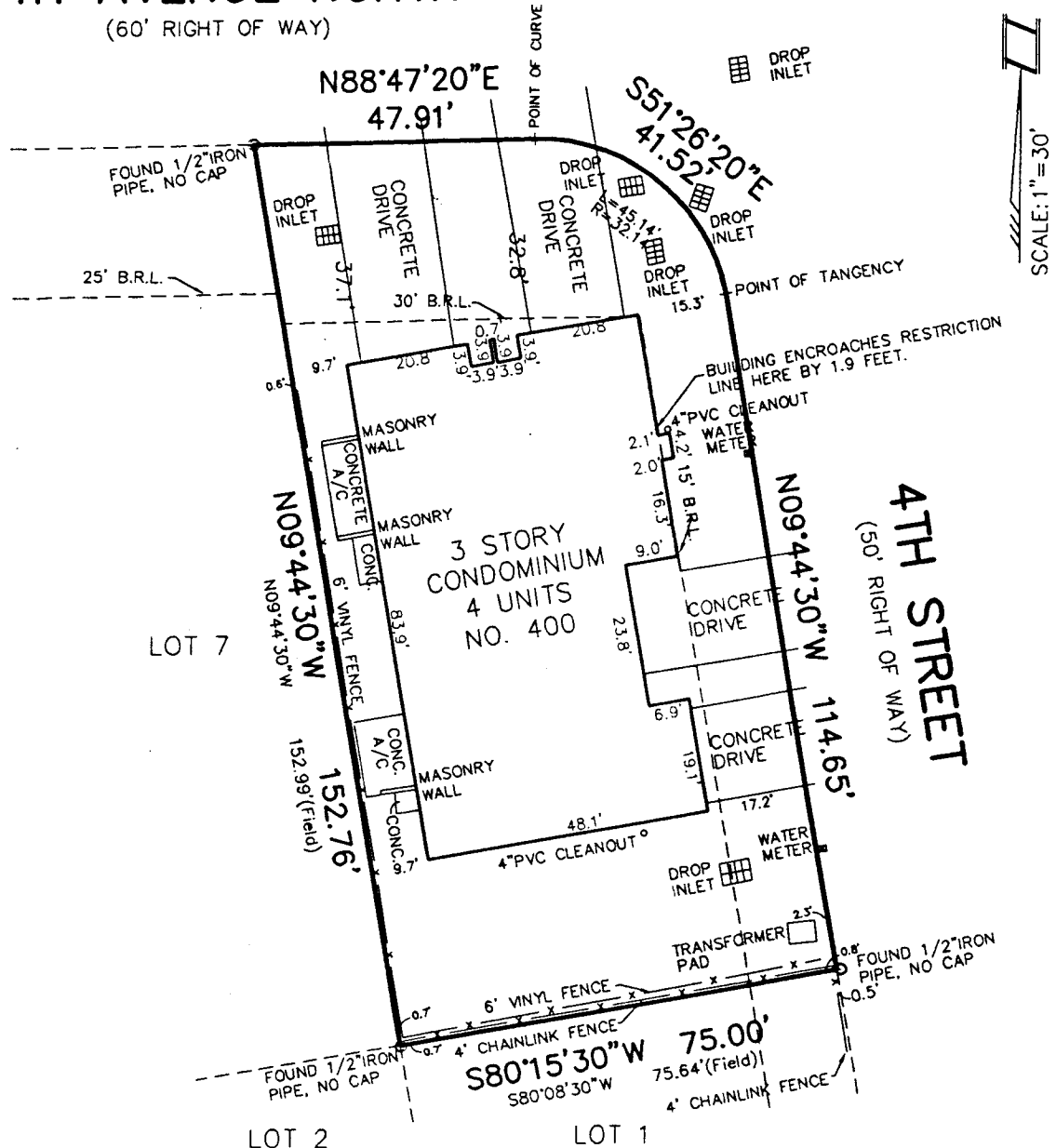
Mar. 6, 2007

CASA DEL MAR, A CONDOMINIUM

LOT 8, BLOCK 1, SURF PARK, UNIT ONE, ACCORDING TO THE PLAT THEREOF
AS RECORDED IN PLAT BOOK 19, PAGES 39 AND 39A OF THE CURRENT
PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA.

14TH AVENUE NORTH

(60' RIGHT OF WAY)



NOTES:

1. THIS IS A BOUNDARY SURVEY.
2. BEARINGS ARE BASED ON THE WESTERLY LINE OF LOT 8 AS BEING NORTH 09°44'30" WEST AS PER PLAT.
3. BUILDING RESTRICTION LINES PER PLAT.

THE PROPERTY SHOWN HEREON APPEARS TO LIE WITHIN FLOOD ZONE "X" (AREA OUTSIDE THE 500 YEAR FLOOD PLAIN) AS WELL AS CAN BE DETERMINED FROM FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 120078 0001D, DATED: APRIL 17, 1989 FOR THE CITY OF JACKSONVILLE BEACH, DUVAL COUNTY, FLORIDA.

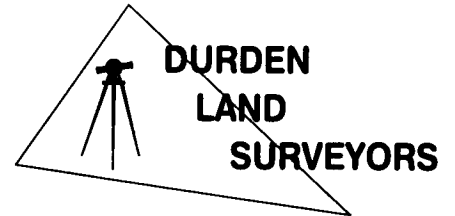
"NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER."

[Signature]
DONN W. BOATWRIGHT, P.S.M.
FLA. LIC. SURVEYOR AND MAPPER No. 3295
FLA. LIC. SURVEYING AND MAPPING BUSINESS No. 3972

SCALE: _____
DRAWN BY: JJC
FILE #: 07-0231

BOATWRIGHT LAND SURVEYORS, INC.
1500 ROBERTS DRIVE
JACKSONVILLE BEACH, FLORIDA 241-8550

DATE: FEBRUARY 28, 2007
SHEET 1 OF 1



CERTIFICATIONS

THIS IS TO CERTIFY THAT THE CONSTRUCTION OF THE IMPROVEMENTS IN "CASA DEL MAR, A CONDOMINIUM", IS SUBSTANTIALLY COMPLETE SO THAT THIS MATERIAL TOGETHER WITH THE PROVISIONS AND EXHIBITS OF THIS DECLARATION DESCRIBING THE PROPERTY, ARE AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF THE IMPROVEMENTS SUCH THAT THE IDENTIFICATION, LOCATION AND DIMENSIONS OF THE COMMON ELEMENTS AND EACH UNIT CAN BE DETERMINED FROM THESE MATERIALS.

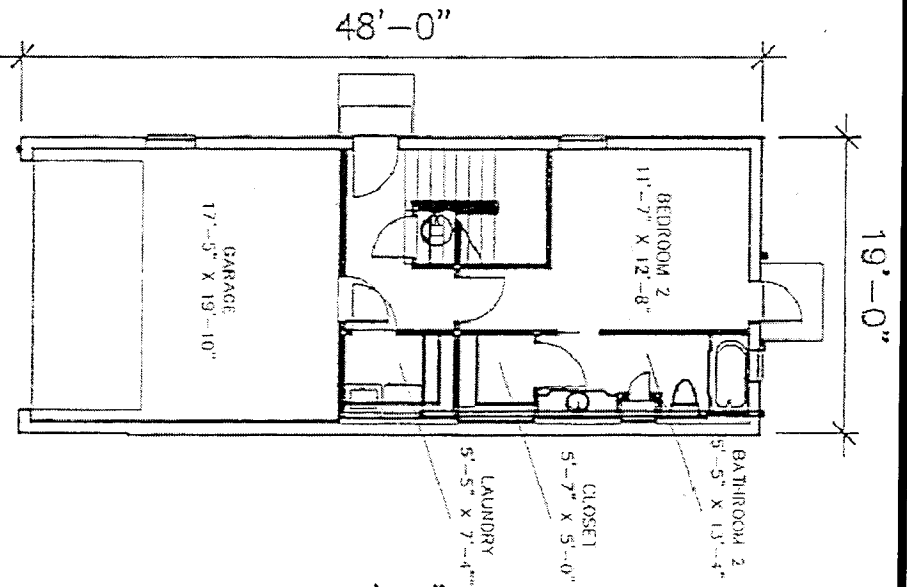
A handwritten signature in black ink, appearing to read "Donn W. Boatwright", is written over a horizontal line.

DONN W. BOATWRIGHT, P.S.M.
FLORIDA REGISTERED SURVEYOR AND MAPPER
NO. LS 3295
FLORIDA REGISTERED SURVEYING AND MAPPING BUSINESS
NO. LB 3672

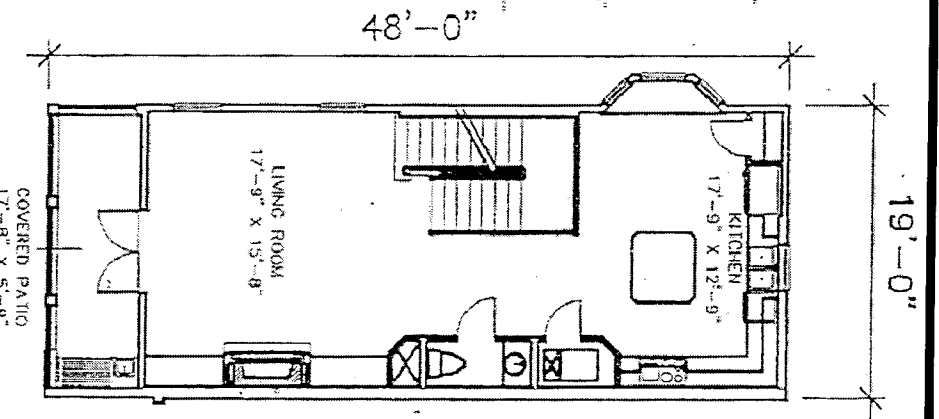
EXHIBIT D
TO
DECLARATION OF CONDOMINIUM
CASA DEL MAR, A CONDOMINIUM

GRAPHIC DEPICTIONS OF UNITS AND FLOOR PLANS

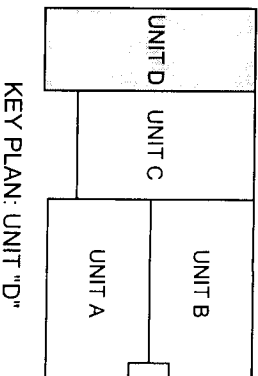
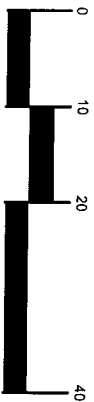
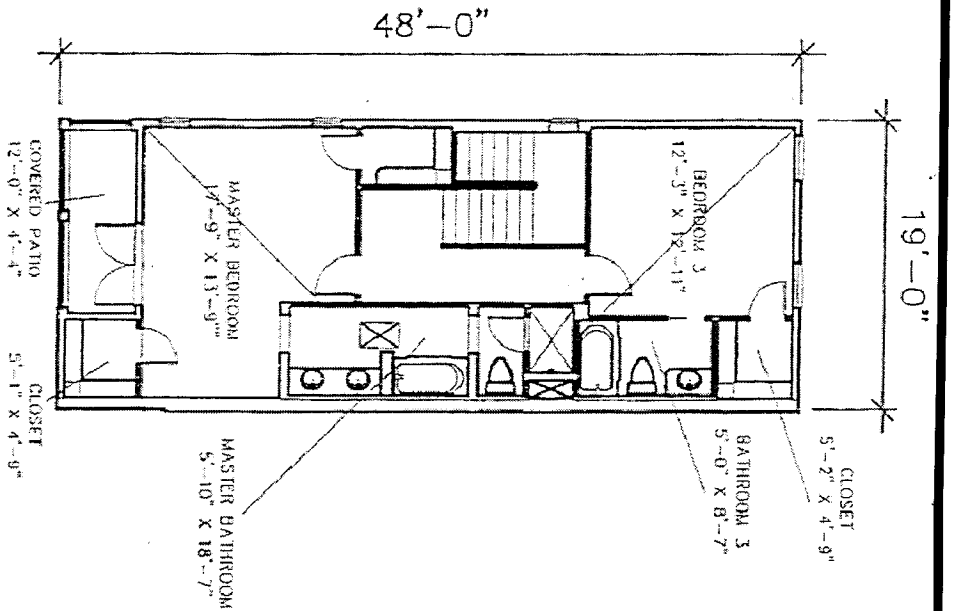
FIRST FLOOR



SECOND FLOOR



THIRD FLOOR



Submittal for:

Casa Del Mar

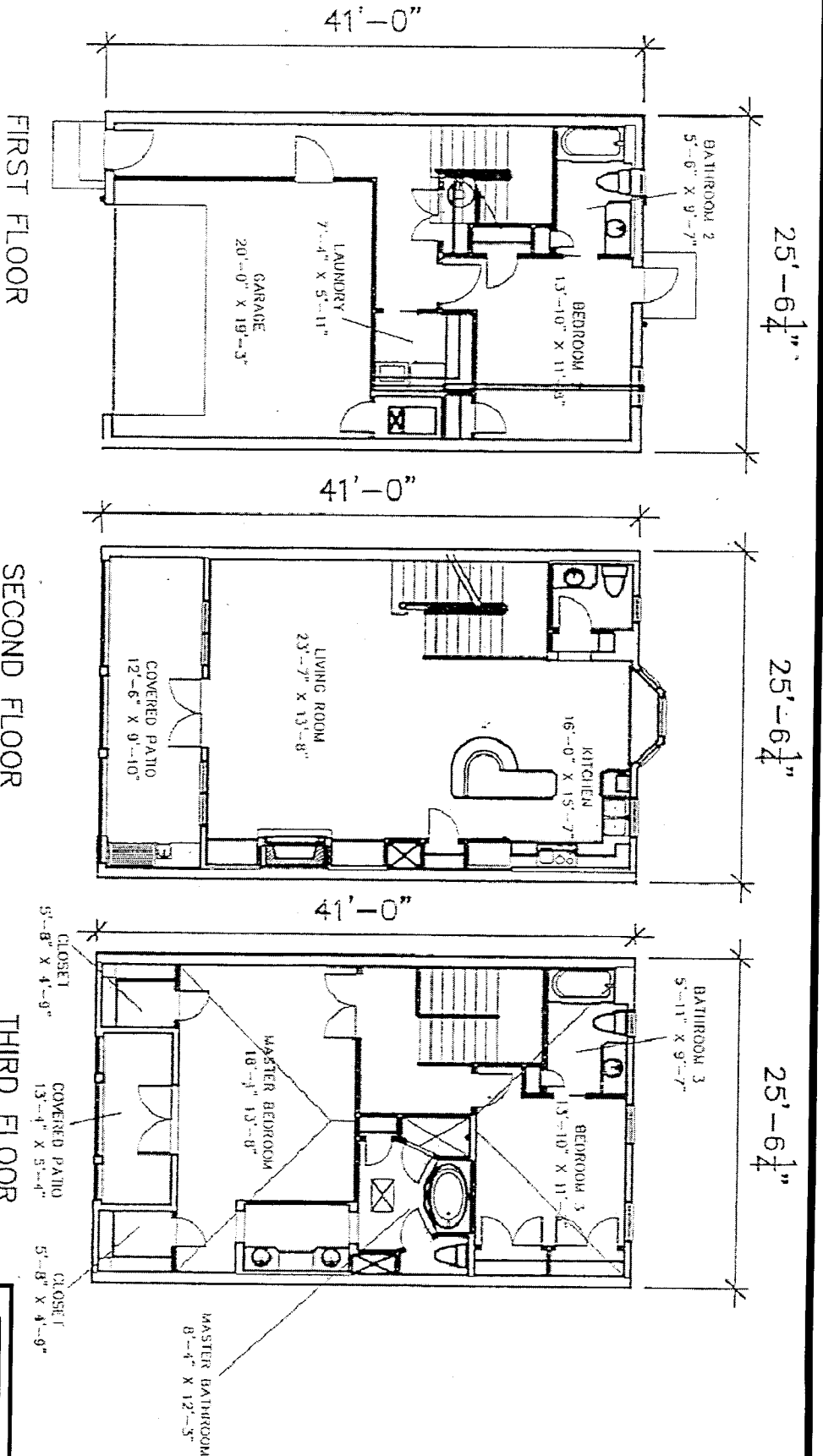
a Condominium
Jacksonville Beach, FL

UNIT TYPE "A"

PREPARED BY: BENJAMIN ELLIS DESIGN © 2007

2

Mar. 6, 2007



Submittal for:
Casa Del Mar
a Condominium
Jacksonville Beach, FL

UNIT TYPE "B"

PREPARED BY: BENJAMIN ELLIS DESIGN © 2007

3

Mar. 6, 2007

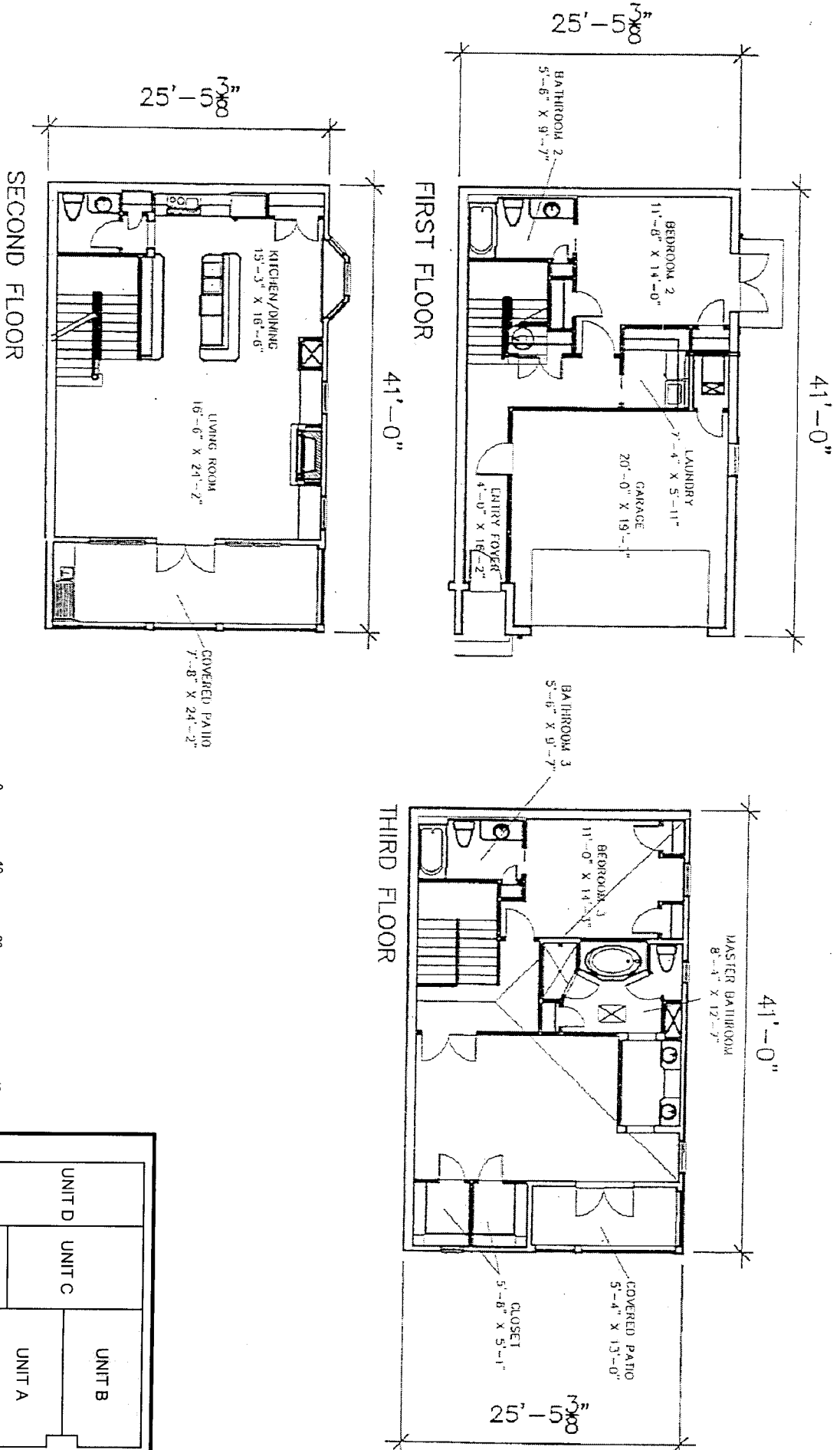
Submittal for:
Casa Del Mar
a Condominium
Jacksonville Beach, FL

UNIT TYPE "C"

PREPARED BY: BENJAMIN ELLIS DESIGN © 2007

4

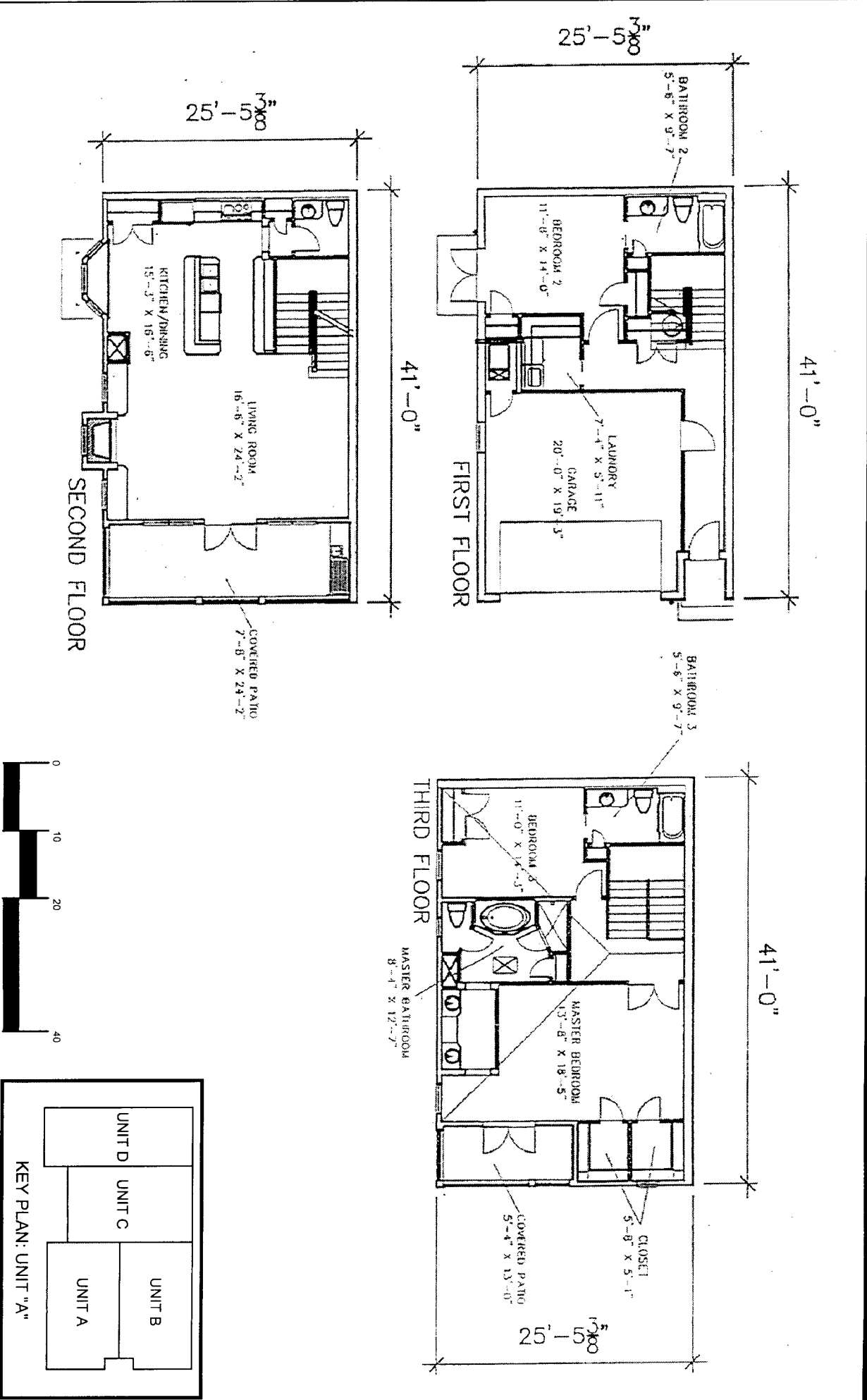
Mar. 6, 2007



Submission for:
Casa Del Mar
a Condominium
Jacksonville Beach, FL

UNIT TYPE "C"

5
Mar. 6, 2007



Submittal for:
Casa Del Mar
 a Condominium
 Jacksonville Beach, FL

EXTERIOR ELEVATIONS

PREPARED BY: BENJAMIN ELLIS DESIGN © 2007

9

Mar. 6, 2007

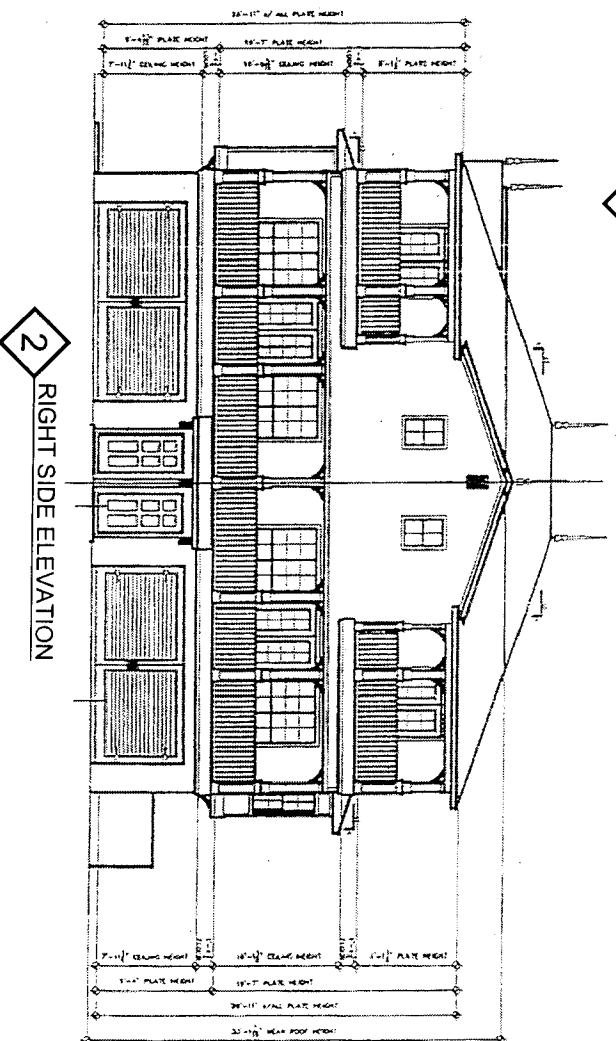
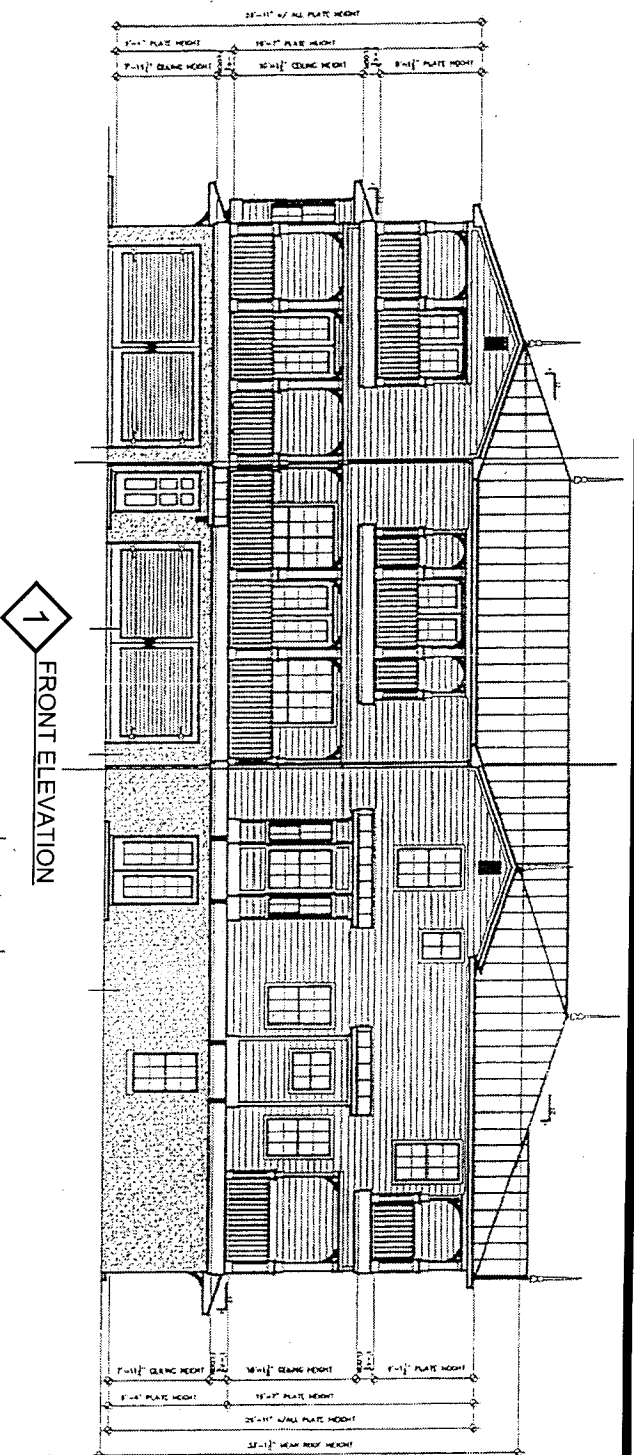
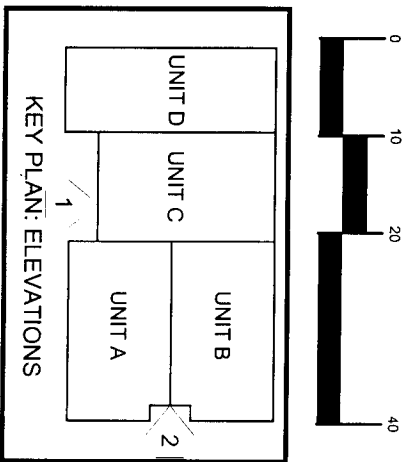


EXHIBIT E
TO
DECLARATION OF CONDOMINIUM
CASA DEL MAR, A CONDOMINIUM

ARTICLES OF INCORPORATION
OF
NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC.



March 15, 2007

FLORIDA DEPARTMENT OF STATE
Division of Corporations

NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC
400 FOURTEENTH AVE NORTH
JACKSONVILLE BEACH, FL 32250

The Articles of Incorporation for NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC. were filed on March 14, 2007, and assigned document number N07000002713. Please refer to this number whenever corresponding with this office.

Enclosed is the certification requested. To be official, the certification for a certified copy must be attached to the original document that was electronically submitted and filed under FAX audit number H07000067054.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file/effective date year. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4 or by going to their website at www.irs.ustreas.gov.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have questions regarding corporations, please contact this office at the address given below.

Suzanne Hawkes
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 907A00018243

P.O BOX 6327 - Tallahassee, Florida 32314



Department of State

I certify from the records of this office that NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC. is a corporation organized under the laws of the State of Florida, filed on March 14, 2007.

The document number of this corporation is N07000002713.

I further certify that said corporation has paid all fees due this office through December 31, 2007, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

I further certify that this is an electronically transmitted certificate authorized by section 15.16, Florida Statutes, and authenticated by the code, 907A00018243-031507-N07000002713-1/1, noted below.

Authentication Code: 907A00018243-031507-N07000002713-1/1



Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Fifteenth day of March, 2007

Kurt S. Browning
Secretary of State

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on March 14, 2007, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H07000067054. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below

The document number of this corporation is N07000002713.

Authentication Code: 907A00018243-031507-N07000002713-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Fifteenth day of March, 2007



Kurt S. Browning
Secretary of State

H07000067054 3

**ARTICLES OF INCORPORATION
OF
NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC.**

In order to form a corporation under the laws of the State of Florida for the formation of non profit corporations, the undersigned, hereby forms a corporation for the purposes and with the powers herein specified; and to that end the undersigned does, by these Articles of Incorporation, set forth:

I NAME

The name of the corporation shall be North Beaches Casa Del Mar Condominium Association, Inc. ("Association").

II PURPOSE

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

The Association shall also operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the applicable St. Johns River Water Management District permit requirements and applicable District rules, and shall assist in the enforcement of the Declaration of Condominium which relate to the surface water or stormwater management system.

H07000067054 3

H07000067054 3

III POWERS

The Association shall have the following powers:

A. In addition to the powers set forth below, all of the powers and privileges granted to corporations not-for-profit under the Act and under the law pursuant to which this corporation is chartered.

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

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

2. Levy and collect assessments for the Common Expenses, from Members of the Association in accordance with the Declaration. The Association shall also levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system.

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

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

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

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

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

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

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

H07000067054 3

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

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

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

13. Borrow money, execute promissory notes and other evidences of indebtedness and to give security therefore, including, without limitation, the pledging of assessments as collateral.

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

15. Pay all taxes and assessments levied against the Condominium Property by appropriate governmental authorities and assess the same against the Members and their Units.

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

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

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

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

IV MEMBERS

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

A. The owners of all Units in the Condominium shall be members of the Association.

B. Membership shall be established by the acquisition of a fee title to a Unit in the Condominium, or by acquisition of a fee ownership interest therein, by voluntary conveyance or

H07000067054 3

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

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

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

E. Until such time as the Declaration is recorded in the public records of Duval County, Florida, the membership of the Association shall be comprised of the subscribers to these Articles, each of whom shall be entitled to cast one vote on all matters upon which the membership would be entitled to vote.

V EXISTENCE AND DISSOLUTION

The Association's existence shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall exist in perpetuity. The Association may be dissolved upon termination of the Condominium in accordance with Article XII of the Declaration, subject to notice to the Division. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created, or for the general welfare of the residents of the county in which the Condominium Property is located. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes. In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which agrees to comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

VI PRINCIPAL OFFICE/REGISTERED OFFICE/REGISTERED AGENT

The principal office of the Association shall be located at 400 Fourteenth Avenue North, Jacksonville Beach, Florida 32250. The mailing address is 400 Fourteenth Avenue North, Jacksonville Beach, Florida 32250, but the Association may maintain offices and transact

H07000067054 3

business in such places, within or without the State of Florida, as may from time to time be designated by the Board of Directors.

The Registered Agent is Patterson, Anderson & Feldman, P.A. The Registered Agent is located at 3010 South Third Street, Jacksonville Beach, FL 32250.

VII MANAGEMENT

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

VIII BOARD OF DIRECTORS

During the time that North Beaches Casa Del Mar, Inc., a Florida corporation ("Developer") is in control of the Board, there shall be three directors. Upon turnover of the control of the Board to the Unit Owners (other than the Directors), the number of Directors shall be increased to five (5) directors. Thereafter, the Board of Directors may increase the number of Directors to seven (7) or nine (9), to be voted upon at the next annual meeting of the Members, upon a vote of at least seventy-five percent of the Directors at a duly called meeting for which specific notice of said vote was given to the Members. Unit Owners other than the Developer may elect one third of the members of the Board of Directors upon the sale of fifteen percent (15%) of the Units in the Condominium; Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors (a) three (3) years after fifty percent (50%) of the Units have been conveyed to purchasers, (b) three (3) months after ninety percent (90%) of the Units have been conveyed to purchasers, (c) until all the Units have been completed and some have been conveyed to the purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business, (d) when some of the Units have been conveyed and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, or (e) seven (7) years after recording the Declaration, whichever shall first occur. The Developer reserves the right to elect at least one (1) director of the Condominium Association so long as it owns at least five percent (5%) of the Units.

IX OFFICERS

The Board of Directors shall elect at the annual meeting of members each year, a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall deem advisable from time to time. The President shall

H07000067054 3

be elected from the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

X FIRST BOARD OF DIRECTORS

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

Charles Revels
Alvaro F. Morrell
John C. Elliott

XI FIRST OFFICERS

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

President:	Charles Revels
Vice President:	Alvaro F. Morrell
Secretary:	John C. Elliott
Treasurer:	Charles Revels

XII BYLAWS

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

XIII INDEMNIFICATION

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that in the event of any claim for

H07000067054 3

reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

XIV AMENDMENTS TO ARTICLES OF INCORPORATION

These Articles of Incorporation may be amended by the vote of a majority of the Board of Directors at a duly called regular or special meeting at which a quorum is present. Thereupon, such amendment or amendments of these Articles of Incorporation shall be transcribed and certified in such form as may be necessary to file the same in the office of the Secretary of State of the State of Florida. A certified copy of each such amendment of these Articles of Incorporation shall be recorded in the public records of Duval County, Florida, within thirty (30) days from the date on which the same is filed in the office of the Secretary of State. Notwithstanding the foregoing provisions of this Article, no amendment to these Articles of Incorporation which shall abridge, amend or alter the right of Developer to designate and select members of the Board of Directors of the Association, as provided in Article VIII hereof, may be adopted or become effective without the prior written consent of Developer.

XV FIDELITY BONDING

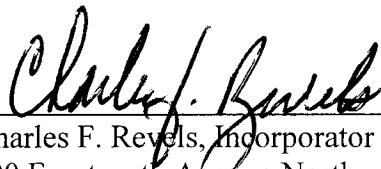
In addition to the indemnification provisions hereof, the Association shall obtain and maintain blanket fidelity bonds on each Director, officer and employee of the Association and of any management firm. The total amount of fidelity bond coverage shall be based upon the best business judgment of the Board of Directors and shall not be less than the estimated maximum funds including reserve funds, in the custody of the Association or management firm, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all Units plus reserve funds or \$10,000, whichever is the greater. The fidelity bond shall name the Association as an obligee and shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The premiums on all bonds shall be paid by the Association as a common expense (expense for the premiums on fidelity bonds maintained by the management firm, if any). The bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice to the Association.

[SIGNATURES FOLLOW ON THE NEXT PAGE]

H07000067054 3

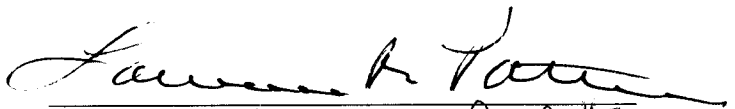
H07000067054 3

IN WITNESS WHEREOF, the subscriber hereto has set his hand and seal this 14
day of March, 2007.


Charles F. Revels, Incorporator
400 Fourteenth Avenue North
Jacksonville Beach, Florida 32250

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this ____ day of March, 2007 by
Charles F. Revels, who is personally known to me or who produced a Florida driver's license as
identification and who did not take an oath.


Printed Name: Lawrence R. Patterson

[NOTARIAL SEAL]



H07000067054 3

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

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

NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC.
DESIRING TO ORGANIZE OR QUALIFY UNDER THE LAWS OF THE STATE OF
FLORIDA, HAS NAMED PATTERSON, ANDERSON & FELDMAN, P.A., WHOSE
ADDRESS IS 3010 SOUTH THIRD STREET, JACKSONVILLE BEACH, FLORIDA 32250,
AS ITS AGENT TO ACCEPT SERVICE OF PROCESS WITHIN THE STATE OF FLORIDA.

**NORTH BEACHES CASA DEL MAR
CONDOMINIUM ASSOCIATION, INC., a
Florida non profit corporation**

By: Charles F. Revels
Charles F. Revels
Its: President

Date: 3/14/07
(Corporate Seal)

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

PATTERSON, ANDERSON & FELDMAN,
P.A.

By: Lauren R. Patterson
Name: Lauren R. Patterson
Its: President
Dated: 3-14-07

(Corporate Seal)

EXHIBIT F
TO
DECLARATION OF CONDOMINIUM
CASA DEL MAR, A CONDOMINIUM
BYLAWS
OF
NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC.

**BYLAWS
OF
NORTH BEACHES CASA DEL MAR CONDOMINIUM ASSOCIATION, INC.
a Florida non profit corporation**

I. IDENTITY

A. Applicability. These are the Bylaws of **North Beaches Casa Del Mar Condominium Association, Inc.** (the "Association"), a Florida non profit corporation organized pursuant to the provisions of Chapters 617 and 718, Florida Statutes, as amended to the date of filing of the Articles of Incorporation. The purpose and object of the Association shall be to administer the operation and management of any condominium which may be established in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes, as such may be amended from time to time ("Act"), and for which the Declaration of Condominium specifies that the Association shall be the entity responsible for the operation and maintenance of the condominium.

B. Capitalized Terms. All capitalized terms and phrases used in these Bylaws shall have the same definition and meaning as is set forth in the Declaration of Condominium of the Association or Articles of Incorporation of the Association.

C. Office. The office of the Association shall be at 400 Fourteenth Avenue North, Jacksonville Beach, Florida 32250, or at such other place as may be established by resolution of the Board of Directors.

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

E. Seal. The seal of the Association shall bear the name of North Beaches Casa Del Mar Condominium Association, Inc., and the year of incorporation.

II. MEMBERSHIP, VOTING, QUORUM, PROXIES

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

B. Quorum. A quorum at meetings of Members shall consist of persons entitled to cast fifty percent (50%) of the votes, whether in person or by proxy or by telephone conference.

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

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

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

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

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

F. Proxies. At any meeting of the Members, every Member having the right to vote shall be entitled to vote in person or by limited proxy. Any proxy given shall contain the date, time and place of the meeting for which the proxy is given. A limited proxy in the form specified by the Division of Land Sales, Condominiums and Mobile Homes which proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. The proxy shall set forth the name of the person voting by proxy and the name of the person authorized to vote the proxy for him. All such proxies shall be filed with the Secretary prior to or during the roll call of such meeting. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the Member executing it.

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

H. Consent to Action. Unless a duly called meeting of the Association shall be specifically required for action to be taken by the Members in these Bylaws, the Articles, the Declaration, the Act or other Florida Statutes, any action to be taken by the Association may be taken by written consent setting forth the action so taken, approved by Members holding not less

than the minimum number of votes necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voting.

III. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP

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

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

C. **Notice of Meetings.**

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

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

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

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

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

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

E. Action Without Meeting. Certain actions required to be taken by vote or assent of the Members may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by written proxy or ballot, if permitted by the Board and by the Act. Ballots or proxies shall be mailed or hand delivered to all Members. The Board shall establish for each vote the amount of time to be permitted for voting, which shall not be less than 10 days nor more than 60 days, and all ballots or proxies returned within the permitted time shall be counted. Any action so approved shall have the same effect as though taken at a meeting of the Members, and such approval shall be duly filed in the minute book of the Association.

F. Telephone Conferences. Members present by telephone conference shall be considered as present at a meeting for the purposes of a quorum and may vote in any matters presented for a vote of the membership.

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

- (1) Ballots not yet cast shall be collected;
- (2) Calling of the roll and certifying of proxies;
- (3) Proof of notice of meeting or waiver of notice;
- (4) Reading or waiver of reading of minutes of previous meeting of Members;
- (5) Reports of officers;
- (6) Reports of committees;
- (7) Appointment of Chairman of inspectors of election;
- (8) Election of Directors;
- (9) Unfinished business;

- (10) New business; and
- (11) Adjournment.

IV. BOARD OF DIRECTORS

A. Members of Board. The first Board of Directors shall consist of not less than three (3) persons as designated in the Articles of Incorporation. Pursuant to the Declaration of Condominium, North Beaches Casa Del Mar, Inc., a Florida corporation ("Developer") reserves the right to appoint Directors to the Board as set forth therein. At such time as the Members, other than the Developer, are entitled to elect the majority of the Directors, the number of Directors may be changed to five (5) directors. Thereafter, the Board of Directors may increase the number of Directors to seven (7) or nine (9), to be voted upon at the next annual meeting of the Members, upon a vote of at least seventy-five percent of the Directors at a duly called meeting for which specific notice of said vote was given to the Members.

B. Qualifications. Except with respect to Directors appointed by Developer, Directors must be Owners in the Condominium (or their spouses) at all times during their service as Directors, and any such Director who ceases to be an Owner shall not be eligible to serve as a Director. Subject to the foregoing provisions of this subparagraph, the term "Owner" shall be deemed to include, without limitation, any shareholder, director, officer, partner in, or trustee of a person or entity who is either alone or in conjunction with any other person or persons, an Owner. Any individual who would be eligible to serve as a member of the Board were that individual not a shareholder, director, officer, partner in, or trustee of such a person, shall be deemed to have disqualified himself from continuing in office if he or she ceases to have any such affiliation with that person or entity.

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

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

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

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

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

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

(6) Within 75 days after the unit owners other than the developer are entitled to elect a member or members of the Board of Directors, the Association shall call a meeting to elect such director(s). The election shall proceed as provided in §718.112, Florida Statutes, as such shall be amended from time to time. Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, to each Member entitled to vote, a first notice of the date of the election. Such first notice may be given by any unit owner if the Association fails to do so. Any Member may nominate himself and any Member desiring to be a candidate for the Board must give written notice to the Board not less than forty (40) days before the scheduled election. The Association shall mail or deliver a written notice of the meeting and agenda together with a second notice of the election to all Members, a ballot which shall list all candidates, and upon request of a candidate, an information sheet no larger than 8½ by 11 inches, which must be furnished by the candidate not less than 35 days before the election. The Association is not liable for the contents of the information sheets prepared by the candidates. Upon election of the first unit owner other than the developer to the Board of Directors, the developer shall forward to the Division of Condominiums the name and mailing address of the unit owner board member.

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

D. Election Procedure. The election of the Board members shall be decided by a plurality of ballots cast. There shall be no quorum requirement for the election of Directors so long as at least twenty percent (20%) of the eligible voters cast a ballot. No Member shall permit any other Member to vote his ballot and any such ballots improperly cast shall be deemed

invalid. Notwithstanding the provisions hereof, no election or balloting are required unless more candidates file notices of intent to run or are nominated than vacancies to be filled. The regular election shall occur on the date of the annual meeting.

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

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

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

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

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

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

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

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

K. Voting and Approval. The acts of the Board approved by a majority of the votes present at a meeting in person or by telephone conference at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these Bylaws or the Declaration. Any action required to be taken by vote of the Board may taken in the absence of a meeting (or in the absence of a quorum at a meeting) by obtaining the written approval of a majority of the Board.

L. Removal and Recall. If the recall is approved by a majority of all voting interests by a vote at a meeting, the recall will be effective as provided herein. The Board shall duly notice and hold a Board meeting within five (5) full business days of the adjournment of the Member meeting to recall one or more of the Board members. At the meeting, the Board shall either certify the recall, in which case such member or members of the Board shall be recalled effective immediately and shall turn over to the Board within five (5) full business days any and all records and property of the Association in their possession or shall proceed as hereinafter provided. If the proposed recall is by agreement in writing by a majority of all voting interests, the agreement in writing or a copy thereof shall be served on the Association by certified mail or by personal service in the manner authorized by Chapter 48 and the Florida Rules of Civil Procedure. The Board shall duly notice and hold a meeting of the Board within five (5) full business days after receipt of the written agreement. At the meeting, the Board shall either certify the written agreement or shall recall the member or members of the Board, in which case such member or members of the Board shall be recalled effective immediately and shall turn over to the Board within five (5) full business days any and all records and property of the Association in their possession as hereinafter described. If the Board determines not to certify the written recall of a member or members of the Board or does not certify the recall by a vote at a meeting, the Board shall within five (5) full business days after the meeting, file with the Division a petition for arbitration pursuant to the Condominium Act. For purposes of this

section, the members who voted at the meeting or who executed the agreement in writing shall constitute one party under the petition for arbitration. If the arbitrator certifies the recall as to any member or members of the Board, the recall will be effective upon mailing of the final order of arbitration to the Association. If the Association fails to comply with the order, the arbitrator of the Division may take action pursuant to the Condominium Act. Any member or member so recalled shall deliver to the Board any and all records of the Association in their possession within five (5) full business days of the effective date of the recall. If the Board fails to duly notice or hold a Board meeting within five (5) full business days of service of an agreement in writing or within five (5) full business days of the adjournment of the Member recall meeting, the recall shall be deemed effective and the Board members so recalled shall immediately turn over to the Board any and all records and property of the Association. If a vacancy occurs on a Board as a result of a recall, unless the majority of the Board members are removed, the vacancy may be filled by the affirmative vote of the majority of the remaining directors notwithstanding any other provision to the contrary in this section. If vacancies occur on the Board as a result of recall and a majority or more of the Board members are removed, the vacancy shall be filled in accordance with the provisions hereof.

Directors may be removed from office with or without cause by the vote or agreement in writing by a majority of all votes. A special meeting of Members to recall a Director may be called by ten percent (10%) of the votes, giving notice of the meeting and stating the purpose. The action of the Members in connection with recall shall be governed by the rules and regulations of the Board of Directors. Any recalled Director shall turn over to the Board any and all records of the Association in their possession within five business days after the meeting at which the recall vote is passed.

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

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

V. OFFICERS

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

be removed from office by the Board. The Board may remove such officers for cause or no cause, in their discretion, by a majority vote.

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

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

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

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

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

has not been provided for his own benefit or that of his immediate family, from any person providing or proposing to provide goods or services to the Association.

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

VI. FISCAL MANAGEMENT

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

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

B. Annual Budget. The Board shall adopt, for, and in advance of, each fiscal year, a budget showing the estimated costs of performing all of the functions of the Association for the year. The budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the Common Expenses, which shall include, without limitation, the costs of operating and maintaining the Common Elements, Limited Common Elements, if maintained by the Association, Association Property, wages and salaries of Association employees, management, legal and accounting fees, office supplies, public utility services not metered or charged separately to Units, premiums for insurance carried by the Association and reserve accounts for capital expenditures and deferred maintenance and any other reserves and/or funds which may be established from time to time by the Board. Such reserve accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement costs or deferred maintenance expenses of each reserve item. The Association may adjust replacement cost or deferred maintenance annually to take into consideration any changes in estimated or useful life of reserve items caused by deferred maintenance. All such reserve funds and interest thereon shall remain in such accounts for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority of the Members. Each budget shall also show the proportionate share of the total estimated expenses to be assessed against and collected from the Members and due date(s) and amounts of installments thereof. Copies of the proposed budgets and proposed assessments shall be mailed or hand delivered to each Member at the last address furnished to the Association not less than fourteen (14) days prior to the meeting of the Board of Directors at which the budgets will be considered, together with a notice of the time and place of the meeting, which must be open to Members. Evidence of compliance with this fourteen (14) day notice must be made by affidavit executed by an officer of the Association or the manager or other person providing notice of the meeting and filed among the official records of the Association. If any budget is subsequently amended or supplemented, a copy shall be furnished

to each affected Member. Delivery of a copy of any budget or amended/supplemented budget to a Member shall not affect the liability of any Member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied pursuant thereto. Nothing herein contained shall be construed as a limitation upon the additional assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies. The Members may, by a vote of the majority of votes present at a duly called meeting of Members, determine to provide no reserves or reserves at a less than adequate amount as established under the Act; provided, however, the Developer may vote to waive reserves or reduce funding of reserves for the first two (2) fiscal years of operation of the Association, beginning with the fiscal year in which the initial Declaration is recorded, with the vote taken each fiscal year; thereafter, reserves may be partially or fully waived only by the majority vote of the non-Developer votes present at a duly called meeting of the Association. If a meeting of Members has been called to determine to provide no reserves or reserves at less than required and the quorum requirement is not met, the reserves in the budget as prepared shall go into effect.

C. Increased Budget(s). If a budget is adopted by the Board which requires Assessment of the Members in any budget year exceeding one hundred fifteen percent (115%) of such Assessments for the preceding budget year, upon written application of ten percent (10%) of the Members, delivered to the Board within twenty-one (21) days after adoption of the annual budget, the Board shall call a special meeting of the Members to be held within 60 days after adoption of the budget. At the special meeting, Members shall consider and enact a budget. Any such revision of the budget shall require a vote off not less than fifty-one percent (51%) of the whole number of votes of all Members. The Board may in any event first propose a budget to the Members at any such meeting of Members or by writing, and if such budget or proposed budget be approved by a majority of the Members at the meeting or by a majority of all Members in writing, such budget is adopted, and such budget shall not thereafter be reexamined by the Members in the manner hereinabove set forth nor shall any and all Members of the Board be recalled under the terms hereof. If a meeting of the Members has been called and a quorum is not obtained or a substitute budget is not adopted by the Members, the budget adopted by the Board goes into effect as scheduled. In determining whether Assessments exceed one hundred fifteen percent (115%) of Assessments in the prior year, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, expenses which are not anticipated to be incurred on a regular or annual basis, or assessments for betterment of the Condominium Property, must be excluded from the computation.

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

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

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

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

H. Financial Records. Within ninety (90) days following the end of the fiscal year, the Board of Directors of the Association shall mail or furnish by personal delivery to each Member a complete Financial report of actual receipts and expenditures for the previous twelve (12) months or a complete set of financial statements for the proceeding fiscal year prepared in accordance with the applicable rules and regulations of the Division of Land Sales Condominium and Mobile Homes and the Condominium Act.

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

J. Fines. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, the Declaration, the Articles of Incorporation of the Association, these Bylaws, or the Rules and Regulations adopted pursuant thereto ("Property Documents"), shall not constitute a waiver of the right to do so thereafter. In addition to all other remedies available to the Association in law or equity, the Association may levy against any Owner or its Tenant a fine not in excess of \$100.00 per violation, or the highest fine permitted under the Condominium Act, for each day that such Owner or Tenant continues to

violate any of the requirements of the Property Documents after the Association has given notice of the violation and an opportunity for hearing to the Unit Owner or Tenant. A fine may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing to the Unit Owner or Tenant before a committee of other unit owners who are not directors, agents or employees of the Association, or the spouse of a director, agent or employee of the Association, provided that no such fine shall in the aggregate exceed \$1,000.00, unless the Condominium Act is revised to permit fines in excess of said amount and the Board of Directors approves such an increase. In assessing the fine, the Association shall follow the following procedure:

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

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

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

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

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

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

VII. OFFICIAL RECORDS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

VIII. PARLIAMENTARY RULES

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

IX. ARBITRATION

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

X. AMENDMENTS TO BYLAWS

These Bylaws may be amended by the vote of a majority of the Board of Directors at a duly called regular or special meeting at which a quorum is present.

No Bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words

shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial reworking of bylaw. See bylaw ____ for present text." Nonmaterial errors or omissions in the bylaw amendment process shall not invalidate an otherwise properly promulgated amendment.

Such amendment or amendments to these Bylaws shall be transcribed, certified by the Secretary of the Association, and a copy thereof shall be recorded in the Public Records of Duval County, Florida as an amendment to the Declaration of Condominium within thirty (30) days from the date on which any amendment or amendments have been affirmatively approved by the Board of Directors.

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

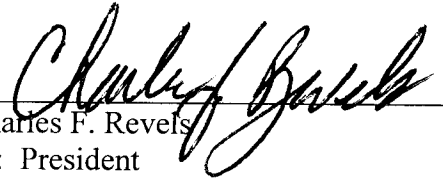
Provided, however, that no amendment shall discriminate against any Member or group of Units unless the Members so affected shall consent. No amendment shall be made that is in conflict with the Condominium Act, the Declaration of Condominium, or the Articles of Incorporation.

XI. INCORPORATION OF ACT

All provisions of §718.112(2)(a) through (m), Florida Statutes, are deemed to be included these bylaws. To the extent that any such provisions of the Act are in conflict with any of the terms of these Bylaws, the provisions of the Act shall control.

The foregoing was adopted as the Bylaws of North Beaches Casa Del Mar Condominium Association, Inc., under the laws of the State of Florida, at the first meeting of the Board of Directors on the 14 day of March, 2007.

APPROVED:


 Charles F. Revels
 Its: President