

DECLARATION OF CONDOMINIUM

OF

PABLO SURFSIDE CONDOMINIUM

A CONDOMINIUM

PABLO SURFSIDE ASSOCIATES, a Florida General Partnership, hereinafter referred to as the "Developer," for itself and its successors, grantees and assigns, hereby submits to condominium ownership, pursuant to Chapter 718, Florida statutes, as amended (the "Condominium Act"), the land located in Duval County, Florida, more particularly described on Exhibit A-1 attached (the "Land"), and all improvements existing and hereafter erected thereon, now or hereafter located thereon, (the Land and all such improvements being herein sometimes referred to as the "Condominium Property"). The Condominium Property shall hereafter be subject to the provisions, restrictions, reservations, covenants, conditions and easements hereinafter set forth.

ARTICLE I
NAME

1.1 Name. The name by which this condominium shall be known is Pablo Surfside Condominium, a Condominium (the "Condominium").

ARTICLE II
DEFINITIONS

2.1 Definitions. The terms used in this Declaration and its Exhibits shall have the meanings stated in the Condominium Act, which act is incorporated herein by this reference, unless the context hereof otherwise requires.

2.2 Assessment. "Assessment" means a share of the funds required for the payment of Common Expenses which from time to time is assessed against the Unit Owner, and such additional sums which may be assessed directly against one or more Unit Owners including, but not limited to, special assessments, fines and surcharges hereinafter specified.

2.3 Association or Condominium Association. "Association" or "Condominium Association" means CONDOMINIUM OWNERS ASSOCIATION OF PABLO SURFSIDE, INC., a not for profit Florida corporation, the entity responsible for the operation of the Condominium.

2.4 Board or Board of Directors. "Board" or "Board of Directors" means the Board of Directors of the Association pursuant to the Articles and Bylaws thereof.

2.5 Building. "Building" means the structure or structures situate on the Condominium Property in which the Units are located.

2.6 Bylaws. "Bylaws" mean the Bylaws of the Association.

2.7 Common Elements. "Common Elements" mean and include:

- (a) The portions of the Condominium Property which are not included within the Units.
- (b) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and the Common Elements.
- (c) An easement of support in every portion of a Unit which contributes to the support of the Building.

OFFICIAL RECORDS

(d) The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements.

(e) Any other parts of the Condominium Property designated as Common Elements in this Declaration, or any amendment hereto.

Common Elements shall not include improvements installed by Unit Owners.

2.7 Common Expenses. "Common Expenses" mean all expenses incurred by the Association for the Condominium.

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

2.9 Condominium Parcel. "Condominium Parcel" means a Unit together with the undivided share in the Common Elements which is appurtenant to said Unit; and when the context permits, the term includes all other appurtenances to the Unit.

2.10 Condominium Property. "Condominium Property" means the Land and personal property that are subjected to condominium ownership under this Declaration, all Improvements on the Land, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

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

2.12 Improvements. "Improvements" mean all structures and artificial changes to the natural environment (exclusive of landscaping) located on the Condominium Property.

2.13 Institutional Mortgagee. "Institutional Mortgagee" means a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension fund, an agency of the United States Government, Federal National Mortgage Association ("FNMA"), Government National Mortgage Association ("GNMA"), the Administrator of the Veterans Administration or Federal Housing Administration and other similar insurers and guarantors of mortgages, mortgage banker, or any other lender generally recognized as an institutional-type lender, or the Developer, holding a mortgage on a Unit or Units.

2.14 Limited Common Elements. "Limited Common Elements" mean those Common Elements the use of which are reserved to a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. Reference herein to Common Elements shall include also all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.

2.15 Unit. "Unit" means a part of the Condominium Property which is subject to exclusive ownership.

2.16 Unit Owner. "Unit Owner" or "Owner of a Unit" or "Owner" means the record owner of a Condominium Parcel.

ARTICLE III
DESCRIPTION OF CONDOMINIUM PROPERTY

3.1 Number and Identification of Units. Exhibit "A" attached hereto and made a part hereof includes a graphic description of the Improvements comprising part of the Condominium Property. The Improvements consist of eight (8) Units located in a four-story building. Two of such Units will be located on each floor. Each "Unit" is identified (as defined in the Condominium Act and herein) by number. A plot (site) plan of the Improvements is annexed and made a part hereof as Exhibit "A".

The construction of the Improvements on the Land is not substantially complete; however, by the time the Improvements are substantially completed, the Developer shall cause this Declaration to be amended to include a Certificate of Surveyor authorized to practice in this state which shall provide that the construction of the Improvements are substantially complete so that the materials in Exhibit "A", together with the provisions of the Declaration describing the Condominium Property, is an accurate representation of the location and dimensions of the Improvements and that the identification, location and dimensions of the Common Elements and of each Unit to be conveyed can be determined from these materials.

3.2 Other Improvements. In addition to the Building situated thereon, the Land also includes improvements, consisting of swimming pool, mens and womens bathrooms adjoining swimming pool on the Northerly and Southerly sides thereof, covered and uncovered parking areas, walks, landscaping, bulkhead and all underground structures and improvements which are not part of or located within the Building, and which are not elsewhere herein reserved to and/or retained by Developer, such as wires, cables, drains, pipes, ducts, conduits, valves and fittings.

3.3 Units. The term "Units" as used herein, shall mean and comprise the eight (8) condominium units in the Condominium which are located and individually described in Exhibit "A" hereto.

Each Unit shall include that part of the condominium Building containing such Unit that lies within the following boundaries:

(a) Upper and lower boundaries.

The upper boundaries of a Unit shall be the boundary of the horizontal plane of the unfinished ceiling surface extended to an intersection with the perimetrical boundaries as an upper boundary and the boundary of the horizontal plane of the unfinished surface of the floor extended to an intersection with the perimetrical boundary as a lower boundary.

(b) Perimetrical Boundary.

The perimetrical boundary of each Unit shall be the following boundaries extended to an intersection with the upper and lower boundaries:

(i) Exterior Building Walls:

The intersecting vertical planes adjacent to and which include the unfinished surface of the interior of the outside walls of the Condominium Building bounding a Unit.

(ii) Interior Building Walls:

The vertical planes of the interior unfinished surface of the walls bounding a Unit (excluding interior partitions within Units) extended to intersections with other perimetrical boundaries.

(c) Exclusions.

The Unit Owner shall not be deemed to own any spaces or improvements lying beneath the unfinished inner surfaces of the perimeter walls and floors, and above the lowest horizontal plane of the uppermost structural elements of each Unit, nor any spaces or improvements lying beneath the undercoated and/or unfinished inner surface of all interior columns, bearing walls and/or bearing partitions, nor any pipes, ducts, vents, wires, conduits or other facilities, equipment and/or fixtures running through any interior wall or horizontal or vertical portion of a Unit, for the furnishing of utility services, heating and cooling and/or ventilation to Units, Common Elements and/or Limited Common Elements.

(d) Apertures.

All glass and other transparent and/or translucent material, insect screens and screening in windows and doors, the material covering other

OFFICIAL RECORDS

openings in the exterior or interior walls of Units, where applicable, shall be construed to be within the boundaries or limits and part of the Unit exclusively served by such windows, doors and other openings.

(e) Mechanical Equipment.

All air conditioning compressors, water heaters, heat pumps and other mechanical equipment serving only one Unit shall be deemed to be part of the Unit.

3.4 Common Elements. The term "Common Elements", as used herein, shall mean and comprise all of the real property and improvements of the Condominium Property except Units including, without limitation: (a) easements through Units for conduits, pipes, ducts, vents, plumbing, wiring and other facilities, equipment and/or fixtures for the furnishing of utility services, heating and cooling and/or ventilation to Units and Common Elements; (b) easements of support of other Units and/or Common Elements; (c) installations for the furnishing of utility services to more than one Unit or to the common Elements or to a Unit other than the Unit containing the installation; (d) the property and installations in connection therewith required for the furnishing of services to more than one Unit or to the Common Elements; (e) fixtures owned or held for the common use, benefit and enjoyment of all owners of Units in the Condominium; (f) easements for ingress and egress serving the Condominium Property; (g) all open areas contained within the Land; (h) all roadways and sidewalks located on the Land; (i) outdoor showers; (j) bulkhead; (k) elevator; (l) hallways, stairs and signs, including but not limited to Unit number signs; and (m) all other improvements owned or held for common use, benefit and enjoyment of all Unit Owners.

3.5 Limited Common Elements. "Limited Common Elements," as the term is used herein, shall mean and comprise the Common Elements which are reserved herein, or assigned, or granted separately herefrom, for the use of a certain Unit or Units to the exclusion of other Units, consisting of the following:

(a) To each Unit on the first floor the two patios adjacent to each such Unit and to each Unit on all other floors, the two balconies adjacent to each such Unit, all as depicted on Exhibit "A".

(b) To each Unit, an exterior storage (utility) closet adjacent to each such Unit as depicted on Exhibit "A".

(c) To each Unit, one assigned covered parking space and one assigned uncovered parking space as designated below and exhibited and depicted on the Site Plan constituting a part of Exhibit A attached:

Unit Number	Covered Parking Space	Uncovered Parking Space
1A	1A	1A
1B	1B	1B
2A	2A	2A
2B	2B	2B
3A	3A	3A
3B	3B	3B
4A	4A	4A
4B	4B	4B

(d) Each Unit Owner of a Unit in the Condominium has the right of exclusive use of the air space and ground space occupied by the air conditioning compressor, heat pump, air handler and equipment and fixtures appurtenant thereto, serving that Unit.

ARTICLE IV
APPURTENANCES TO UNITS

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

4.1 Use of Common Elements.

(a) An undivided share in the Common Elements and in the Common Surplus. The undivided share in the Common Elements and the Common Surplus of the condominium appurtenant to each Unit is 12.5 percent.

(b) The right to use exclusively those portions of the Common Elements designated and/or reserved herein and/or granted elsewhere to such Unit as Limited Common Elements; and

(c) The appurtenant share in the Common Elements and Common Surplus and the exclusive right to use all the Limited Common Elements appurtenant to a Unit, can not be conveyed or encumbered except together with the Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided and no action for partition of the Common Elements, the Condominium Property or any part hereof, shall lie, except as provided herein with respect to termination of the Condominium.

4.2 Easements.

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

(b) Non-exclusive easements, to be used and enjoyed in common with the Owners of all Units in the Condominium, their guests, invitees, and lessees, for use of those Common Elements not designated elsewhere herein as Limited Common Elements, including, without limitation, easements for:

(i) The furnishing and maintenance of private or public utility services to all parts of the real property of the Condominium Property over, across, in and through the Land, the Condominium Building and other Improvements, as the fixtures and equipment therefor now exist and/or may be modified or relocated; and

(ii) Vehicular and pedestrian access over, across, upon, in and through the drives, sidewalks, entries, walks, grounds, and other portions, if any, of the Common Elements as are intended and/or provided for pedestrian and vehicular traffic through the Condominium Property.

(c) An exclusive easement for the unintentional and non-negligent encroachment by any Unit upon any other Unit or Common Element, or vice versa, for any reason not caused by or resulting from the willful act of Developer or any Unit Owner or Owners, including without limitation, encroachments caused by or resulting from the original construction of Improvements, which exclusive easement shall exist at all times during the continuance of such encroachment, as an easement appurtenant to the encroaching Unit or other Improvement, to the extent of such encroachment; and

(d) An exclusive easement for the use of the area of Land and air space occupied by the appurtenant mechanical equipment, e.g. air conditioning compressor, heat pump, air handler and the equipment and fixtures appurtenant thereto, situated in and/or on Common Elements of the Condominium but exclusively serving a particular Unit, as the same exist in and on the Land, which exclusive easement shall be terminated automatically in any air space which is permanently vacated by such air conditioning compressor, heat pump, air handler and the equipment and fixtures appurtenant thereto, provided, that the removal of the same for repair and/or replacement shall not be construed to be a permanent vacation of the air space which it occupies.

4.3 Membership. The right to membership in the Association upon the terms and conditions as set forth elsewhere herein.

4.4 Ingress and Egress. Each Unit Owner and such Owner's guests, invitees, lessees and domestic help, and all delivery, pickup and fire

protection services, police and other authorities of the law, United States mail carriers, representatives of utilities authorized by the Developer or Grantor of the easement referenced therein ("Grantor") to serve the Condominium Property, holders of mortgage liens on the Condominium Property or any Unit and such other persons as the Developer may from time to time designate, shall have the non-exclusive and perpetual right of ingress and egress over and across the paved portion of the real property and including walks, stairwells, elevator and entries (except that portion thereof constituting Limited Common Elements).

ARTICLE V THE ASSOCIATION

5.1 Name of Association. The entity responsible for the operation of the Condominium shall be the Association. A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit B. Subject to the rights reserved to Developer herein, and in the Condominium Act to administer and manage the Condominium Property the Association shall administer and manage the Condominium Property; provided, that the Association may, to the extent permitted by the Condominium Act, by contract, delegate its maintenance, management and operational duties and obligations.

5.2 Bylaws of Association. A copy of the Bylaws of the Association is attached hereto as Exhibit C.

5.3 Voting Rights of Unit Owners. The Unit Owner(s) shall become a member or members of the Association automatically upon and simultaneously with delivery of a deed of conveyance of fee title thereto from Developer or, in a conveyance by a grantee or a remote grantee of Developer of a deed which has been approved by the Association and otherwise complies with the terms and conditions of this Declaration, the Articles of Incorporation and Bylaws of the Association. There shall be apurtenant and pass with title to each Unit, one vote as a member of the Association, which may be exercised by each Unit Owner, or the duly constituted proxy of each Unit Owner, from time to time, at all meetings of members and in connection with all matters upon which all members of the Association are entitled to vote. The qualification of members of and manner of admission to membership in the Association, the termination of such membership in the Association, and voting by members shall be as provided for in the Articles of Incorporation and Bylaws of the Association.

5.4 Approval or Disapproval of Matters. Whenever a decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such Owner in an Association meeting, unless the joinder of record Owners is specifically required by this Declaration.

ARTICLE VI AMENDMENT OF DECLARATION

Except for amendments which Developer is authorized and/or obligated elsewhere herein to make and except as may be elsewhere herein or in the Condominium Act otherwise specifically provided, this Declaration may be amended only in the following manner.

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

6.2 Proposal. Amendments to this Declaration may be proposed by the Board of the Association by resolution adopted by a majority vote of the Directors present at any regular or special meeting of the Board at which a quorum is present or, in the alternative, by a written instrument signed by a majority of the Board, or by the owners of one-fourth (1/4) of the Units, whether by vote of such owners as members of the Association at a special or regular meeting of the members or by written instrument signed by them.

6.3 Adoption. Any amendment to this Declaration so proposed by the Board or members of the Association shall be transmitted to the President of the Association, or, in the absence of the President, to a Vice President or

OFFICIAL RECORDS

other acting chief executive officer, who shall thereupon call a special meeting of the Unit Owners in this Condominium to consider and vote upon such proposed amendment; provided, that a proposed amendment may be considered and voted upon at an annual meeting of the members of the Association if the next such meeting is to be held within the time hereafter limited and if notice of the proposed amendment shall be included in the notice of such meeting. The special or annual meeting, as the case may be, of the members shall be held not sooner than thirty (30) days nor later than sixty (60) days from the date of receipt by the Association of the proposed amendment. Notice of the meeting shall be in the form and shall be delivered and the meeting shall be called and held as provided for in the Bylaws of the Association; provided, that any member may, in writing signed by such member, waive notice of any such meeting in the manner provided for in the Bylaws of the Association and such waiver, when delivered to the Secretary of the Association for filing in its records, whether before, during or after such meeting shall be construed to be the equivalent of giving notice to such member. For twenty years from the date of recording of this Declaration, the proposed amendment may be adopted, and shall become effective, by and upon the affirmative vote at such meeting of owners of not less than eighty-seven and one-half percent (87.5%) of the Units; provided, that any amendment proposed may be adopted, without a formal meeting of the members, by an instrument executed and acknowledged with the formalities of a deed by members owning not less than eighty-seven and one-half percent (87.5%) of all Units. Thereafter, the requisite percentage of the votes for approval shall be not less than seventy-five percent (75%) and any amendment proposed may be adopted without a formal meeting of the members, by an instrument executed and acknowledged with the formalities of a deed by members owing not less than seventy-five percent (75%) of all Units.

6.4 Proviso. Except as elsewhere permitted herein, no amendment shall:

- (a) Change any "Condominium Parcel" (as defined in the Condominium Act) unless the record owner thereof and Institutional Mortgagees thereon shall join in the execution and acknowledgment of the amendment;
- (b) Discriminate against any Unit Owner or against any Unit or any class or group of Units comprising part of the Condominium Property, unless the record owners of all affected Units and Institutional Mortgagees holding mortgages thereon shall join in the execution and acknowledgment of the amendment;
- (c) Change the share of Common Elements appurtenant to any Unit or Units or the share of any Unit Owner in the Common Surplus, or increase the share of any unit Owner(s) in the Common Expenses, unless the record owners of Units so affected and the Institutional Mortgagees thereon shall join in the execution and acknowledgment of such amendment;
- (d) Make any change in Article X hereof, entitled "Insurance," nor in Article XI hereof, entitled "Reconstruction or Repair After Casualty," unless the Institutional Mortgagees on Units shall join in the execution and acknowledgment of the amendment;
- (e) Adversely affect the lien or priority of any previously recorded Mortgage to an Institutional Mortgagee;
- (f) Change the rights and privileges of the Developer without the Developer's written approval;
- (g) Be made to this Declaration or any exhibits thereto so long as the Developer has title to any Condominium Unit unless the Developer shall consent in writing to the amendment, which consent may be withheld by the Developer for any reason;
- (h) Change the use of any Unit or Common Element to commercial use without Developer's written consent;
- (i) Abridge the right of the Developer to amend the Declaration of Condominium as elsewhere provided herein; or

OFFICIAL RECORDS

(j) Merge the Condominium with another condominium regime without prior written approval of Institutional Mortgagees.

6.5 Effective Date and Recording Evidence of Amendment. An amendment, other than amendments made by the Developer alone pursuant to the Condominium Act or this Declaration, shall be evidenced by a certificate of the Association which shall include recording data identifying the Declaration and shall be executed in the form required for the execution of a deed. Amendments effected by the Developer must be evidenced in writing and recorded, but a certificate of the Association is not required. An amendment of the Declaration is effective when it is recorded in the public records of Duval County.

6.6 Amendments by Developer. Notwithstanding any provision to the contrary set forth in this Article or elsewhere in this Declaration or in the Articles of Incorporation or Bylaws of the Association, the Developer may amend this Declaration to add any surveyor's certificate(s) without the consent of joinder of any Unit Owner or any mortgagee of any Unit.

6.7 Amendment to Correct Omission or Error In Condominium Documents. The Association, by the affirmative vote of the Owners of not less than 51% of the members, may amend the Declaration for the purpose of correcting a defect, error or omission in this Declaration so long as such amendment does not materially or adversely affect the rights of owners, lienors or mortgagees.

ARTICLE VII
MAINTENANCE, REPAIRS AND REPLACEMENTS

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

7.1 Units. Each Unit, and the personal property therein, fixtures, equipment and appliances comprising a part thereof, located therein, or exclusively serving the same shall be maintained, kept in good repair and replaced by and at the expense of the Owner(s) thereof. All maintenance, repairs and/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. Notwithstanding the obligation of Unit Owners for maintenance, repair and replacement of and in Units, the proceeds of all insurance awards or payments under insurance carried by the Association for loss or damage to or within such Units shall be applied against repairs and replacements to the extent that such award or payments exceed the deductible provisions of such insurance.

7.2 Limited Common Elements. The Association shall be responsible for, and shall assess against and collect from all Unit Owners, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition, all of the Common Elements except the Limited Common Elements as specified below. The Association shall, at the expense of all Unit Owners, repair any and all incidental damage to Units resulting from maintenance, repairs and/or replacements of or to Common Elements.

7.3 Limited Common Elements. The responsibility for, and the cost of keeping clean and in orderly condition the Limited Common Elements which exclusively serve a certain Unit to the exclusion of other Units, shall be borne by the Owner of each Unit to which the same are appurtenant. The Limited Common Elements which exclusively serve a Unit shall be repaired or maintained by the Association and, the cost thereof shall be assessed against the Unit Owner of the Unit to which the Limited Common Elements are appurtenant. Notwithstanding the Unit Owners' Obligations with respect to Limited Common Elements, any proceeds of insurance awards or payments under insurance carried by the Association for loss or damage to such Limited Common Elements shall be applied against such repair or replacement to the extent that such award or payments exceed the deductible limits of such insurance.

7.4 Management. The Board may enter into a contract with any firm, person, or corporation or may join with any other condominium associations and entities in contracting for the maintenance and repair or management of the Condominium Property. The Board may contract for and may delegate to the

OFFICIAL RECORDS

contractor or manager all the powers and duties of the Association, except such as are specifically required by this Declaration or by the Bylaws, to have the approval of the Board of Directors or the membership of the Association. The contractor or manager may be authorized to determine the budget, make assessments for common expenses and collect assessments as provided by this Declaration, Bylaws and exhibits to this Declaration.

7.5 Entry for Maintenance. The Board, or the agents or employees of any management firm or the Association, shall be allowed entry into any Unit or Limited Common Elements for the purpose of maintenance, inspection, repair, replacement of the improvements within the Units, Limited Common Elements, or the Common Elements or in case of emergency circumstances threatening Units, Limited Common Elements or the Common Elements, or to determine compliance with the provisions of this Declaration and the Bylaws of the Association.

7.6 Failure to Maintain. In the event a Unit Owner fails to maintain his Unit and Limited Common Elements, as required herein, or makes any alterations or additions without the required consent, or otherwise violates or threatens to violate the provisions of this Declaration relevant to maintenance, alteration and repair, the Association shall have the right to levy an assessment against the Unit Owner and the Unit, for such necessary sums to remove any unauthorized addition or alteration and to restore the property to good condition and repair. The Association shall have the further right to have its employees or employees of any management firm or agent or any subcontractors appointed by them enter a Unit at all reasonable times to do such work as is deemed necessary by the Board of the Association to enforce compliance with the provisions hereof. The liability for any damage done by the Board, agents or employees of any management firm or Association shall be assessed against the Unit Owner of the Unit being repaired or maintained unless such damage is created by the gross negligence or willful misconduct of the Board, agents or employees of any management firm or Association.

ARTICLE VIII

ALTERATIONS OF AND IMPROVEMENTS TO UNITS AND COMMON ELEMENTS

Except as the right is herein reserved to Developer, neither a Unit Owner nor the Association shall make any alterations, improvements or additions to Units, Common Elements, or Limited Common Elements except in compliance with the following conditions.

8.1 Developer's Right to Alter. Until such time as the Land is subjected to this Declaration, the Developer shall have the right, without the vote or consent of the Association or Unit Owners, to (i) make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or nonstructural, interior or exterior, ordinary or extraordinary; (ii) change the layout or number of rooms in any Developer-owned Units; (iii) change the size and/or number of Developer-owned Units by combining separate Developer-owned Units into one or more Units; and (iv) reapportion among the Developer-owned Units affected by such change in size or number pursuant to the preceding clause their appurtenant interest in the Common Elements and share of the Common Surplus and Common Expenses; provided, however, that the percentage interest in the Common Elements and share of the Common Surplus and Common Expenses of any Units (other than Developer-owned Units) shall not be changed by reasons thereof unless the Owners of such Units shall consent thereto and, provided further, that Developer shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing. In making the above alterations, additions and improvements, the Developer may relocate and alter Common Elements adjacent to such Units, incorporate portions of such Common Elements into altered Units and/or create additional Common Elements from portions of altered Units, provided that such relocation and alteration does not materially or adversely affect the market value or ordinary use of Units owned by Unit Owners other than the Developer. Any amendments to this Declaration required by actions taken pursuant to this Article may be effected by the Developer alone. Without limiting the generality of Section 6.4 hereof, the provisions of this Section may not be added to, amended or deleted without the prior written consent of the Developer.

8.2 Unit Owner's Right to Alter. No Unit Owner shall make any addition, alteration or improvements in or to the Common Elements nor to his

Unit or any Limited Common Element without the prior written consent of the Board. The Board shall have the obligation to answer any written request by a Unit Owner for approval of such an additional alteration or improvement in such Unit Owner's Unit or Limited Common Element within 60 days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent; provided, however, in no event shall any such alteration or improvement change the uniform exterior appearance of the Building in which the Unit is located. The proposed additions, alterations, and improvements by the Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal, construction details, lien protection or otherwise. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees, and shall be deemed to have agreed, for such Owner, and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and 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 that date of installation or construction thereof as may be required by the Association, subject to the Board's right to perform appropriate maintenance upon the failure of the Unit Owner to do so as provided in Section 7.6.

ARTICLE IX MANAGEMENT AGREEMENT

9.1 Management Firm. The Association, through its Board of Directors, may enter into a management agreement with a professional management firm ("Management Firm").

The Association may delegate to the Management Firm certain powers of the Association, not reserved to the Board of Directors under the provisions of the Condominium Act.

9.2 Duties of Management Firm. Each Unit Owner, his heirs, successors, and assigns, shall be bound by the Management Agreement which shall be executed pursuant hereto for the purposes therein expressed.

9.3 Interested Directors. It is specifically recognized that some or all of the persons comprising the original Board are or may be stockholders, officers and Directors of the Management Firm, and that such circumstances shall not and cannot be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate such Management Agreement, in whole or in part.

ARTICLE X INSURANCE

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

10.1 Duty and Authority to Obtain. The Association shall obtain and keep in force at all times the insurance coverage which it is required hereby to carry and may obtain and keep in force all of such other or additional insurance coverage as it is authorized hereby to carry. All insurance obtained by the Association shall be purchased for the benefit of the Association and the Unit Owners and their mortgagees, and all policies of such insurance shall be deposited with and held by the "Insurance Trustee" (as such term is herein identified); provided that a certificate evidencing a mortgagee endorsement shall be issued to the mortgagee of each Unit. The Unit Owners may, at their own expense, obtain insurance coverage against damage to and loss of the contents of the Unit, personal liability for injury to and death of persons and damage to and loss of personal property of others, and against additional living expenses. provided, however, that each policy of such insurance purchased by a Unit Owner shall, where such provision is available, state that the insurer waives its right of subrogation as to any claim or claims against other Unit Owners, the Association, and their respective employees, agents, guests and invitees.

OFFICIAL RECORDS

10.2 Required Coverage. The Association shall purchase and carry casualty insurance covering all of the Improvements, including the Association property, personal property of the Condominium, also including, without limitation, Units, Limited Common Elements and Common Elements, fixtures, installations, or additions comprising that part of the building within the unfinished 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, or as they existed at the time the unit was initially conveyed if the original plans and specifications are not available (however, the word "building" does not include floor coverings, wall coverings or ceiling coverings) and building service equipment and common personal property and supplies belonging to the Association (which may be jointly referred to as "Insured Property") in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the Board of Directors of the Association in accordance with reasonably acceptable appraisal practice; such insurance to include or afford protection against:

(a) Loss or damage by fire or other hazards covered by the standard extended coverage endorsement; and

(b) All other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement.

(c) Comprehensive general liability insurance in not less than the amount of \$1,000,000 for personal injury and \$50,000 for property damage of a single occurrence, insuring the Association, the Board of Directors, the Management Firm at the discretion of the Board of Directors, and each Unit Owner for claims arising out of or in connection with the ownership, operation or maintenance of any of the Condominium Property. This coverage may exclude Unit Owner liability coverage for claims arising in connection with that portion of the property used and occupied exclusively by a particular Unit Owner. Such comprehensive general liability insurance shall also cover cross liability claims of one insured against the other legal liability coverage including water damage, fire, and other casualty. The Board of Directors shall review such limits once a year. The liability insurance shall provide coverage for bodily injury and property damage that result from the operation maintenance or use of the Common Elements and any legal liability that results from lawsuits related to employment contracts in which the Association is a party.

(d) Workmen's compensation insurance to meet the requirements of law.

(e) Loss or damage by flood, to the extent available, subject to the limitations, if any, required or necessitated by law, including, without limitation, the Flood Disaster Protection Act of 1973, or any similar law or regulation. The amount of flood insurance shall be 100% of the current replacement cost of all buildings in the flood hazard area or the maximum coverage available for the property under the National Flood Insurance Program.

(f) Director and officer liability coverage and, to the extent the duties and obligations of the Board are delegated, for such delegates.

(g) The following endorsements to the policy shall be obtained if available:

(i) Agreed Amount and Inflation Guard Endorsement.

(ii) Construction code endorsements, if a construction code provision requires changes to undamaged portions of the building when only part of the project is destroyed by an insured hazard.

The Association shall further purchase and carry blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. Any Management Firm that handles funds for the Association shall also be covered by its own fidelity bond.

The fidelity bond shall cover the maximum funds that will be in the custody of the Association or its Management Firm at any time while the bond is in force.

With respect to the coverage provided by the Association in accordance with Florida Statutes 718.111(11)(b), the Unit Owners shall be considered additional insureds under the policy.

10.3 Optional Coverage. The Association may purchase and carry other insurance coverage or obtain other endorsements as the Board, in its sole discretion, may determine from time to time to be in the best interests of the Association and Unit Owners, or as an Institutional Mortgagee may reasonably require while it holds a mortgage encumbering any Unit. Any waiver of subrogation contained in policies shall include waivers as to the Management Firm.

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

10.5 Additional Provisions. Any policy obtained by the Association must provide for the following, if available:

- (a) Recognition of any Insurance Trust Agreements.
- (b) Waiver of the right of subrogation against Unit Owners individually.
- (c) The insurance will not be prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Owners collectively
- (d) The policy shall be primary in the event that the Unit Owner has other insurance covering the same loss.
- (e) The policy may not be cancelled or substantially modified without at least 30 days prior written notice to the Association and each holder of a first mortgage which is listed as a scheduled holder of a first mortgage in the insurance policy.

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

10.7 Insurer. All persons beneficially interested in the insurance coverage obtained, purchased and maintained by the Association, including without limitation Unit Owner(s) and mortgagees shall be bound by the Association's selection of its insurer(s) and the amount of insurance coverage carried and kept in force by the Association.

10.8 Insurance Trustee. The Association shall have the right but no obligation to designate the Insurance Trustee and all persons beneficially interested in such insurance coverage shall be bound by the Association's selection of the Insurance Trustee. If the Association fails or elects not to appoint such Insurance Trustee, the Association will perform all obligations imposed upon such Trustee by this Declaration.

(a) Qualifications, Rights, and Duties.

OFFICIAL RECORDS

The Insurance Trustee shall be either a bank with trust powers, doing business in the State of Florida, the Board or an attorney who is a member of the Florida Bar. The Insurance Trustee, if a bank or attorney, shall not be liable for the payment of premiums, the renewal of any policy or policies of casualty insurance, the sufficiency of coverage, the form or content of policies, nor for the failure to collect any insurance proceeds. The duties of the Insurance Trustee, of a bank or attorney, shall be to hold such insurance policies as may be placed with it pursuant to Section 10.1 and to receive such proceeds of casualty insurance as are paid and to hold the same in trust for the purposes herein stated, and for the benefit of the Association, Unit Owners and their respective mortgagees, to be disbursed as herein provided. The Association shall pay a reasonable fee to the Insurance Trustee, if a bank or attorney, for services rendered hereunder and shall pay such costs and expenses as the Insurance Trustee may incur in the performance of its duties hereunder, such fees and costs to be assessed against and collected from Unit Owners as a Common Expense. The Insurance Trustee shall be liable only for its willful misconduct, bad faith or gross negligence, and then only for such money as may come into the possession of the Insurance Trustee. If and when the Insurance Trustee is required to distribute insurance proceeds to Unit Owners and their Mortgagees, as their respective interests may appear, the Insurance Trustee, if a bank or attorney, may rely upon a certificate of the President and Secretary of the Association, executed under oath and provided to the Insurance Trustee upon request to the Association, such certificate to certify the name or names of the owners of each Unit, the mortgagee(s) thereof, and the respective Unit Owner(s) and mortgagee(s), as their respective interests may appear. If and when insurance proceeds are paid to the Insurance Trustee for any casualty loss, the holder(s) of any Mortgage or Mortgages encumbering a Unit shall not have the right to determine or participate in the determination of repair or replacement of any loss or damage, and shall not have the right to elect to apply insurance proceeds to the reduction of indebtedness secured by such Mortgage(s), unless the insurance proceeds represent a distribution to the Unit Owners and the mortgagee(s) thereof, after such insurance proceeds have been first applied to repair, replacement or reconstruction of any loss or damage, or unless such casualty insurance proceeds are authorized to be distributed to the owner(s) of the Unit, and the mortgagee(s) thereof by reason of loss of or damage to personal property constituting a part of the Common Elements and as to which a determination is made not to repair, replace or restore such personal property.

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

(a) Common Elements Only.

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

(b) Units.

The proceeds paid to the Insurance Trustee for loss of or damage to any portion of the Condominium Building, constituting damage to Common Elements and one or more Units thereof, shall be first applied to the repair, replacement or reconstruction of Common Elements, then to the repair,

OFFICIAL RECORDS

replacement or reconstruction of any Unit or Units in the building which have been destroyed or damaged. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements and Units, the excess shall be paid by the Insurance Trustee to the Owners of the damaged or destroyed Units and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each such Unit in the Common Elements. If the insurance proceeds shall be sufficient to pay the cost of the repair, replacement or reconstruction of the Common Elements but shall be insufficient to pay the cost of the repair, replacement or reconstruction of the damaged or destroyed Unit or Units in such building, the Association shall assess the amount of the difference against, and collect the same from, the Owner(s) of the Unit(s) damaged or destroyed, in proportion that the amount of damage sustained to each such Unit bears to the total deficit, and deposit such sum with the Insurance Trustee to be applied by the Insurance Trustee toward the total cost of repairing, replacing or reconstructing all of such damaged or destroyed Common Elements and Units. If the insurance proceeds shall be insufficient to pay the cost of the repairs, replacements, or reconstruction of the Common Elements and the damaged or destroyed Unit or Units in such building, the Association shall assess the amount of the difference between the insurance proceeds and the total cost of repairing or replacing the Common Elements against, and collect the same from all Unit Owners, as a Common Expense. The cost of repairing, replacing or reconstructing the Unit or Units destroyed or damaged shall be assessed by the Association against, and collected from, the Owner(s) of such damaged or destroyed Units.

(c) Proceeds of Optional Property Coverage.

If any proceeds from any damage occasioned solely to Units and/or certain portions or all of the contents thereof not included in Insured Property, as determined by the Association in its sole discretion, (collectively "Optional Property"), are collected by reason of optional insurance which the Association elects to carry thereon, such proceeds shall be held for the benefit of the Owners of the Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such affected Owner, which cost and allocation shall be determined in the sole discretion of the Association.

10.10 Deposits to Insurance Trustee After Damage. Within sixty (60) days after a loss of or damage to Condominium Property covered by casualty insurance, the Association shall obtain estimates of the cost of repairing, replacing or restoring the same, including the cost of professional fees and any construction bond which the Board of Directors may require. If, from such estimates, it shall appear that the insurance proceeds payable for such loss or damage will be insufficient to pay the total costs thereof, the additional money required to pay the total cost thereof, whether it is to be paid by one or more Unit owners, shall be deposited with the Insurance Trustee not later than thirty (30) days from (i) the day on which the Insurance Trustee receives the insurance proceeds or (ii) the date or receipt of cost estimates for repair or replacement, whichever last occurs.

ARTICLE XI
RECONSTRUCTION OR REPAIR AFTER CASUALTY

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

11.1 Insured Property. If the Insured Property shall be damaged or destroyed, repair or reconstruction thereof, or termination of the Condominium, shall be in accordance with the following:

(a) Total Destruction of the Insured Property.

If seventy-five (75%) percent or more of the Insured Property is destroyed or so damaged that no Units therein are habitable, neither the Building nor the improvements comprising Common Elements thereof shall be reconstructed, and the Condominium shall be terminated unless the owners of Units to which seventy-five (75%) percent of the Common Elements are appurtenant agree in writing, within 60 days after the date of such destruction, to reconstruct the same and/or unless any policy or policies of casualty insurance covering the same shall require reconstruction thereunder,

OFFICIAL RECORDS

and in either case as long as the then applicable zoning and other regulatory laws and ordinances shall allow the same to be reconstructed.

(b) Partial Damage to the Insured Property.

If less than seventy-five (75%) percent of the Insured Property is damaged and some Units therein are habitable, the damaged or destroyed Common Elements and/or Units shall be repaired or reconstructed so that the Units and Common Elements shall be restored to substantially the same condition as existed prior to such damage or destruction, unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere herein provided that the Condominium shall be terminated.

(c) Damage to Common Elements.

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

(d) Responsibility for Damage to Units Only.

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

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

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

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

(a) Association.

If the total funds assess against and collected from Unit owners by the Association for payment of repair and reconstruction costs is more than \$100,000.00, then all such sums shall be deposited by the Association with and disbursed by the Insurance Trustee. In all other cases the Association shall hold the sums so assessed and collected and shall disburse the same in payment of the costs of reconstruction and repair.

(b) Insurance Trustee.

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

(i) Unit Owner.

The portion of insurance proceeds representing damage for which the responsibility of repair and reconstruction is upon one or more, but less than all, Unit Owners shall be paid by the Insurance Trustee to the affected Unit Owners and, if any of such Units are mortgaged, to the affected Unit Owners and their mortgagees jointly.

(ii) Association - Lesser Damage.

OFFICIAL RECORDS

If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is less than \$100,000.00, 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 an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(iii) Association - Major Damage.

If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than \$100,000.00, then the construction fund shall be disbursed by the Insurance Trustee in payment of such costs in the manner required by the Board and upon approval of an architect registered to practice in Florida and employed by the Association to supervise the work.

(iv) Surplus.

It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in the construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere herein stated; except, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

(v) Certificate.

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

ARTICLE XII
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:

12.1 Units. Each Unit shall be used for a single household and for residential non-commercial purposes only. Nothing herein shall be construed to prohibit leasing of the Units, provided that such leases are in compliance with Section 12.7 hereof.

12.2 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 consent of the Association. No Unit Owner shall permit anything to be done or kept in this Unit or in the Common Elements which will result in cancellation of insurance on any Unit or any part of the Common Elements, or which will be in violation of any law. No waste shall be committed in the Common Elements.

OFFICIAL RECORDS

12.3 Encroachments. None of the rights and obligations of the Unit Owners created herein or by the deed conveying the Condominium shall be altered in any way by encroachment due to settlements or shifting of structures or any other cause. There shall be valid easements for the maintenance of any such encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of a Unit Owner(s), if encroachment occurred due to the willful conduct of the Unit Owner(s).

12.4 Common Elements. The Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of 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 prior written consent of the Association.

12.5 Nuisances. No noxious or offensive activity shall be allowed upon the Condominium Property, nor any use or practice which is the source of annoyance or nuisance to Unit Owners or guests or which interferes with the peaceful possession and proper use of the Condominium Property by residents. No loud or objectionable noise or vibration shall be permitted to emanate from any Unit which may disturb occupants of any other Unit. 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.

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

12.7 Leasing. Leases of a Unit must be for an entire Unit and must be for a minimum of three (3) months and must provide that the lessee shall be bound by the provisions of this Declaration and any noncompliance by such lessee shall be the responsibility of the Unit Owner.

12.8 Exterior of Building. No Unit, or Common Element may be altered in any manner by any Owner without prior written consent of the Association. In particular, no Owner, tenant or occupant of a Condominium Unit shall:

(a) paint or otherwise change the appearance of any exterior wall, door, window, patio or balcony, storage closet, entry or any exterior surface; place any blinds, shades, draperies, curtains or other window treatment at the windows of any Unit unless the same is white and unlined or unless the same is lined with a white color material with the lining facing to the exterior of the Unit, tint, color or otherwise treat or apply anything to any window which will adversely affect or change the uniform exterior appearance of the Building in the opinion of the Board, plant any planting outside of a Unit except upon written approval of the Board of Directors of the Association, erect any exterior lights or signs, place any signs or symbols in windows or in the Common Elements, erect or attach any structures or fixtures within the Common Elements, without the prior written consent of the Board;

(b) make any structural additions or alterations (except the erection or removal of non-support carrying interior partitions wholly within the Unit) to any Unit or to the Common Elements without the prior written consent of the Board;

(c) erect, construct or maintain any garbage or refuse receptacles, or other equipment or structures on the exterior of the Building or on or in any of the Common Elements, except with the prior written consent of the Board;

(d) hang any laundry, garments, or other unsightly objects which are visible outside of the Unit;

OFFICIAL RECORDS

(e) allow anything to remain in the common areas which would be unsightly or hazardous;

(f) park commercial vehicles, trucks, boats, campers, trailers, or similar vehicles in any uncovered parking space, except that the Unit Owner entitled to the use of an uncovered parking space may permit a service vehicle to park in such space during the time in which service is being provided by the user of such vehicle to such Owner's Unit;

(g) erect, construct or maintain any antennas on the exterior of any building.

12.9 Pets. Only small manageable pets which are not considered to be a nuisance by the Association under rules uniformly applied, may be permitted on the Condominium Property provided, however, all pets must be kept on a leash when on the Common Elements and further provided, that the Owner of the Unit housing such pets shall be responsible for cleaning up and removing all solid waste from such pets from the Common Elements.

12.10 Signs. No signs shall be displayed from a Unit or the common Elements except those of the Developer and the Association.

12.11 Regulations. Reasonable regulations and rules concerning the use of the Condominium Property may be promulgated, modified or amended from time to time by the Board; provided, however, that all such rules and regulations not in effect at the time of recording this Declaration and modifications or amendments thereto shall be approved by not less than a majority of the members of the Association before the same shall become effective. Members not present at meetings considering such regulations or amendments thereto may express their approval or disapproval in writing. Copies of such regulations and amendments thereto shall be furnished by the Association to all Unit Owners and residents of the Condominium upon request.

12.12 Enforcement. The Association shall have the right to enforce all the restrictions set forth in this Article and the Declaration in any manner it deems necessary including without limitation, injunctions, suit for damages, or fines.

ARTICLE XIII
RESERVED RIGHTS OF DEVELOPER

In addition to various rights reserved by the Developer elsewhere provided in this Declaration, the Developer reserves the following rights:

13.1 Developer's Use of Units. Until Developer has completed and conveyed all of the Units, neither Unit Owners nor the Association shall interfere with the completion of the proposed improvements and the sale of the Units. Developer may make such use of the unsold Units and common areas as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, the showing of Units, the display of signs and the maintenance of a "design center".

13.2 Changes to Boundaries and Unit Dimensions. Until the Land is subjected to the Declaration, the Developer reserves the right to change the interior design and arrangement of each Unit. An amendment of this Declaration reflecting such authorized alteration of the Unit by Developer need be signed and acknowledged only by the Developer, and need not be approved by the Association, Unit Owner, lienors or mortgagees or any Units or interests therein. In each event, all assessments, voting rights and a share of the Common Elements shall be calculated as if such Unit is as originally designated on the Exhibits attached to this Declaration.

13.3 Rights of Developer to Sell or Lease Units. So long as Developer, or any mortgagee succeeding Developer in title, shall own any Unit, it shall have the absolute right to lease or sell any such Unit to any person, firm or corporation, upon any terms and conditions as Developer shall deem to be in Developer's own best interests.

13.4 Additional Easements Reserved. The real property submitted to condominium ownership herewith is subject to conditions, limitations, restrictions, reservation, all matters of record, taxes, applicable zoning ordinances now existing or which may hereafter exist, easements for ingress and egress for pedestrian and vehicular purposes, easements for utility service and drainage now existing or hereafter granted by the Developer for the benefit of such persons as the Developer designates. The Developer shall have the right to grant such easements over and upon the Condominium Property and designate the beneficiary thereof until such time as Developer transfers the control of the Association to the Unit Owners. Thereafter the Association shall be empowered to grant such easements on behalf of its members. During the period of time that Developer has the right to grant the foregoing easements, the consent and approval of the Association and its members shall not be required. The right to grant the foregoing easements shall be subject to the requirement that the easements not structurally weaken the Condominium Building and improvements upon the Condominium Property nor unreasonably interfere with the enjoyment of the Condominium Property by Unit Owners.

ARTICLE XIV COMPLIANCE AND DEFAULT

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

14.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents, lessees or other invitees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Unit or its appurtenances, or of the Common Elements.

14.2 Compliance. In the event a Unit Owner or occupant fails to maintain a Unit or the Limited Common Elements appurtenant to the Unit, or fails to cause such Unit or Limited Common Elements to be maintained, or fails to observe and perform all applicable provisions of the Declaration, the Bylaws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to sue in a court of law for damages, to assess the Unit Owner and the Unit for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance and to collect such sums as Assessments and have a lien therefor as elsewhere provided. In addition, the Association shall have the right, for itself and its employees and agents, to enter the Unit and perform the necessary work to enforce compliance with the above provisions (by force, if necessary), without having committed a trespass or incurred any other liability to the Unit Owner.

In addition to or instead of the above the Association shall have the right to levy fines against Unit Owners for any violation of the Declaration and/or any rules or regulations established by the Association. Any reference to a fine contained in this Declaration shall not be construed as a limitation. Fines may be assessed for the violation of any provision herein.

14.3 Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Declaration, the Articles of Incorporation and Bylaws of the Association, or any and all regulations applicable to such owner as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court.

OFFICIAL RECORDS

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

ARTICLE XV
ASSESSMENTS: LIABILITY AND DETERMINATION

To provide the funds necessary for proper operation and management of the Condominium, the Association has been and is hereby granted the right to make, levy and collect assessments against all Unit Owners and Units. The following provisions shall govern the making, levying and collecting of such assessments and the payment of the costs and expenses of operating and managing the condominium by the Association.

15.1 Liability for Assessments. Each Unit Owner and his Unit shall be liable for a proportionate share of the Common Expenses assessed by the Association and shall share in the Common Surplus, such shares being the same as the undivided share in the Common Elements appurtenant to the Unit owned by him.

Should the Association become the Owner of any Unit(s), the assessment which would otherwise be due and payable to the Association by the Owner(s) of such Unit(s), reduced by an amount of income which may be derived from the leasing of such Unit(s) by the Association, shall be apportioned and the assessment therefor levied equally among the Owners of all Units which are not owned by the Association.

The Owner(s) of each Unit shall be personally liable, jointly and severally, as the case may be, to the Association for the payment of all assessments, regular or special, fines or such delinquent assessments or installments thereof as above provided, and for all costs of collecting the assessments and interest thereon, including a reasonable attorney's fee, whether suit be brought or not, levied or otherwise coming due while such person(s) or entity own(s) a Unit.

No Owner of a Unit may exempt himself from liability for any assessment levied against such Owner and his Unit by waiver of the use or enjoyment of any of the Common Elements, or by abandonment of the Unit, or in any other manner.

15.2 Time for Payment. The assessment levied against the Owner of each Unit and his Unit shall be payable quarter-annually on the first day of each quarter-annual period unless changed by the Board. The date of commencement of the assessments against each Unit shall be established by the Board.

15.3 Annual Budget. The Board shall establish an Annual Budget in advance for each fiscal year which shall estimate all expenses for the forthcoming fiscal year required for the proper operation, management and maintenance of the Condominium, including, when deemed necessary or advisable by the Board, a reasonable allowance for contingencies and reserves.

15.4 Reserve Fund. The Board, in establishing each Annual Budget, shall include therein a sum to be collected and maintained as a reserve fund for the capital expenditures, deferred maintenance and replacement of the Common Elements and personal property held for the joint use and benefit of the Unit Owners. The amount to be reserved shall be determined by the Board of Directors or as may be required under the provisions of the Condominium Act and may be deleted by a vote of the statutory requisite percentage of Unit Owners.

15.5 General Operating Reserve. The Board, when establishing each Annual Budget, may, when deemed necessary or desirable, include therein a sum to be collected and maintained as a general operating reserve to provide a measure of financial stability during periods of special stress when such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by owners of Units, as a result of emergencies or for other reason placing financial stress upon the

OFFICIAL RECORDS

Association. The annual amount allocated to such operating reserve and collected therefor shall not exceed five percent (5%) of the current annual assessment levied against the owners of all Units. Upon accrual in the operating reserve of an amount equal to but not exceeding twenty-five percent (25%) of the current annual assessment, no further payments shall be collected from the Unit Owners as a contribution to such operating reserve, unless it shall be reduced below the twenty-five percent (25%) level, in which event, the annual assessment against each Unit Owner and/or Unit may be increased to restore the operating reserve to an amount which will equal but not exceed twenty-five percent (25%) of the current annual amount of said assessment.

15.6 Use of Association Funds. All moneys and assessments collected by the Association shall be treated as the separate property of the Association, and such moneys may be applied by the Association to the payment of any expense of operating and managing the Condominium, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles, and Bylaws. As the moneys for assessments are paid to the Association by any Unit Owner, the same may be co-mingled with moneys paid to the Association by the other owners of Units. Although all funds and other assets of the Association, and any increments thereto or profits derived therefrom, or from the leasing or use of Common Elements, including, without limitation, Common Surplus, shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein except as an appurtenance to his Unit.

15.7 Delinquency or Default. The payment of any assessment or installment thereof due to the Association shall be in default if not paid to the Association on or before the due date thereof. If any assessment or installment is not paid by the due date, the Owner and the Unit shall be assessed an automatic fine of fifteen dollars (\$15) if not paid within 10 days of the due date or a fine of twenty-five dollars (\$25) if not paid within thirty (30) days of the due date. In addition to those sums, assessments and installments thereof not paid within thirty (30) days from the date they are due (the "delinquent date") shall thereafter bear interest at the highest contract rate permitted by law until paid. Notwithstanding anything herein otherwise provided (i) no fine will become a lien against a Unit and (ii) no fine may exceed \$50.00 nor may any fine be levied except after giving reasonable notice and opportunity for a hearing to the Unit Owner and, if applicable, its licensee or invitee; provided, however, the provisions of this sentence do not apply to unoccupied Units.

ARTICLE XVI

ASSESSMENTS: LIEN AND ENFORCEMENT

The Association is hereby granted a lien upon each Unit and its appurtenant undivided interest in Common Elements and Limited Common Elements together with all personal property located within the Unit, subordinate to prior bona fide liens of record, which lien shall and does secure the moneys due for all: (1) assessments levied against the Owner(s) of and each Unit, including maintenance fees, and (2) fines, if any, which may become due on delinquent assessments owing to the Association, and (3) costs and expenses, including a reasonable attorney's fee, filing fees and court costs which may be incurred by the Association in collecting and enforcing its lien upon the Unit and its appurtenances. The lien granted to the Association may be established and foreclosed in the Circuit Court in and for Duval County. Any such enforcement shall be in accordance with the requirements of the Condominium Act.

In any suit for the foreclosure of the lien, the Association shall be entitled to interest at the highest rate per annum permitted by law from the Owner of any Unit from the delinquent date. The lien of the Association shall also secure all advances for taxes, and payments on account of superior mortgages, liens or encumbrances made by the Association to preserve and protect its lien, together with interest at the highest rate per annum permitted by law on all such advances made for such purpose.

16.2 Recording and Priority of Lien. The lien of the Association shall be effective from and after recording, in the public records of Duval County, a claim of lien stating the description of the Unit encumbered thereby, the name of the record Owner, the amount and the date when due, and shall continue in effect until all sums secured thereby shall have been fully

paid. Such claims of lien shall include only assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record at the expense of the Unit Owner. The lien of the Association shall be subordinate to the lien of any mortgage or any other lien recorded prior to the time of recording the Association's claim of lien, except that the lien of the Association for tax or special assessment advances made by the Association where any taxing authority having jurisdiction levies any tax or special assessment against the condominium as an entirety instead of levying the same against each Unit and its appurtenant undivided interests in Common Elements, shall be prior in lien, right and dignity to the lien of all mortgages, liens and encumbrances, whether or not recorded prior to the Association's claim of lien therefor, and the Association's claim of lien for collection of such portion of any tax or special assessment shall specifically designate that the same secures an assessment levied pursuant to this Declaration. No claim of lien which is recorded pursuant hereto shall continue for a longer period than one (1) year after the claim of lien has been recorded unless, within that time, an action to enforce the claim is enforced in a court of competent jurisdiction.

16.3 Effect of Foreclosure or Judicial Sale. In the event that any person, firm or corporation shall acquire title to any interest in a Unit and its appurtenant undivided interest in Common Elements by virtue of any foreclosure, deed in lieu of foreclosure, or judicial sale, such person, firm or corporation so acquiring title shall only be liable and obligated for assessments as shall accrue and become due and payable for the Unit and its appurtenant undivided interest in Common Elements subsequent to the date of acquisition of such title, and shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title, except that such person, firm or corporation shall acquire such title subject to the lien of any assessment by the Association representing an apportionment of taxes or special assessment levied by tax authorities against the Condominium in its entirety. In the event of the acquisition of title to a Unit by foreclosure, deed in lieu of foreclosure, or judicial sale, any assessment or assessments as to which the party so acquiring title shall not be liable shall be absorbed and paid by all Owners of all Units as a part of the Common Expense, although nothing herein contained shall be construed as releasing the party personally liable for such delinquent assessment from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

16.4 Effect of Voluntary Transfer. When the Owner of any Unit proposes to sell or mortgage the same in compliance with other provisions of this Declaration, the Association, upon written request of the Unit Owner, shall furnish to the proposed purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to the Association by the Owner of such Unit. Such statement shall be executed by any officer of the Association and any purchaser or mortgagee may rely upon such statement in concluding the proposed purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event that a Unit is to be sold or mortgaged at the time when payment of any assessment against the Owner of the Unit and Unit due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association) then the proceeds of such sale or mortgage proceeds, as the case may be, shall be applied by the purchaser or mortgagee first to payment of any then delinquent assessment or installment thereof due to the Association before payment of the balance of such proceeds of sale or mortgage to the Owner of the Unit responsible for payment of such delinquent assessment.

In any voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor made prior to the time of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee therefor.

16.5 No Election of Remedies. Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall

OFFICIAL RECORDS

not be deemed to be an election by the Association which shall prevent it from thereafter seeking enforcement of the collection of any sums remaining owing to it by foreclosure, nor shall proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of suit at law to attempt to effect collection of any sum the remaining owing to it.

16.6 Possession of Unit. Any person who acquires an interest in a Unit, (except Institutional Mortgagees) through foreclosure of a first mortgage of record (or deed in lieu thereof) including, without limitation, persons acquiring title by operation by law, shall not be entitled to occupancy of the Unit nor enjoyment of the Common Elements, until such time as all unpaid assessments and other charges due and owing by the former Owner if any, have been paid.

ARTICLE XVII
REGISTRY OF OWNERS AND MORTGAGEES

The Association shall at all times maintain a register of the names of the Owners and mortgagees of all Units. Upon the transfer of title to any Unit, the transferee shall notify the Association in writing of his interest in such Unit together with recording information identifying the instrument by which such transferee acquired his interest in the Unit. The Owner of each Unit encumbered by a mortgage shall notify the Association of the name and address of the mortgagee, the amount of such mortgage, or mortgages, and the recording information identifying the same. The holder of any mortgage encumbering a Unit may notify the Association of any such mortgage(s), and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to the same.

ARTICLE XVIII
APPROVAL BY ASSOCIATION

18.1 Maintenance of Community Interests. In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the Units, the transfer of Units by any Owner other than Developer shall be subject to the following provisions so long as the Condominium exists and the Units in useful condition exist upon the Land, which provisions each Unit Owner covenants to observe.

18.2 Transfers subject to Approval. The following transfers shall be subject to approval:

- (a) Sale. No Unit Owner may dispose of a Unit or any interest therein by sale without the approval of the Association, except to another Unit Owner.
- (b) Gift, Devise, or Inheritance. If any Unit Owner shall acquire title by gift, devise, or inheritance or other means of transfer not herein set forth, the continuance of ownership of the Unit shall be subject to the approval of the Association.

18.3 Approval by Association. The approval of the Association, which is required for the transfer of ownership of Units shall be obtained in the following manner:

- (a) Notice to Association.

(i) Sale. A Unit Owner intending to make a bona fide sale of his Unit or any interest therein shall give to the Association notice of such intention, together with the name and address of the intended purchaser and such other information as the Association may reasonably require. Such notice, at the Unit Owner's option, may include a demand by the Unit Owner that the Association furnish a purchaser if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell.

(ii) Gift, Devise or Inheritance; Other Transfers. A Unit Owner who has obtained his title by gift, devise, or inheritance, or by any other manner not heretofore considered, shall give to the Association notice of his acquisition of title, together with such information concerning the Unit Owner as the Association may reasonably require, and a certified copy of the instrument evidencing the Owner's title.

OFFICIAL RECORDS

(iii) Failure to Give Notice. If the notice to the Association herein required is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Unit, the Association, at its election and without notice, may approve or disapprove the transaction or ownership. If the Association disapproves the transaction or ownership, the Association shall proceed in accordance with Section 18.4 as if it had received the required notice on the date of such disapproval.

(b) Certificate of Approval. Within 30 days after receipt of such notice and information of a proposed transfer or change of ownership as above set forth, the Association must either approve or disapprove the proposed transaction or continuance of ownership. If approved, the approval shall be stated in a certificate executed by an officer of the Association in recordable form and shall be delivered to the purchaser or Unit Owner and shall be recorded in the Public Records of Duval County, Florida, at the expense of the purchaser or Unit Owner.

(c) Approval of Corporate Owner or Purchaser. Inasmuch as the Condominium may be used only for residential purposes and a corporation cannot occupy a Unit for such use, if the Unit Owner or purchaser of a Unit is a corporation, the approval of ownership by the corporation may be contingent on the requirement that all persons occupying the Unit be also approved by the Association.

18.4 Disapproval by Association. If the Association shall disapprove a transfer of ownership of a Unit, the matter shall be disposed of as follows:

Sale or Change of Ownership. If the notice of sale given by the Unit Owner shall so demand, or if the Unit Owner giving notice has acquired his title by gift, devise, inheritance or in any other manner as referenced in paragraph 18.3 (a) (ii), then within thirty (30) days after receipt of such notice and information, the Association shall have the right to deliver or mail, by certified mail, to the Unit Owner an agreement to purchase by a purchaser approved by the Association ("Approved Purchaser") who will purchase and to whom the Unit Owner must sell the Unit upon the following terms:

(i) If the proposed transaction is a sale, Approved Purchaser shall have the option, to be stated in the agreement, to pay the price as stated in the disapproved contract to sell, or to pay the fair market value determined by arbitration.

(ii) If the Unit Owner has acquired title by gift, devise, inheritance, or in any other manner, the sale price shall be the fair market value determined by agreement between seller and Approved Purchaser within twenty (20) days of the delivery or mailing of such agreement, and, in the absence of such agreement, by arbitration.

(iii) Arbitration shall be in accordance with Section 19.2(b).

(iv) The purchase price shall be paid in cash.

(v) The sale shall be closed within ninety (90) days after the delivery or mailing of said agreement to purchase, or within thirty (30) days after the determination of the sale price if such is by arbitration, whichever is later.

(vi) If the Association shall fail to provide an Approved Purchaser as herein required or if an Approved Purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, the proposed transaction or changed ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the public records of Duval County, Florida, at the expense of the purchaser or Unit Owner, as the case may be.

18.5 Mortgage. Notwithstanding anything otherwise provided, a Unit Owner may mortgage his Unit to any lending institution or lender without approval of the Association.

18.6 Unauthorized Transactions. Any sale which is not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

18.7 Exceptions. The foregoing provisions of this Article shall not apply to (a) the Developer or (b) a transfer to or purchase by a mortgagee which acquires its title as a result of foreclosure of a mortgage, or in lieu thereof whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer or sale by that mortgagee. Neither shall such provisions require the approval of a purchaser who acquires the title to a Condominium Parcel at a duly advertised public sale with open bidding which is provided by law, such as, but not limited to execution sale, foreclosure sale, judicial sale or tax sale.

ARTICLE XIX TERMINATION

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

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

19.2 Agreement. The Condominium may be terminated at any time by the agreement in writing of all of the Owners of the Condominium, and by all Institutional Lenders. If unanimous consent is not obtained, the Condominium may be terminated by agreement of a lesser percentage, if the proposed termination is submitted to a meeting of the members of the Association, the notice of which meeting gives notice of the proposed termination, and if the approval of the Owners of Units to which not less than seventy-five percent (75%) of the Common Elements are appurtenant, and of Institutional Lenders are obtained not later than thirty (30) days from the date of such meeting, then the approving Owners shall have the right to terminate the Condominium by exercising an option to buy all of the Units of the other Owners for the period ending on the sixtieth (60th) day from the date of such meeting. Such option shall be upon the following terms:

(a) Exercise of Option.

The option shall be exercised by delivering or mailing by certified mail to each of the record Owners of the Units to be purchased an agreement to purchase signed by the record Owners of Units who will participate in the purchase. Such agreement shall indicate which Units will be purchased by each participating Owner and shall agree to purchase all of the Units owned by Owners not approving the termination, but the agreement shall effect a separate contract between each seller and his purchaser.

(b) Price.

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

(c) Payment.

OFFICIAL RECORDS

The purchase price shall be paid in full in cash or by assumption of any existing mortgage financing, if permissible, plus cash.

(d) Closing.

The sale shall be closed within thirty days following the determination of the sale price.

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

19.4 Shares of Owners After Termination. After termination of the Condominium the Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares, and their respective mortgagees and lienors shall have mortgages and liens upon the respective undivided shares of the Unit Owners. Such undivided shares of the Unit Owners shall be the same as the undivided shares in the Common Elements appurtenant to the Owners' Units prior to the termination as provided herein.

19.5 Amendment. This Article cannot be amended without consent of all Unit Owners and of all Institutional Mortgagees required to approve termination by agreement.

ARTICLE XX
CONDEMNATION

Whenever all or any part of the Condominium Property shall be taken by any authority having the power of condemnation or eminent domain, each Unit Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association if such award amounts to less than One Hundred Thousand Dollars and to the Insurance Trustee if such award amounts to One Hundred Thousand Dollars or more. Unless otherwise provided by law at the time of such taking, any award made therefor shall be disbursed by the Association or the Insurance Trustee, as the case may be, in accordance with the applicable provisions of this Declaration and/or the determination of the applicable governmental body.

If the taking includes one or more Units, or any part or parts thereof, whether or not there is included in the taking any part of the Common Elements, then the award shall be disbursed as provided by law. All related matters, including without limitation, alteration of the percentages of undivided interest of the Owners in the Common Elements, shall be handled pursuant to and in accordance with the consent of Owners as required by this Declaration (or such lesser number of Owners as may then be prescribed by the Condominium Act for the purpose of altering the percentages of undivided interest of the Owners in the Common Elements) expressed in a duly recorded amendment to this Declaration. In the event that such an amendment shall not be recorded within 90 days after such taking, then such taking shall be deemed to be and shall be treated as damage or destruction which shall not be repaired or reconstructed as provided for in Article XI, whereupon the development may terminated in the manner herein prescribed.

ARTICLE XXI
RIGHTS OF INSTITUTIONAL MORTGAGEES

21.1 Rights. Any Institutional Mortgagee of a Unit who makes a request in writing to the Association for the items provided in this Article shall have the following rights:

- (a) To be furnished with at least one (1) copy of the annual financial statement and report of the Association.
- (b) To be given written notice by the Association of the call of a meeting of the membership to be held for the purpose of considering any proposed amendment to this Declaration of Condominium, or the Articles of

OFFICIAL RECORDS

Incorporation and Bylaws of Association, which notices shall state the nature of the amendment being proposed.

- (c) To be given notice of default (if such default remains uncured for 30 or more days) by any member owning any Unit encumbered by a Mortgage held by such mortgagee, such notice to be given in writing and to be sent to the principal office of such Mortgagee or to the place which it or they may designate in writing to the Association.
- (d) To be given an endorsement to the insurance policies covering the Common Elements requiring that such Mortgagee be given any notice of cancellation provided for in such policy.
- (e) To examine the books and records of the Association upon reasonable notice during ordinary working hours.
- (f) To obtain current copies of the Declaration, Bylaws and other rules concerning the project.
- (g) To obtain written notice of any condemnation loss, eminent domain proceedings or any casualty loss which affects a natural portion of the Condominium or any Unit upon which such Mortgagee has a first mortgage.
- (h) To obtain notice of any lapse, cancellation or material modification of any fidelity bond maintained by the Association.

21.2 Consent Required. Except as shall be elsewhere provided herein, unless Institutional Mortgagees having loans secured by Units to which 75% of the Common Elements are appurtenant have given their prior written approval, the Association shall not be entitled to:

- (a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer real estate or improvements thereon owned directly or indirectly by the Association. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Condominium Property shall not be deemed a transfer within the meaning of this clause;
- (b) change the method of determining the obligations, assessments, dues or other charges which may be assessed against any Units by the Association;
- (c) by act or omission change, waive or abandon the regulations or enforcement thereof contained in this Declaration pertaining to the architectural design or the exterior appearance of the Units, the maintenance of party walls or common fences and driveways, or the upkeep of walls and planting on the properties;

21.3 Reimbursement for Costs. In the event the Association fails to pay, when due, taxes assessed against the Common Elements or premiums of insurance covering the improvements on the Common Elements, then any one or more of the Institutional Mortgagees may pay such taxes or insurance premiums, and the Association shall be obligated to reimburse such Institutional Mortgagee or Mortgagees for such payments, and until paid, the same shall constitute a lien upon the Common Elements in favor of the party or parties, entity or entities, paying same, which lien may be enforced in a court of competent jurisdiction of the State of Florida in the same manner as a judgment lien may be enforced.

ARTICLE XXII
MISCELLANEOUS

22.1 Severability. The invalidity in whole or in part of any covenant or restriction, or any Article, sub-article, sentence, clause, phrase or word, or other provision of this Declaration of Condominium and the Articles of Incorporation, Bylaws and regulations of the Association shall not affect the validity of the remaining portions thereof.

22.2 Applicability of Declaration of Condominium. All present or future owners, lessees, tenants, or any other person who might use the

facilities of the Condominium Property in any manner, are subject to the provisions of this Declaration, and the mere acquisition or rental of any Unit, or mere act of occupancy of any Unit, shall signify that the provisions of this Declaration of Condominium are accepted and ratified in all respects.

22.3 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of condominium ownership. The Florida Condominium Act, as it exists on the date of execution hereof, is hereby adopted and made a part hereof. In the event of any conflict between the provisions of this Declaration and the Condominium Act, the provisions of the Condominium Act shall prevail.

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

IN WITNESS WHEREOF, Developer has caused the foregoing Declaration of Condominium to be executed, by its undersigned, duly authorized signatory on this 16th day of February, 1987.

PABLO SURFSIDE ASSOCIATES

By: Bernard J. Schann
A General Partner

"Developer"

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 5th day of February, 1987 by Bernard Schann, a General Partner of Pablo Surfside Associates, a Florida general partnership, on behalf of the partnership.

Carroll Schann
Notary Public, State of Florida
My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES AUGUST 24, 1987

OFFICIAL RECORDS

JOINDER OF MORTGAGEE

THE UNDERSIGNED, CITIZENS FEDERAL SAVINGS AND LOAN ASSOCIATION OF JACKSONVILLE, a Federal savings and loan association, the owner and holder of that certain Mortgage recorded in Official Records Volume 5860, page 580 of the current public records of Duval County, Florida (the "Mortgage"), does hereby join in the execution of the foregoing Declaration and does agree that the lien of the Mortgage is now and shall hereafter be subject to the provisions of the Declaration.

Nothing herein contained shall be construed to release, exonerate or discharge property encumbered by the Mortgage from the lien, operation, force and effect of the Mortgage nor from any right, remedy or privilege of the owners thereof except to the extent herein specifically set forth.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed in the manner and form required by law this 6th day of February, 1987.

CITIZENS FEDERAL SAVINGS AND
LOAN ASSOCIATION OF JACKSONVILLE

By: Norman P. Freedman
Its President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 6th day of February, 1987 by Norman P. Freedman, the President of Citizens Federal Savings and Loan Association of Jacksonville, a Federal savings and loan association, on behalf of the association.

Helda S. Johnson
Notary Public, State of Florida
My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA
My commission expires Aug. 8, 1989.
Bonded thru Patterson - Becht Agency

EXHIBIT A-1

PROF.D
CS 12
12 CS

Lots 2 and 3, Block "J", and Lots 2 and 3, Block "JJ", together with that portion of Robinson Avenue contiguous thereto closed by City Ordinance No. 6919, as recorded in PERMENTER'S REPLAT OF SOUTH PABLO or ATLANTIC CAMP GROUNDS, according to plat thereof recorded in Plat Book 9, page 44, of the current public records of Duval County, Florida.

SURVEYOR'S CERTIFICATE

FOR

PABLO SURFSIDE

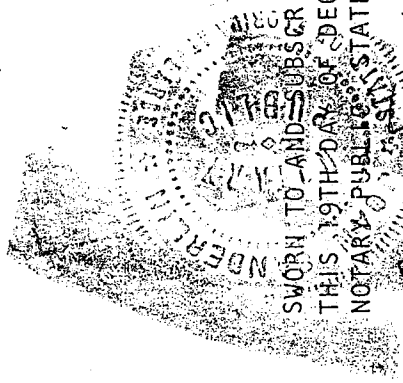
STATE OF FLORIDA

COUNTY OF DUVAL

BEFORE ME, THE UNDERSIGNED AUTHORITY DULY AUTHORIZED ADMINISTER OATHS AND TAKE ACKNOWLEDGEMENTS, PERSONALLY APPEARED STEPHEN F. LAZAR, BY ME WELL KNOWN, AND KNOWN TO ME TO BE THE PERSON HEREINAFTER DESCRIBED, WHO AFTER BEING BY ME FIRST DULY CAUTIONED AND SWORN, DEPOSES AND SAYS ON OATH AS FOLLOWS TO-WIT:

I HEREBY CERTIFY THAT THE CONSTRUCTION OF THE IMPROVEMENTS SHOWN AND DESCRIBED ON THE ATTACHED EXHIBIT "A" IS SUBSTANTIALLY COMPLETE SO THAT THIS MATERIAL TOGETHER WITH THE PROVISIONS OF THE DECLARATION DESCRIBING THE CONDOMINIUM PROJECTS IS AN ACCURATE REPRESENTATION OF THE LOCATION AND DIMENSIONS OF THE IMPROVEMENTS AND SO THAT THE IDENTIFICATION, LOCATIONS AND DIMENSIONS OF THE COMMON ELEMENTS AND OF EACH UNIT CAN BE DETERMINED FROM THESE MATERIALS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL, THIS 19TH DAY OF DECEMBER 1986, A.D.



SWORN TO AND SUBSCRIBED BEFORE ME
THIS 19TH DAY OF DECEMBER 1986, A.D.
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE

Joan J. Anderson
Expires 18 November 1987

HAAS/LAZAR & ASSOCIATES ARCHITECTS, INC.

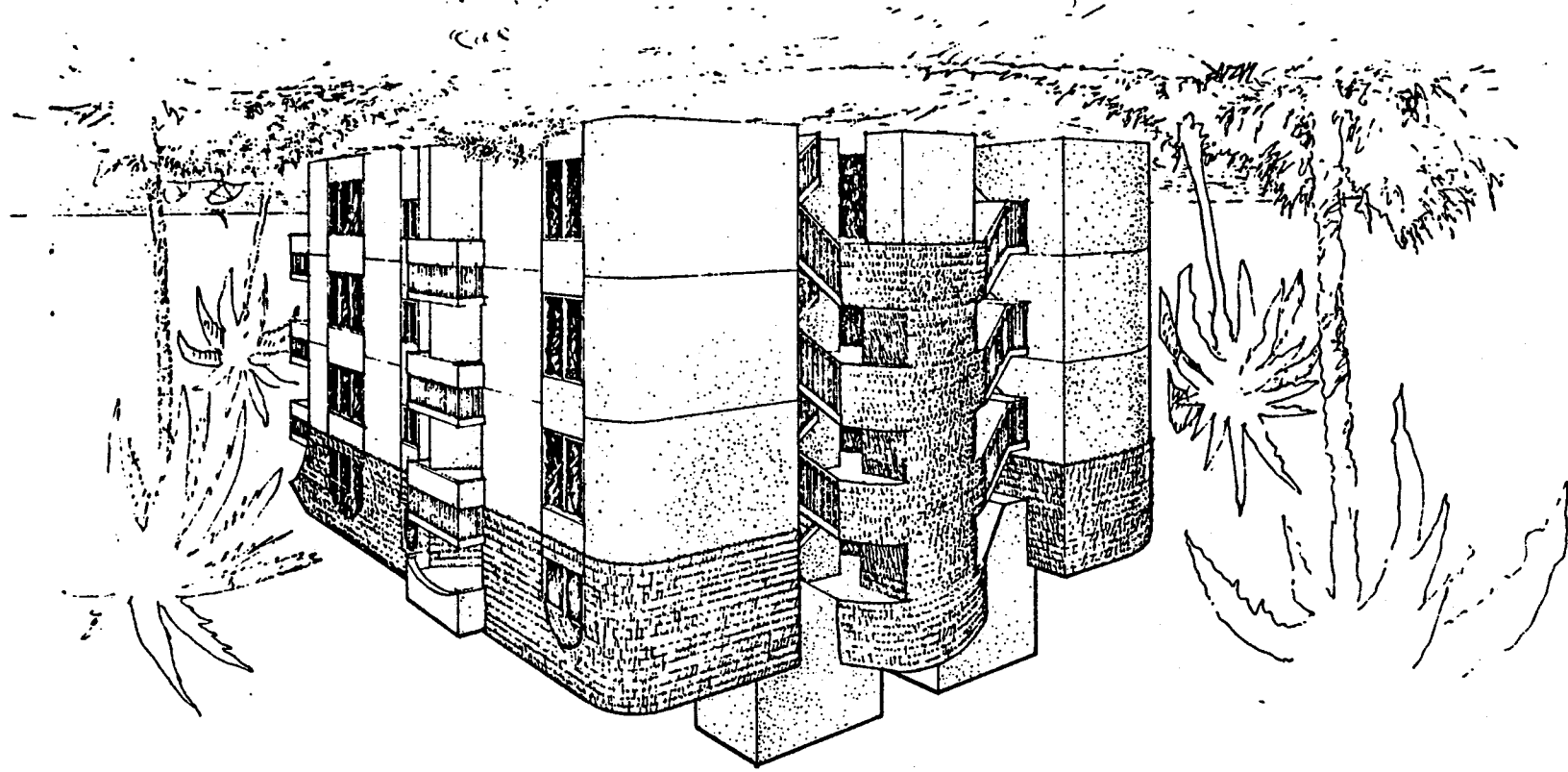
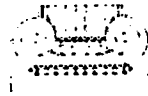
BY:

Stephen F. Lazar
STEPHEN F. LAZAR, AIA
EXECUTIVE VICE PRESIDENT
FLORIDA REGISTRATION NO. 6705

JACKSONVILLE, FLORIDA

PABLO SURFSIDE CONDOMINIUM

HAAS/LAZAR & ASSOCIATES ARCHITECTS, INC
3740 Beach Boulevard Suite 201 Jacksonville Florida 32207 904/396-4478

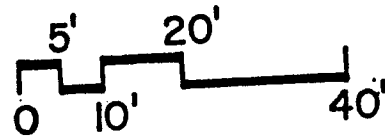


CONDOMINIUM DOCUMENTS

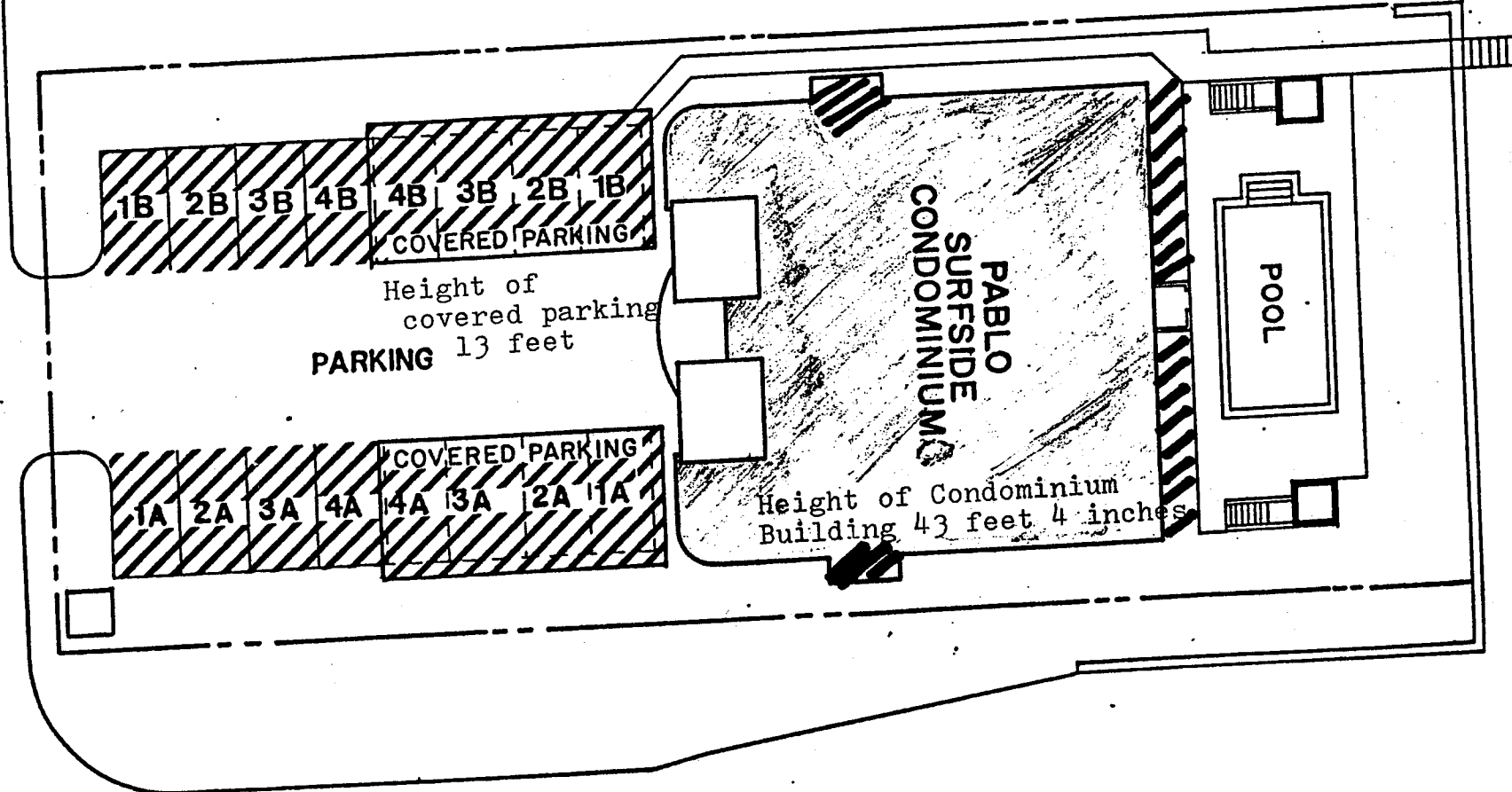
There are no easements affecting the Condominium Property.

All structures are proposed.

-  LIMITED COMMON ELEMENTS
-  CONDOMINIUM
-  COMMON ELEMENTS



OCEAN DRIVE

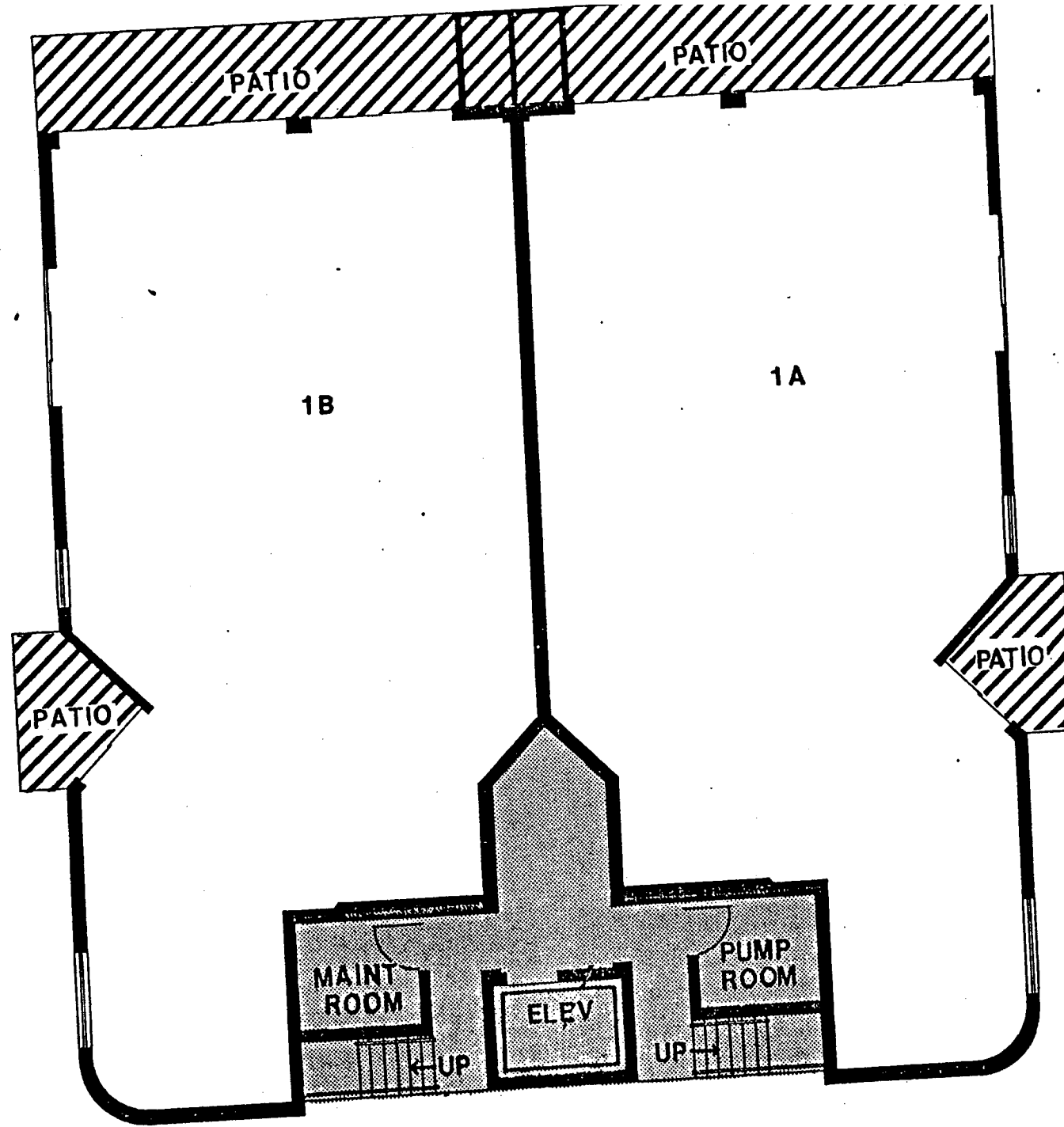


20th AVENUE

Prepared by: Haas/Lazar & Associates
Architects, Inc.
Date Prepared: 7/13/83
Revised: 7/27/84

SITE PLAN

ATLANTIC OCEAN

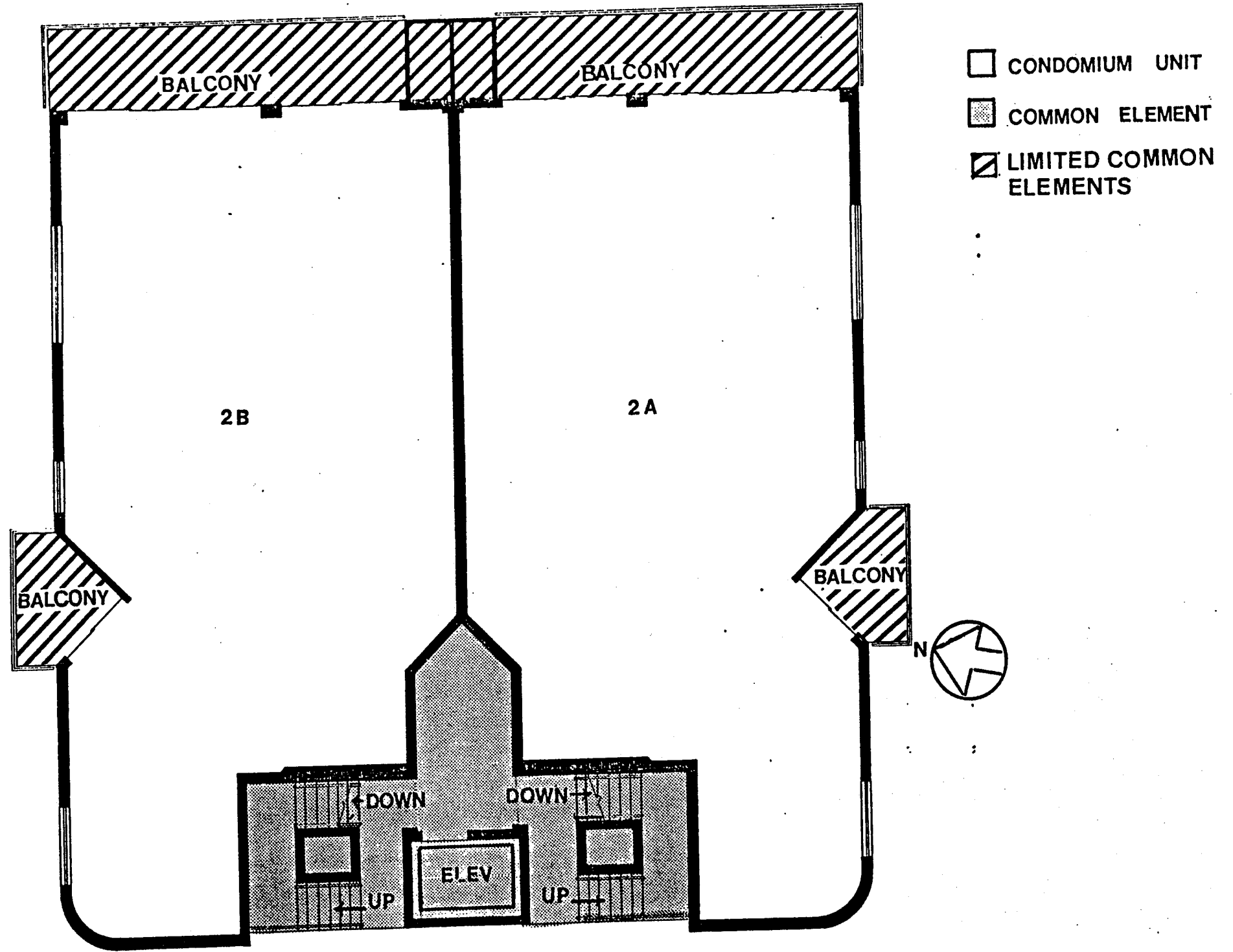


- CONDOMINIUM UNIT
- COMMON ELEMENT
- LIMITED COMMON ELEMENTS



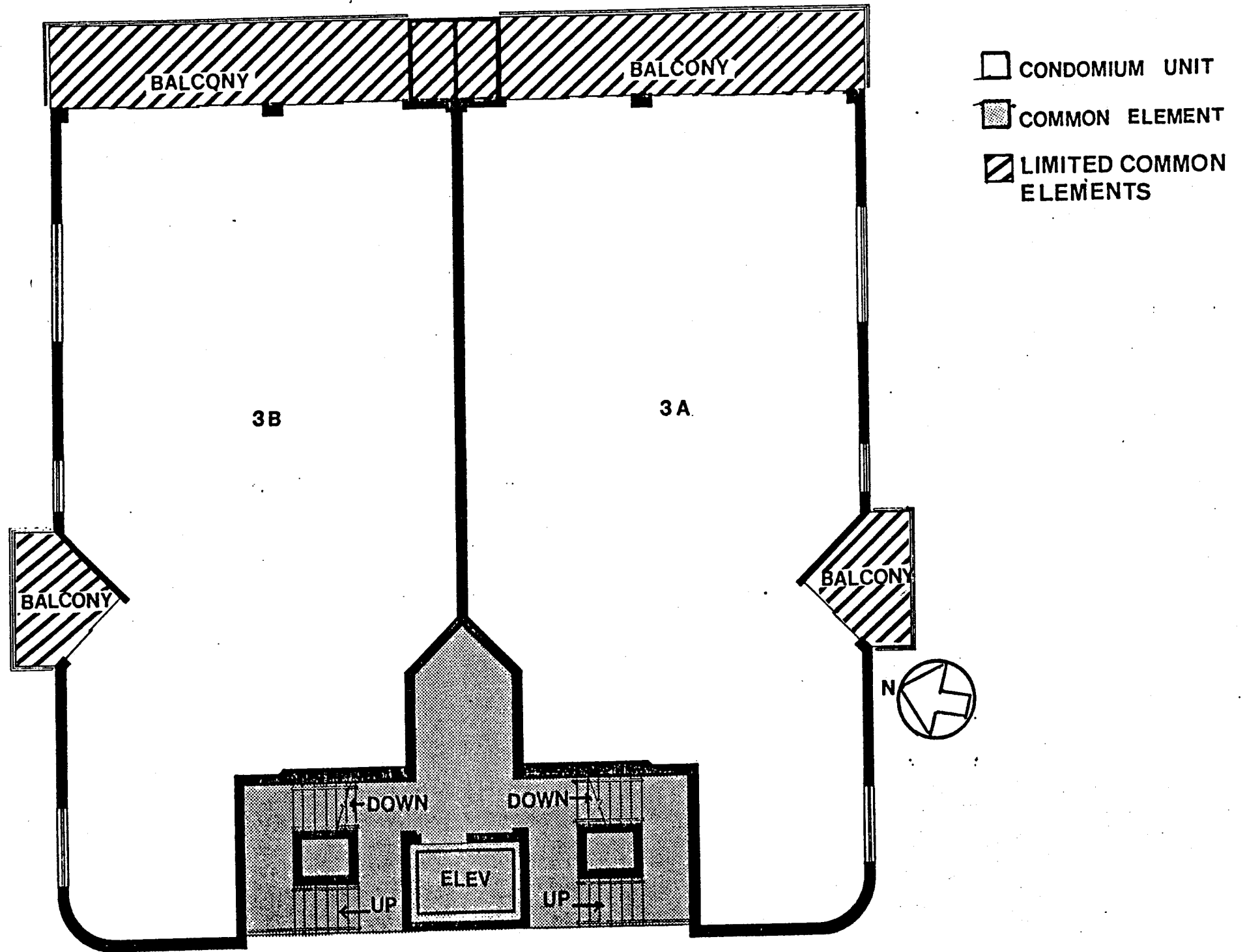
FIRST FLOOR PLAN





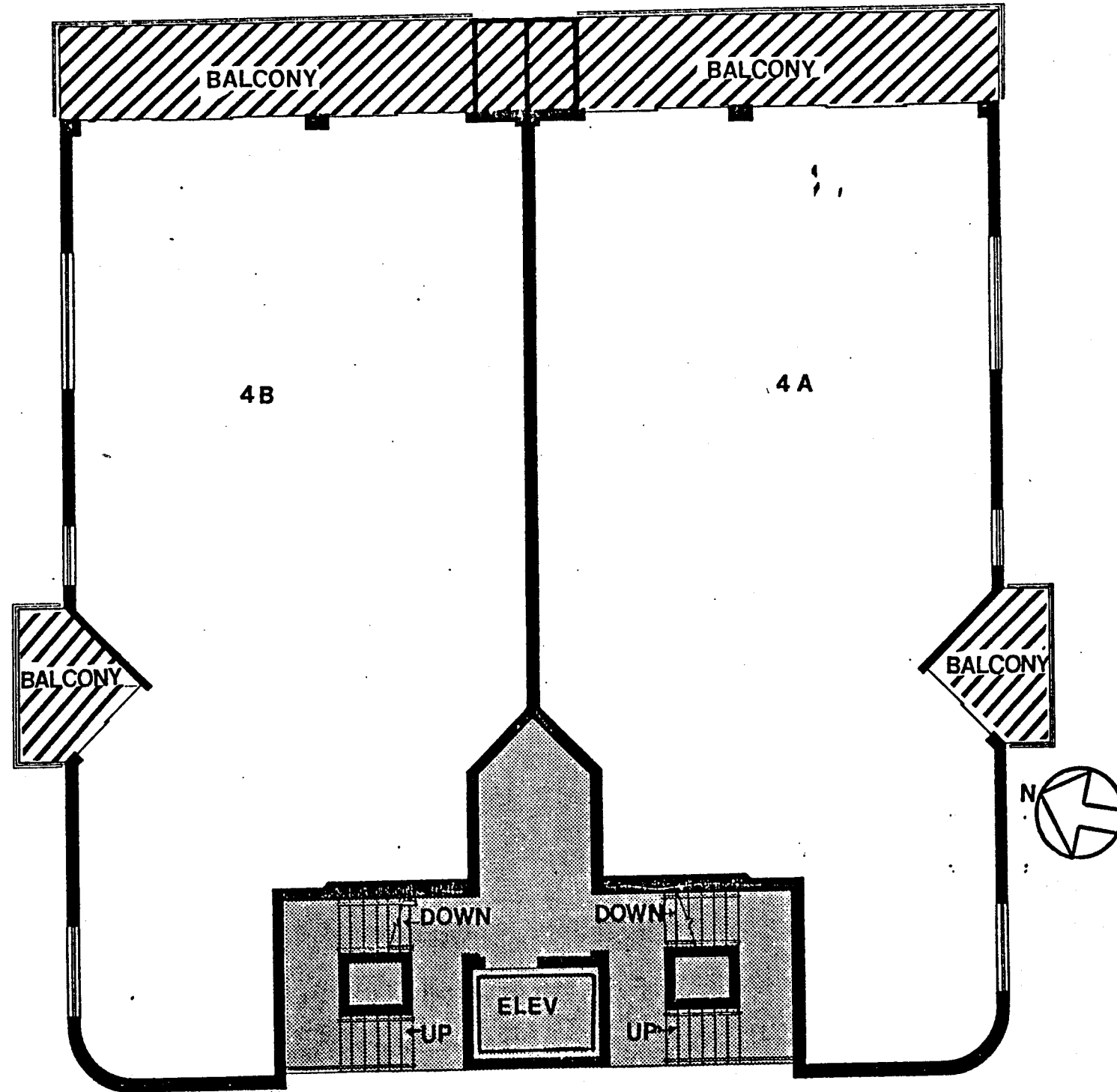
SECOND FLOOR PLAN

0' 5' 10' 15'



THIRD FLOOR PLAN

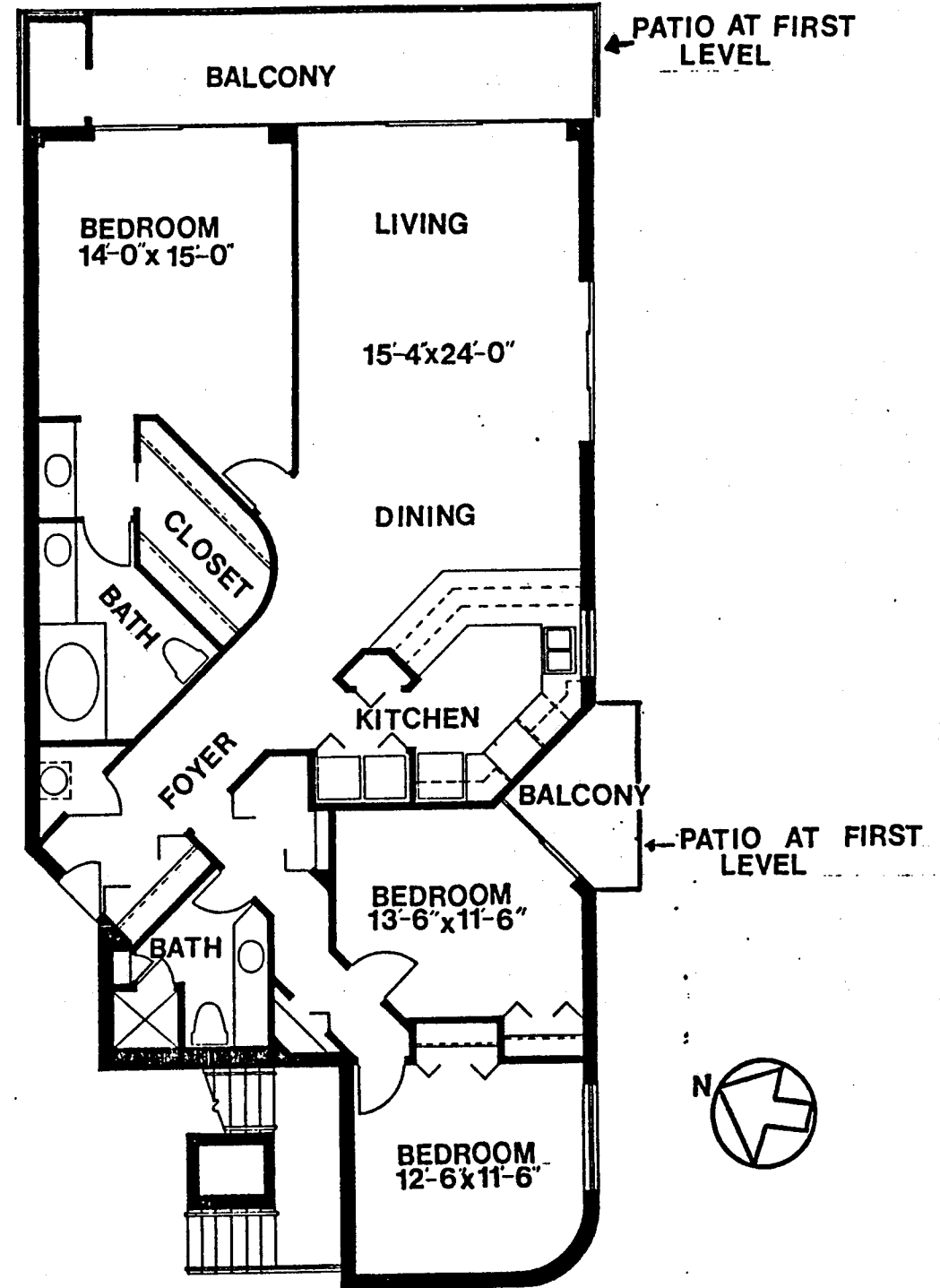
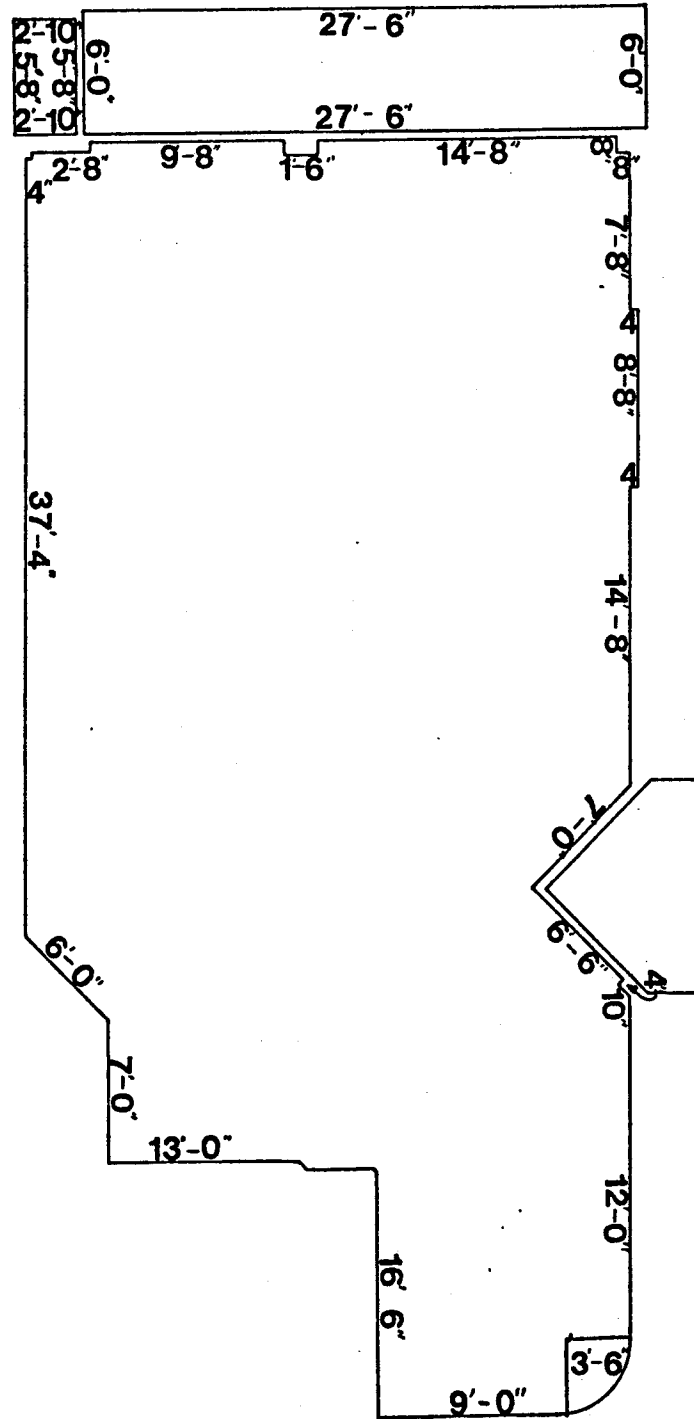
0' 5' 10' 15'



-  CONDOMINIUM UNIT
-  COMMON ELEMENT
-  LIMITED COMMON ELEMENTS

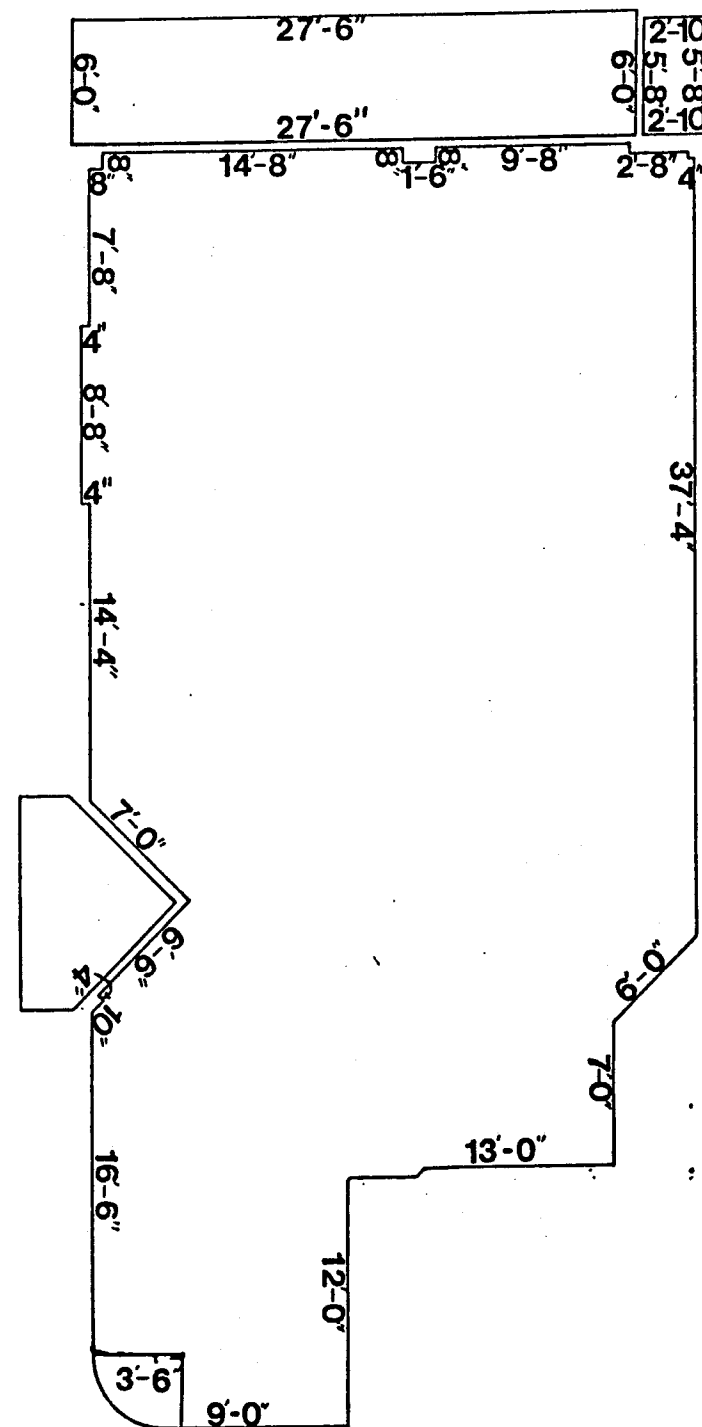
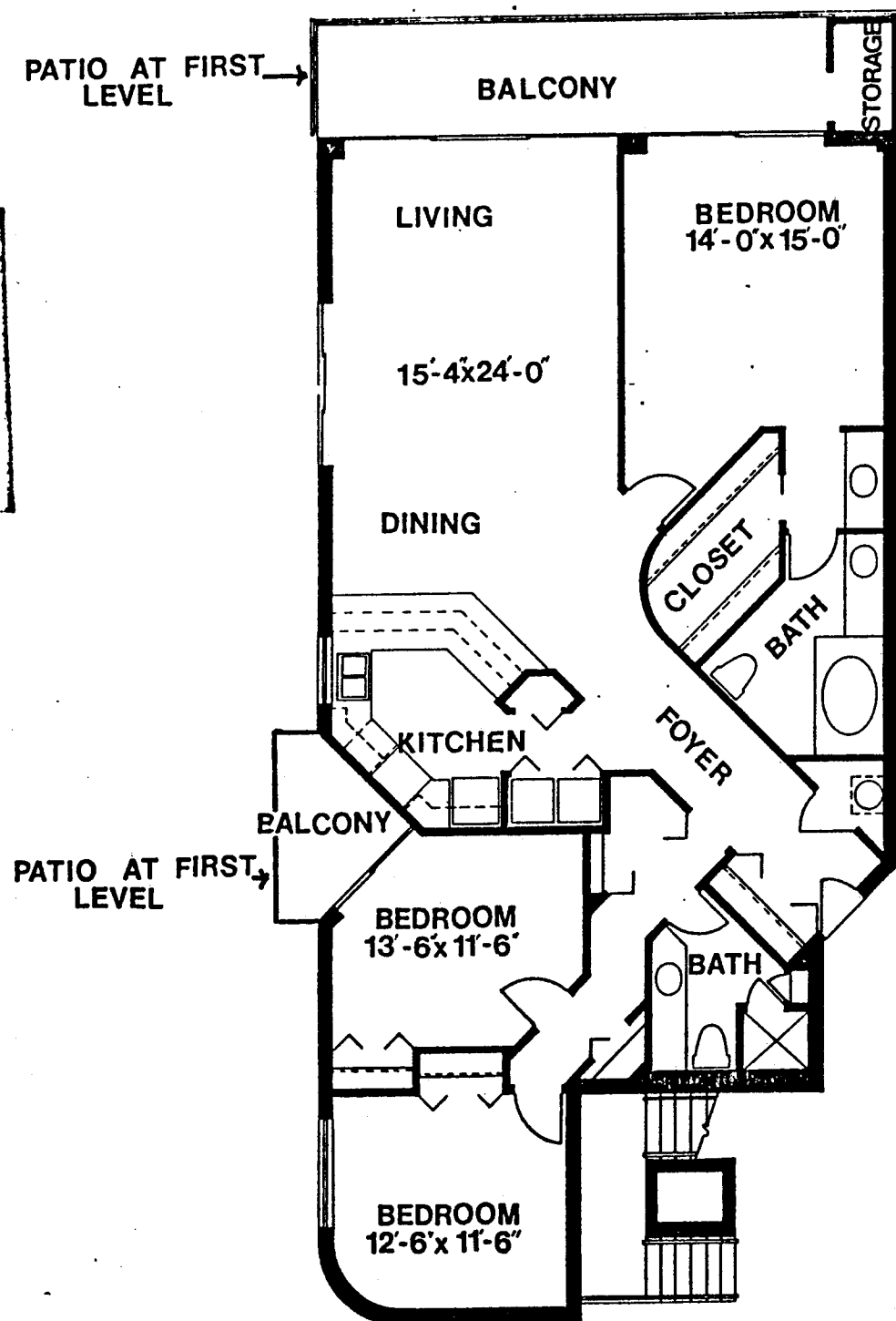
FOURTH FLOOR PLAN

0' 5' 10' 15'



6276 PG 2156

OFFICIAL RECORDS



TYPE B UNIT FLOOR PLAN

CEILING ELEVATION 46.75'	
FOURTH FLOOR ELEVATION 38.75'	
CEILING ELEVATION 38.00'	
THIRD FLOOR ELEVATION 30.0'	
CEILING ELEVATION 29.25'	
SECOND FLOOR ELEVATION 21.25'	
CEILING ELEVATION 20.5'	
FIRST FLOOR ELEVATION 12.5'	

FLOOR ELEVATIONS ABOVE MEAN SEA LEVEL

ARTICLES OF INCORPORATION
OF
CONDOMINIUM OWNERS ASSOCIATION OF PABLO SURFSIDE, INC.
TABLE OF CONTENTS

<u>ARTICLE NO.</u>		<u>PAGE NO.</u>
I	Name	1
II	Purpose	1
III	Powers	1
IV	Members	1
V	Existence	2
VI	Registered Office and Registered Agent	2
VII	Subscribers	2
VIII	Board of Directors and Officers	2
IX	First Board of Directors and Officers	2
X	Rights of Developer	3
XI	By-Laws	3
XII	Amendments	3
XIII	Indemnity	3

ARTICLES OF INCORPORATION
OF
CONDOMINIUM OWNERS ASSOCIATION OF PABLO SURFSIDE, INC.

The undersigned subscribers hereby associate ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Florida, pursuant to Florida Statutes and certify as follows:

ARTICLE I. NAME

The name of this corporation shall be CONDOMINIUM OWNERS ASSOCIATION OF PABLO SURFSIDE, INC. (the "Association").

ARTICLE II. PURPOSE

The general purpose of this non-profit corporation shall be to be the "Association" (as defined in the Condominium Act of the State of Florida, Florida Statute 718 et seq.) (the "Condominium Act") for the operation of PABLO SURFSIDE CONDOMINIUM, a condominium, (the "Condominium"), to be created pursuant to the provisions of the Condominium Act, and as such Association to operate and administer the Condominium and carry out the functions and duties of the Condominium, as set forth in the Declaration of Condominium of Pablo Surfside Condominium to be recorded in the public records of Duval County, Florida (the "Declaration").

ARTICLE III. POWERS

The Association shall have all of the common law and statutory powers of a corporation not for profit pursuant to Florida Statutes 617, et seq. and, in addition thereto, shall have all of the powers and duties as set forth in the Condominium Act, the By-Laws established for the Association and the Declaration and exhibits annexed thereto as the same may be amended in accordance with the provisions thereof.

ARTICLE IV. MEMBERS

All persons who are owners of a vested present interest in the fee title of Condominium Unit within the Condominium which interest is evidenced by an instrument duly recorded in the public records of Duval County, Florida, shall automatically be members of the Association. Such membership shall automatically terminate when such person's vested present interest in the fee title terminates. In the event a Condominium Unit is owned by a legal entity other than a natural person then the officer or other person designated by such legal entity shall exercise its membership rights.

Until such time as the Declaration within which this corporation is designated as the Association as defined in the Condominium Act, and the improvements and property described therein are submitted to a plan of condominium ownership, the membership of the corporation shall be comprised of the subscribers to these Articles, each of which subscribers being entitled to cast one vote on all matters on which the membership shall be entitled to vote.

No member can assign, hypothecate or transfer in any manner, except as an appurtenance to his unit, his membership in the Association. The funds and assets of the Association shall belong solely to the Association subject to the limitation that the same be expended, held or used for the benefit of the membership and for the purposes authorized herein, in the Declaration and in the By-Laws which may be hereafter adopted.

On all matters on which the membership shall be entitled to vote, there shall be only one vote for each Unit in the Condominium. A vote may be exercised or cast by the owner or owners of each Unit in such manner as may be provided in the By-Laws hereafter adopted by the Association. Should any

member own more than one Unit, such member shall be entitled to exercise or cast as many votes as he owns units in the manner provided by the By-Laws. Each vote shall be of equal weight.

ARTICLE V. EXISTENCE

This corporation shall have perpetual existence.

ARTICLE VI. REGISTERED OFFICE AND REGISTERED AGENT

The registered office of the corporation shall be at 7948 Baymeadows Way, Suite 333, Jacksonville, Florida 32216, and the registered agent at such address shall be Daniel F. Rooney.

ARTICLE VII. SUBSCRIBERS

The names and post office addresses of the subscribers to these Articles of Incorporation are as follows:

<u>Name</u>	<u>Address</u>
Bernard O. Johann	7948 Baymeadows Way, Suite 333 Jacksonville, Florida 32216
Daniel F. Rooney	7948 Baymeadows Way, Suite 333 Jacksonville, Florida 32216
Angelo P. Podes	7948 Baymeadows Way, Suite 333 Jacksonville, Florida 32216

ARTICLE VIII. BOARD OF DIRECTORS AND OFFICERS

Section 1. The affairs of the Association shall be managed and governed by a Board of Directors. The Association shall initially have three Directors. The number of Directors may be increased or decreased from time to time as provided in the By-Laws but shall never be less than three. The election of Directors shall be held at the annual meeting of the Association.

Section 2. The principal officers of the corporation shall be:

President
Vice President
Secretary
Treasurer

who shall be elected from time to time, in the manner set forth in the By-Laws adopted by the corporation. Other officers may be provided for in the By-Laws.

ARTICLE IX. FIRST BOARD OF DIRECTORS AND OFFICERS

The names and post office addresses of the members of the first Board of Directors and officers, all of whom shall hold office until their successors are duly elected and qualified, are as follows:

Daniel F. Rooney	President	7948 Baymeadows Way, Suite 333 Jacksonville, Florida 32216
Bernard O. Johann	Vice President	7948 Baymeadows Way, Suite 333 Jacksonville, Florida 32216
Angelo P. Podes	Secretary/Treasurer	7948 Baymeadows Way, Suite 333 Jacksonville, Florida 32216
Neil D. Hughes	Director	7948 Baymeadows Way, Suite 333 Jacksonville, Florida 32216
Marjorie J. Hughes	Director	7948 Baymeadows Way, Suite 333 Jacksonville, Florida 32216

Constance F. Rooney Director

7948 Baymeadows Way, Suite 333
Jacksonville, Florida 32216

ARTICLE X. RIGHTS OF DEVELOPER

Pablo Surfside Associates, a Florida general partnership, (the "Developer") who is the Developer of Pablo Surfside Condominium, shall have full right and authority to manage the affairs and exclusive right to elect the directors of the Association (who need not be unit owners); subject, however, to the following provisions for transfer of the control of the Association: When Unit Owners, other than the Developer, own 15% or more of the Units constituting a part of the Condominium Property that will be operated ultimately by the Association, the Unit Owners, other than the Developer, shall be entitled to elect no less than 1/3 of the members of the Board of Directors of the Association. Unit Owners, other than the Developer, shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association:

1. 3 years after 50% of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
2. 3 months after 90% of the Units that will be operated ultimately by the Association have been conveyed to purchasers;
3. when all the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business;
4. when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer shall be entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least 5% of the Units in the Condominium.

ARTICLE XI. BY-LAWS

The initial Board of Directors of this Association shall adopt By-Laws for the conduct of the business and the carrying out of the purposes of the Association. The initial By-Laws shall be annexed to the Declaration and be recorded among the public records of Duval County, Florida.

The By-Laws may be amended, altered or rescinded upon the proposal of a majority of the Board of Directors and when approved by an affirmative vote of 75% of the voting interest of the membership in the Association at any regular or specially called meeting for such purpose, the notice of which shall describe the amendment(s) being proposed.

ARTICLE XII. AMENDMENTS

These Articles of Incorporation may be amended as follows:

1. Amendments shall be proposed by the Board of Directors of the Association acting upon a vote of a majority of the Directors.
2. Such proposed amendments shall be approved by an affirmative vote of members holding at least 75% of the votes. The membership shall vote on the proposed amendments at any regular or specially called meeting for such purpose, the notice of which shall describe the amendment or amendments being proposed. Votes may be in person or by written proxy.

ARTICLE XIII. INDEMNITY

Every Director and every other 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 proceedings 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

OFFICIAL RECORDS

expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful misfeasance of malfeasance in the performance of his duties. 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.

IN WITNESS WHEREOF, we, the undersigned subscribers to these Articles of Incorporation, have hereunto set our hands and seals this _____ day of _____, 1985.

Bernard O. Johann (SEAL)

Daniel F. Rooney (SEAL)

Angelo P. Podes (SEAL)

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this _____ day of _____, 1985, by Bernard O. Johann.

Notary Public, State of Florida
My Commission Expires:

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this _____ day of _____, 1985, by Daniel F. Rooney.

Notary Public, State of Florida
My Commission Expires:

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this _____ day of _____, 1985, by Angelo P. Podes.

Notary Public, State of Florida
My Commission Expires:

BYLAWS OF
CONDOMINIUM OWNERS ASSOCIATION OF
PABLO SURFSIDE, INC.

TABLE OF CONTENTS

ARTICLE NO.		PAGE NO.
I	Identification	1
II	Meetings of Members	1
III	Directors	3
IV	Powers and Duties of the Board of Directors	5
V	Officers	5
VI	Fiscal Management	5
VII	Use and Occupancy	8
VIII	Fee for Approval	8
IX	Arbitration	8
X	Parliamentary Rules	8
XI	Amendments	8

OFFICIAL RECORDS

BYLAWS
OF
CONDOMINIUM OWNERS ASSOCIATION
OF
PABLO SURFSIDE, INC.

ARTICLE I
IDENTIFICATION

1.1 Identity. These are the Bylaws of CONDOMINIUM OWNERS ASSOCIATION OF PABLO SURFSIDE, INC., a nonprofit corporation under the laws of the State of Florida, (the "Association"). The Association is organized for the purpose of administering Pablo Surfside Condominium (the "Condominium") pursuant to Chapter 718, Florida Statutes.

1.2 Office. The office of the Association shall initially be at 7948 Baymeadows Way, Suite 333, Jacksonville, Florida 32216 and thereafter as designated from time to time by the Board of Directors of the Association (the "Board").

1.3 Definitions. Terms as used in these Bylaws shall have the meanings as referenced in the Declaration of Condominium of Pablo Surfside Condominium, a condominium (the "Declaration"), unless the context hereof otherwise requires.

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

ARTICLE II
MEETINGS OF MEMBERS

2.1 Meetings. The meetings of the membership shall be held in accordance with the provisions of the Declaration and subject to the Declaration, in accordance with the following Sections of this Article.

2.2 Annual Meeting. The annual meeting of the members shall be held at the office of the Association or at such other place in Duval County, Florida as shall be designated by the Board, at 11 o'clock, a. m., local time, on the second Tuesday of October, of each year for the purpose of electing members of the Board and transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a legal holiday or Sunday.

2.3 Special Meetings. Special meetings of the members shall be held whenever called by the president or by a majority of the Board, and must be called by the president or in his absence, the vice president upon receipt of a written request from members entitled to cast one-fourth (1/4) of the votes of the entire membership.

Notwithstanding anything otherwise provided, subject to the provisions of Florida Statute 718.301, any member of the Board may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all unit owners. A special meeting of the unit owners to recall a member or members of the Board may be called by 10 percent of the unit owners giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting.

2.4 Notice of Meetings. Notice of meetings of the members including annual meetings stating the time and place and the objects for which the meeting is called shall be given by the president or secretary unless waived in writing. Such notice shall (i) be in writing, (ii) sent to each member at his address as it appears on the books of the Association and (iii) be mailed or delivered not less than thirty (30) days nor more than sixty (60) days prior to the date of the meeting. Unless a unit owner waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meeting shall be sent by mail to each unit owner, and the post-office certificate of mailing shall be retained as proof of such mailing. Written notice shall be given to each unit owner and shall be posted in a conspicuous

OFFICIAL RECORDS

place on the condominium property at least 14 days prior to the annual meeting. Notice of the meeting may be waived before or after meetings.

2.5 Quorum. A majority of the voting rights represented in person, by mail, ballot or vote, or by proxy, shall constitute a quorum. A member shall be deemed present for purposes of a quorum with respect to any question or election upon which his written and signed vote shall have been received by the secretary. A simple majority of all voting rights present in person or proxy shall decide any question brought before the meeting, except when otherwise required by the Condominium Act, the Declaration, Articles of Incorporation of the Association or these Bylaws.

2.6 Voting. In any meeting of members, the Owners of a vested present interest of record in the fee title of the Units shall be entitled to cast one vote for each Unit owned by the member. Each vote shall be of equal weight. If a Unit is owned by one person, his right to vote shall be established by the record title to his Unit. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit and filed with the secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the president or vice president and attested by the secretary or the assistant secretary of the corporation and filed with the secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in ownership of the Unit concerned. A certificate designating the person entitled to cast the vote of a Unit may be revoked by any Owner of a Unit. If such certificate is not on file, the vote of such Owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.7 Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and any adjournment thereof and must be filed with the secretary before the appointed time of the meeting or any adjournment of the meeting. In no event shall any proxy be valid for a period longer than ninety (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 Unit Owner executing it.

2.8 Adjourned Meetings. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.9 Order of Business. The order of business at annual meetings of the members and, as far as practical, at other meetings of the members, shall be:

- (a) Election of chairman of the meeting
- (b) Calling of the roll and certifying of proxies
- (c) Proof of notice of meeting or waiver of notice
- (d) Reading and disposal or any unapproved minutes
- (e) Reports of officers
- (f) Reports of committees
- (g) Election of inspectors of election
- (h) Election of Directors
- (i) Unfinished business
- (j) New business
- (k) Adjournment

2.10 Proviso. Provided, however, that until the Unit Owners have elected a majority of the Board, as provided in Section 3.2 of these Bylaws, the proceedings of all meetings of the Association shall have no effect unless (i) approved by the Board, or (ii) otherwise provided by law.

2.11 Minutes. Minutes of all meetings of Unit Owners and the Board shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and members of the Board at any reasonable time.

The Association shall retain these minutes for a period of not less than seven (7) years.

ARTICLE III DIRECTORS

3.1 Number. The affairs of the Association shall be managed by a Board of Directors of three (3) Directors.

The first Board of Directors and its terms and manner of electing or appointing successors is as provided in the Articles of Incorporation of the Association.

3.2 Election of Directors. The election of Directors shall be conducted in the following manner:

(a) Thirty (30) days prior to the annual meeting the chairman shall appoint a committee to nominate persons to serve as Director. The committee shall make its report at the annual meeting of the members at which time nominations shall also be received from the floor.

(b) Election of Directors shall be held at the annual meeting of the members.

(c) The election shall be by ballot, unless dispensed by unanimous consent, and by a plurality of the vote cast, each person voting being required to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

(d) Vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

(e) Subject to the provisions of Florida Statutes Section 718.301, any Director may be recalled and removed from office with or without cause, by concurrence of a majority of the votes of the entire membership at a special meeting of the members called for that purpose or agreement in writing by a majority of the Unit Owners.

(f) Provided, however, the first Board shall initially consist of the three persons designated in the Articles of Incorporation of the Association and they, or their successors as chosen by Pablo Surfside Associates, a Florida general partnership, (the "Developer") which is the Developer of Pablo Surfside Condominium, shall have the exclusive right to designate and elect all Directors of the Association until Developer elects to terminate Developer's control of the Association, subject however to the following provisions for transfer of control of the Association:

When Unit Owners, other than the Developer, own 15% or more of the Units constituting a part of the Condominium Property that will be operated ultimately by the Association, the Unit Owners, other than the Developer, shall be entitled to elect no less than 1/3 of the members of the Board of Directors of the Association. Unit Owners, other than the Developer, shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association:

(1) 3 years after 50% of the Units that will be operated ultimately by the Association have been conveyed to purchasers;

(2) 3 months after 90% of the Units that will be operated ultimately by the Association have been conveyed to purchasers;

(3) when all the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business;

(4) when some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer shall be entitled to elect at least one member of the Board of

OFFICIAL RECORDS

Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least 5% of the Units in the Condominium.

(g) Meeting of the Board shall be open to all Unit Owners and notice of meetings shall be posted conspicuously forty-eight (48) hours in advance for the attention of Unit Owners except in an emergency.

3.3 Term. Except as otherwise provided in the Articles of Incorporation of the Association, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3.4 Organization Meeting. The organization meeting of a newly elected Board shall be held within ten (10) days of its election.

3.5 Regular Meetings. 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 telegraph, at least three (3) days prior to the day named for such meeting.

3.6 Special Meetings. Special meetings of the Directors may be called by the secretary at the written request of one-third (1/3) of the Directors. Not less than three (3) days notice of the meeting shall be given personally, or by mail, telephone or telegraph, which notice shall state the time, place, and purpose of the meeting.

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

3.8 Quorum. A quorum at meetings of the Board shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board except when approval by a greater number of Directors is required by the Declaration, the Articles of Incorporation of the Association or these Bylaws.

3.9 Adjourned Meetings. If at any meeting of the Board there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time, until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.10 Joinder in Meeting by Approval of Minutes. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of that meeting shall not constitute the presence of such Director for the purpose of determining a quorum.

3.11 Presiding Officer. The presiding officer of Board meetings shall be the president. In the absence of the presiding officer, the Directors present shall designate one of their number to preside.

3.12 Order of Business. The order of business at Board meetings shall be:

- (a) Call of roll
- (b) Proof of due notice of the meeting
- (c) Reading and disposal of any unapproved minutes
- (d) Reports of officers and committees
- (e) Election of officers
- (f) Unfinished business
- (g) New business
- (h) Adjournment

3.13 Director's Fees. Director's fees, if any, shall be determined by the members.

ARTICLE IV
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Condominium Act, the Declaration, Articles of Incorporation of the Association, Bylaws and adoption of reasonable rules and regulations, shall be exercised exclusively by the Board and, with the approval or under the direction of the Board, its agents, contractors or employees, subject only to approval by Unit Owners when such is specifically required.

ARTICLE V
OFFICERS

5.1 Executive Officers. The executive officers of the Association shall be (i) a president, who shall be a Director, (ii) a vice president, who shall be a Director and (iii) a treasurer and secretary, who may be the same person. All of such officers shall be elected by the Board and shall hold office for the term of one year and until his successor shall have been elected and qualified. The Board of Directors, from time to time, shall elect such other officers and designate their powers and duties as the Board shall determine to be required to manage the affairs of the Association.

5.2 President. The president shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the members from time to time as he, in his discretion, may determine appropriate, to assist in the conduct of the affairs of the Association.

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

5.4 Secretary. The secretary shall keep the minutes of all proceedings of the Board and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association and shall perform all other duties incident to the office of secretary of an association and as may be prescribed by the Board or president.

5.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all duties incident to the office of a treasurer.

5.6 Compensation. The compensation of all officers and employees of the Association shall be fixed by the Board. The provision that Director's fees shall be determined by members shall not preclude the Board from employing a Director as an employee of the Association, nor preclude the contracting with a Director for the management of the Condominium.

5.7 Vacancies. Vacancies in any office may be filled by the Board at special meetings thereof. Any officer may be removed, with or without reason, by the affirmative vote of a majority of the Board.

ARTICLE VI
FISCAL MANAGEMENT

6.1 The provisions for fiscal management of the Association set forth in the Declaration and Articles of Incorporation of the Association shall be supplemented by the provisions of Section 6.2 through 6.9 of this Article VI.

6.2 Accounts. The expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

- (a) Current expense, which shall include all expenditures within the fiscal year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to betterments. The balance in this fund at the end of each fiscal year shall be applied to reduce the assessments for current expenses for the succeeding fiscal year.
- (b) Reserve for deferred maintenance, which shall include funds for maintaining items that occur less frequently than annually.
- (c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.
- (d) Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the Common Elements.

6.3 Budget. The Board shall adopt a budget for each fiscal year that shall include the estimated funds required to defray the Common Expense and to provide and maintain funds for the foregoing accounts and reserves.

6.4 Copy of Budget. A copy of the proposed annual budget of Common Expenses shall be mailed to the Unit Owner not less than thirty (30) days prior to the meeting at which the budget will be considered, together with a notice of that meeting. The proposed annual budget of Common Expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to those expenses listed in Florida Statutes, Section 718.504 (20). In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These 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 life and estimated replacement cost of each reserve item. The Unit Owners shall be given written notice of the time and place at which such meeting of the Board to consider the budget shall be held, and such meeting shall be open to the Unit Owners. If a budget is adopted by the Board which requires assessments against Unit Owners in any fiscal year exceeding One Hundred and Fifteen percent (115%) of such assessments for the preceding year (provided that assessment for the preceding year shall be proportionately adjusted in case of a prior fiscal year which is less than twelve calendar months), upon written application of ten percent (10%) of the Unit Owners, a special meeting of the Unit Owners shall be held upon not less than ten (10) days written notice to each Unit Owner, but within thirty (30) days of the delivery of such application to the Board or any member thereof, at which special meeting Unit Owners may consider and enact a revision of the budget. The adoption of a revised budget shall require a vote of not less than a majority of all Unit Owners. The Board may in any event propose a budget to the Unit Owners at a meeting of members or by writing and, if such budget or proposed budget be approved by the Unit Owners at the meeting or by a majority of their whole number in writing, such budget shall be adopted. In determining whether assessments exceed One Hundred and Fifteen percent (115%) of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Condominium Property, anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the Condominium Property shall be excluded from the computation. Provided, however, that so long as the Developer is in control of the Board, the Board shall not impose an assessment for a year greater than One Hundred and Fifteen percent (115%) of the prior fiscal year's assessment (provided that assessment for the preceding fiscal year shall be proportionately adjusted in case of a prior fiscal year which is less than twelve calendar months) without approval of a majority of the Unit Owners.

6.5 Assessments. Assessments against the Unit Owners for their shares of the items of the budget shall be made for the fiscal year annually in advance on or before the 20th day of the calendar month preceding the

OFFICIAL RECORDS

fiscal year for which the assessments are made. Such assessment shall be due in four equal quarter-annual installments. On or before the first day of the fiscal year and of each succeeding quarter-annual assessment period of the fiscal year, each Unit Owner shall pay as his respective quarter-annual assessment 1/4th of his proportionate share of the Common Expenses for such fiscal year. Quarter-annual assessment periods of the Association are for a period of three months and begin on the first day of the fiscal year and the first day of each succeeding three month period thereafter throughout each fiscal year of the Association. Such proportionate share for each Unit Owner shall be in accordance with his respective ownership interest in the Common Elements as set forth in the Declaration. 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 assessments shall be due in the same manner as the prior fiscal year on 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 if the total amount of the amended budget does not exceed the limitations for that fiscal year as provided in Section 6.4. The unpaid assessments for the remaining portion of the fiscal year for which the amended assessment is made shall be divided equally among the remaining quarter-annual periods of such fiscal year and shall be due on the first day of each remaining quarter-annual period of such fiscal year. The assessment for the first fiscal year of the Association shall be as determined by the Board. Notice of any meeting, where assessments against Unit Owners are to be considered for any reason, shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

6.6 Assessments for Emergencies. Assessments for Common Expenses on account of emergencies that cannot be paid from the annual assessments for Common Expenses shall be made only after notice of the need for such is given to the Unit Owners. After such notice and, on approval in writing by persons entitled to cast more than one-half (1/2) of the votes of the Unit Owners, the assessment shall become effective, and it shall be due after thirty (30) days notice in such manner as the Board may require in the notice of assessment.

6.7 Interest And Late Charge. Each installment of each assessment which is not paid when due shall bear interest and be subject to an automatic fine as provided in Section 15.7 of the Declaration.

6.8 Limitation on Capital Expenditures. Without the approval of the Unit Owners holding at least two-thirds (2/3) of the votes of the Association, the Board shall not (i) approve any capital expenditures in excess of Five Thousand Dollars (\$5,000.00) other than for rebuilding, repairing, or replacing damaged property or (ii) exercise the Association's right of first refusal to purchase Units as set forth in the Declaration.

6.09 Lien for Non-payment. Every Unit Owner shall pay his proportionate share of the Common Expenses, in the same ratio as his percentage of ownership in the Common Elements as set forth in the Declaration and any special assessments assessed against his Condominium Parcel in the manner herein provided. If any Unit Owner shall fail or refuse to make any such payment of the Common Expenses or any special assessments when due, the amount thereof shall constitute a lien on the interest of such Unit Owner in his Unit. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Condominium Act, the Declaration or these Bylaws or otherwise available at law or in equity, for the collection of all unpaid assessments.

6.10 Complete Financial Report. Within sixty (60) days following the end of each year of the Association, the Board shall mail or furnish by personal delivery to each Unit Owner, a complete financial report of actual receipts and expenditures for the fiscal year then ended. Such report shall show the amount of expenditure by accounts and expense classifications as required by Florida Statutes, Section 718.111.

6.11 Deposit. The Board shall have the right to require that each Unit Owner deposit with the Association an amount equal to one quarter-annual assessment for Common Expenses to be held as a security deposit by the Association.

AMENDMENT TO
DECLARATION OF CONDOMINIUM
OF
PABLO SURFSIDE CONDOMINIUM,
A CONDOMINIUM.

CITIZENS FEDERAL SAVINGS AND LOAN ASSOCIATION OF
JACKSONVILLE (successor-developer), as Owner and Mortgagee; LEON

BONNETT and JOSEPHINE BONNETT, his wife; and BERNARD SACHS
and CELIA SACHS, his wife, being the owners of all of the units of
PABLO SURFSIDE CONDOMINIUM, a Condominium, according to the
Declaration thereof, recorded in Official Records Book 6276, pages 2118-
2172, inclusive, of the current public records of Duval County, Florida,
hereby amend Section 3.5 (c) of said Declaration to read as follows:

"(c) To each unit, two assigned parking spaces designated
and depicted on the site plan constituting a part of Exhibit
A attached, provided however, that such designated spaces
are not required to have the same designations as the Unit
number. The numbers of the individual Units and parking
spaces are not intended to correspond with each other."

DATED at Jacksonville Beach, Florida, this 28th day of
December, 1987.

Signed in the presence of:

Norman P. Freedman

Norman P. Freedman
As to Citizens

Josephine Bonnett

Josephine Bonnett
As to Bonnetts

CITIZENS FEDERAL SAVINGS AND LOAN
ASSOCIATION OF JACKSONVILLE

By Leon Bonnett

President

Leon Bonnett

Leon Bonnett

Josephine Bonnett

Josephine Bonnett

[Signature]
Bernard Sachs

[Signature]
Bernard Sachs

[Signature]
As to Sachses

[Signature]
Celia Sachs

STATE OF FLORIDA)
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me this 28th day of December, 1987 by Norman P. Freedman, President, of Citizens Federal Savings and Loan Association of Jacksonville, a corporation, on behalf the corporation.

[Signature]
Notary Public, State of Florida
My Commission Expires: 11/18/90
NOTARY PUBLIC, STATE OF FLORIDA
My commission expires 11/18/90
Bonded thru Patterson-Brecht Agency

STATE OF FLORIDA)
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me this 28th day of December, 1987 by LEON BONNETT and JOSEPHINE BONNETT, his wife; and BERNARD SACHS and CELIA SACHS, his wife.

[Signature]
Notary Public, State of Florida
My Commission Expires: 11/18/90
NOTARY PUBLIC, STATE OF FLORIDA
My commission expires Aug. 3, 1988
Bonded thru Patterson-Brecht Agency

CERTIFICATE OF AMENDMENT TO
DECLARATION OF CONDOMINIUM
OF
PABLO SURFSIDE CONDOMINIUM,
A Condominium.

I HEREBY CERTIFY that the foregoing Amendment was duly and properly presented to the Unit Owners of this Condominium at a duly called meeting wherein in excess of 87.5 per cent of the Unit Owners voted to approve said Amendment.

PABLO SURFSIDE CONDOMINIUM
ASSOCIATION

Attest: *Walter Freedman* Secretary

By *Bernard Sachs* President

STATE OF FLORIDA)

COUNTY OF DUVAL)

Before me personally appeared BERNARD SACHS and CAROL A. FREEDMAN, respectively the President and Secretary of PABLO SURFSIDE CONDOMINIUM ASSOCIATION, a corporation, the individuals described in and who executed the foregoing Certificate and severally acknowledged the execution thereof to be their own free act and deed as such officers thereunto duly authorized and they acknowledged same to be their free act and deed as such officers and the Certificate to be the act of said corporation.

DATED at Jacksonville, Florida, this 28th day of December, 1987.

Adrian P. ...
Notary Public, State of Florida
My Commission Expires: 12-31-90

My Commission Expires Jan. 28, 1990
Bonded by Western Surety Company

87-148608
87 DEC 29 3:48

RECORDED IN PUBLIC
COUNTY, FLA.
Walter Freedman
NOTARY PUBLIC
STATE OF FLORIDA

CERTIFICATE OF SECOND AMENDMENT TO
DECLARATION OF CONDOMINIUM

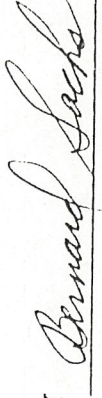
OF

PABLO SURFSIDE CONDOMINIUM,
A Condominium

I HEREBY CERTIFY that the foregoing Amendment was duly and properly presented to the Unit Owners of this Condominium at a duly called meeting wherein in Excess of 87.5 per cent of the Unit Owners voted to approve said Amendment.

PABLO SURFSIDE CONDOMINIUM
ASSOCIATION

BY



PRESIDENT

Attest:



Secretary

STATE OF FLORIDA)

COUNTY OF DUVAL)

Before me personally appeared BERNARD SACHS and CAROL A. FREEDMAN, respectively the President and Secretary of PABLO SURFSIDE CONDOMINIUM ASSOCIATION, a corporation, the individuals described in and who executed the foregoing Certificate and severally acknowledged the execution thereof to be their own free act and deed as such officers thereunto duly authorized and they acknowledged same to be their free act and deed and as such officers and the Certificate to be the act of said corporation.

DATED at Jacksonville, Florida, this 27th day of June, 1988.

88- 80334

88 AUG 10 A 9: 08


Notary Public, State of Florida
My Commission Expires:NOTARY PUBLIC, STATE OF FLORIDA
My Commission Expires July 29, 1989
Bonded by Western Surety Company

HENRY W. COOK

CLERK OF COURT

Record and return to
NORMAN P. FREEDMAN
Suite 710, Executive Point Towers
5520 Los Santos Way
Jacksonville, Florida 32211

VOL 6560PP0802
OFFICIAL RECORDS

SECOND AMENDMENT TO

DECLARATION OF CONDOMINIUM

OF

PABLO SURFSIDE CONDOMINIUM,

A CONDOMINIUM

CITIZENS FEDERAL SAVINGS AND LOAN ASSOCIATION OF JACKSONVILLE

(successor developer), as Owner and Mortgagee; LEON BONNETT and JOSEPHINE

BONNETT, his wife; BERNARD SACHS and CELIA SACHS, his wife; HARVEY J. FREEDMAN

and MARILYN D. FREEDMAN, his wife; and NORMAN P. FREEDMAN and CAROL A.

FREEDMAN, his wife, being the owners of all of the units of PABLO SURFSIDE

CONDOMINIUM, a Condominium, according to the Declaration thereof, recorded in

Official Records Book 6276, pages 2118-2172, inclusive, as amended in Official

Records Book 6446, pages 319-321, inclusive, of the current public records of

Duval County, Florida, hereby amends Sections 7.5, 7.6, 14.2, the first

paragraph of Article XVI and 16.2 to read as follows:

"7.5 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 for making emergency repairs which are necessary to prevent damage to the common elements or to another unit or units.

7.6 Failure to Maintain. In the event a Unit Owner fails to maintain his Unit and Limited Common Elements, as required herein, or makes any alterations or additions without the required consent, or otherwise violates or threatens to violate the provisions of this Declaration relevant to maintenance, alteration and repair, the Association shall have the right to levy an assessment against the Unit Owner and the Unit, for such necessary sums to remove any unauthorized addition or alteration and to restore the property to good condition and repair.

14.2 Compliance. In the event a Unit Owner or occupant fails to maintain a Unit or the Limited Common Elements appurtenant to the Unit, or fails to cause such Unit or Limited Common Elements to be maintained, or fails to observe and perform all applicable provisions of the Declaration, the Bylaws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to sue in a court of law for damages and to assess the Unit Owner and the Unit for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance.

In addition to or instead of the above the Association shall have the right to levy fines against Unit Owners for any violation of the Declaration and/or any rules or regulations established by the Association. Any reference to a fine contained in this Declaration shall not be construed as a limitation. Fines may be assessed for the violation of any provision herein.

THIS INSTRUMENT PREPARED BY
NORMAN P. FREEDMAN
SUITE 710, EXECUTIVE POINT TOWERS
5520 LOS SANTOS WAY
JACKSONVILLE, FLORIDA 32211

ARTICLE XVI
ASSESSMENTS: LIENS AND ENFORCEMENT

The Association is hereby granted a lien upon each Unit and its tenant undivided interest in Common Elements and Limited Common Elements with all personal property located within the Unit, subordinate to bona fide liens of record, which lien shall and does secure the moneys or all: (1) assessments levied against the Owner(s) of and each unit, including maintenance fees, and (2) costs and expenses, including a reasonable fee's fee, filing fees and court costs which may be incurred by the Association in collecting and enforcing its lien upon the Unit and its tenancies. The lien granted to the Association may be established and closed in the Circuit Court in and for Duval County. Any such enforcement be in accordance with the requirements of the Condominium Act.

16.2 Recording and Priority of Lien. The Association has a lien on condominium parcel for any unpaid assessments with interest and for any attorney's fees incurred by the Association which are incident to collection of the assessment or enforcement of the lien. The lien is effective from and after the recording of a claim of lien in the public records in the county in which the condominium parcel is located which states description of the condominium parcel, the name of the record owner, the due date, and the due dates. No such lien which is recorded shall continue longer period than 1 year after the claim of lien has been recorded, within that time, an action to enforce the lien is commenced in a court of competent jurisdiction. The claim of lien shall secure all unpaid assessments, interest, costs, and attorney's fees which are due and which may be subsequent to the recording of the claim of lien and prior to entry of a judgment of foreclosure. A claim of lien must be signed and acknowledged by an officer or agent of the Association. Upon payment, the making the payment is entitled to a satisfaction of the lien."

DATED at Jacksonville Beach, Florida, This 28th day of

1988.

and in the presence of:

[Signature]

M. L.

Citizens

[Signature]

M. L.

Bonnetts

[Signature]

M. L.

Sachs

CITIZENS FEDERAL SAVINGS AND LOAN
ASSOCIATION OF JACKSONVILLE

BY [Signature]

President

[Signature]
Leon Bonnett

[Signature]
Josephine Bonnett

[Signature]
Bernard Sachs

[Signature]
Celia Sachs

Charles J. Sachse

M. L.
As to Freedmans

Charles J. Sachse

M. L.
As to Freedmans

STATE OF FLORIDA)
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me this 27th day of July, 1988 by Norman P. Freedman, President, of Citizens Federal Savings and Loan Association of Jacksonville, a corporation, on behalf of the corporation.

STATE OF FLORIDA)
COUNTY OF DUVAL)

The foregoing instrument was acknowledged before me this 27th day of July, 1988 by LEON BONNETT and JOSEPHINE BONNETT, his wife; BERNARD SACHS and CELIA SACHS, his wife; HARVEY J. FREEDMAN and MARILYN D. FREEDMAN, his wife; and NORMAN P. FREEDMAN and CAROL A. FREEDMAN, his wife.

Harvey J. Freedman

Harvey J. Freedman

Marilyn D. Freedman

Marilyn D. Freedman

Norman P. Freedman

Norman P. Freedman

Carol A. Freedman

Carol A. Freedman

Charles J. Sachse

Notary Public, State of Florida
My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA
My commission expires Aug. 8, 1989
Bonded thru Patterson - Becht Agency

Charles J. Sachse

Notary Public, State of Florida
My Commission Expires:

Prepared by and Return to:
Christene M. Ertl, Esq.
Ansbacher Law
8818 Goodbys Executive Drive #100
Jacksonville, Florida 32217

**THIRD AMENDMENT OF THE
DECLARATION OF CONDOMINIUM OF
PABLO SURFSIDE CONDOMINIUM**

This Third Amendment of the Declaration of Condominium of Pablo Surfside Condominium ("Amendment") is made this 18th day of June, 2020, by Condominium Owners Association of Pablo Surfside, Inc. ("Association") having an address of 1951 Ocean Drive South 3A, Jacksonville Beach, FL 32250.

RECITALS

- A. The Developer, and/or its successors and assigns, has executed and recorded that certain Declaration of Condominium of Pablo Surfside Condominium, which is recorded in Official Records Book 6276, Page 2118, of the public records of Duval County, Florida, as amended or supplemented ("Declaration"), thereby submitting all of the real property described in the Declaration to the terms thereof;
- B. Article VI, Section 6.3 of the Declaration provides for amendment of the Declaration by an instrument executed and acknowledged with the formalities of a deed by members owning not less than seventy-five percent (75%) of all Units.
- C. The requisite approvals were obtained and are evidenced by the execution of this Amendment by at least seventy-five percent (75%) of the Unit Owners.

NOW THEREFORE, the Association hereby amends the Declaration as follows:

1. Article XII shall be amended as follows:

~~Strikethrough~~ – denotes deletions from current text

Underline – denotes proposed additions

12.1 Units. Each Unit shall be used for a single household and for residential non-commercial purposes only. For the purposes of this Declaration, a single household residential non-commercial use is limited to use of the Unit by the Unit Owner (as identified on the legal document recorded in the public records of Duval County, Florida transferring title to the Unit to the Unit Owner) and the immediate family members of the Unit Owners. Immediate family members of the Unit Owner shall mean: parents of Unit Owner, spouse of Unit Owner, children of Unit Owner. If the Unit Owner is a corporate entity, the corporate Unit Owner must notify the Association as to the individuals, who shall also be corporate officer(s) and/or director(s) of Unit Owner, who are to be considered

the Unit Owner for the purposes of determining the immediate family members as described in this paragraph. A corporate Unit Owner may not designate more than two (2) individuals to be the Unit Owner of record with the Association for the purposes of this paragraph 12.1 and determining the immediate family members of the Unit Owner as described above. Unit Owners hereby acknowledge that Association shall be entitled to injunctive relief and reimbursement of all attorneys fees and related expenses incurred by Association related to the enforcement of this paragraph. Unit Owner further acknowledges that injunctive relief is not an exclusive remedy, but rather one of several non-exclusive remedies available, including the Association's right to assess fines in the maximum amount allowed by law. Nothing herein shall be construed to prohibit leasing of the Units, provided that such leases are in compliance with Section 12.7 hereof.

12.7 Leasing. Leasinges of a Unit is subject to the following terms and conditions: must be for an entire Unit and must be for a minimum of three (3) months and must provide that the lessee shall be bound by the provisions of this Declaration and any noncompliance by such lessee shall be the responsibility of the Unit Owner.

1. "Lease" and "leasing" as used herein includes, but is not limited to, any use or occupancy of a Unit by any person who is not a Unit Owner (or their immediate family member as defined in Section 12.1) when the Unit Owner is not present. Unit Owner guests may only use or occupy a Unit when the Unit Owner is present at the Unit. Lease or leasing shall include any lease renewal or extension beyond the original lease term approved by the Association.
2. Lease agreements must be in writing and for a minimum of twelve (12) months duration.
3. Lease agreements must be for the entire Unit.
4. Sub-leasing is prohibited.
5. The Association must approve or disapprove, in advance, by a majority vote of the Board of Directors, prospective lessees for any Unit. The Board of Directors shall establish, and may modify from time to time, a leasing application process, procedure and forms, which may include but not be limited to requiring a prospective lessee to submit to a background check and payment of a reasonable application fee. The Association may also establish a uniform lease form and provide such form as a common expense, which once approved by the Board of Directors, must be used by any Unit Owner seeking to lease their Unit. Likewise, the Association may establish required terms or a required Lease Addendum, which once approved by the Board of Directors, must be used by any Unit Owner

seeking to lease their Unit. At least thirty (30) days' prior to any proposed lease of a Unit, the Unit Owner shall provide the Association with all information requested and required by the leasing application process referenced herein ("Lease Request"). The Association may require the personal appearance of the proposed tenant and his/her family as a condition of approval. The Association shall approve or disapprove the proposed lease/ lessee(s) within thirty (30) days of receipt of all information to which it is entitled. The failure to render a decision within said thirty (30) days shall be deemed an approval. No Owner may lease their Unit if they are delinquent in the payment of any monetary obligation to the Association. Delinquency at the time of a Lease Request shall result in a denial by the Association. Approval of the Association shall be withheld for good cause only upon a vote of a majority of the Board. The factors set forth below shall be deemed to constitute good cause for disapproval and the Association may consider any of the following factors in making its decision, and any other factors it deems appropriate, any one of which shall be grounds for disapproval:

- A) The proposed lessee or any of the proposed occupants have been convicted of a felony involving violence to persons or destruction of property or demonstrating dishonesty or moral turpitude.
- B) The proposed lessee or any of the proposed occupants have a record of financial irresponsibility, including, without limitation, prior bankruptcies, foreclosures, or bad debts within ten (10) years of the Lease Request. The Board may establish minimum credit score requirements.
- C) The application for approval indicates on its face that the lessee or any of the proposed occupants intend to act in a manner inconsistent with these covenants and restrictions.
- D) The lessee or any of the proposed occupants have, in a prior occupancy, evidenced a history of violating the restrictions set forth in this Declaration, or any of the governing documents of the Association.
- E) The Association has not received all information to which it is entitled.
- F) Any untrue statements made by the applicant or any of the proposed occupants on any documents required by the Association.
- G) If the lessee or any of the proposed occupants occupies a Dwelling Unit before obtaining approval of the Association.

- 6. The Association has the authority to charge a reasonable security deposit to cover damage to the Condominium Property.
- 7. Lease agreements must provide that the Association has the right to terminate the Lease if a lessee has been documented to have violated the Association governing documents at least two (2) times over the past one

(1) year period. Notwithstanding the actual terms of the Lease, the Association shall have the right to terminate a Lease agreement with any lessee and/or evict such lessee and Unit Owner shall be liable to Association for all associated expenses and fees, including attorneys fees and costs associated with such Lease termination and eviction, which may be charged to and collected from Unit Owner as an assessment as provided in the Declaration, as amended from time to time.

8. Unit Owners must provide their lessee(s) with a copy of the governing documents of the Association (Declaration, Articles of Incorporation, Bylaws and Rules, and all amendments thereto).

9. Unit Owners shall be jointly and severally liable with their lessee(s) for any violation of the governing documents by Unit Owner's lessee(s).

10. The Association has the authority to levy fines against the Unit Owner for any violation by a lessee of the governing documents of the Association.

11. The Association has the authority to promulgate additional reasonable rules and regulations pertaining to the leasing of Units.

2. Effective Date. This Amendment shall be come effective upon its recordation in the public records of Duval County, Florida.

IN WITNESS WHEREOF, the Association has caused this Third Amendment to the Declaration of Condominium of Pablo Surfside Condominium to be duly executed as of the date written above.

[SIGNATURES ON NEXT PAGE]

**THIRD AMENDMENT OF THE
DECLARATION OF CONDOMINIUM OF
PABLO SURFSIDE CONDOMINIUM**

Sign and sealed
in the presence of:

[Signature]
Printed Name: DAVID HICKS

[Signature]
Printed Name: Denise Foster

x [Signature]
Printed Name of Unit Owner: (1-B) GARY G. FOSTER

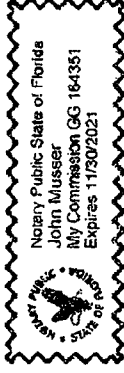
x [Signature]
(1-B) DENISE W. FOSTER

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me, by means of ☒ physical presence
of ☐ online notarization, this 14 day of JUNE, 2020 by
GARY FOSTER + DENISE FOSTER who ☐ is personally known to me or who ☒ produced
FLDL as identification.

[Signature]

Notary Public (Signature)
Printed Name:
My commission expires:



THIRD AMENDMENT OF THE
DECLARATION OF CONDOMINIUM OF
PABLO SURFSIDE CONDOMINIUM

Sign and sealed
in the presence of:

Kristina Thomas
Printed Name: Kristina Thomas

Gabriel Lino
Printed Name: Gabriel Lino

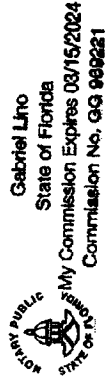
James J. Conners
Printed Name of Unit Owner: James Conners
Sarah Conners
Sarah Conners

STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me, by means of ☒ physical presence
or ☐ online notarization, this 11th day of June, 2020 by
James J. Conners who ☐ is personally known to me or who ☒ produced
Full James J. Conners as identification.

Gabriel Lino

Notary Public (Signature)
Printed Name:
My commission expires:



THIRD AMENDMENT OF THE
DECLARATION OF CONDOMINIUM OF
PABLO SURFSIDE CONDOMINIUM

Sign and sealed
in the presence of:

Michelle Horsinger
Printed Name: Michelle Horsinger

Rose Strickland
Printed Name: Rose Strickland

Anthony J. Park and Deborah L. Park

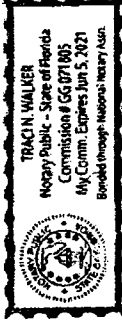
Printed Name of Unit Owner:
ANTHONY J. PARK AND
DEBORAH L. PARK

STATE OF FLORIDA
COUNTY OF Duval

The foregoing instrument was acknowledged before me, by means of ☐ physical presence
or ☐ online notarization, this 15 day of June, 2020 by
Anthony J. Park and Deborah L. Park who ☒ is personally known to me or who ☐ produced
Idaho as identification.

Tracy Walker

Notary Public (Signature)
Printed Name:
My commission expires:



THIRD AMENDMENT OF THE
DECLARATION OF CONDOMINIUM OF
PABLO SURFSIDE CONDOMINIUM

Sign and sealed
in the presence of:

[Signature]
Printed Name: BARRY FARRER

Josephine Bonnett
Printed Name of Unit Owner: JOSEPHINE BONNETT

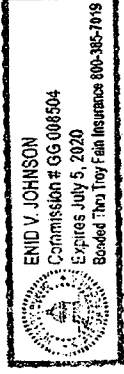
Amy Zoloff
Printed Name: AMY ZOLOFF

STATE OF FLORIDA
COUNTY OF DALLAS

The foregoing instrument was acknowledged before me, by means of ☒ physical presence
or ☐ online notarization, this 12 day of June, 2020 by
Josephine Bonnett who ☒ is personally known to me or who ☐ produced
_____ as identification.

[Signature]

Notary Public (Signature)
Printed Name: Enid V. Johnson
My commission expires: July 5, 2020



THIRD AMENDMENT OF THE
DECLARATION OF CONDOMINIUM OF
PABLO SURFSIDE CONDOMINIUM

Sign and sealed
in the presence of:

[Signature]
Printed Name: GARY G. FORTEN, Jr

[Signature]
Printed Name of Unit Owner: Carol Freedman

[Signature]
Printed Name: Celia Elinoff

STATE OF FLORIDA
COUNTY OF St Johns

The foregoing instrument was acknowledged before me, by means of ☐ physical presence
or ☐ online notarization, this 12 day of June, 2020 by
Carol Freedman who ☒ is personally known to me or who ☐ produced
_____ as identification.

[Signature]

Notary Public (Signature)
Printed Name:
My commission expires:

