

Rtn to:

PENINSULA STATE TITLE
5240 BABCOCK ST., NE. SUITE 307
PALM BAY, FLORIDA 32905

RECORD AND RETURN TO:
THIS INSTRUMENT PREPARED BY:

Eric A. Simon, Esquire
9050 Pines Blvd., Suite 250
Pembroke Pines, Florida 33024

474.00 Rec

DECLARATION OF CONDOMINIUM

OF

REGENCY ISLAND DUNES TWO, A CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM is made by REGENCY ISLAND DUNES, INC., a Florida corporation, hereinafter referred to as "DEVELOPER," for itself, its successors, grantees and assigns.

This Declaration Includes the Following Exhibits

- Exhibit A - Legal Description, Survey and Plot Plan
- Exhibit B - Legal Description of Regency Island Dunes, A Condominium
- Exhibit C - Legal Description of Recreational and Entrance Area
- Exhibit D - Articles of Incorporation of ASSOCIATION
- Exhibit E - Bylaws of ASSOCIATION

WHEREIN, the DEVELOPER makes the following declarations:

1. Purpose. The purpose of this DECLARATION is to submit the land and improvements described to the CONDOMINIUM FORM OF OWNERSHIP and use pursuant to Chapter 718 of the Florida Statutes, herein referred to as the "CONDOMINIUM ACT." Except where permissive variances therefrom appear in this DECLARATION, the annexed ARTICLES and/or BYLAWS of the ASSOCIATION, or in lawful amendments to these instruments, the provisions of the CONDOMINIUM ACT are incorporated herein by reference. This DECLARATION, the ARTICLES and the BYLAWS of the ASSOCIATION, as lawfully amended from time to time, and the CONDOMINIUM ACT as same exists as of the execution of this DECLARATION, shall govern this CONDOMINIUM and the rights, duties and responsibilities of UNIT OWNERS therein.

1.1 Name. The name by which this CONDOMINIUM is to be identified is REGENCY ISLAND DUNES TWO, A CONDOMINIUM.

1.2 Submission to CONDOMINIUM FORM OF OWNERSHIP. By this DECLARATION, the fee simple title to the property described in Exhibit "A" attached hereto and made a part hereof, is hereby submitted to the CONDOMINIUM FORM OF OWNERSHIP.

1.3 Effect of DECLARATION. All restrictions, reservations, covenants, conditions and easements contained herein constitute covenants running with the land and shall rule perpetually unless terminated or amended as provided herein, and shall be binding upon all UNIT OWNERS as hereinafter defined, and in consideration of receiving and by acceptance of grant, devise or mortgage, all grantees, devisees or mortgagees, their heirs, personal representatives, successors and assigns, and all parties claiming by, through or under such persons agree to be bound by the provisions hereof, and the ARTICLES and BYLAWS. Both the burdens imposed and the benefits derived shall run with each UNIT as herein defined.

JoAnne Holman, Clerk of the Circuit Court - St. Lucie County
File Number: 1554312 OR BOOK 1078 PAGE 1919
Recorded: 05-23-97 11:42 A.M.

2. **Definitions.** The terms used in this DECLARATION and all exhibits attached hereto, and in the ARTICLES and the BYLAWS, shall have the meanings stated in the CONDOMINIUM ACT and as follows, unless the context otherwise requires.

2.1 **ARTICLES** means the Articles of Incorporation of the ASSOCIATION, as same may be amended from time to time.

2.2 **ASSESSMENT** means a share of the funds which are required for the payment of COMMON EXPENSES, which from time to time is assessed against a UNIT OWNER.

2.3 **ASSOCIATION** means REGENCY ISLAND DUNES ASSOCIATION, INC., a Florida corporation not-for-profit, which is the corporate entity responsible for the operation of the CONDOMINIUM.

2.4 **ASSOCIATION PROPERTY** means any real property owned by the ASSOCIATION, including any improvements located thereon, and all personal property owned by the ASSOCIATION.

2.5 **BOARD** means the Board of Directors of the ASSOCIATION.

2.6 **BUILDING** means and includes the building contained within the CONDOMINIUM which contains the UNITS.

2.7 **BYLAWS** means the bylaws of the ASSOCIATION, as same may be amended from time to time.

2.8 **CLUB DECLARATION** means the Declaration of Covenants, Restrictions and Easements for The Island Dunes Country Club, recorded in Official Records Book 573, at Page 15, of the Public Records of St. Lucie County, Florida, and all amendments thereto.

2.9 **COMMON ELEMENTS** means the portions of the CONDOMINIUM PROPERTY not included in the UNITS, and all other property declared as COMMON ELEMENTS herein and in the CONDOMINIUM ACT.

2.10 **COMMON EXPENSES** means all expenses properly incurred by the ASSOCIATION for the CONDOMINIUM which shall include, but not be limited to, the following:

2.10.1 Expenses of administration and management of the CONDOMINIUM PROPERTY and of the ASSOCIATION.

2.10.2 Expenses of operation, maintenance, repair, replacement or protection of the COMMON ELEMENTS and any ASSOCIATION property. Notwithstanding the foregoing, if the ASSOCIATION operates more than one CONDOMINIUM, the COMMON EXPENSES shall only include this CONDOMINIUM's share of such expenses for any ASSOCIATION PROPERTY which unless otherwise determined by the BOARD shall be equal to the number of UNITS in this CONDOMINIUM divided by the total number of units in all condominiums operated by the ASSOCIATION.

2.10.3 The cost of a master antennae television system or a duly franchised cable television service obtained pursuant to a bulk contract with the ASSOCIATION.

2.10.4 Costs of carrying out the powers and duties of the ASSOCIATION.

2.10.5 Any other expense, whether or not included in the foregoing, designated as COMMON EXPENSES by the CONDOMINIUM ACT or the CONDOMINIUM DOCUMENTS.

2.10.6 Any valid charge against the CONDOMINIUM as a whole.

2.10.7 All amounts payable by the ASSOCIATION to Island Dunes Country Club, Inc., a Florida corporation not-for-profit, pursuant to the CLUB DECLARATION.

2.11 **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.

2.12 CONDOMINIUM means the condominium which is formed pursuant to this DECLARATION.

2.13 CONDOMINIUM ACT means the Florida Condominium Act, as it exists on the date of execution of this DECLARATION, as contained in Chapter 718 of the Florida Statutes.

2.14 CONDOMINIUM DOCUMENTS means this DECLARATION, the ARTICLES, the BYLAWS and any RULES and REGULATIONS adopted by the BOARD, as amended from time to time.

2.15 CONDOMINIUM FORM OF OWNERSHIP means that form of ownership of real property created pursuant to the CONDOMINIUM ACT and which is comprised of UNITS that may be owned by one (1) or more persons, and there is, appurtenant to each UNIT, an undivided share in the COMMON ELEMENTS.

2.16 CONDOMINIUM PARCEL means a UNIT together with the undivided share in the COMMON ELEMENTS which is appurtenant to the UNIT.

2.17 CONDOMINIUM PROPERTY means the lands that are subjected to the CONDOMINIUM FORM OF OWNERSHIP by this DECLARATION or by any amendment hereto, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the CONDOMINIUM.

2.18 DECLARATION or DECLARATION of CONDOMINIUM means this instrument, as it may be amended from time to time.

2.19 DEVELOPER means and refers to the person or entity executing this DECLARATION, its successors, grantees, assigns, nominees, and designees. In the event the holder of any mortgage executed by the DEVELOPER, or any subsidiary or affiliate of the holder, obtains title to all or any portion of the CONDOMINIUM PROPERTY by foreclosure, or deed in lieu thereof, or other conveyance, such holder, or subsidiary or affiliate of the holder, shall become the DEVELOPER only if it so elects by written notice to the BOARD, except as otherwise provided by the CONDOMINIUM ACT or the rules promulgated thereunder, but regardless of such election the holder, or subsidiary or affiliate of the holder, shall have the right to assign any of the rights of the DEVELOPER as provided herein to any third party who acquires title to all or a portion of the CONDOMINIUM PROPERTY from the holder, or subsidiary or affiliate of the holder. In any event, any subsequent DEVELOPER shall not be liable for any defaults or obligations incurred by any prior DEVELOPER, except as same are expressly assumed by the subsequent DEVELOPER. The term "DEVELOPER" shall not include any person or entity acquiring title only to one or more UNIT(S) for which a certificate of occupancy has been issued by the controlling governmental authority, unless DEVELOPER specifically assigns its rights as developer to such person or entity, except for a mortgagee of the DEVELOPER who elects to be the DEVELOPER as set forth above.

2.20 INSTITUTIONAL LENDER means any company or entity holding a first mortgage encumbering a CONDOMINIUM PARCEL, which in the ordinary course of business makes, purchases, guarantees, or insures residential mortgage loans. An INSTITUTIONAL LENDER may be, but is not limited to, a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension or profit sharing plan, mortgage company, the Federal National Mortgage Association, an agency of the United States or any other governmental authority, or any other similar type of lender generally recognized as an institutional-type lender. For definitional purposes only, an INSTITUTIONAL LENDER shall also mean the holder of any mortgage executed by or in favor of the DEVELOPER, whether or not such holder would otherwise be considered an INSTITUTIONAL LENDER.

2.21 LIMITED COMMON ELEMENTS means those COMMON ELEMENTS which are reserved for the use of a certain UNIT or UNITS to the exclusion of other UNITS, if any.

2.22 UNIT means a part of the CONDOMINIUM PROPERTY which is subject to exclusive ownership.

2.23 UNIT OWNER means the record owner(s) of a CONDOMINIUM PARCEL.

3. Development Plans. This CONDOMINIUM will consist of one BUILDING containing 72 UNITS.

4. CONDOMINIUM Improvements and UNITS.

4.1 Plot Plan and Survey. A survey of the property comprising the CONDOMINIUM, a graphic description of the improvements, and a plot plan thereof, as well as the floor plans of the UNITS within the CONDOMINIUM, are all attached hereto as Exhibit "A." This exhibit, together with this DECLARATION, is an accurate representation of the location and dimensions of the improvements constituting the CONDOMINIUM and are in sufficient detail so that the identification, location, and dimensions of the COMMON ELEMENTS and of each UNIT can be determined.

4.2 UNIT Identification. The legal description of each UNIT shall consist of the number of such UNIT, as shown upon Exhibit "A." Every deed, lease, mortgage or other instrument may legally describe a UNIT and/or CONDOMINIUM PARCEL by its identifying UNIT designation as provided, and each and every description shall be deemed good and sufficient for all purposes.

4.3 UNIT Boundaries. Each UNIT shall include that part of the BUILDING that lies within the boundaries of the UNIT, which boundaries are as follows:

4.3.1 Upper and Lower Boundaries. The upper and lower boundaries of each UNIT shall be the following boundaries extended to an intersection with the perimetrical boundaries.

4.3.1.1 Upper boundary: The horizontal plane of the undecorated finished ceiling. In a UNIT containing a room in which the ceiling is raised above the level of the ceiling in the rest of the UNIT, the ceiling shall include the vertical or diagonal surface connecting the raised ceiling with the ceiling of the remaining portion of the UNIT, and the upper boundary shall include the plane of the undecorated finished vertical or diagonal surface that joins the planes of the undecorated finished horizontal portions of the ceiling.

4.3.1.2 Lower boundary: The horizontal plane of the undecorated finished floor. In a UNIT containing a room in which the floor is raised above the level of the floor in the rest of the UNIT, the floor shall include the vertical or diagonal surface connecting the raised floor with the floor of the remaining portion of the UNIT, and the lower boundary shall include the plane of the undecorated finished vertical or diagonal surface that joins the planes of the undecorated finished horizontal portions of the floor.

4.3.2 Perimetrical Boundaries. The perimetrical boundaries of the UNIT shall be the vertical planes of the unfinished interior surfaces of the building walls bounding the UNIT, the vertical planes of the unfinished exterior surfaces of screened or glass walls bounding the UNIT, and imaginary vertical planes along the lower boundaries of the UNIT where there is no wall, extended to their planar intersections with each other and with the upper and lower boundaries.

4.3.3 Apertures. Where there are apertures in any boundary, including, but not limited to, windows and doors, such boundary shall be extended to include the interior unfinished surfaces of such apertures, including all frameworks thereof. Exterior surfaces made of glass, screening, or other transparent material, and all framings and casings therefore, shall be included in the boundaries of the UNIT.

4.3.4 Boundaries Further Defined. The boundaries of the UNIT shall not include all of those spaces and improvements lying beneath the undecorated and/or unfinished inner surfaces of the perimeter walls and floors, and those surfaces above the undecorated and/or inner surfaces of each UNIT and, further, shall not include those spaces and improvements lying beneath the undecorated and/or unfinished inner surfaces of all interior bearing walls and/or bearing partitions and, further, shall exclude all pipes, ducts, wires, conduit and other facilities running through any interior wall or partition for utility services to

other UNITS and/or for COMMON ELEMENTS. No part of the interior non-boundary walls within a UNIT shall be considered a boundary of the UNIT.

4.3.5 Exceptions and Conflicts. In the case of any conflict between the boundaries of the UNIT as above described and the dimensions of the UNIT shown on Exhibit "A," the above provisions describing the boundary of a UNIT shall control, it being the intention of this DECLARATION that the actual as-built boundaries of the UNIT as above described shall control over any erroneous dimensions contained in Exhibit "A" attached hereto, and in the event it shall appear that any dimension shown on Exhibit "A" attached hereto is erroneous the DEVELOPER or the President of the ASSOCIATION shall have the right to unilaterally amend the DECLARATION to correct such survey, and any such amendment shall not require the joinder of any UNIT OWNER or mortgagee so long as the purpose of the amendment is merely to correct an error and correctly describe the boundaries of a UNIT. In the case of UNIT boundaries not adequately described as provided above, the survey of the UNITS contained in Exhibit "A" shall control in determining the boundaries of a UNIT. In the case of any conflict between the language of this DECLARATION describing the boundaries of any UNIT, and in the language contained on Exhibit "A" describing the boundaries of a UNIT, the language of this DECLARATION shall control.

4.4 LIMITED COMMON ELEMENTS. The balconies outside of the UNITS as shown on Exhibit "A" shall be LIMITED COMMON ELEMENTS of the contiguous UNIT, and in addition any other areas depicted as "LIMITED COMMON ELEMENTS" on Exhibit "A" of this DECLARATION, shall be LIMITED COMMON ELEMENTS of the contiguous UNIT, or the UNIT otherwise designated, for the exclusive use and enjoyment of the UNIT OWNER and residents of the UNIT, and their guests and invitees. Notwithstanding the foregoing, it is acknowledged the balconies of UNITS 3 and 4 which are contiguous to the elevator lobbys, on all floors except the Lanai Floor, provide emergency access between the two elevator lobbies of the BUILDINGS, as shown on Exhibit "A". Accordingly, in the event of an emergency affecting a lobby area, or if any of the elevators serving one lobby area are not functioning, or if the building manager otherwise determines such access is necessary in his sole discretion, the UNIT OWNERS and residents of the CONDOMINIUM, and their guests and invitees, shall be permitted to cross through such balconies as may be required to access the other lobby area. No UNIT OWNER shall obstruct such balcony or otherwise interfere with or block such access.

4.5 AUTOMOBILE PARKING SPACES AND STORAGE LOCKERS.

4.5.1 The COMMON ELEMENTS include parking areas for automobiles of the UNIT OWNERS and residents of the CONDOMINIUM, their guests and invitees. The ASSOCIATION shall assign one (1) parking space, and may assign one (1) additional parking space, for the exclusive use of the UNIT OWNER or any resident of each UNIT, and their guests and invitees. Any parking space assigned to UNIT shall become a LIMITED COMMON ELEMENT appurtenant to such UNIT. No UNIT OWNER or resident of any UNIT, and none of their guests and invitees, shall park in a parking space assigned to another UNIT. All other parking spaces will be for the general use of the UNIT OWNERS and residents of the CONDOMINIUM, and their guests and invitees. Notwithstanding anything contained or to the contrary, so long as the DEVELOPER owns any UNIT in the CONDOMINIUM, the DEVELOPER and not the ASSOCIATION shall have the right to assign parking spaces as LIMITED COMMON ELEMENTS of the UNITS.

4.5.2 Storage Lockers. The COMMON ELEMENTS include storage lockers and storage areas. The ASSOCIATION shall assign at least one storage locker or storage area to each UNIT, which will become a LIMITED COMMON ELEMENT appurtenant to the UNIT upon such assignment. The ASSOCIATION may also assign to any UNIT OWNER as a LIMITED COMMON ELEMENT appurtenant to the UNIT, any storage area or room that is not needed or used by the ASSOCIATION. No UNIT OWNER or resident of any UNIT shall use any storage locker, area or room assigned to another UNIT. Notwithstanding anything contained or to the contrary, so long as the DEVELOPER owns any UNIT in the CONDOMINIUM, the DEVELOPER and not the ASSOCIATION shall have the right to assign storage lockers, areas, or rooms as LIMITED COMMON ELEMENTS of the UNITS.

4.5.3 The COMMON ELEMENTS include storage lockers for the storage of personal property of the UNIT OWNERS. The ASSOCIATION shall assign one storage locker to each UNIT, which will become a LIMITED COMMON ELEMENT appurtenant to the UNIT

upon such assignment. Notwithstanding anything contained or to the contrary, so long as the DEVELOPER owns any UNIT in the CONDOMINIUM, the DEVELOPER and not the ASSOCIATION shall have the right to assign storage lockers as LIMITED COMMON ELEMENTS of the UNITS.

4.5.4 Any transfer of title of a UNIT, including a transfer by operation of law, shall operate to transfer the exclusive use of the UNIT's then assigned parking space(s) and storage locker. In addition, a UNIT OWNER shall not sell, reassign or otherwise transfer his right to use his then assigned parking space(s) or storage locker without the express prior written consent of the BOARD.

5. Easements and Restrictions. Each of the following easements is hereby created, all of which shall be nonexclusive easements and shall run with the land of the CONDOMINIUM and, notwithstanding any of the other provisions of this DECLARATION, may not be substantially amended or revoked in such a way as to unreasonably interfere with their proper and intended uses and purposes, and each shall survive the termination of the CONDOMINIUM.

5.1 Pedestrian and Vehicular Traffic. Ingress and egress easements for pedestrian and bicycle traffic over and upon the sidewalks and paths existing from time to time upon the COMMON ELEMENTS, and ingress and egress easements for pedestrian and vehicular traffic over and upon the roads, parking areas, and other paved areas as existing from time to time upon the COMMON ELEMENTS and intended for such purposes, same being in favor of the UNIT OWNERS for their use and benefit and for the use and benefit of their mortgagees, tenants, guests and invitees.

5.2 Service and Utility Easements. Easements in favor of governmental and quasi-governmental authorities, utility companies, cable television companies, ambulance or emergency vehicle companies, and mail carrier companies, over and across all roads existing from time to time within the CONDOMINIUM, and over, under, on and across the COMMON ELEMENTS, as may be reasonably required to permit the foregoing, and their agents and employees, to provide their respective authorized services to and for the CONDOMINIUM PROPERTY and the property described in Exhibit "B" attached hereto. Also, easements as may be reasonably required for the installation, maintenance, repair, and providing of utility services, equipment and fixtures, in order to adequately serve the CONDOMINIUM or any UNIT or COMMON ELEMENT, or the property described in Exhibit "B," including, but not limited to, electricity, telephones, sewer, water, lighting, irrigation, drainage, television antenna and cable television facilities, and electronic security. Any utility services serving the property described in Exhibit "B," which is outside of the CONDOMINIUM shall be installed to the extent possible in a manner which will minimize interference with the use and enjoyment of the CONDOMINIUM PROPERTY by the residents of the CONDOMINIUM. Easements through a UNIT shall be only according to the plans and specifications for the BUILDING containing the UNIT or as the BUILDING is actually constructed, or reconstructed, unless approved in writing by the UNIT OWNER of the UNIT. A UNIT OWNER shall do nothing within or outside his UNIT that interferes with or impairs the utility services using these easements. The ASSOCIATION shall have a right of access to each UNIT to maintain, repair or replace the pipes, wires, ducts, vents, cables, conduits and other utility service facilities and COMMON ELEMENTS contained in the UNIT or elsewhere in the CONDOMINIUM PROPERTY and to remove any improvements interfering with or impairing the utility services or easements herein reserved; provided such right of access shall not unreasonably interfere with the UNIT OWNER's permitted use of the UNIT, and except in the event of an emergency, entry into any UNIT shall be made on reasonable notice to the UNIT OWNER.

5.3 Support. Every portion of a UNIT contributing to the support of the BUILDING or an adjacent UNIT shall be burdened with an easement of support for the benefit of all other UNITS and COMMON ELEMENTS in the BUILDING.

5.4 Perpetual Nonexclusive Easement in COMMON ELEMENTS. The COMMON ELEMENTS shall be, and the same are hereby declared to be, subject to a perpetual non-exclusive easement in favor of all of the UNIT OWNERS and residents of the CONDOMINIUM, and their guests and invitees, for all proper and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended.

5.5 Air Space. Each UNIT shall have an exclusive easement for the use of the air space occupied by the UNIT as it exists at any particular time and as the UNIT may lawfully be altered.

5.6 Encroachments. If any portion of the COMMON ELEMENTS encroaches upon any UNIT; if any UNIT, LIMITED COMMON ELEMENT, or any other improvement encroaches upon any other UNIT or upon any portion of the COMMON ELEMENTS; or if any encroachment shall hereafter occur as a result of (i) construction or reconstruction of any improvements; (ii) settling or shifting of any improvements; (iii) any addition, alteration or repair to the COMMON ELEMENTS or LIMITED COMMON ELEMENTS made by or with the consent of the ASSOCIATION; (iv) any repair or restoration of any improvements (or any portion thereof) or any UNIT after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any UNIT or the COMMON ELEMENTS; or (v) any non-purposeful or non-negligent act of a UNIT OWNER except as may be authorized by the BOARD, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the improvements shall stand.

5.7 Easements for overhanging troughs or gutters, downspouts, and the discharge therefrom of rainwater and the subsequent flow thereof over the UNITS and the CONDOMINIUM PROPERTY.

5.8 Sale and Development Easement. DEVELOPER reserves an easement over, upon, across and under the COMMON ELEMENTS and the ASSOCIATION PROPERTY as may be reasonably required in connection with the development and construction of the improvements within the CONDOMINIUM and the ASSOCIATION PROPERTY, and the sale, promotion and leasing of the UNITS, or any portion of the property described in Exhibit "B" attached hereto or any other property owned by DEVELOPER or any affiliate or subsidiary of DEVELOPER, and further reserves an easement to use any office located within any recreational facilities or other portion of the COMMON ELEMENTS for such purposes.

5.9 Additional Easements. The ASSOCIATION, on its behalf and on behalf of all UNIT OWNERS, shall have the right to (i) grant and declare additional easements, licenses and permits over, upon, under, and/or across the COMMON ELEMENTS and the ASSOCIATION PROPERTY in favor of any person, entity, public or quasi-public authority or utility company, or (ii) modify, relocate, abandon or terminate existing easements, licenses and permits within or outside of the CONDOMINIUM in favor of the ASSOCIATION and/or the UNIT OWNERS or in favor of any person, entity, public or quasi-public authority, or utility company, as the DEVELOPER or the ASSOCIATION may deem desirable for the proper operation and maintenance of the CONDOMINIUM, or any portion thereof, or for the health, safety or welfare of the UNIT OWNERS, or for any other reason or purpose. This section does not authorize the ASSOCIATION to modify, relocate, abandon or terminate any easement created in whole or in part for the use or benefit of anyone other than the UNIT OWNERS, or crossing the property of anyone other than the UNIT OWNERS, without their consent or approval as otherwise required by law or by the instrument creating the easement. So long as such additional easements, licenses and permits, or the modification, relocation or abandonment of existing easements, licenses and permits will not unreasonably and adversely interfere with the use of UNITS for dwelling purposes, no joinder of any UNIT OWNER or any mortgagee of any UNIT shall be required or, if same would unreasonably and adversely interfere with the use of any UNIT for dwelling purposes, only the joinder of the UNIT OWNERS and INSTITUTIONAL LENDERS of UNITS so affected shall be required. To the extent required, all UNIT OWNERS hereby irrevocably appoint the ASSOCIATION as their attorney-in-fact for the foregoing purposes.

5.10 Easements and Restrictions of Record. The creation of this CONDOMINIUM is subject to other restrictions, reservations and easements of record.

6. Ownership.

6.1 Type of Ownership. Ownership of each CONDOMINIUM PARCEL may be in fee simple or in any other estate in real property recognized by the law, subject, however, to this DECLARATION and restrictions, reservations, easements and limitations of record.

6.2 UNIT OWNER's Rights. Each UNIT OWNER is entitled to the exclusive use and possession of his UNIT. He shall be entitled to use the COMMON ELEMENTS in accordance with the purposes for which they are intended, but no such use shall hinder or encroach upon the lawful rights of other UNIT OWNERS. There shall be a joint use of the COMMON ELEMENTS and a joint and mutual easement for that purpose is hereby created.

7. Restraint Upon Separation and Partition of COMMON ELEMENTS. The fee title of each CONDOMINIUM PARCEL shall include both the UNIT and an undivided interest in the COMMON ELEMENTS, said undivided interest in the COMMON ELEMENTS to be deemed to be conveyed or encumbered with its respective UNIT, even though the description in the deed or instrument of conveyance may refer only to the fee title to the UNIT. Any attempt to separate and/or action to partition the fee title to a UNIT from the undivided interest in the COMMON ELEMENTS appurtenant to each UNIT shall be null and void.

8. Undivided Share in the COMMON ELEMENTS. Each UNIT shall have an undivided share in the COMMON ELEMENTS as an appurtenance to the UNIT, which undivided share shall be equal to $1/72$, "72" being the number of UNITS contained within the CONDOMINIUM.

9. COMMON EXPENSE and COMMON SURPLUS.

9.1 Each UNIT OWNER will be responsible for a proportionate share of the COMMON EXPENSES, equal to the undivided share in the COMMON ELEMENTS appurtenant to the UNIT OWNER's UNIT as determined above. In the event the ASSOCIATION operates more than one (1) condominium, the COMMON EXPENSES of this CONDOMINIUM shall include all expenses specifically relating to this CONDOMINIUM, as well as this CONDOMINIUM's share of all mutual expenses relating to this and other condominiums operated by the ASSOCIATION, as reasonably determined by the BOARD.

9.2 Any COMMON SURPLUS of the ASSOCIATION shall be owned by each UNIT OWNER in the same proportion as his liability for COMMON EXPENSES. In the event the ASSOCIATION operates more than one condominium, then the UNIT OWNERS in this CONDOMINIUM shall only have an interest in the COMMON SURPLUS of the ASSOCIATION attributable to this CONDOMINIUM.

10. Maintenance. The responsibility for maintenance by the ASSOCIATION and by the UNIT OWNERS shall be as follows:

10.1 By the ASSOCIATION. The ASSOCIATION shall operate, maintain, repair and replace, as a COMMON EXPENSE:

10.1.1 All COMMON ELEMENTS and LIMITED COMMON ELEMENTS, except for portions to be maintained by the UNIT OWNERS as hereinafter provided.

10.1.2 All exterior and structural BUILDING walls, whether inside or outside of a UNIT.

10.1.3 All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in the portion of a UNIT contributing to the support of the BUILDING or to another UNIT, or within interior boundary walls, and all such facilities contained within a UNIT which service part or parts of the CONDOMINIUM other than the UNIT within which such facilities are contained.

10.1.4 All ASSOCIATION PROPERTY (only this CONDOMINIUM's share of the expenses associated with the ASSOCIATION PROPERTY shall be a COMMON EXPENSE of this CONDOMINIUM).

10.1.5 Any unimproved property, and the side of any common wall or fence facing the CONDOMINIUM PROPERTY or the ASSOCIATION PROPERTY, outside of and contiguous to the CONDOMINIUM or the ASSOCIATION PROPERTY (with the consent of the owner of such property except where such property consists of unpaved road right-of-way) which the BOARD determines to maintain from time to time.

All incidental damage caused to a UNIT by such work, or caused by any leaking water or other cause emanating from the COMMON ELEMENTS shall be promptly repaired at the expense of the ASSOCIATION. Notwithstanding the foregoing or anything contained herein to the contrary, the ASSOCIATION will not be responsible for damage to any floor coverings, wall coverings, ceiling coverings, electrical fixtures, appliances, air conditioner or heating equipment, water heaters, built-in cabinets, or any personal property of any UNIT OWNER.

10.2 By the UNIT OWNER. Each UNIT OWNER shall operate, maintain, repair and replace, at the UNIT OWNER's expense:

10.2.1 All portions of the UNIT except the portions to be maintained, repaired and replaced by the ASSOCIATION. Included within the responsibility of the UNIT OWNER shall be windows, screens, sliding glass doors, and doors on the exterior of his UNIT or the LIMITED COMMON ELEMENTS of his UNIT, and framing for same. All such maintenance, repairs and replacements shall be done without disturbing the rights of other UNIT OWNERS.

10.2.2 The air conditioning and heating systems exclusively serving the UNIT OWNER's UNIT, whether inside or outside of his UNIT. Any portion of the air conditioning and heating system exclusively serving a UNIT, which is located outside of the UNIT, shall be deemed a LIMITED COMMON ELEMENT of the UNIT.

10.2.3 Within the UNIT OWNER's UNIT, all cabinets, carpeting and other floor coverings, sinks, fans, stoves, refrigerators, washers, dryers, disposals, compactors, or other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, television transmission, sewage and sanitary service to the UNIT, as well as all personal property of the UNIT OWNER.

10.2.4 Any floor covering within any balcony that is a LIMITED COMMON ELEMENT of the UNIT.

All property to be maintained, repaired and/or replaced by a UNIT OWNER shall be maintained at all times in a first class condition and in good working order, if same affects the exterior appearance of the CONDOMINIUM, so as to preserve a well kept appearance throughout the CONDOMINIUM, and no such maintenance, repair or replacement shall be performed in a manner which changes or alters the exterior appearance of the CONDOMINIUM from its original appearance or condition without the prior written consent of the ASSOCIATION. All property to be maintained, repaired and/or replaced by a UNIT OWNER which is inside of the UNIT OWNER's UNIT and which does not affect the exterior appearance of the CONDOMINIUM shall be maintained at all times in a condition which does not and will not adversely affect any other UNIT OWNER, or any other portion of the CONDOMINIUM PROPERTY.

10.3 No UNIT OWNER shall operate, maintain, repair or replace any portion of the CONDOMINIUM PROPERTY to be operated, maintained, repaired and/ or replaced by the ASSOCIATION, or the ASSOCIATION PROPERTY, without first obtaining written approval from the ASSOCIATION. Each UNIT OWNER shall promptly report to the ASSOCIATION or any applicable management company any defects or need for repairs, maintenance, or replacements, the responsibility for which is that of the ASSOCIATION.

10.4 Whenever it is necessary to enter any UNIT for the purpose of performing any maintenance, repair or replacement of any COMMON ELEMENTS or any other UNIT, or for making emergency repairs necessary to prevent damage to any COMMON ELEMENTS or to any other UNIT, the owner of the UNIT shall permit the ASSOCIATION or persons authorized by it to enter the UNIT for such purposes, provided that such entry may be made only at reasonable times and with reasonable advance notice, except that in the case of an emergency no advance notice will be required. Any damage resulting from any such entry shall be a COMMON EXPENSE, except where such entry is required in order to repair a UNIT, in which event the UNIT OWNER will be responsible for such damage. To facilitate entry in the event of any emergency, the owner of each UNIT, if required by the ASSOCIATION, shall deposit a key to such UNIT with the ASSOCIATION.

10.5 Notwithstanding anything contained herein to the contrary, except for the willful acts or gross negligence of a UNIT OWNER, no UNIT OWNER shall be liable for any damage to the COMMON ELEMENTS, or any LIMITED COMMON ELEMENTS, or any other UNIT, or any improvements or personal property located therein, caused by fire, leaking water, or other cause emanating from the UNIT OWNER's UNIT, and each UNIT OWNER shall be responsible for repairing any such damage to his own UNIT, or improvements or personal property located therein, to the extent the cost of same is not covered by insurance.

11. Additions, Alterations or Improvements.

11.1 By the ASSOCIATION. The ASSOCIATION shall not make any material addition, alteration, change or improvement to the COMMON ELEMENTS or to the ASSOCIATION PROPERTY without the approval of the UNIT OWNERS, provided, however, that the approval of at least two-thirds (2/3) of all the UNIT OWNERS shall be required as to any addition, alteration, change or improvement which (i) substantially changes any recreational facility which is a COMMON ELEMENT or ASSOCIATION PROPERTY, or (ii) would cost, when combined with any other additions, alterations or improvements made during the calendar year, the sum of Two Hundred (\$400.00) Dollars [which sum shall be increased in direct proportion to any increase in the Consumer Price Index subsequent to the date of the recording of this DECLARATION, as published by the Bureau of Labor Statistics of the U.S. Department of Labor, using the U.S. city average, all items (1967 = 100), or any similar index if the foregoing Index is discontinued] multiplied by the number of UNITS in the CONDOMINIUM as of the time such addition, alteration or improvement is to be made. The foregoing approval shall in no event apply with respect to expenses incurred in connection with the maintenance, repair or replacement of existing COMMON ELEMENTS or ASSOCIATION PROPERTY. The cost and expense of any such addition, alteration, change or improvement to the COMMON ELEMENTS and this CONDOMINIUM's share of such cost and expense as to any ASSOCIATION PROPERTY, shall constitute a part of the COMMON EXPENSES and shall be assessed to the UNIT OWNERS as COMMON EXPENSES. Any addition, alteration, change or improvement to the COMMON ELEMENTS or to the ASSOCIATION PROPERTY made by the ASSOCIATION shall be made in compliance with all laws, rules, ordinances, and regulations of all controlling governmental authorities. The acquisition of property by the ASSOCIATION, and material amendments or substantial additions to such property or the COMMON ELEMENTS by the ASSOCIATION in accordance with Florida Statutes, Section 718.111(7) or 718.113 shall not be deemed to constitute a material alteration or modification of the appurtenances to the UNITS.

11.2 By UNIT OWNERS. No UNIT OWNER shall make or install any addition, alteration, improvement or landscaping in or to the exterior of his UNIT, or any LIMITED COMMON ELEMENT or any COMMON ELEMENT, or any ASSOCIATION PROPERTY, and no UNIT OWNER shall make any structural addition, alteration or improvement in or to his UNIT, without the prior written consent of the ASSOCIATION. Notwithstanding the foregoing, no patio or balcony may be enclosed or screened in except as originally constructed by the DEVELOPER. Any request by a UNIT OWNER for consent by the ASSOCIATION to any addition, alteration or improvement, shall be in writing and shall be accompanied by plans and specifications or other details as the ASSOCIATION may deem reasonably necessary in connection with its determination as to whether or not it will approve any such addition, alteration or improvement, but the ASSOCIATION's approval as to same may be granted or withheld in the ASSOCIATION's sole discretion, and in any event shall not be granted if same would detrimentally affect the architectural design of the CONDOMINIUM PROPERTY, but shall not be withheld in a discriminatory manner. All additions, alterations or improvements made by a UNIT OWNER 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, or otherwise. A UNIT OWNER making or causing to be made any additions, alterations or improvements agrees, and shall be deemed to have agreed, for such UNIT OWNER, and the UNIT OWNER's 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. Each UNIT OWNER shall be solely responsible for and shall maintain all exterior additions, alterations or improvements in a first class condition and in good working order as originally approved by the ASSOCIATION.

11.3 Lobby Decor. If the UNIT OWNERS of all of the UNITS which share a lobby of any floor of the BUILDING unanimously agree to decorate their lobby and pay for same, the ASSOCIATION agrees to decorate their lobby in the manner approved by such UNIT OWNERS, at their expense, provided the ASSOCIATION approves the decorations, which approval shall not be unreasonably withheld.

11.4 By the DEVELOPER. The foregoing restrictions shall not apply to DEVELOPER-owned UNITS. To the extent permitted by law, DEVELOPER shall have the right, without the consent or approval of the ASSOCIATION or any other UNIT OWNER, to (i) make alterations, additions or improvements, in, to, and upon UNITS owned by DEVELOPER, or any LIMITED COMMON ELEMENTS of such UNITS, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, the removal of walls, floors, ceilings and other structural portions of any improvements); and (ii) change the layout or number of rooms in any DEVELOPER-owned UNITS, provided, however, the DEVELOPER shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in connection with the foregoing. In making the above alterations, additions and improvements DEVELOPER may relocate and alter COMMON ELEMENTS adjacent to or affected by same, provided that such relocation or alteration does not materially and adversely affect the structure of the BUILDING. DEVELOPER shall further have the right to physically combine two or more contiguous UNITS owned by DEVELOPER into one physical UNIT and make changes to the COMMON ELEMENTS between the combined UNITS in connection therewith, provided any such combined UNITS shall remain separate UNITS for purposes of voting, percentage ownership of the COMMON ELEMENTS and liability for the payment of COMMON EXPENSES.

12. Determination of COMMON EXPENSES and ASSESSMENTS.

12.1 The BOARD shall from time to time, and at least annually, prepare and adopt a budget for the CONDOMINIUM, determine the amount of ASSESSMENTS payable by the UNIT OWNERS to meet the COMMON EXPENSES of the CONDOMINIUM, and allocate and assess such expenses among the UNIT OWNERS, in accordance with the provisions of the CONDOMINIUM ACT, this DECLARATION and the BYLAWS. The ASSOCIATION shall notify all UNIT OWNERS, in writing, of the amount and due dates of the ASSESSMENTS payable by each of them, which due dates shall not be less than ten (10) days from the date of such notification. In the event any ASSESSMENTS are made in equal periodic payments as provided in the notice from the ASSOCIATION, such periodic payments shall automatically continue to be due and payable in the same amount and frequency as indicated in the notice, unless and/or until: (i) the notice specifically provides that the periodic payments will terminate upon the occurrence of a specified event or the payment of a specified amount, or (ii) the ASSOCIATION notifies the UNIT OWNER in writing of a change in the amount and/or frequency of the periodic payments. If requested in writing, copies of all notices of ASSESSMENTS shall be given to any INSTITUTIONAL LENDER. Any budget adopted by the BOARD shall be subject to change to cover actual expenses at any time, in conformance with applicable provisions of the BYLAWS. In the event the expenditure of funds by the ASSOCIATION is required that cannot be made from the regular ASSESSMENTS, the ASSOCIATION may make special ASSESSMENTS, which shall be levied in the same manner as hereinbefore provided for regular ASSESSMENTS and shall be payable in the manner determined by the BOARD as stated in the notice of any special ASSESSMENT. The specific purpose or purposes of any special ASSESSMENT shall be set forth in the written notice of such ASSESSMENT sent or delivered to each UNIT OWNER, and the funds collected pursuant to the special ASSESSMENT shall be used only for the specific purpose or purposes set forth in such notice, or returned to the UNIT OWNERS. However, upon completion of such specific purpose or purposes, any excess funds shall be considered COMMON SURPLUS. ASSESSMENTS will commence upon the conveyance of the first UNIT by the DEVELOPER, and prior to such commencement date the DEVELOPER will be responsible for all COMMON EXPENSES of the CONDOMINIUM. ASSESSMENTS for any UNIT added to the CONDOMINIUM will commence on the first day of the month after the UNIT is added, or upon the conveyance of the UNIT by the DEVELOPER, whichever occurs first.

12.2 Each UNIT OWNER acquiring title to a UNIT from the DEVELOPER shall pay to the ASSOCIATION a working capital contribution equal to 2 months ASSESSMENTS for the UNIT. Such working capital contributions may be used to reimburse the DEVELOPER for start-up expenses of the ASSOCIATION, including, but not limited to, advance insurance premiums,

utility deposits and similar expenses, or otherwise as the ASSOCIATION shall determine from time to time, and need not be restricted or accumulated.

13. Monetary Defaults and Collection of ASSESSMENTS and Other Monies.

13.1 Liability for ASSESSMENTS and Other Monies. A UNIT OWNER, regardless of how the UNIT OWNER's title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all ASSESSMENTS coming due and other monies owed to the ASSOCIATION while he is the UNIT OWNER. Additionally, a UNIT OWNER is jointly and severally liable with the previous UNIT OWNER for all unpaid ASSESSMENTS that became due up to the time of transfer of title, and for any other monies owed to the ASSOCIATION by the prior UNIT OWNER of the UNIT up to the time of the conveyance. This liability is without prejudice to any right the UNIT OWNER may have to recover from the previous UNIT OWNER the amounts paid by the UNIT OWNER. The person acquiring title shall pay the amount owed to the ASSOCIATION within 30 days after transfer of title. Failure to pay the full amount when due shall entitle the ASSOCIATION to record a claim of lien against the UNIT and proceed in the same manner as provided in this section for the collection of unpaid ASSESSMENTS. However, no UNIT OWNER shall be liable for any ASSESSMENTS or other monies owed to the ASSOCIATION by the DEVELOPER.

13.2 Late Fees and Interest. If any ASSESSMENT or other monies owed to the ASSOCIATION are not paid within ten (10) days after the due date, the ASSOCIATION shall have the right to charge the defaulting OWNER an administrative late fee equal to the greater of \$25.00 or 5% of each installment of the amount of the ASSESSMENT or other monies owed, plus interest at the then highest rate of interest allowable by law, but not greater than 18% percent per year, from the due date until paid. If there is no due date applicable to any particular ASSESSMENT or other monies owed to the ASSOCIATION, then the ASSESSMENT or other monies shall be due ten (10) days after written demand by the ASSOCIATION. The ASSOCIATION may waive the payment of any or all late fees or interest in the discretion of the ASSOCIATION. Any payment received by the ASSOCIATION shall be applied first to any interest accrued by the ASSOCIATION, then to any late fee, then to any costs and reasonable attorneys' fees incurred in the collection, and then to the delinquent ASSESSMENT(S). The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying any payment.

13.3 Lien for ASSESSMENTS and Other Monies Owed to the ASSOCIATION. The ASSOCIATION has a lien on each CONDOMINIUM PARCEL to secure the payment of ASSESSMENTS, which lien is provided by Florida Statutes, Section 718.116, and is also hereby established, and the ASSOCIATION has a lien on each CONDOMINIUM PARCEL for any other monies owed to the ASSOCIATION, which lien is hereby established, with interest and for costs and attorneys' fees incurred by the ASSOCIATION incident to the collection of the ASSESSMENTS or other monies, or enforcement of the lien. Notwithstanding the foregoing, the ASSOCIATION shall not have a lien for any monies owed to the ASSOCIATION where such lien is prohibited by the CONDOMINIUM ACT. The lien is effective from and shall relate back to the recording of the DECLARATION. However, as to first mortgages of record, the lien is effective from and after recording a claim of lien in the public records in the county in which the CONDOMINIUM PARCEL is located. To be valid, a claim of lien must state the description of the CONDOMINIUM PARCEL, the name of the record UNIT OWNER, the name and address of the ASSOCIATION, the amount due, and the due dates. It must be executed and acknowledged by an officer or authorized agent of the ASSOCIATION. No such lien shall be effective longer than 1 year after the claim of lien was recorded unless, within that time, an action to enforce the lien is commenced. The 1 year period shall automatically be extended for any length of time during which the ASSOCIATION is prevented from filing a foreclosure action by automatic stay resulting from a bankruptcy petition filed by the UNIT OWNER or any other person claiming an interest in the UNIT. The claim of lien shall secure all unpaid ASSESSMENTS or other monies owed to the ASSOCIATION which are due upon and which may accrue subsequent to the recording of the claim of lien and prior to the entry of a certificate of title, as well as interest and all reasonable costs and attorney's fees incurred by the ASSOCIATION incident to the collection process. Upon payment in full of all sums secured by the lien, the person making the payment is entitled to a satisfaction of the lien. By recording a notice in substantially the following form, a UNIT OWNER or his agent or attorney may require the ASSOCIATION to enforce a recorded claim of lien against his UNIT:

NOTICE OF CONTEST OF LIEN

To: ... Name and Address of Association...

You are notified that the undersigned contests the claim of lien filed by you on _____, 19____, and recorded in Official Records Book _____, at Page _____, of the Public Records of _____ County, Florida, and at the time within which you may file suit to enforce your lien is limited to 90 days from the date of service of this notice.

Executed this ____ day of _____, 19__.

Signed: (Owner or Attorney)

After service of the above-referenced notice of contest of lien as provided by the CONDOMINIUM ACT, the ASSOCIATION has 90 days in which to file an action to enforce the lien; and, if the option is not filed within the 90 day period, the lien is void. The foregoing 90 day period may be extended as provided in the CONDOMINIUM ACT.

13.4 Collection and Foreclosure. The ASSOCIATION may bring an action in its name to foreclose its lien for ASSESSMENTS or other monies owed to the ASSOCIATION in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid ASSESSMENTS or other monies without waiving any claim of lien, and the applicable UNIT OWNER shall be liable to the ASSOCIATION for all costs incurred by the ASSOCIATION in connection with the collection of any unpaid ASSESSMENTS or other monies, and the filing, enforcement, and/or foreclosure of the ASSOCIATION's lien, including reasonable attorneys' fees. However, no foreclosure judgment may be entered until at least thirty (30) days after the ASSOCIATION gives written notice to the UNIT OWNER of its intention to foreclose its lien to collect the unpaid ASSESSMENTS or other monies, and other sums secured by the claim of lien. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid ASSESSMENTS or other monies owed to the ASSOCIATION, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the ASSOCIATION shall not recover attorneys' fees or costs. The notice must be given by delivery of a copy of it to the UNIT OWNER or by certified or registered mail, return receipt requested, addressed to the UNIT OWNER at his last known address, and upon such mailing, the notice shall be deemed to have been given and the court shall proceed with the foreclosure action and may award attorneys' fees and costs as permitted by law. If, after diligent search and inquiry, the ASSOCIATION cannot find the UNIT OWNER or a mailing address at which the UNIT OWNER will receive the notice, the court may proceed with the foreclosure action and may award attorneys' fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the UNIT OWNER records a notice of contest of lien as provided by the CONDOMINIUM ACT. The notice requirements of this section shall not apply if an action to foreclose a mortgage on the UNIT is pending before any court, if the ASSOCIATION's rights would be affected by such foreclosure, and if actual, constructive, or substitute service of process has been made on the UNIT OWNER. The BOARD is authorized to settle and compromise any claims the ASSOCIATION may have against a UNIT OWNER if the BOARD deems a settlement or compromise desirable.

13.5 Rental and Receiver. If a UNIT OWNER remains in possession of his UNIT and the claim of lien of the ASSOCIATION against his UNIT is foreclosed, the court, in its discretion, may require the UNIT OWNER to pay a reasonable rental for the UNIT, and the ASSOCIATION is entitled to the appointment of a receiver to collect the rent.

13.6 Liability of First Mortgagee for ASSESSMENTS or Other Monies Owed to the ASSOCIATION. The liability of a first mortgagee or its successor or assignees who acquire title to a UNIT by foreclosure or by deed in lieu of foreclosure for the unpaid ASSESSMENTS that became due prior to the mortgagee's acquisition of title is limited to the lesser of:

13.6.1 The UNITS unpaid COMMON EXPENSES and regular periodic ASSESSMENTS which accrued or came due during the 6 months immediately preceding the acquisition of title and for which payment in full has not been received by the ASSOCIATION; or

13.6.2 One percent of the original mortgage debt. The provisions of this paragraph shall not apply unless the first mortgagee joined the ASSOCIATION as a defendant in the foreclosure action. Joinder of the ASSOCIATION is not required if, on the date the complaint is filed, the ASSOCIATION was dissolved or did not maintain an office or agent for service of process at a location which was known to or reasonably discoverable by the mortgagee.

Notwithstanding the foregoing, in the event the CONDOMINIUM ACT is hereafter amended to reduce or eliminate the liability of a first mortgagee or other person who acquires title to a UNIT by foreclosure or by deed in lieu of foreclosure, the first mortgagee or person so acquiring title shall receive the benefit of such reduced or eliminated liability.

13.7 Certificate of Unpaid ASSESSMENTS and Other Monies Owed to the ASSOCIATION. Within fifteen (15) days after receiving a written request therefore from a UNIT OWNER, a UNIT purchaser, or any INSTITUTIONAL LENDER holding, insuring, or guaranteeing a mortgage encumbering an UNIT, or any person or entity intending to purchase a UNIT or provide a mortgage loan encumbering a UNIT, the ASSOCIATION shall provide a certificate signed by an officer or agent of the ASSOCIATION stating all ASSESSMENTS and other monies owed to the ASSOCIATION by the UNIT OWNER with respect to the CONDOMINIUM PARCEL. Any person other than the UNIT OWNER who relies upon such certificate shall be protected thereby. A summary proceeding pursuant to Florida Statutes, Section 51.011 may be brought to compel compliance with this subsection, and in any such action the prevailing party is entitled to recover reasonable attorney's fees.

13.8 Application of Payments. Any payments made to the ASSOCIATION by any UNIT OWNER shall first be applied towards reasonable attorneys' fees incurred by the ASSOCIATION incidental to the collection of ASSESSMENTS and other monies owed to the ASSOCIATION by the UNIT OWNER and/or for the enforcement of its lien; next towards interest on any ASSESSMENTS or other monies owed to the ASSOCIATION as provided herein; and next towards any unpaid ASSESSMENTS or other monies owed to the ASSOCIATION, in the inverse order that such ASSESSMENTS or other monies were due.

14. ASSOCIATION. In order to provide for the administration of this CONDOMINIUM, the ASSOCIATION has been organized as a not-for-profit corporation under the Laws of the State of Florida, and the ASSOCIATION shall administer the operation and management of the CONDOMINIUM and undertake and perform all acts and duties incidental thereto in accordance with the terms, provisions and conditions of this DECLARATION, the ARTICLES, BYLAWS, and the rules and regulations promulgated by the ASSOCIATION from time to time.

14.1 ARTICLES. A copy of the ARTICLES is attached as Exhibit "D." No amendment of the ARTICLES shall be deemed an amendment to this DECLARATION and this DECLARATION shall not prohibit or restrict amendments to the ARTICLES, except as specifically provided herein.

14.2 BYLAWS. A copy of the BYLAWS is attached as Exhibit "E." No amendment of the BYLAWS shall be deemed an amendment to this DECLARATION and this DECLARATION shall not prohibit or restrict amendments to the BYLAWS, except as specifically provided herein.

14.3 Limitation Upon Liability of ASSOCIATION. Notwithstanding the duty of the ASSOCIATION to maintain and repair portions of the CONDOMINIUM PROPERTY, the ASSOCIATION shall not be liable to UNIT OWNERS for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the ASSOCIATION or caused by the elements or other owners or persons.

14.4 Restraint Upon Assignment of Shares in Assets. The share of a member in the funds and assets of the ASSOCIATION cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his UNIT.

14.5 Approval or Disapproval of Matters. Whenever the approval, consent or decision of the UNIT OWNERS is required upon any matter, such decision shall be made by a majority of a quorum of the UNIT OWNERS at a duly called meeting of the ASSOCIATION, in accordance with the ARTICLES and the BYLAWS, unless a greater voting requirement is specified as to any matter in the CONDOMINIUM ACT, or in this DECLARATION, the ARTICLES, or the BYLAWS.

14.6 Acts of the ASSOCIATION. Unless the approval or action of the UNIT OWNERS, and/or a certain specific percentage of the BOARD, is specifically required in this DECLARATION, the ARTICLES or BYLAWS, applicable rules and regulations or applicable law, all approvals, consents, or actions required or permitted to be given or taken by the ASSOCIATION shall be given or taken by the BOARD, without the consent of the UNIT OWNERS, and the BOARD may so approve and act through the proper officers of the ASSOCIATION without a specific resolution. The approval or consent of the ASSOCIATION or the BOARD shall be evidenced by a written instrument signed by any director or officer of the ASSOCIATION. When an approval, consent or action of the ASSOCIATION is permitted to be given or taken, such approval, consent or action may be conditioned in any manner the ASSOCIATION deems appropriate or the ASSOCIATION may refuse to take or give such approval, consent or action without the necessity of establishing the reasonableness of such conditions or refusal, except as herein specifically provided to the contrary.

14.7 Management Contracts. The ASSOCIATION shall have the right to contract for the management and maintenance of the CONDOMINIUM PROPERTY, and to authorize a management agent or company to assist the ASSOCIATION in carrying out its powers and duties as set forth herein. Any management agent or company may be the DEVELOPER or an affiliate of the DEVELOPER. However, the ASSOCIATION and its officers shall retain at all times the powers and duties granted to it by this DECLARATION, the ARTICLES, BYLAWS and the CONDOMINIUM ACT. Any management agreement shall not exceed three (3) years and shall provide for termination by either party without cause and without penalty on not less than ninety (90) days written notice.

14.8 Membership. The record owner(s) of all UNITS in the CONDOMINIUM shall be members of the ASSOCIATION. Membership as to each UNIT shall be established, and transferred, as provided by the ARTICLES and the BYLAWS.

14.9 Voting. On all matters as to which the members of the ASSOCIATION shall be entitled to vote, there shall be only one vote for each UNIT.

15. Insurance. The insurance other than title insurance which shall be carried upon the CONDOMINIUM PROPERTY and the ASSOCIATION PROPERTY and the property of the UNIT OWNERS shall be governed by the following provisions:

15.1 Purchase, Custody and Payment of Policies.

15.1.1 Purchase. All insurance policies purchased by the ASSOCIATION shall be issued by an insurance company authorized to do business in Florida.

15.1.2 Approval By INSTITUTIONAL LENDERS. Each INSTITUTIONAL LENDER will have the right upon reasonable notice to the ASSOCIATION to review and approve, which approval shall not be unreasonably withheld, the form, content, insurer, limits, and coverage of all insurance purchased by the ASSOCIATION, and the insurance trustee, and to require the ASSOCIATION to purchase insurance or to obtain an insurance trustee complying with the reasonable and customary requirements of the INSTITUTIONAL LENDER. If the ASSOCIATION fails to pay insurance premiums when due, or fails to comply with the insurance requirements of this DECLARATION, any INSTITUTIONAL LENDER shall have the right to order insurance policies complying with this DECLARATION and to advance any sums required to maintain or procure such insurance, and will then be subrogated to the assessment and lien rights of the ASSOCIATION for the payment of such sums as a COMMON EXPENSE. In the event of a conflict between INSTITUTIONAL LENDERS, the decision of the INSTITUTIONAL LENDER holding mortgages encumbering UNITS which secure the largest aggregate indebtedness shall control.

15.1.3 Named Insured. The named insured on all policies purchased by the ASSOCIATION shall be the ASSOCIATION, individually and as agent for UNIT OWNERS covered by the policy, without naming them, and as agent for their mortgagees, without naming them.

15.1.4 Custody of Policies and Payment of Proceeds. All policies shall provide that payments in excess of \$25,000.00 for losses made by the insurer on account of casualty to any portion of the CONDOMINIUM PROPERTY or the ASSOCIATION PROPERTY shall be paid to the Insurance Trustee, and copies of all policies and endorsements for casualty losses shall be deposited with the Insurance Trustee.

15.1.5 Copies to UNIT OWNERS or INSTITUTIONAL LENDERS. One copy of each insurance policy or a certificate evidencing same, and all endorsements thereon, shall be furnished by the ASSOCIATION to each UNIT OWNER or INSTITUTIONAL LENDER included in the mortgagee roster who holds a mortgage upon a UNIT covered by the policy, and who in writing requests the ASSOCIATION to provide it with such policies. Upon request of any INSTITUTIONAL LENDER holding a mortgage upon a UNIT, the ASSOCIATION shall obtain and deliver to the INSTITUTIONAL LENDER a certificate of insurance, providing that same will not be canceled or the coverage reduced without at least 10 days written notice to the INSTITUTIONAL LENDER.

15.1.6 Termination of Insurance. All insurance policies purchased by the ASSOCIATION shall provide that they may not be canceled or substantially modified without at least 10 days prior written notice to the ASSOCIATION and to each holder of a first mortgage listed as a scheduled holder of a first mortgage in the policy.

15.1.7 Personal Property and Liability. UNIT OWNERS may obtain insurance at their own expense and at their own discretion for their personal property, personal liability, living expenses, flood damage, and for improvements made to their UNIT.

15.2 Coverage.

15.2.1 Casualty. The CONDOMINIUM PROPERTY and all ASSOCIATION PROPERTY, are to be insured pursuant to a "blanket" or "master" type casualty insurance policy containing a replacement cost or similar endorsement in an amount equal to 100% of the then current replacement cost (excluding foundation, excavating costs, and other items normally excluded from coverage) as determined by the ASSOCIATION's casualty insurance company. The deductible amount under the casualty policy shall not exceed \$5000.00 or such greater amount as is approved by the UNIT OWNERS. Such coverage shall afford protection against:

15.2.1.1 Loss or damage by fire and other hazards covered by a standard extended coverage endorsement;

15.2.1.2 Such other risks as from time to time shall be customarily insured against with respect to buildings and improvements similar in construction, location and use, including but not limited to vandalism and malicious mischief, and all other risks normally covered by a standard "All Risk" endorsement, where available.

15.2.1.3 The casualty insurance policy shall cover, among other things, all COMMON ELEMENTS and LIMITED COMMON ELEMENTS, and all of the UNITS within the CONDOMINIUM including, but not limited to, partition walls, doors, windows and stairways. The casualty insurance policy shall not include UNIT floor coverings, wall coverings or ceiling coverings, and does not include the following equipment if it is located within a UNIT and the UNIT OWNER is required to repair or replace such equipment: electrical fixtures, appliances, air conditioner or heating equipment, water heaters or built-in cabinets.

15.2.2 Liability. Comprehensive general public liability insurance covering loss or damage resulting from accidents or occurrences on or about or in connection with the CONDOMINIUM PROPERTY or the ASSOCIATION PROPERTY or adjoining driveways and walkways, or any work, matters or things related to the CONDOMINIUM PROPERTY or the ASSOCIATION PROPERTY or this DECLARATION and its exhibits, with such coverage as shall be required by the ASSOCIATION, but with a combined single limit liability of not less than

\$1,000,000.00 for bodily injury, death, or property damage, arising out of a single occurrence, and with cross liability endorsement to cover liabilities of the UNIT OWNERS as a group to a UNIT OWNER.

15.2.3 Directors and Officers Liability Coverage in an amount of not less than \$1,000,000.00.

15.2.4 Fidelity Bonds. The ASSOCIATION shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the ASSOCIATION. As used in this paragraph, the term "persons who control or disburse funds of the ASSOCIATION" means those individuals authorized to sign checks, and the president, secretary and treasurer of the ASSOCIATION. If the ASSOCIATION'S annual gross receipts do not exceed \$100,000.00, the bond shall be in the principal sum of not less than \$10,000.00 for each such person. If the ASSOCIATION'S annual gross receipts exceed \$100,000.00, but do not exceed \$300,000.00, the bond shall be in the principal sum of \$30,000.00 for each such person. If the ASSOCIATION'S annual gross receipts exceed \$300,000.00, the bond shall be in the principal sum of not less than \$50,000.00 for each person. The ASSOCIATION shall bear the cost of bonding. The bonds shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management company, shall be paid by the ASSOCIATION as a COMMON EXPENSE. The bonds shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment or premium) without at least 10 days prior written notice to the ASSOCIATION and to any INSTITUTIONAL LENDER requesting the issuer to give notice of cancellation or modification.

15.2.5 Flood Insurance, Workman's Compensation Insurance, and Such Other Insurance as the ASSOCIATION shall determine from time to time to be desirable, or as may be required by law, or as may reasonably be required by an INSTITUTIONAL LENDER pursuant to Paragraph 15.1.2, and as is customarily obtained with respect to condominiums similar in construction, location, and use to this CONDOMINIUM, such as, where applicable, contractual and all-written contract insurance, employers' liability insurance, and comprehensive automobile liability insurance.

When appropriate and obtainable, each of the foregoing policies shall waive the insurer's right to: (i) subrogation against the ASSOCIATION and against the UNIT OWNERS individually and as a group, (ii) any pro rata clause that reserves to the insurer the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk, and (iii) avoid liability for a loss that is caused by an act of one or more Directors of the ASSOCIATION or by one or more UNIT OWNERS; and shall provide that such policies may not be canceled or substantially modified (except for increases in coverage for limits of liability) without at least 10 days prior written notice to the ASSOCIATION and to the holder of a first mortgage encumbering any UNIT in the CONDOMINIUM which is listed as a scheduled holder of a first mortgage in the insurance policy.

15.2.6 Waiver. If the insurance premiums for any insurance purchased by the ASSOCIATION become unreasonably high in the BOARD'S opinion, the BOARD may purchase insurance with lesser coverage than specified above, or may elect not to purchase any insurance other than casualty or liability insurance. However, any reduction in the coverage of casualty or liability insurance below that specified above must be approved by 2/3 of the votes of the UNIT OWNERS, and must also be approved by the INSTITUTIONAL LENDER holding mortgages encumbering UNITS which secure the largest aggregate indebtedness, and in any event the ASSOCIATION must purchase any insurance required by the CONDOMINIUM ACT.

15.3 Premiums. Premiums for insurance policies purchased by the ASSOCIATION shall be paid by the ASSOCIATION as a COMMON EXPENSE. Notwithstanding the foregoing, as to any insurance policies for ASSOCIATION PROPERTY, only the portion thereof allocable to this CONDOMINIUM shall be a COMMON EXPENSE.

15.4 Insurance Trustee. All casualty insurance policies purchased by the ASSOCIATION shall provide that all proceeds in excess of \$25,000 covering casualty losses shall be paid to any national or state bank whose deposits are insured by the F.D.I.C. or by

the federal or state government, trust company, or other independent financial institution in the vicinity of the CONDOMINIUM with trust powers as may be designated by the ASSOCIATION, as Trustee, which Trustee is herein referred to as the "Insurance Trustee." The Insurance Trustee shall not be liable for the payment of premiums or for the renewal or sufficiency of the policies or for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein and for the benefit of the UNIT OWNERS and their respective mortgagees in the following shares, which shares need not be set forth in the records of the Insurance Trustee. Notwithstanding the foregoing, so long as the DEVELOPER appoints a majority of the directors of the ASSOCIATION, unless any INSTITUTIONAL LENDER otherwise requires by written notice to the ASSOCIATION, no Insurance Trustee will be required, and all references in this DECLARATION to an Insurance Trustee shall refer to the ASSOCIATION where the context requires. Furthermore, unless any INSTITUTIONAL LENDER otherwise requires by written notice to the ASSOCIATION, no Insurance Trustee shall be required if the insurance company providing casualty insurance agrees to disburse the proceeds from casualty losses directly toward the payment of the expenses of making any necessary repairs and restorations, and in accordance with the provisions of this DECLARATION, and in that event all references in this DECLARATION to an Insurance Trustee shall refer to the insurance company where the context requires.

15.4.1 COMMON ELEMENTS. Proceeds on account of damage to COMMON ELEMENTS shall be held in as many undivided shares as there are UNITS, the share of each UNIT OWNER being the same as his share in the COMMON ELEMENTS, as same are hereinabove stated.

15.4.2 UNITS. Proceeds on account of damage to UNITS shall be held in the following undivided shares:

15.4.2.1 As to any damaged UNITS which are to be repaired and restored, the proceeds on account of damage to such UNITS shall be held for the owners of such UNITS in proportion to the cost of repairing the damage suffered by each UNIT OWNER.

15.4.2.2 As to damaged UNITS which are not to be repaired and restored as elsewhere provided, the proceeds on account of damage to such UNITS shall be held for the owners of all such UNITS, each OWNER'S share being in proportion to the amount of such proceeds to be paid to the OWNER as hereafter set forth.

15.4.2.3 Mortgagee. In the event a mortgage encumbers a UNIT, the share of the UNIT OWNER shall be held in trust for the mortgagee and the UNIT OWNER as their interests may appear. However, no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions thereof made to the UNIT OWNER and mortgagee pursuant to the provisions of this DECLARATION.

15.4.3 ASSOCIATION PROPERTY. Proceeds on account of damage to ASSOCIATION PROPERTY shall be held on behalf of the ASSOCIATION.

15.5 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to, or for the benefit of, the beneficial owners in the following manner:

15.5.1 Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or provisions made therefor.

15.5.2 Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the costs thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to UNIT OWNERS and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a UNIT and may be enforced by such mortgagee.

15.5.3 Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the BUILDING and/or UNIT for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to UNIT OWNERS and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a UNIT and may be enforced by such mortgagee.

15.5.4 Certificate. In making distribution to UNIT OWNERS and their mortgagees, the Insurance Trustee may rely upon a certificate of the ASSOCIATION executed by the President and Secretary as to the names of the UNIT OWNERS and mortgagees together with their respective shares of the distribution.

15.5.5 Limitation on Use of Proceeds. In no event may any casualty insurance proceeds for losses to any CONDOMINIUM PROPERTY (whether to UNITS or to COMMON ELEMENTS) or any ASSOCIATION PROPERTY be used for other than expenses of the Insurance Trustee or for the repair, replacement or reconstruction of such CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY, without the approval of at least 66 2/3% of the votes of the UNIT OWNERS.

15.6 ASSOCIATION as Agent. The ASSOCIATION is hereby irrevocably appointed agent for each UNIT OWNER and for the holder of a mortgage or other lien upon a UNIT and for each owner of any other interest in the CONDOMINIUM PROPERTY to adjust all claims arising under insurance policies purchased by the ASSOCIATION and to execute and deliver releases upon the payment of claims.

15.7 Notice of Possible Inadequate Insurance Coverage. In any legal action in which the ASSOCIATION may be exposed to liability in excess of insurance coverage protecting it and the UNIT OWNERS, the ASSOCIATION shall give notice of any excess exposure within a reasonable time to all UNIT OWNERS who may be exposed to the liability and they shall have the right to intervene and defend.

15.8 Inspection of Insurance Policies. A copy of each insurance policy purchased by the ASSOCIATION shall be made available for inspection by any OWNER or INSTITUTIONAL LENDER at reasonable times and upon reasonable notice.

16. Reconstruction or Repair After Casualty.

16.1 Determination to reconstruct or repair. If any part of the CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY is damaged or destroyed by casualty, whether or not the damage will be reconstructed or repaired shall be determined in the following manner:

16.1.1 COMMON ELEMENTS. If the damaged improvement is a COMMON ELEMENT and is not part of the BUILDING, the damaged improvement shall be reconstructed or repaired unless two-thirds (2/3) of the UNIT OWNERS vote not to reconstruct or repair such improvement, or unless the CONDOMINIUM is terminated.

16.1.2 ASSOCIATION PROPERTY. If the damaged improvement is to ASSOCIATION PROPERTY, the damaged improvement shall be reconstructed or repaired unless members having two-thirds (2/3) of the voting interests of the ASSOCIATION elect not to reconstruct or repair such improvement or unless each CONDOMINIUM operated by the ASSOCIATION is terminated.

16.1.3 BUILDING. In the event of damage to or destruction of the BUILDING, same shall be reconstructed or repaired, except as hereafter provided.

16.1.3.1 If 25% or more of the UNITS are very substantially damaged or destroyed, or if the cost of reconstructing or repairing the BUILDING would exceed 25% of the total cost of constructing the BUILDING as estimated by a contractor approved by the ASSOCIATION, then as soon as practical after such damage or destruction a special meeting of the UNIT OWNERS shall be called to determine whether the damage or destruction will be reconstructed and repaired. The BOARD may in its discretion call a meeting of the UNIT OWNERS to determine whether to reconstruct or repair any other damage.

16.1.3.2 The BUILDING shall be reconstructed or repaired unless 2/3 of the UNIT OWNERS within the BUILDING, and a majority of the other UNIT OWNERS in the CONDOMINIUM, vote to not reconstruct or repair the BUILDING and to terminate the CONDOMINIUM, and same is approved by INSTITUTIONAL LENDERS representing at least a majority of the votes of UNITS subject to first mortgages held by INSTITUTIONAL LENDERS.

16.1.3.3 If at any meeting called to determine whether to repair the BUILDING a sufficient number of UNIT OWNERS do not appear to vote, or the UNIT OWNERS do not vote to not reconstruct or repair the BUILDING, or if as a result of extensive damage or destruction to the CONDOMINIUM it is impossible or impractical to hold a meeting for such purpose, the ASSOCIATION by vote of a majority of the directors may elect to proceed to reconstruct or repair the BUILDING.

16.1.3.4 Notwithstanding anything contained herein or to the contrary, if it is determined that the BUILDING will not be reconstructed or repaired, the net proceeds of insurance resulting from such damage or destruction to the BUILDING shall first be used to remove the BUILDING and place the ground containing same in a neat and safe condition, and the balance shall be used and distributed in accordance with the provisions of Paragraph 22.

16.2 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements (subject to modifications made to comply with the requirements of any controlling governmental authority), portions of which are attached hereto as exhibits, or if not, then according to plans and specifications approved by 2/3 of the UNIT OWNERS, and by INSTITUTIONAL LENDERS representing at least a majority of the votes of UNITS subject to first mortgages held by INSTITUTIONAL LENDERS, and by the UNIT OWNERS of all UNITS (and their respective INSTITUTIONAL LENDERS), the plans for which are to be altered, which approval shall not be unreasonably withheld.

16.3 Responsibility. The ASSOCIATION shall be responsible for the reconstruction or repair of any COMMON ELEMENTS, LIMITED COMMON ELEMENTS, or ASSOCIATION PROPERTY, and shall also be responsible for the reconstruction or repair of the UNITS, including the fixtures, installations, and additions therein initially installed, or replacements thereof of like kind or quality or which are not more expensive to reconstruct or repair than that originally installed by the DEVELOPER (unless any excess cost is paid by the proceeds of the ASSOCIATION's casualty insurance policy or by the applicable UNIT OWNER), except as hereafter set forth. Notwithstanding the foregoing, the ASSOCIATION shall not be responsible for repairing or restoring the following within any UNIT, which shall be the responsibility of the UNIT OWNER: (i) improvements, fixtures, or installations which are not of like kind or quality, or which would be more expensive to repair or replace, than that originally installed by the DEVELOPER, unless the UNIT OWNER pays any additional cost of reconstructing or repairing same to the extent such additional cost is not paid out of the proceeds of the ASSOCIATION's casualty insurance policy (ii) any improvements or property which are required to be excluded from coverage under the ASSOCIATION's casualty insurance policy pursuant to the CONDOMINIUM ACT, or (iii) any furniture, furnishings, or other personal property which are supplied by any UNIT OWNER or tenant of a UNIT OWNER. The Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

16.4 Estimates of Costs. Immediately after a determination is made to rebuild or repair damage to property for which the ASSOCIATION has the responsibility of reconstruction and repair, the ASSOCIATION shall obtain reliable and detailed estimates of the cost to rebuild or repair from one or more reliable licensed contractors, and shall submit copies of all acceptable estimates to the Insurance Trustee.

16.5 ASSESSMENTS. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the ASSOCIATION, or if at any time during or after the reconstruction and repair the funds for the payment of the costs thereof are insufficient, the UNIT OWNERS shall pay any deficiency. For damage to UNITS or other areas or improvements to be maintained by a UNIT OWNER, each affected UNIT OWNER shall pay a portion of the deficiency equal to the proportionate cost of reconstruction and repair of their respective UNITS or the respective areas or improvements to be maintained by them. For damage to COMMON ELEMENTS or ASSOCIATION PROPERTY, each UNIT OWNER's share

of the deficiency shall be equal to the UNIT OWNER's share in the COMMON ELEMENTS. Notwithstanding the foregoing, the UNIT OWNERS of this CONDOMINIUM shall not be required to pay more than this CONDOMINIUM's share of the costs of reconstructing or repairing any ASSOCIATION PROPERTY.

16.6 Deductible Provision. The UNIT OWNERS shall be responsible for the payment of any deductible under the ASSOCIATION's casualty insurance policy, in the same manner as the UNIT OWNERS are responsible for the payment of any excess costs of reconstruction and repair as set forth in Paragraph 16.5 above.

16.7 Construction Funds. The funds for payment for costs of reconstruction and repair after casualty which shall consist of proceeds of insurance paid on account of the ASSOCIATION's casualty insurance policy and funds collected by the ASSOCIATION from the UNIT OWNERS shall be disbursed in payment of such costs in the following manner:

16.7.1 ASSOCIATION. If the total funds collected from the UNIT OWNERS for payment of costs of reconstruction and repair which is the responsibility of the ASSOCIATION is more than Twenty-five Thousand (\$25,000.00) Dollars, then the funds shall be deposited by the ASSOCIATION with the Insurance Trustee. In all other cases, the ASSOCIATION shall hold the funds and disburse the same in payment of the costs of reconstruction and repair.

16.7.2 Insurance Trustee. The proceeds of insurance collected on account of a casualty and the funds deposited with the Insurance Trustee by the ASSOCIATION from collections from the UNIT OWNERS on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

16.7.2.1 ASSOCIATION Lesser Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the ASSOCIATION is less than Twenty-five Thousand (\$25,000.00) Dollars, 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 an INSTITUTIONAL LENDER 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.

16.7.2.2 ASSOCIATION Major Damage. If the amount of the estimated costs of reconstruction and repair which is the responsibility of the ASSOCIATION is more than Twenty-five Thousand (\$25,000.00) Dollars, then the construction fund shall be disbursed in payment of such costs in the manner required by the ASSOCIATION and upon approval of an architect qualified to practice in the State of Florida and employed by the ASSOCIATION to supervise the work.

16.7.2.3 UNIT OWNER. If there is a balance of insurance proceeds after payment of costs of reconstruction and repair that is the responsibility of the ASSOCIATION, such balance shall next be distributed to owners of damaged UNITS that will be reconstructed or repaired who have responsibility for reconstruction and repair of their UNITS. The distribution shall be in the shares that the estimated cost of reconstruction and repair in each damaged UNIT bears to the total of these costs in all damaged units; provided, however, that no UNIT OWNER shall be paid an amount in excess of the actual costs of reconstruction and repair for his UNIT. If there is a mortgage upon a UNIT, the distribution shall be paid to the UNIT OWNER and the mortgagee jointly and they may use the proceeds as they may determine.

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

16.7.2.5 Certificate. Notwithstanding the provisions herein, the Insurance Trustee shall not be required to determine whether or not sums paid by UNIT OWNERS shall be deposited by the ASSOCIATION with the Insurance Trustee, nor to determine whether the disbursements from the construction fund are to be upon the order of the ASSOCIATION or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund, nor to determine the payee nor the amount to be paid, nor to determine whether surplus funds to be distributed are less than the amounts paid by UNIT OWNERS. Instead, the Insurance Trustee may rely upon a certificate of the ASSOCIATION executed 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, however, that when a mortgagee is herein required to be named as payee, the Insurance Trustee shall also name the mortgagee as payee of any distribution of insurance proceeds to a UNIT OWNER and further provided that when the ASSOCIATION or a mortgagee which is the beneficiary of any insurance policy, the proceeds of which are included in the construction fund, so requires, the approval of an architect named by the ASSOCIATION shall first be obtained by the ASSOCIATION for disbursements in payment of costs of reconstruction and repair.

17. Condemnation and Eminent Domain.

17.1 Representation by ASSOCIATION. The ASSOCIATION shall represent the UNIT OWNERS in any condemnation or eminent domain proceedings or in negotiations, settlements and agreements with the condemning or taking authority for acquisition of the COMMON ELEMENTS or the ASSOCIATION PROPERTY, or any part thereof, and for such purpose each UNIT OWNER appoints the ASSOCIATION as the UNIT OWNER's attorney-in-fact.

17.2 Deposit of Awards with Insurance Trustee. The taking of any CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY by condemnation or eminent domain proceedings shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee. Even though the awards may be payable to UNIT OWNERS, the UNIT OWNERS shall deposit the awards with the Insurance Trustee; and in the event of a failure to do so, the defaulting UNIT OWNER shall be liable to the ASSOCIATION for the amount of his award, or the amount of the award shall be set off against the sums hereafter made payable to the UNIT OWNER.

17.3 Determination Whether to Continue CONDOMINIUM. Whether the CONDOMINIUM will be terminated after condemnation or eminent domain proceedings will be determined in the manner provided for termination of the CONDOMINIUM as elsewhere provided, and in the event of any condemnation or eminent domain proceedings, a meeting of the members of the ASSOCIATION shall be called to make such determination within sixty (60) days after the taking of any CONDOMINIUM PROPERTY by condemnation or eminent domain proceedings is final.

17.4 Disbursement of Funds. If the CONDOMINIUM is terminated after condemnation or eminent domain proceedings, the proceeds of the awards will be deemed to be CONDOMINIUM PROPERTY and shall be owned and distributed in the manner provided for insurance proceeds if the CONDOMINIUM is terminated after a casualty. If the CONDOMINIUM is not terminated after condemnation or eminent domain proceedings, the size of the CONDOMINIUM will be reduced, the UNIT OWNERS of condemned or taken UNITS will be made whole and the property damaged by the taking will be made usable in the manner provided below. The proceeds of the awards shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds after a casualty.

17.5 Taking of COMMON ELEMENTS or ASSOCIATION PROPERTY. Awards for the taking of COMMON ELEMENTS or ASSOCIATION PROPERTY, not including the BUILDING, shall be used to make the remaining portion of the COMMON ELEMENTS or ASSOCIATION PROPERTY usable in the manner approved by the BOARD; provided that if the cost of the work shall exceed the balance of the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for further improvement of the COMMON ELEMENTS or ASSOCIATION PROPERTY. The balance of the awards for the taking of COMMON ELEMENTS or ASSOCIATION PROPERTY, if any, shall be distributed to the UNIT OWNERS in the shares in which they own the COMMON ELEMENTS after adjustment of these

shares on account of the condemnation or eminent domain proceedings. If there is a mortgage on a UNIT, the distribution shall be paid jointly to the owner and the mortgagee(s) of the UNIT. Notwithstanding the foregoing, the balance of any award for the taking of ASSOCIATION PROPERTY shall be distributed among the various CONDOMINIUMS operated by the ASSOCIATION in direct proportion to each CONDOMINIUM's responsibility for the payment of expenses of the ASSOCIATION PROPERTY.

17.6 Amendment of DECLARATION. The changes in UNITS, in the COMMON ELEMENTS and in the ownership of the COMMON ELEMENTS that are effected by condemnation shall be evidenced by an amendment of the DECLARATION of CONDOMINIUM that need be approved only by the BOARD.

18. Use Restrictions. The use of the property of the CONDOMINIUM shall be in accordance with the following provisions:

18.1 UNITS.

18.1.1 Residential Use. Each of the UNITS shall be occupied and used only for residential purposes, and not for business, commercial or other purposes.

18.1.2 Maximum Number of Occupants. With the exception of temporary occupancy by visiting guests, no UNIT may be occupied by more than two (2) persons for each bedroom in the UNIT, without the prior written consent of the ASSOCIATION. The BYLAWS or the Rules and Regulations of the ASSOCIATION may define visiting guests, and limit the number of visiting guests permitted in any UNIT at any time, and the maximum length of time a visiting guest may reside in any UNIT.

18.1.3 No Division. No UNIT may be divided or subdivided into a smaller UNIT or any portion thereof sold or otherwise transferred without first amending this DECLARATION to reflect the changes in the UNITS to be affected thereby.

18.2 Exterior Appearance. Without limiting the provisions of Paragraph 11.2 of this DECLARATION, no UNIT OWNER shall cause or permit his terrace, balcony, garden area, or patio (except as originally constructed by DEVELOPER) to be enclosed, nor shall any UNIT OWNER cause or permit his terrace, balcony, garden area, or patio to be increased in size, the configuration thereof altered, or awnings installed thereon, or on the exterior of the BUILDING. No UNIT OWNER shall cause or permit any doors, windows or screening on the exterior of his UNIT to be added, modified or removed, nor shall any UNIT OWNER in any manner change the exterior appearance of his UNIT or the BUILDING or any COMMON ELEMENT, except for purposes of repair or replacement required to be made by the UNIT OWNER, and any such repair or replacement shall be in substantial conformity with that originally installed by the DEVELOPER or last approved by the ASSOCIATION. No UNIT OWNER shall install or permit to be installed in his UNIT electrical wiring, television or radio antenna, machines or air conditioning equipment, which may protrude through the roof or walls of his UNIT or the BUILDING. No UNIT OWNER shall place signs or written material on the windows of his UNIT, or on the exterior of the CONDOMINIUM PROPERTY. No UNIT OWNER shall install any trees, shrubbery, flowers, or other landscaping on the exterior of any CONDOMINIUM PROPERTY, and no UNIT OWNER shall remove or alter any such landscaping installed by the ASSOCIATION. UNIT OWNERS may place tasteful patio furniture and plants on their terraces, balconies, garden areas, or patios, but shall keep same neat and in a slightly condition, and the ASSOCIATION shall have the right to require any UNIT OWNER to remove any personal property placed on any terrace, balcony, garden area, or patio, or otherwise on the exterior of the CONDOMINIUM PROPERTY, which the ASSOCIATION deems unsightly or potentially dangerous.

18.3 Pets. Except with the written consent of the BOARD, which may be granted or withheld in the BOARD's sole discretion, only two cats, two dogs, or one cat and one dog, is permitted in any UNIT. In addition, fish, birds and other small animals are permitted so long as they are not kept for commercial purposes, and are exclusively and continuously confined to cages, tanks, or other similar enclosures. All other pets are prohibited. No pet is permitted which creates an unreasonable source of noise or annoyance to other residents of the CONDOMINIUM. No pet may be kept outside of any UNIT in the absence of any resident of the UNIT. The keeping of a dog or other domestic pet at the CONDOMINIUM is not a right

of a UNIT OWNER, but is a conditional license which is subject to termination at any time by the BOARD upon a finding that a dog or other pet is vicious, is annoying to other residents, or has in any way become a nuisance. If any such conditional license is revoked, the UNIT OWNER shall remove his pet from the CONDOMINIUM immediately. The BYLAWS or the Rules and Regulations of the ASSOCIATION may further provide for reasonable rules and regulations regarding pets.

18.4 COMMON ELEMENTS. The COMMON ELEMENTS and ASSOCIATION PROPERTY shall be used only for the purposes for which they are intended.

18.5 Nuisances. No nuisances shall be allowed upon the CONDOMINIUM PROPERTY; and no use or practice which is an unreasonable source of annoyance to residents or which shall interfere with the peaceful possession and proper use of the CONDOMINIUM PROPERTY by its residents shall be permitted. 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 or any fire hazard allowed to exist. No UNIT OWNER shall permit any use of his UNIT or of the COMMON ELEMENTS which will increase the rate of insurance upon the CONDOMINIUM PROPERTY.

18.6 Lawful Use. No improper, offensive or unlawful use shall be made of the CONDOMINIUM PROPERTY or any part thereof. All laws, zoning ordinances and regulations of all governmental bodies which require maintenance, modification or repair of the CONDOMINIUM PROPERTY shall be complied with, and the responsibility for such compliance shall be the same as the responsibility for the maintenance and repair of the property concerned.

18.7 Rules and Regulations. All UNIT OWNERS shall comply with reasonable rules and regulations concerning the use, maintenance, and appearance of, the UNITS and the use of the COMMON ELEMENTS and ASSOCIATION PROPERTY, as may be made and amended from time to time by the ASSOCIATION in the manner provided by the ARTICLES or BYLAWS. Copies of such regulations and amendments thereto shall be furnished by the ASSOCIATION to all UNIT OWNERS and residents of the CONDOMINIUM upon request.

18.8 Proviso. Provided, however, that until the DEVELOPER has completed all of the contemplated improvements and closed the sales of all of the UNITS within this CONDOMINIUM, and the property described in Exhibit "B" attached hereto below, neither the UNIT OWNERS nor the ASSOCIATION shall interfere with the completion of all contemplated improvements and the sale or leasing of all UNITS within the CONDOMINIUM, and the DEVELOPER may make such use of the unsold UNITS and COMMON ELEMENTS as may facilitate such completion and sale or leasing including, but not limited to, maintenance of a sales or leasing office, the showing of the CONDOMINIUM PROPERTY and DEVELOPER-owned UNITS and the display of signs. DEVELOPER shall further have the right to use any UNITS it owns as a construction, sales or leasing office or model in connection with any other property owned by DEVELOPER or any affiliate of DEVELOPER.

19. Sale, Transfer and Leasing of UNITS. In order to maintain a community of congenial and financially responsible UNIT OWNERS and to protect the value of the UNITS within the CONDOMINIUM, the sale, transfer and leasing of UNITS shall be subject to the following provisions:

19.1 Notice to ASSOCIATION. If a UNIT OWNER intends to sell, transfer or lease his UNIT, or any interest therein, then prior to such sale, transfer or lease, the UNIT OWNER shall give the ASSOCIATION (i) written notice of such intention, together with the name and address of the intended purchaser, transferee or tenant, and such other information concerning any intended purchaser, transferee or tenant as the ASSOCIATION may reasonably request, (ii) an executed copy of the written agreement pursuant to which the sale, transfer or lease is intended to be consummated, and (iii) a nonrefundable fee in the amount of \$100.00, or such greater amount as is established by the BOARD from time to time, which in any event shall not exceed any maximum amount provided by law. In the case of a proposed sale or voluntary transfer of a UNIT, the notice may provide that if the ASSOCIATION disapproves same, the ASSOCIATION will be required to purchase, or designate a purchaser for, the UNIT. In the case of a proposed lease, the notice may provide that if the ASSOCIATION disapproves same, the ASSOCIATION will be required to designate a tenant for the UNIT. If a UNIT

OWNER acquires title to a UNIT by devise, bequest, inheritance, or by any manner other than a voluntary conveyance by the prior UNIT OWNER, such UNIT OWNER shall upon his acquisition of title give the ASSOCIATION written notice of such acquisition, together with such information concerning the UNIT OWNER as the ASSOCIATION may reasonably request, and also together with a certified copy of the instrument evidencing the UNIT OWNER's title.

19.2 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 whereby a UNIT is sold, transferred or leased, the ASSOCIATION, at its election and without notice, may approve or disapprove the transaction or ownership, or act as if it had been given the appropriate notice as of the date it receives knowledge of the transaction.

19.3 ASSOCIATION's Rights Upon Receipt of Notice. Within thirty (30) days after receipt of the notice, information, documents and fee required above, the ASSOCIATION shall by written notice to the UNIT OWNER either:

19.3.1 Approve. Approve the transaction or the acquisition of title, which approval shall be in recordable form and shall be executed by any officer or director of the ASSOCIATION.

19.3.2 Disapprove. The ASSOCIATION may disapprove the transaction by written notice to the UNIT OWNER. If the ASSOCIATION disapproves a sale or transfer of a UNIT, the ASSOCIATION will be required to purchase the UNIT pursuant to paragraphs 19.4 or 19.5 below if, and only if, (i) the UNIT has been transferred by devise, inheritance or other involuntary manner on the part of the new UNIT OWNER, or (ii) the notice to the ASSOCIATION provides that the ASSOCIATION must purchase or designate a purchaser for the UNIT if the ASSOCIATION disapproves the sale or transfer. If the ASSOCIATION disapproves a lease of a UNIT, the ASSOCIATION will be required to designate a tenant for the UNIT pursuant to paragraph 19.6.2 below if, and only if, the notice to the ASSOCIATION provides that the ASSOCIATION must do so upon the disapproval of the proposed lease. Notwithstanding the foregoing, if the ASSOCIATION disapproves a sale or transfer of a UNIT, or the lease of a UNIT, because the existing UNIT OWNER owes any money to the ASSOCIATION, or because occupancy by the new UNIT OWNER or tenant would violate any provision of this DECLARATION or the Rules and Regulations, the ASSOCIATION will not be required to purchase the UNIT or designate a tenant for the UNIT.

19.3.3 Failure to Disapprove or Purchase. If the ASSOCIATION shall fail to timely disapprove of an intended transaction as set forth above, then the intended transaction shall be deemed approved and upon the request of the applicable UNIT OWNER the ASSOCIATION shall deliver to the UNIT OWNER a written approval of the intended transaction in recordable form, which shall be executed by any officer or director of the ASSOCIATION.

19.3.4 Delinquent Payments. The ASSOCIATION shall have the right to refuse to give written approval to any sale, transfer or lease until all ASSESSMENTS, and other monies owed by the applicable UNIT OWNER to the ASSOCIATION are paid in full. In the event any monies are owed by a UNIT OWNER, and the ASSOCIATION or its designee purchases or leases such UNIT OWNER's UNIT pursuant to this Paragraph 19, then notwithstanding anything contained in this Paragraph 19 to the contrary, the amount owed by the UNIT OWNER shall be deducted from the amount of monies to be paid by the ASSOCIATION or its designee to the UNIT OWNER pursuant to the applicable purchase agreement or lease, and such deducted amount of monies shall be paid directly to the ASSOCIATION in order to satisfy in full all unpaid ASSESSMENTS and other indebtedness.

19.4 Obligation to Purchase in the Case of a Sale. If the ASSOCIATION is required to purchase, or designate a purchaser for, a UNIT pursuant to Paragraph 19.3.2, and if the intended transaction is a sale of a UNIT for cash consideration which is approximately equal to the value of the UNIT, the UNIT OWNER shall sell and the ASSOCIATION or its designee shall purchase the UNIT upon the same terms and conditions as contained in the agreement for the intended transaction. Within ten (10) days after the ASSOCIATION's notice disapproving the sale, the ASSOCIATION or its designee and the UNIT OWNER shall execute a purchase agreement for the UNIT containing the identical terms and conditions as that contained in the agreement for the intended sale by the UNIT OWNER, except as the parties may otherwise agree to the contrary. If the ASSOCIATION, or its designee, shall fail to timely

execute a purchase agreement for the UNIT without the fault of the UNIT OWNER, or if the ASSOCIATION or its designee shall default in the agreement to purchase after same is executed, then notwithstanding the ASSOCIATION's disapproval of the intended transaction, the intended transaction shall be deemed to have been approved and the ASSOCIATION shall furnish a certificate of approval as elsewhere provided to the UNIT OWNER. If the ASSOCIATION elects to have its designee purchase the UNIT, at the closing the ASSOCIATION shall provide its designee with a certificate approving the designee as a purchaser of the UNIT in recordable form. Notwithstanding the foregoing:

19.4.1 If the intended transaction contemplates a personal obligation on the part of the intended purchaser to pay a portion of the purchase price to the seller after the time of closing, then: (i) the ASSOCIATION must guarantee the payment of that obligation, or (ii) its designee must pay that amount at the time of closing in addition to the amount originally intended to be paid at the time of closing.

19.4.2 If the intended transaction contemplates that the intended purchaser will assume an existing mortgage, and the ASSOCIATION or its designee fails to qualify for same (if required by the holder of the mortgage), then the ASSOCIATION or its designee must pay the full amount required to satisfy the existing mortgage at the time of closing in addition to the amount initially intended to be paid at the time of closing.

19.4.3 If the intended transaction contemplates that the intended purchaser will obtain a new mortgage, the purchase by the ASSOCIATION or its designee will not be contingent upon the obtaining of such mortgage, and at the time of closing, the ASSOCIATION or its designee must pay the entire purchase price, less the proceeds of any mortgage obtained by the ASSOCIATION or its designee.

19.5 Obligation to Purchase in the Case of Transfers by Devise, Inheritance, Gift, or Other Transfers. If the ASSOCIATION is required to purchase or designate a purchaser for a UNIT pursuant to Paragraph 19.3.2, and if the intended transaction is a transfer of a UNIT by gift or by any means other than a sale for a cash consideration approximately equal to the value of the UNIT, or if the ASSOCIATION has disapproved a transfer to a UNIT OWNER who has acquired title to a UNIT by devise, inheritance, or in any other involuntary manner, then the UNIT OWNER shall sell and the ASSOCIATION or its designee shall purchase the UNIT upon the following terms: The sale price for the UNIT shall be the fair market value determined by written agreement between the UNIT OWNER and the ASSOCIATION or its designee within thirty (30) days after the ASSOCIATION disapproves the acquisition or intended transfer of the UNIT. If the parties are unable to agree as to the purchase price, the purchase price shall be determined by one (1) M.A.I. appraiser mutually agreed upon by the UNIT OWNER and the ASSOCIATION or its designee, or if the parties are unable to agree as to an appraiser, the purchase price shall be determined as the average of three (3) appraisals by three (3) such appraisers, one of whom shall be selected by the ASSOCIATION or its designee, one by the UNIT OWNER, and one by the two appraisers so selected. The cost of such appraisal shall be borne by the ASSOCIATION or the designated purchaser. Notwithstanding the foregoing, if an intended transfer is to be a deed in lieu of foreclosure of a mortgage other than a first mortgage held by an INSTITUTIONAL LENDER, the sales price for the UNIT shall not exceed the amount owed to the mortgagee as of the date the ASSOCIATION or its designee acquires title to the UNIT. The sale shall close within thirty (30) days following the determination of the purchase price, provided, however, that prior to such closing the ASSOCIATION or its designee may investigate the title to the UNIT and if any title defects are discovered, the closing shall be deferred for a period of up to sixty (60) days in order to enable the ASSOCIATION or its designee to cure any title defects, and the UNIT OWNER shall cooperate with the ASSOCIATION or its designee with respect to the curing of such defects. The purchase price shall be paid in cash or by cashier's check at the closing unless the parties otherwise agree to the contrary, and all costs of the closing including documentary stamps and recording fees shall be paid by the purchaser. At the closing the purchaser may assume any existing mortgages encumbering the UNIT if same are assumable, but the purchaser shall pay any fees imposed by the lender in connection with such assumption, and if the purchaser elects to assume any existing mortgages the amount to be paid at the closing shall be reduced by the indebtedness secured by the mortgage as of the closing date. Real estate taxes and assessments, and ASSESSMENTS of the ASSOCIATION payable by the UNIT OWNER, shall be appropriately prorated as of the date of closing. At the closing, if the purchaser is a designee of the ASSOCIATION, the ASSOCIATION shall deliver

to the purchaser a certificate in recordable form approving the designee as a purchaser. Notwithstanding the foregoing, if the ASSOCIATION or its designee shall default in the purchase of the UNIT after being required to purchase the UNIT, the intended transfer or ownership of the UNIT shall be deemed to have been approved, and the ASSOCIATION shall furnish a certificate of approval to the intended transferee or the UNIT OWNER as elsewhere provided.

19.6 Leases and Occupancy in the Absence of a UNIT OWNER.

19.6.1 In General. All leases of a UNIT must be in writing and specifically be subject to this DECLARATION, the ARTICLES, the BYLAWS, and the Rules and Regulations of the ASSOCIATION. For purposes of this DECLARATION and the approvals herein required, any person(s) occupying a UNIT in the absence of the UNIT OWNER, or in the absence of an approved occupant or tenant, shall be deemed occupying the UNIT pursuant to a lease, regardless of the presence or absence of consideration with respect to the occupancy. Notwithstanding the foregoing, a UNIT OWNER may from time to time permit guests to occupy his UNIT in his absence and without consideration for periods not exceeding thirty (30) days in any twelve (12) month period as to any one guest, and such occupancy shall not be deemed a lease and shall not require the approval of the ASSOCIATION. Notwithstanding the provisions of Paragraph 19.3.2 above, the ASSOCIATION shall have the right to disapprove any lease of any UNIT without any obligation to designate a substitute tenant if the UNIT was leased during the preceding twelve month period pursuant to a lease which commenced during such period, if the lease is for a term of less than 3 months, or if the occupancy by the proposed tenant(s) would violate any provision of Paragraph 18 of this DECLARATION. Without the prior written consent of the ASSOCIATION, no lease may be modified, amended, extended, or assigned, and any tenant or occupant may not assign his interest in such lease or sublet the UNIT or any part thereof. Notwithstanding anything contained in this DECLARATION to the contrary, no amendment to this DECLARATION, the ARTICLES, the BYLAWS, or the Rules and Regulations may be made by the UNIT OWNERS which would further prohibit or restrict any UNIT OWNER from renting or leasing his UNIT, without the consent of all of the UNIT OWNERS.

19.6.2 ASSOCIATION's Obligation to Designate a Tenant. If the ASSOCIATION is required to designate a tenant for a UNIT pursuant to Paragraph 19.3.2, the UNIT OWNER shall lease to the ASSOCIATION's designee, and the ASSOCIATION's designee shall lease from the UNIT OWNER, the UNIT upon the same terms and conditions as contained in the lease submitted to the ASSOCIATION for its approval. Within ten (10) days after the written notice stating that the intended lease is disapproved, the ASSOCIATION's designee and the UNIT OWNER shall execute a lease for the UNIT containing the identical terms and conditions as that contained in the lease agreement for the intended lease by the UNIT OWNER, except as the parties may otherwise agree to the contrary. If the ASSOCIATION's designee fails to timely execute a lease for the UNIT through no fault of the UNIT OWNER, then notwithstanding the ASSOCIATION's disapproval of the intended lease, the intended lease shall be deemed to have been approved and the ASSOCIATION shall furnish a certificate of approval as elsewhere provided to the UNIT OWNER. Notwithstanding the foregoing, the UNIT OWNER shall not be required to lease his UNIT to the ASSOCIATION's designee, but if the UNIT OWNER refuses to lease his UNIT to the ASSOCIATION's designee, the ASSOCIATION's disapproval of the UNIT OWNER's lease shall remain in effect.

19.7 Disapprovals. If any sale, transfer or lease of any UNIT is not approved or deemed to have been approved by the ASSOCIATION, the intended transaction shall not be consummated, and any transaction which is consummated and which has not been approved or deemed to have been approved by the ASSOCIATION as elsewhere provided shall be voidable at the election of the ASSOCIATION upon written notice to the UNIT OWNER. If the ASSOCIATION so elects, the UNIT OWNER shall be deemed to have authorized and empowered the ASSOCIATION to institute legal proceedings to evict any unauthorized occupant of the UNIT or to otherwise void the unauthorized transaction, at the expense of the UNIT OWNER, including the ASSOCIATION's attorneys' fees.

19.8 UNITS Owned or Leased by a Corporation or Other Entity or Unrelated Persons. If a UNIT OWNER intends to sell, transfer or lease his UNIT to a corporation or other entity, or to two (2) or more persons who are not members of the same immediate family, or if a UNIT OWNER acquiring title to a UNIT by devise, bequest, inheritance, or any involuntary

manner is a corporation or other entity, or two (2) or more persons who are not members of the same immediate family, the ASSOCIATION's approval of same may be conditioned upon the approval of one or more particular occupant(s) for the UNIT, and if the ASSOCIATION's approval is so conditioned, the approved occupant(s) shall be deemed the UNIT OWNER(S) of the UNIT for purposes of this Paragraph 19, and no other person will be entitled to occupy the UNIT in the absence of such approved occupant(s) without the approval of the ASSOCIATION, except as otherwise provided in this Paragraph 19.

19.9 Exceptions. Notwithstanding anything contained herein to the contrary, the provisions of this section shall not apply with respect to any sale, transfer, or lease of any UNIT (a) by a UNIT OWNER to his spouse, adult children, parents, parents-in-law (and/or any co-owner of the UNIT,) or to any one or more of them, or to a trust or entity, the beneficiaries or owners of which are exclusively any one or more of them, (b) by or to the ASSOCIATION, (c) by or to an INSTITUTIONAL LENDER who acquires title to any UNIT by foreclosing its mortgage upon the UNIT encumbered, or by deed in lieu thereof, (d) to a former UNIT OWNER who acquires title to any UNIT by foreclosing its mortgage upon the UNIT encumbered, or by deed in lieu thereof, or (e) to any purchaser who acquires title to a UNIT at a duly advertised public sale with open bidding which is provided by law, such as, but not limited to, an execution sale, foreclosure sale, judicial sale or tax sale, and shall not apply with respect to any sale or transfer by or to the DEVELOPER.

19.10 No Severance of Ownership. No part of the COMMON ELEMENTS of any UNIT may be sold, conveyed or otherwise disposed of, except as part of the sale, conveyance, or other disposition of the UNIT to which such interest is appurtenant, and any sale, conveyance or other disposition of a UNIT shall be deemed to include that UNIT's appurtenant interest in the COMMON ELEMENTS.

19.11 Purchase of UNITS by the ASSOCIATION. The ASSOCIATION's purchase of any UNIT, whether or not by virtue of an obligation of the ASSOCIATION to purchase same as hereinabove provided, shall be subject to the following provisions:

19.11.1 Decision. The decision of the ASSOCIATION to purchase a UNIT shall be made by the BOARD, without approval of its membership, except as hereinafter provided.

19.11.2 Limitation. If at any one time the ASSOCIATION is the owner or agreed purchaser of 5% or more of the UNITS in the CONDOMINIUM, it may not purchase any additional UNIT without the prior written approval of 75% of the members eligible to vote thereon. A member whose UNIT is the subject matter of the proposed purchase shall be ineligible to vote thereon; provided, however, that the foregoing limitation shall not apply to UNITS to be purchased at public sale resulting from a foreclosure of the ASSOCIATION's lien for delinquent ASSESSMENTS and other monies owed to the ASSOCIATION where the bid of the ASSOCIATION does not exceed the amount found due the ASSOCIATION, or to be acquired by the ASSOCIATION in lieu of foreclosure of such lien if the consideration therefor does not exceed the cancellation of such lien.

19.11.3 If the ASSOCIATION purchases any UNIT and if the available funds of the ASSOCIATION are insufficient to effectuate any such purchase, the ASSOCIATION may levy an ASSESSMENT against each UNIT OWNER, in proportion to his share of the COMMON EXPENSES, and/or the ASSOCIATION may, in its discretion, finance the acquisition of the UNIT; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the CONDOMINIUM PROPERTY other than the UNIT to be purchased.

20. Compliance and Non-Monetary Default.

20.1 Enforcement. In the event of a violation by any UNIT OWNER or any tenant of a UNIT OWNER, or any person residing with them, or their guests or invitees (other than the nonpayment of any ASSESSMENT or other monies owed to the ASSOCIATION, which is governed by Paragraph 13 of this DECLARATION) of any of the provisions of this DECLARATION, the ARTICLES, the BYLAWS, or the Rules and Regulations of the ASSOCIATION, the ASSOCIATION shall notify the OWNER and any tenant of the violation, by written notice. If such violation is not cured as soon as is reasonably practical and in any event within seven (7) days after such written notice, or if the violation is not capable of being

cured within such seven (7) day period, if the OWNER or tenant fails to commence and diligently proceed to completely cure such violation as soon as is reasonably practical within seven (7) days after written demand by the ASSOCIATION, or if any similar violation is thereafter repeated, the ASSOCIATION may, at its option:

20.1.1 Impose a fine against the OWNER or tenant pursuant to the BYLAWS; and/or

20.1.2 Commence an action to enforce performance on the part of the UNIT OWNER or tenant, and to require the UNIT OWNER to correct such failure, or for such other relief as may be necessary under the circumstances, including injunctive relief; and/or

20.1.3 The ASSOCIATION may itself perform any act or work required to correct such failure and, either prior to or after doing so, may charge the UNIT OWNER with all reasonable costs incurred or to be incurred by the ASSOCIATION in connection therewith, plus a service fee equal to ten (10%) percent of such costs. In connection with the foregoing, the ASSOCIATION may perform any maintenance or repairs required to be performed, may remove any change, alteration, addition or improvement which is unauthorized or not maintained in accordance with the provisions of this DECLARATION, and may take any and all other action reasonably necessary to correct the applicable failure; and/or

20.1.4 Commence an action to recover damages.

20.2 Negligence. A UNIT OWNER shall be liable to the ASSOCIATION for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, but only to the extent that such expense is not met by the proceeds of insurance carried by the ASSOCIATION.

20.3 Responsibility of UNIT OWNER for Occupants, Tenants, Guests, and Invitees. Each UNIT OWNER shall be responsible for the acts and omissions, whether negligent or willful, of any person residing in his UNIT, and for all guests and invitees of the UNIT OWNER or any such resident, and in the event the acts or omissions of any of the foregoing shall result in any damage to the CONDOMINIUM PROPERTY or the ASSOCIATION PROPERTY, or any liability to the ASSOCIATION, the UNIT OWNER shall be liable to the ASSOCIATION for same, limited where applicable to the extent that the expense or liability is not met by the proceeds of insurance carried by the ASSOCIATION. Furthermore, any violation of any of the provisions of this DECLARATION, of the ARTICLES, the BYLAWS, or any Rule or Regulation, by any resident of any UNIT, or any guest or invitee of a UNIT OWNER or any resident of a UNIT, shall also be deemed a violation by the UNIT OWNER, and shall subject the UNIT OWNER to the same liability as if such violation was that of the UNIT OWNER.

20.4 Right of ASSOCIATION to Evict Tenants, Occupants, Guests and Invitees. With respect to any person present in any UNIT or any portion of the CONDOMINIUM PROPERTY, other than a UNIT OWNER and the members of his immediate family permanently residing with him in the UNIT, if such person shall materially violate any provision of this DECLARATION, the ARTICLES, the BYLAWS, or the Rules and Regulations, or shall create a nuisance or an unreasonable and continuous source of annoyance to the residents of the CONDOMINIUM, or shall damage or destroy any COMMON ELEMENTS or ASSOCIATION PROPERTY, then upon written notice by the ASSOCIATION such person shall be required to immediately leave the CONDOMINIUM PROPERTY and if such person does not do so, the ASSOCIATION is authorized to commence an action to compel the person to leave the CONDOMINIUM PROPERTY and, where necessary, to enjoin such person from returning. The expense of any such action, including attorneys' fees, may be charged to the applicable UNIT OWNER who such person was visiting, or with whose permission such person was present on the CONDOMINIUM PROPERTY, and the ASSOCIATION may collect such sum and have a lien for same as elsewhere provided. The foregoing shall not be deemed to limit, modify, or affect any other rights or remedies available to the ASSOCIATION, or any rights or remedies the ASSOCIATION may have with respect to similar actions by a UNIT OWNER or a member of his immediate family residing with him in the UNIT. Any eviction of a tenant shall be accomplished in compliance with any applicable provisions of the Florida Landlord and Tenant Act, Florida Statutes, Chapter 83.

20.5 Costs and Attorneys' Fees. In any legal proceedings commenced by the ASSOCIATION to enforce this DECLARATION, the ARTICLES, the BYLAWS, and/or the Rules and Regulations, as said documents may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees.

20.6 Enforcement by Other Persons. In addition to the foregoing, any UNIT OWNER shall have the right to commence legal proceedings to enforce this DECLARATION against any person violating or attempting to violate any provisions herein, to restrain such violation or to require compliance with the provisions contained herein, and the prevailing party in any such action shall be entitled to recover its reasonable attorneys' fees.

20.7 No Waiver of Rights. The failure of the ASSOCIATION or any UNIT OWNER to enforce any covenant, restriction or any other provision of this DECLARATION, the ARTICLES, the BYLAWS, or the Rules and Regulations, as the said documents may be amended from time to time, shall not constitute a waiver of the right to do so thereafter.

21. Amendment of DECLARATION and Limitations on Amendments to ARTICLES and BYLAWS.

21.1 Amendments to DECLARATION. In addition to amendments elsewhere authorized herein, and subject to limitations contained herein upon amendments, this DECLARATION may be amended in the following manner:

21.1.1 By the DEVELOPER. Except for amendments required to be approved by UNIT OWNERS and INSTITUTIONAL LENDERS as set forth below, the DEVELOPER shall have the right to amend this DECLARATION without the consent of the UNIT OWNERS, the ASSOCIATION or its BOARD, so long as the DEVELOPER is entitled to appoint any director of the ASSOCIATION, or owns any UNIT in the CONDOMINIUM. Notwithstanding the foregoing, the DEVELOPER shall not make any amendment to this DECLARATION which is prohibited to be made by the DEVELOPER pursuant to the CONDOMINIUM ACT. Any amendment made by the DEVELOPER shall be recorded amongst the public records of the county in which the CONDOMINIUM is located, and any amendment shall be effective when so recorded.

21.1.2 By the UNIT OWNERS.

21.1.2.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

21.1.2.2 Resolution of Adoption. A resolution adopting a proposed amendment may be proposed by either the BOARD or by not less than 1/3 of the votes of the UNIT OWNERS. Approval of an amendment must be by not less than 2/3 of the votes of all UNIT OWNERS. UNIT OWNERS not present in person or by proxy at a meeting considering an amendment may express their approval in writing, provided such approval is delivered to the Secretary within thirty (30) days after the meeting.

21.1.2.3 Execution and Recording. A copy of each amendment shall be attached to a certificate of the ASSOCIATION certifying that the amendment was duly adopted, which certificate shall include the recording data identifying this DECLARATION and shall be executed by the President and Secretary of the ASSOCIATION with the formalities of a deed. The amendment shall be effective when such certificate and copy of the amendment are recorded amongst the public records of the county in which the CONDOMINIUM is located.

21.2 Proviso. No amendment shall discriminate against any UNIT OWNER or against any UNIT, or class or group of UNITS, unless the UNIT OWNERS so affected and their respective INSTITUTIONAL LENDERS shall join in the execution of the amendment. No amendment shall change the configuration or size of any UNIT in any material fashion, materially alter or modify the appurtenances to the UNIT, or change the proportion or percentage by which the UNIT OWNER of the UNIT shares the COMMON EXPENSES and owns the COMMON SURPLUS unless the record owner of the UNIT and any INSTITUTIONAL LENDER holding a first mortgage encumbering the UNIT join in the execution of the amendment, and, unless otherwise required by any governmental authority, unless at least a

majority of the total voting interests approve the amendment. No amendment may prejudice or impair the rights, interests or priorities of INSTITUTIONAL LENDERS unless all INSTITUTIONAL LENDERS holding a first mortgage encumbering a UNIT join in the execution of the amendment. Prior to the completion and closing of the sale of all UNITS no amendment shall be made without the written joinder of the DEVELOPER. Where any provision of this DECLARATION benefits any other property not within the CONDOMINIUM, no amendment to such provision may be made which would adversely affect the owner of such property without the written consent of such owner or, if such property is submitted to the condominium form of ownership, or is made subject to the jurisdiction of a homeowners or property owners association, without the written consent of the applicable condominium, homeowners or property owners association. The foregoing joinder requirements as to amendments herein specified shall be in addition to other provisions of this DECLARATION relating to amendments to the DECLARATION.

21.3 If any provision of this DECLARATION specifically requires the consent of a certain percentage of the UNIT OWNERS or INSTITUTIONAL LENDERS to approve or authorize any action or matter, no amendment may reduce such percentage unless the amendment is approved by at least such specified percentage of the UNIT OWNERS or INSTITUTIONAL LENDERS.

22. Termination of the CONDOMINIUM. The CONDOMINIUM shall continue until (i) terminated by casualty loss as more particularly provided in this DECLARATION, or (ii) such time as withdrawal of the CONDOMINIUM PROPERTY from the provisions of the CONDOMINIUM ACT is authorized by a vote of 2/3 of the UNIT OWNERS (DEVELOPER shall not vote the UNITS owned by it for such withdrawal unless the UNIT OWNERS of at least 2/3 of all other UNITS so elect such withdrawal, at which time DEVELOPER may choose to vote either in favor of or against such withdrawal, as DEVELOPER sees fit) and such withdrawal is approved by INSTITUTIONAL LENDERS representing at least a majority in the case of termination due to condemnation, and 2/3 in all other cases, of the votes of UNITS subject to first mortgages held by INSTITUTIONAL LENDERS. In the event such withdrawal is authorized as aforesaid, the CONDOMINIUM PROPERTY shall be subject to an action for partition by any UNIT OWNER or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all UNIT OWNERS as hereafter set forth, provided, however, that no payment shall be made to a UNIT OWNER until there has first been paid off out of his share of such net proceeds all liens on his UNIT in the order of their priority. The termination of the CONDOMINIUM in either of the foregoing manners shall be evidenced by a certificate of the ASSOCIATION executed by its President and Secretary, certifying as to the basis of the termination and said certificate shall be recorded among the public records of the county in which the CONDOMINIUM is located. This section may not be amended without the consent of all INSTITUTIONAL LENDERS, and the DEVELOPER, so long as it owns any UNITS. After termination of the CONDOMINIUM, the UNIT OWNERS shall own the CONDOMINIUM PROPERTY and any other 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 their respective undivided shares in the COMMON ELEMENTS appurtenant to the UNIT OWNERS' UNITS prior to the termination, except that any proceeds received from the sale of the CONDOMINIUM PROPERTY shall be distributed as hereafter set forth.

22.1 Termination Event. For purposes of this Paragraph, a "Termination Event" means (i) the total termination of this CONDOMINIUM in accordance with the provisions of this Paragraph, (ii) the partial or total termination of this CONDOMINIUM in accordance with the provisions of Paragraph 16.1.3 of this DECLARATION, or (iii) the taking of the entire BUILDING by condemnation or eminent domain proceedings.

22.2 Termination Proceeds and Distribution Thereof. For purposes of this Paragraph, the term "Termination Proceeds" means any monies received by the ASSOCIATION in connection with a Termination Event, including but not limited to (i) the proceeds received from the sale of the CONDOMINIUM PROPERTY, (ii) the proceeds of casualty insurance which is received by the ASSOCIATION, or (iii) the proceeds of any condemnation or eminent domain proceedings received by the ASSOCIATION. The Termination Proceeds shall, in the case of damage or destruction, or taking by condemnation or eminent domain proceedings, first be used to remove or place in a neat and safe condition the BUILDING or other improvements as

may be required by law or as may be determined appropriate by the ASSOCIATION, and the remainder shall be distributed among the UNIT OWNERS and the mortgagees of UNITS as hereafter set forth. However, no payment shall be made to a UNIT OWNER until there has first been paid off out of his share of such funds all liens and encumbrances on his UNIT in the order of priority of same.

22.3 Determination of Termination Percentage. It is acknowledged the interest in the COMMON ELEMENTS assigned to the UNITS has been assigned on the basis of each UNIT having an equal interest. It is acknowledged such assignment does not reflect the relative market value of the UNITS, which may differ due to such factors as the location and floor of the UNIT in the BUILDING, the view the UNIT may have, etc. Accordingly if there is a Termination Event it would not be equitable to distribute the Termination Proceeds to the UNIT OWNERS in proportion to their respective interests in the COMMON ELEMENTS. Therefore, in the event there is a Termination Event, each UNIT OWNER shall be entitled to a percentage of any Termination Proceeds, equal to the UNIT's Termination Percentage which shall be determined in the following manner:

22.3.1 The ASSOCIATION shall request the American Arbitration Association, or a nationally recognized association of real estate appraisers, to have two appraisers appointed to value the UNITS. The appraisers so appointed shall be members of at least two nationally recognized real estate appraiser organizations, shall have at least 10 years experience appraising similar condominiums in the county in which the CONDOMINIUM is located, and, where applicable, shall be duly licensed as real estate appraisers under the laws of the state of Florida.

22.3.2 The appraisers so appointed shall place a value on each UNIT. Such value shall assume the UNITS were sold in the ordinary course, with no extraordinary compulsion on the part of the seller to sell or the buyer to buy. The values shall assume that all UNITS contain similar interior improvements and decor, and shall not take into account upgraded or additional decorative items in any UNIT. The value of the UNITS shall, however, take into account matters which would make one UNIT more or less valuable than another by virtue of its size, the location and floor of the UNIT within the BUILDING, the exterior views of the UNIT, etc. The appraisers may also rely, in part, on the relative base prices of the UNITS established by Developer, if such information is available.

22.3.3 After the appraisers have placed a relative value on each UNIT, the "Termination Percentage" of each UNIT shall be determined, which shall be equal to the average of the two values for the UNIT, divided by the average of the two values for all of the UNITS.

23. COMMON AND RECREATIONAL FACILITIES.

23.1 It is acknowledged the ASSOCIATION PROPERTY contains various common and recreational facilities within property described in Exhibit "C" attached hereto, which will be used by the UNIT OWNERS within this CONDOMINIUM and the unit owners within REGENCY ISLAND DUNES, A CONDOMINIUM, which is an existing condominium within the property described in Exhibit "B" attached hereto. The DEVELOPER reserves the right to increase or add to the recreational facilities, or to expand the recreational facilities, without the consent of the UNIT OWNERS or the ASSOCIATION.

23.2 The UNIT OWNERS and residents of this CONDOMINIUM, and their guests and invitees, shall have the right to use the common and recreational facilities.

23.3 The CONDOMINIUM and REGENCY ISLAND DUNES, A CONDOMINIUM shall each be responsible for a share of such costs relating to the common and recreational facilities, equal to the ratio that the number of units within such condominium bears to the total number of units within both condominiums.

23.4 The ASSOCIATION shall maintain a separate budget, and separate books and records, for all expenses of any kind or nature whatsoever relating to the maintenance, ownership and operation of the common and recreational facilities.

24. Special Provisions Regarding INSTITUTIONAL LENDERS.

24.1 Notice of Action. Upon written request to the ASSOCIATION by any INSTITUTIONAL LENDER holding, insuring or guaranteeing a first mortgage encumbering any UNIT, identifying the name and address of the INSTITUTIONAL LENDER, and the applicable UNIT number or address, such INSTITUTIONAL LENDER will be entitled to timely written notice of:

24.1.1 Any condemnation or casualty loss that affects a material portion of the CONDOMINIUM or any UNIT securing the mortgage held, insured or guaranteed by such INSTITUTIONAL LENDER.

24.1.2 Any 60-day delinquency in the payment of ASSESSMENTS, other monies owed to the ASSOCIATION by the UNIT OWNER, or any other default by the UNIT OWNER, of any UNIT securing a mortgage held, insured or guaranteed by the INSTITUTIONAL LENDER.

24.1.3 Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the ASSOCIATION.

24.1.4 Any proposed action which would require the consent of a specified percentage of INSTITUTIONAL LENDERS.

24.1.5 Any proposed amendment of this DECLARATION, the ARTICLES, or the BYLAWS, which requires the consent of any INSTITUTIONAL LENDERS, or which affects a change in (i) the boundaries of any UNIT or the exclusive easement rights appertaining thereto, (ii) the interests in the general or limited COMMON ELEMENTS appertaining to any UNIT with a liability for COMMON EXPENSES appertaining thereto, (iii) the number of votes in the ASSOCIATION appertaining to any UNIT, or (iv) the purposes to which any UNIT or the COMMON ELEMENTS are restricted.

24.1.6 Any proposed termination of the CONDOMINIUM, in whole or in part.

24.2 Consent of INSTITUTIONAL LENDERS. Whenever the consent or approval of any, all or a specified percentage or portion of the holder(s) of any mortgage(s) encumbering any CONDOMINIUM PARCEL(S) or CONDOMINIUM PROPERTY is required by this DECLARATION, the ARTICLES, the BYLAWS, or any applicable statute or law, to any amendment of the DECLARATION, the ARTICLES, or the BYLAWS, or to any action of the ASSOCIATION, or to any other matter relating to the CONDOMINIUM, the ASSOCIATION may request such consent or approval of such holder(s) by written request sent certified mail, return receipt requested (or equivalent delivery evidencing such request was delivered to and received by such holders). Any holder receiving such request shall be required to consent to or disapprove the matter for which the consent or approval is requested, in writing, by certified mail, return receipt requested (or equivalent delivery evidencing such request was delivered to and received by the ASSOCIATION), which response must be received by the ASSOCIATION within thirty (30) days after the holder receives such request, and if such response is not timely received by the ASSOCIATION, the holder shall be deemed to have consented to and approved the matter for which such approval or consent was requested. Such consent or approval given or deemed to have been given, where required, may be evidenced by an affidavit signed by an officer of the ASSOCIATION, which affidavit, where necessary, may be recorded in the Public Records of the County where the CONDOMINIUM is located, and which affidavit shall be conclusive evidence that the applicable consent or approval was given as to the matters therein contained. The foregoing shall not apply where an INSTITUTIONAL LENDER is otherwise required to specifically join in an amendment to this DECLARATION.

25. ISLAND DUNES COUNTRY CLUB. This CONDOMINIUM comprises a portion of a community known as Island Dunes. The CONDOMINIUM PROPERTY is subject to the COUNTRY CLUB DECLARATION. Pursuant to the COUNTRY CLUB DECLARATION, each UNIT OWNER is required to be a member of the Club, and is entitled to use the Facilities comprising the Club Property, as described in the COUNTRY CLUB DECLARATION.

26. Miscellaneous Provisions.

26.1 Partial Invalidity. The invalidity in whole or in part of any covenant or restriction of any section, subsection, sentence, clause, phrase, word or other provision of this DECLARATION, the ARTICLES, BYLAWS, or Rules and Regulations of the ASSOCIATION shall not affect the validity of the remaining portions which shall remain in full force and effect.

26.2 Duration. In the event any court shall hereafter determine that any provisions as originally drafted herein violates the rule against perpetuities or any other rules of law because of the duration of the period involved, the period specified in the DECLARATION shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rules of law and for such purpose measuring life shall be that of the last surviving original purchaser of a UNIT.

26.3 Notices. All notices required or desired hereunder or under the BYLAWS shall be sent to the ASSOCIATION c/o its office at the CONDOMINIUM or to such other address as the ASSOCIATION may hereafter designate from time to time by notice in writing to all UNIT OWNERS, or the registered agent as designated with the Secretary of State of the State of Florida. All notices to any UNIT OWNERS shall be sent to the CONDOMINIUM address of such UNIT OWNER or such other address as may have been designated by such UNIT OWNER from time to time, in writing, to the ASSOCIATION. All notices to mortgagees of UNITS shall be sent to their respective addresses, or to any other address designated by them from time to time, in writing, to the ASSOCIATION. Notice given by certified mail, return receipt requested, shall be effective the day after mailed, and notice by any other means shall be effective upon delivery to the person being notified.

26.4 Signature of President and Secretary. Wherever the signature of the president of the ASSOCIATION is required hereunder, the signature of a vice president may be substituted therefore, and wherever the signature of the secretary of the ASSOCIATION is required hereunder, the signature of an assistant secretary may be substituted therefore, provided, that the same person may not execute any single instrument on behalf of the ASSOCIATION in two separate capacities.

26.5 Governing Law. Should any dispute or litigation arise between any of the parties whose rights or duties are affected or determined by this DECLARATION, the Exhibits annexed hereto or the rules and regulations adopted pursuant to such documents, as same may be amended from time to time, said dispute or litigation shall be governed by the laws of the State of Florida.

26.6 Waiver. No provisions contained in this DECLARATION shall be deemed to have been waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

26.7 Gender; Plurality. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

26.8 Captions. The captions herein and in the Exhibits annexed hereto are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the particular document or any provision thereof.

26.9 Assignment of DEVELOPER Rights. Any or all of the rights, privileges, or options herein provided to or reserved by the DEVELOPER may be assigned by the DEVELOPER, in whole or in part, to any person or entity pursuant to an assignment recorded in the public records of the county in which the CONDOMINIUM is located. Any assignee of any of the rights of the DEVELOPER shall not be deemed the DEVELOPER unless such assignee is assigned all of the rights of the DEVELOPER.

26.10 Lawsuits Against DEVELOPER. The ASSOCIATION shall not commence any legal proceedings against DEVELOPER, directly or indirectly, on its behalf or on behalf of the UNIT OWNERS, or spend any monies in connection with any litigation against DECLARANT, without the prior written consent of at least 75% of the votes of all of the UNIT OWNERS other than the DEVELOPER.

26.11 Utility Deposits. It is acknowledged that various utility deposits may be required for utility services for the CONDOMINIUM which will be supplied as a COMMON EXPENSE, and in the event DEVELOPER pays for such deposits, DEVELOPER shall be entitled to reimbursement from the ASSOCIATION when funds are available for such reimbursement, and until DEVELOPER is reimbursed for any deposits paid by it, DEVELOPER shall be entitled to any refunds of any utility deposits from the appropriate authority holding same, and if any deposit is refunded to the ASSOCIATION same shall promptly be paid to DEVELOPER by the ASSOCIATION upon receipt.

IN WITNESS WHEREOF, the DEVELOPER has caused this DECLARATION to be executed this 6th day of May, 1997.

WITNESSES:

Hannah L. Wilson
(1) Witness Signature
Hannah L. Wilson
Type or Print Witness Name
Shaheeda
(2) Witness Signature
Shaheeda DaSilva
Type or Print Witness Name

REGENCY ISLAND DUNES, INC., a Florida corporation

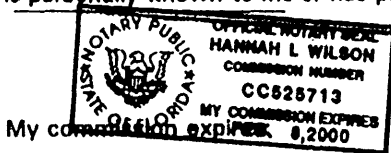
By: Joel K. Goldman
Vice President
(Title of Person Signing)
Joel Goldman
(Type/Print Name of Person Signing)
2601 S. Bayshore Drive
Miami, Florida 33133
(Address of Person Signing)

STATE OF FLORIDA

SS:

COUNTY OF DADE

The foregoing instrument was acknowledged before me this 6th day of May, 1997 by Joel K. Goldman, as Vice President of REGENCY ISLAND DUNES, INC., a Florida corporation, on behalf of the corporation. He/she is personally known to me or has produced _____ as identification.



Hannah L. Wilson
Notary Public, State of Florida at Large

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the ASSOCIATION hereby agrees to this DECLARATION and does by these presence accept all of the benefits and duties, responsibilities, obligations and burdens imposed upon it by the provisions of this DECLARATION and the exhibits attached hereto.

IN WITNESS WHEREOF, the ASSOCIATION has caused this DECLARATION to be executed this 8th day of May, 1997.

WITNESSES:

Christine Raymond
Hannah L. Wilson

REGENCY ISLAND DUNES ASSOCIATION, INC., a Florida corporation not-for-profit

By: Patrick E. Sessions
President
Title

STATE OF FLORIDA

SS:

COUNTY OF Dade

The foregoing instrument was acknowledged before me this 8th day of May, 1997 by Patrick E. Sessions as President of REGENCY ISLAND DUNES ASSOCIATION, INC., a Florida corporation not-for-profit, on behalf of the corporation. He/she is personally known to me or has produced _____ as identification.

Shaheeda
Notary Public, State of Florida at Large

My commission expires:



CONSENT OF MORTGAGEE

TO DECLARATION OF CONDOMINIUM
OF REGENCY ISLAND DUNES TWO, A CONDOMINIUM

The undersigned, being the holder of one or more mortgages encumbering the property submitted to the condominium form of ownership pursuant to the Declaration of Condominium of Regency Island Dunes, a Condominium, to which this Joinder is attached, hereby consents to the Declaration, pursuant to Florida Statutes, Section 718.104

WITNESSES:

Linda Weber
Linda Weber
Janice Choy
JANICE CHOY

First Union National Bank of Florida
By: Thomas J. Jaksich
THOMAS J. JAKSICH
SENIOR VICE PRESIDENT
Title

STATE OF FLORIDA

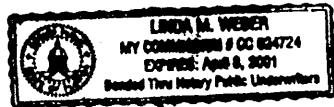
SS:

COUNTY OF Orange

The foregoing instrument was acknowledged before me this 14th day of May, 1997 by Thomas J. Jaksich, as Sr. Vice President of First Union National Bank of Florida, on behalf of the bank. He/she is personally known to me or has produced n/a as identification.

Linda M. Weber
Notary Public, State of Florida at Large


My commission expires:



OR BOOK 1078 PAGE 1956

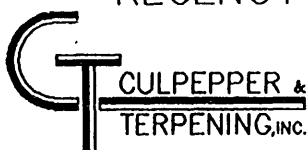
REGENCY ISLAND DUNES TWO, A CONDOMINIUM

The undersigned, being a registered land surveyor authorized to practice in the State of Florida, hereby certifies that the construction of the improvements comprising Regency Island Dunes Two, A Condominium, is substantially completed as shown on Exhibit A of the Declaration of Condominium, together with the provisions of the Declaration of Condominium describing the condominium property, is an accurate representation of the location and dimensions of the improvements shown on said survey Exhibit A and that the identification of each unit together with the location and dimensions of each unit and the common elements shown on said survey exhibits can be determined from these materials.


Brett Culpepper, P.L.S.
Professional Land Surveyor #3333
State of Florida
Date: 5-2-97

SURVEYOR'S CERTIFICATE

REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: SURCERT-2

4-18-97

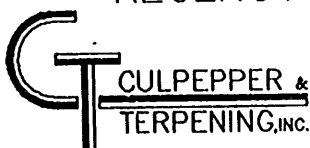
EXHIBIT A
SHEET 1 OF 38

OR BOOK 1078 PAGE 1957

REGENCY ISLAND DUNES TWO
CONDOMINIUM DOCUMENTS

4-18-97

REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: COVER-2

COVER

OR BOOK 1078 PAGE 1958

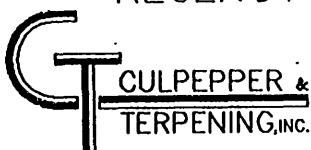
REGENCY ISLAND DUNES TWO, A CONDOMINIUM

Being a portion of the South 2577.66 feet of the North 2858.86 feet of Sections 34 and 35, Township 36 South, Range 41 East, Hutchinson Island, St. Lucie County, Florida, lying East of State Road A-1-A, and being more particularly described as follows:

Commence at the point of Intersection of the North line of the South 2577.66 feet of the North 2858.86 feet of Sections 34 and 35, and the centerline of said State Road A-1-A; thence North 89°59'38" East a distance of 53.34 feet, to the Easterly right-of-way line of said State Road A-1-A and the POINT OF BEGINNING (P.O.B.) of the herein described Phase Two parcel; thence South 20°23'08" East along said Easterly right-of-way line a distance of 500.00 feet; thence North 69°36'52" East a distance of 142.00 feet; thence North 20°23'08" West a distance of 48.00 feet; thence North 69°36'52" East a distance of 277.39 feet to the mean high water line of the Atlantic Ocean; thence meander said mean high water line Northwesterly a distance of 301.00 feet, more or less; thence South 89°59'38" West a distance of 465.00 feet, more or less to the POINT OF BEGINNING.

PHASE TWO LEGAL DESCRIPTION

REGENCY ISLAND DUNES TWO, A CONDOMINIUM



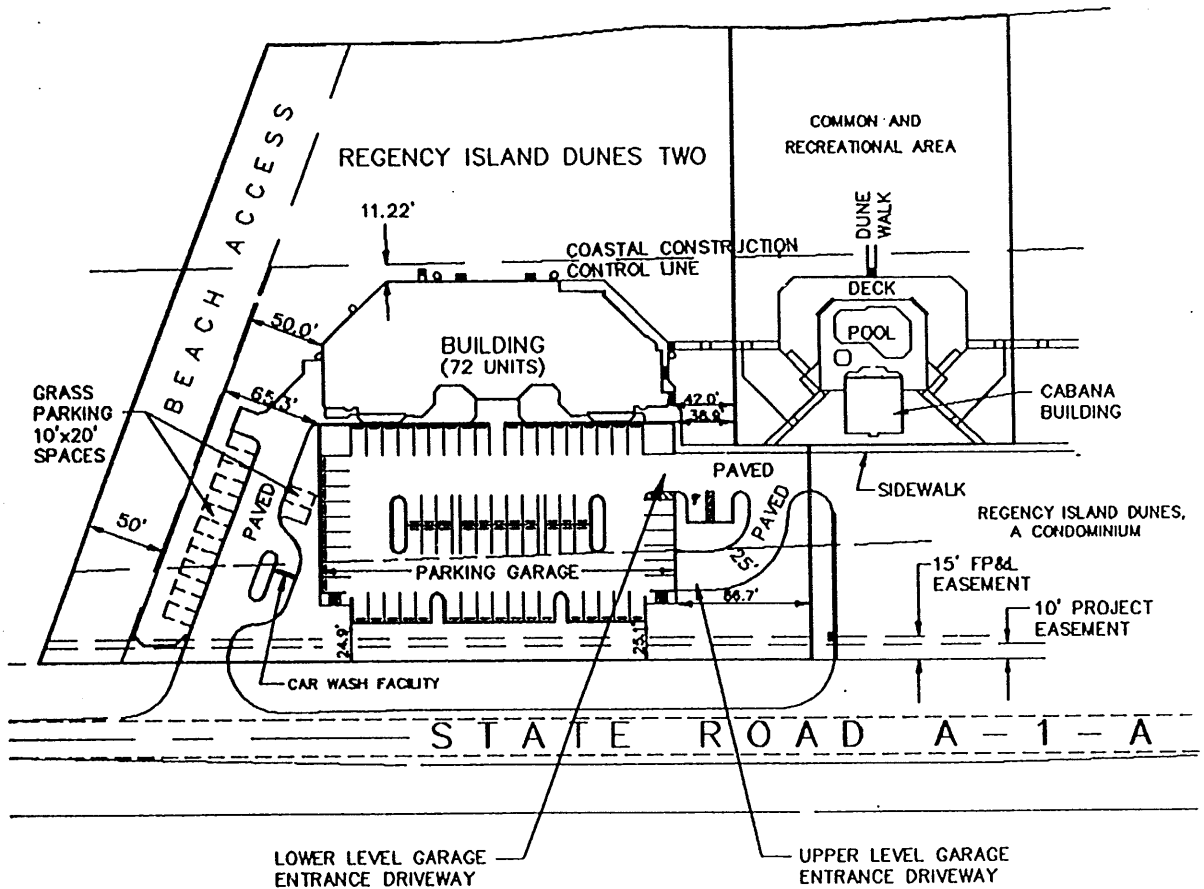
CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: DESC-2

4-18-97

EXHIBIT A
SHEET 2 OF 38

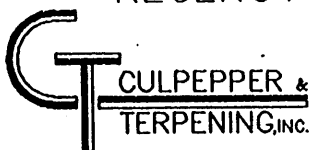


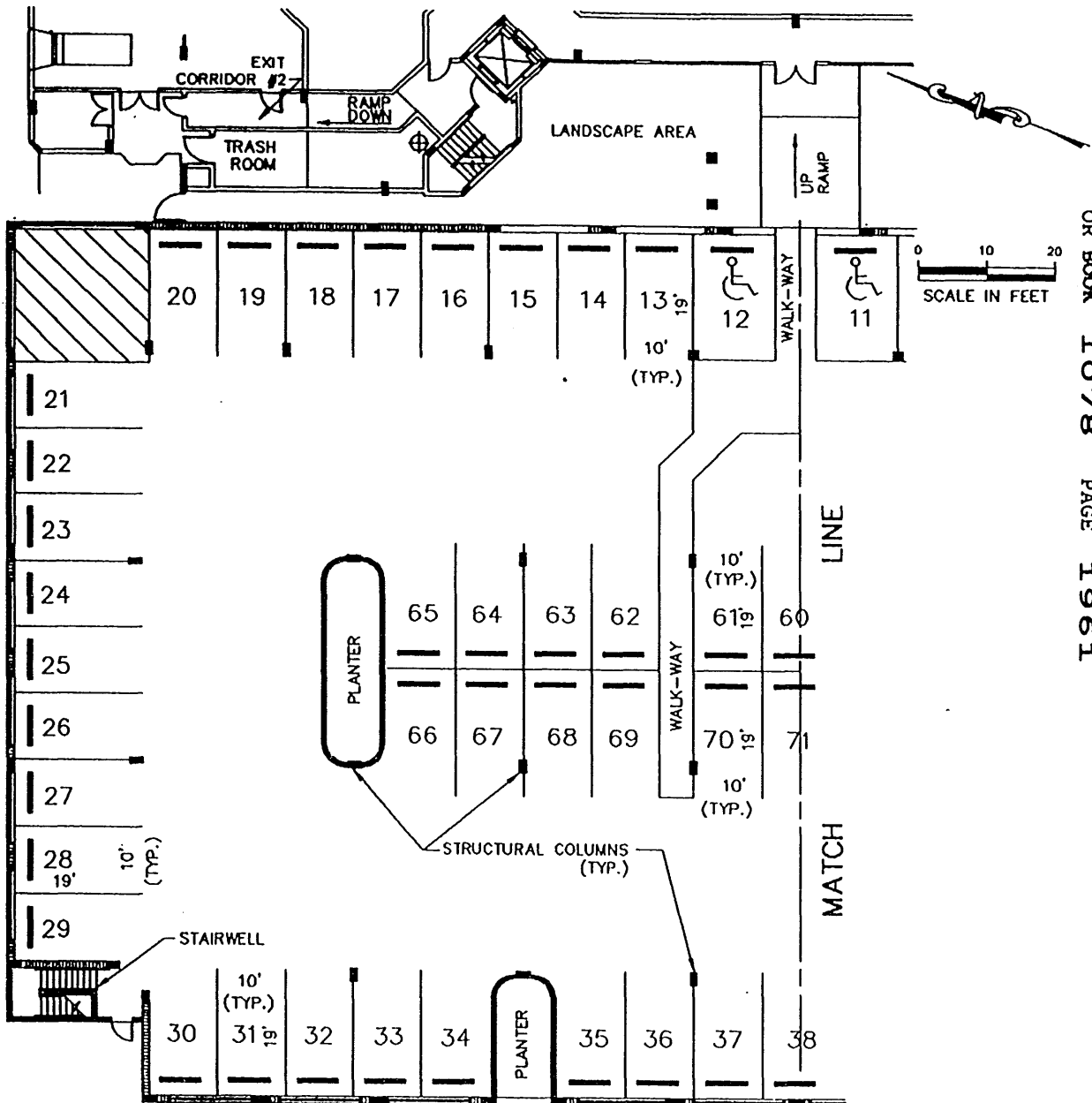
ATLANTIC OCEAN



SITE IMPROVEMENT PLAN

REGENCY ISLAND DUNES TWO, A CONDOMINIUM





NOTE:
 ALL IMPROVEMENTS SHOWN ARE COMMON ELEMENTS
 EXCEPT PARKING SPACES WHICH MAY BE ASSIGNED
 AS LIMITED COMMON ELEMENTS.

LOWER PARKING DECK
 GARAGE (NORTH HALF)

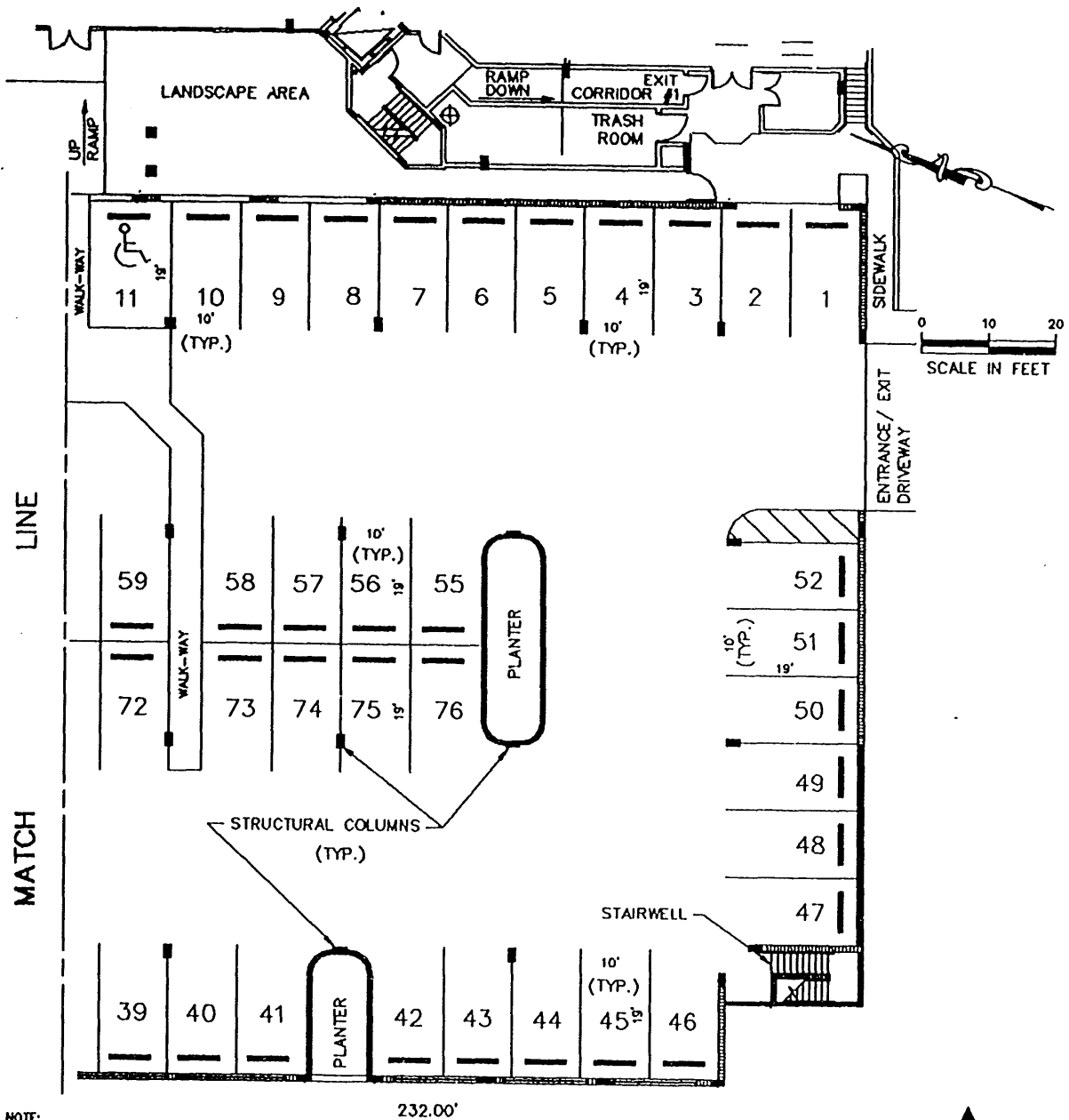


REGENCY ISLAND DUNES TWO, A CONDOMINIUM
 CULPEPPER &
 TERPENING, INC.

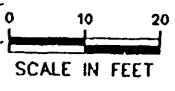
CONSULTING ENGINEERS LAND SURVEYORS
 DISK: 9107-2 FILE: LPDN-2

4-18-97

EXHIBIT A
 SHEET 5 OF 38



LINE
MATCH



NOTE:
ALL IMPROVEMENTS SHOWN ARE COMMON ELEMENTS
EXCEPT PARKING SPACES WHICH MAY BE ASSIGNED
AS LIMITED COMMON ELEMENTS.

232.00'
LOWER PARKING DECK
GARAGE (SOUTH HALF)

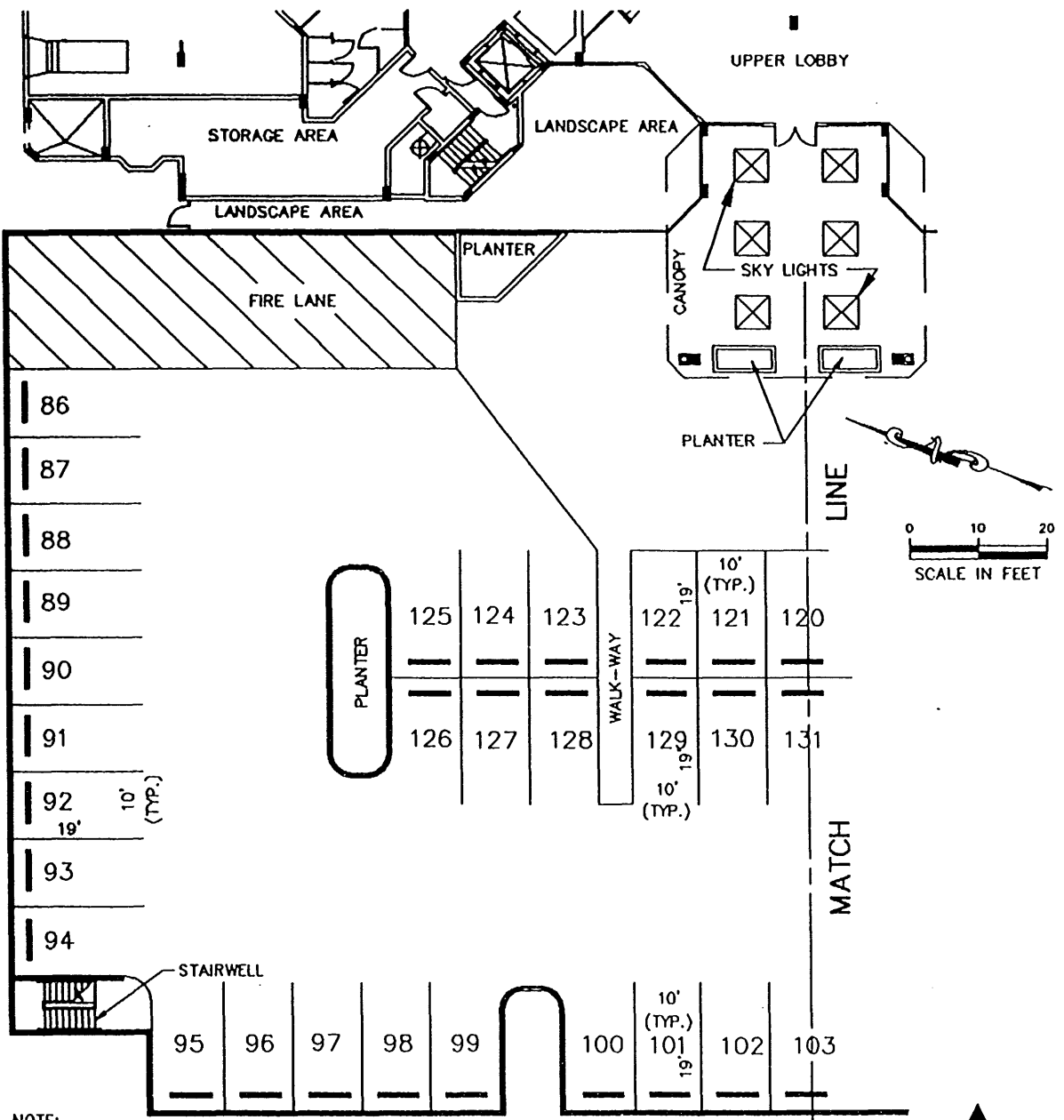


REGENCY ISLAND DUNES TWO, A CONDOMINIUM
GULPEPPER & TERPENING, INC.

CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: LPDS-2

4--18-97

EXHIBIT A
SHEET 6 OF 38



NOTE:
 ALL IMPROVEMENTS SHOWN ARE COMMON
 ELEMENTS EXCEPT PARKING SPACES
 WHICH MAY BE ASSIGNED AS LIMITED
 COMMON ELEMENTS.

UPPER PARKING DECK
 GARAGE (NORTH HALF)

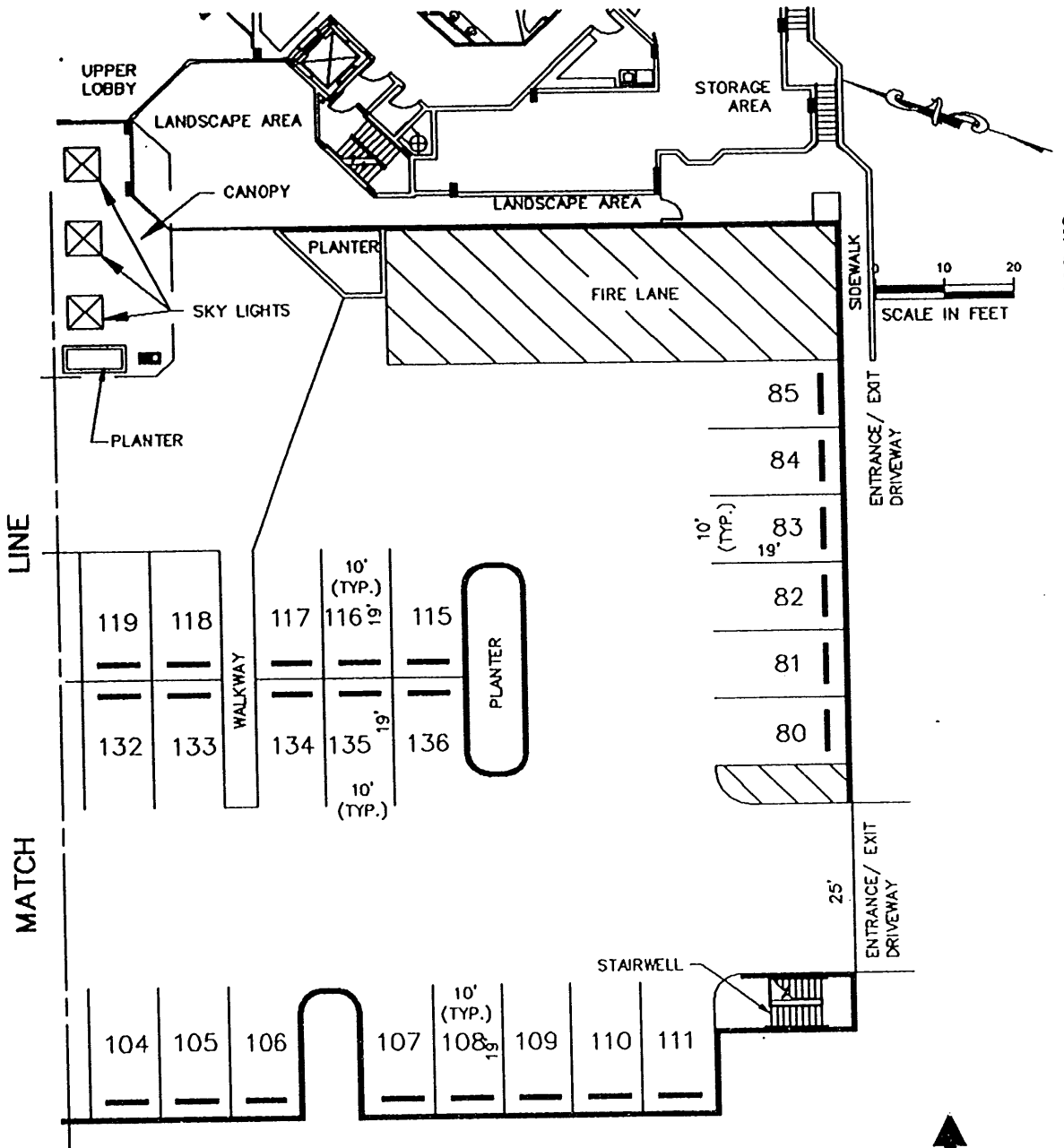
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
 DISK: 9107-2 FILE: UPDN-2

4-18-97

EXHIBIT A
 SHEET 7 OF 38

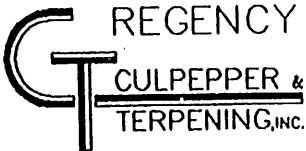


NOTE:
ALL IMPROVEMENTS SHOWN ARE COMMON
ELEMENTS EXCEPT PARKING SPACES
WHICH MAY BE ASSIGNED AS LIMITED
COMMON ELEMENTS.

UPPER PARKING DECK
GARAGE (SOUTH HALF)



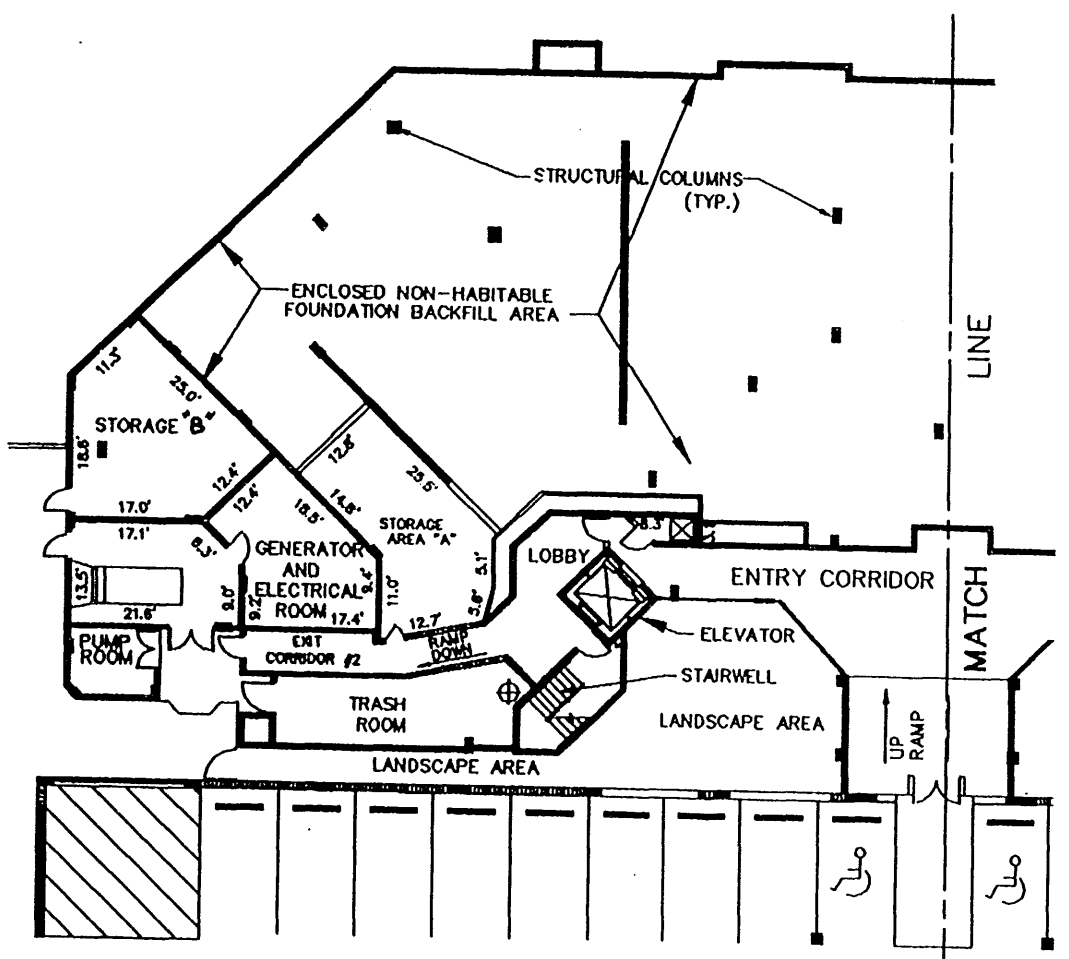
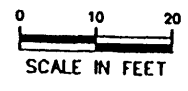
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: UPDS-2

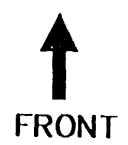
4-18-97

EXHIBIT A
SHEET 8 OF 38

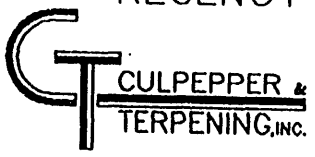


NOTE
ALL IMPROVEMENTS SHOWN ARE
COMMON ELEMENTS EXCEPT FOR STORAGE
AREAS WHICH MAY BE ASSIGNED AS
LIMITED COMMON ELEMENTS

GROUND FLOOR
(NORTH HALF)



REGENCY ISLAND DUNES TWO, A CONDOMINIUM

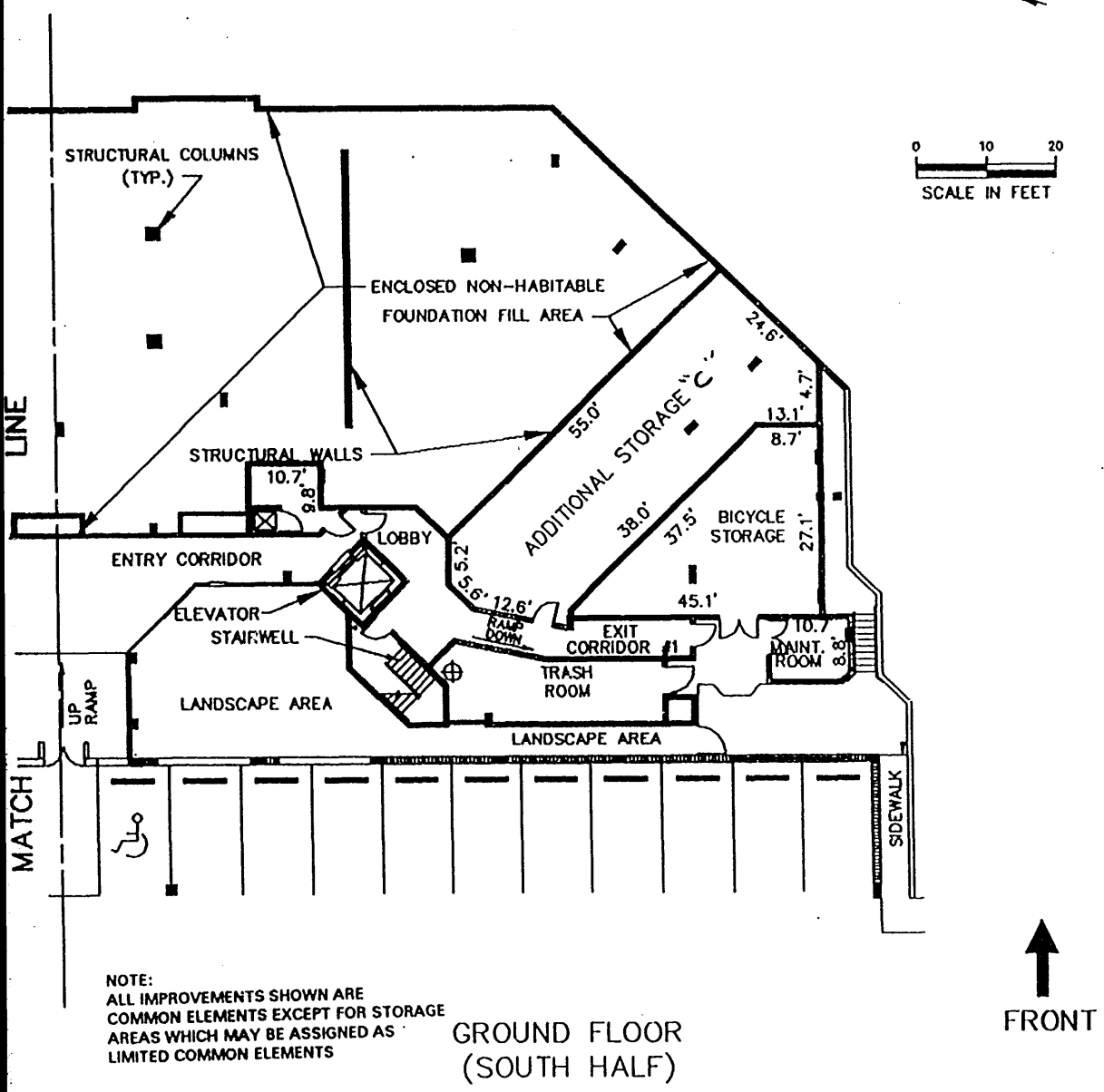


CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: GFN-2 revised 5-18-97

4-18-97

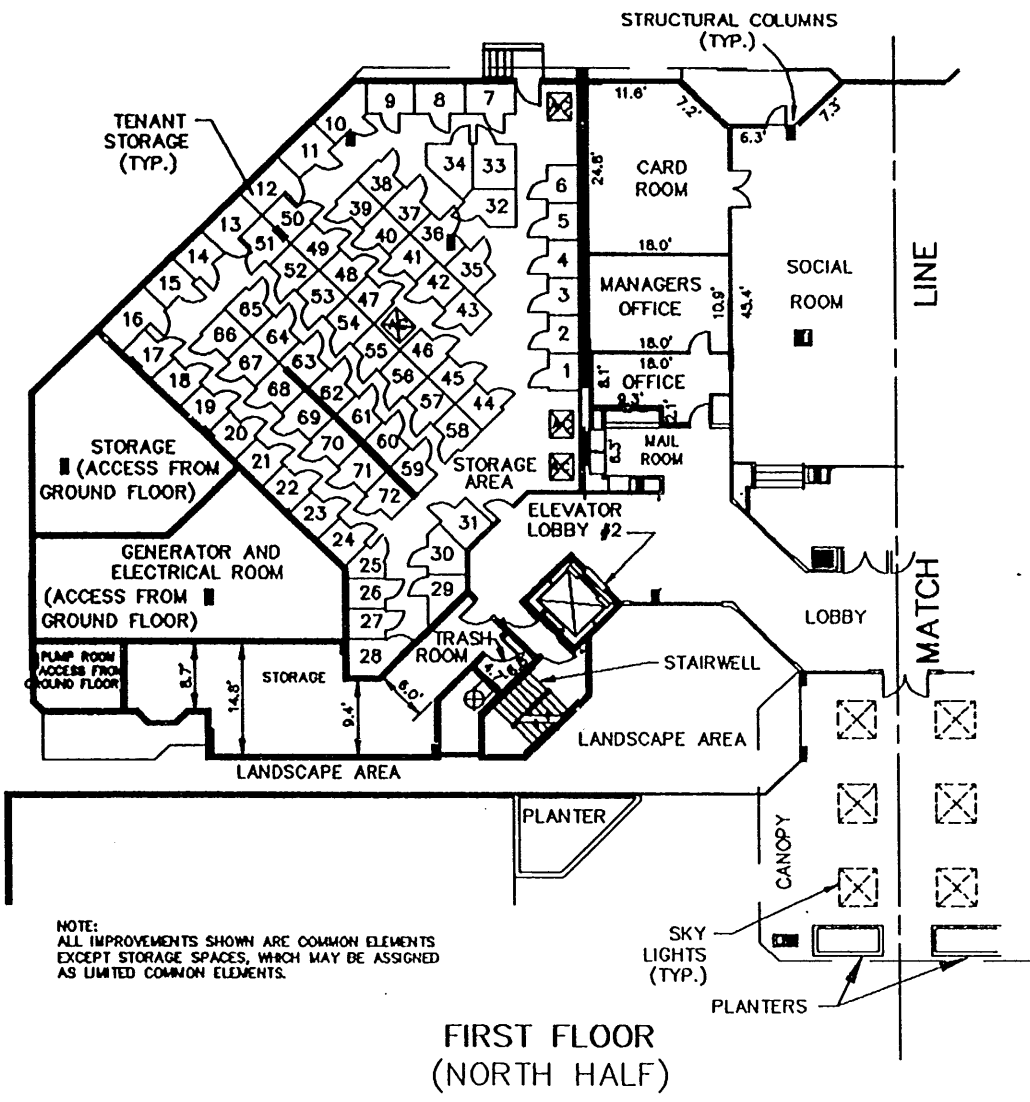
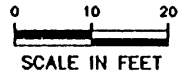
EXHIBIT A
SHEET 9 OF 38

CS



REGENCY ISLAND DUNES TWO, A CONDOMINIUM



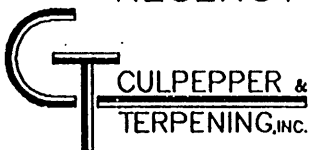


NOTE:
ALL IMPROVEMENTS SHOWN ARE COMMON ELEMENTS
EXCEPT STORAGE SPACES, WHICH MAY BE ASSIGNED
AS LIMITED COMMON ELEMENTS.



FIRST FLOOR
(NORTH HALF)

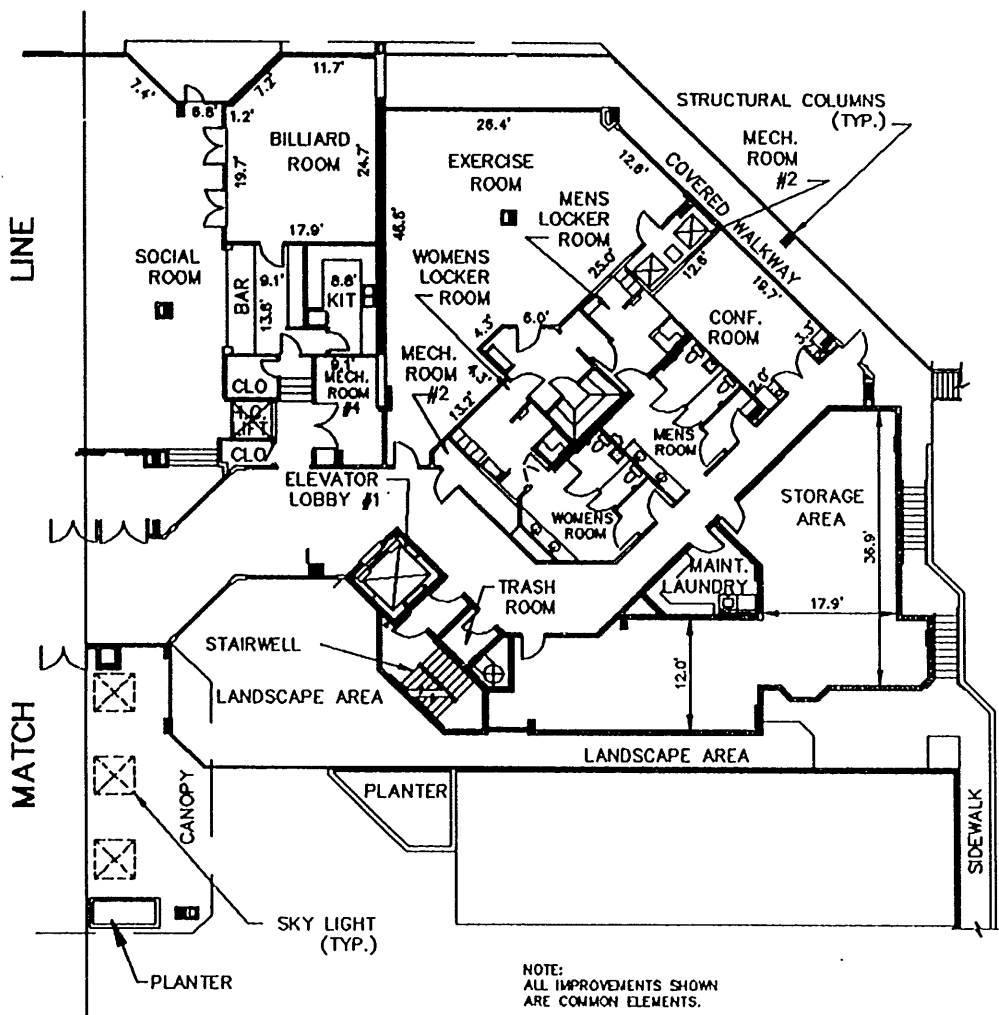
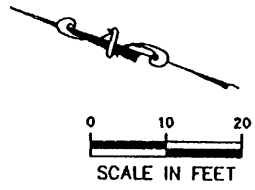
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: FFN-2

4-18-97

EXHIBIT A
SHEET 11 OF 38

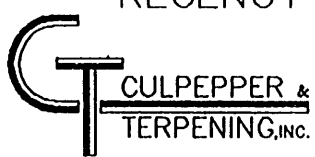


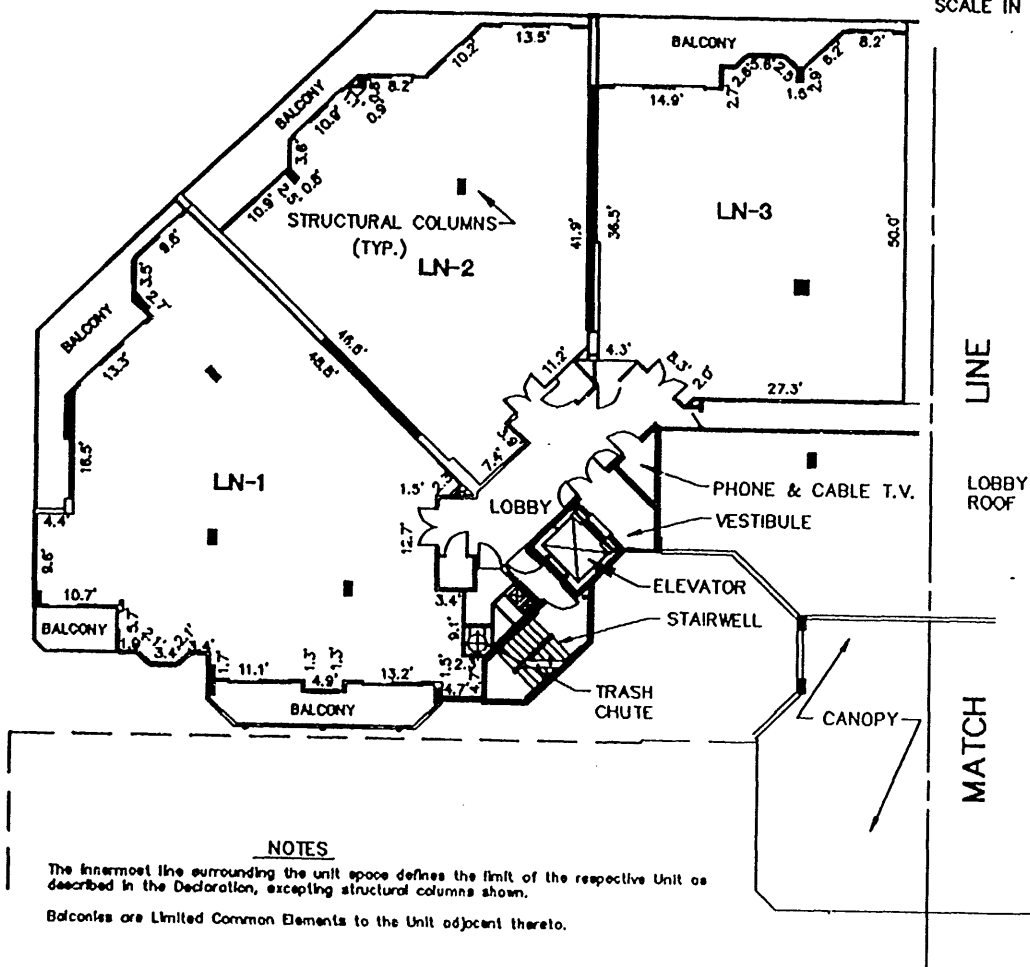
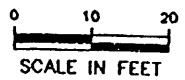
NOTE:
ALL IMPROVEMENTS SHOWN
ARE COMMON ELEMENTS.

FIRST FLOOR
(SOUTH HALF)



REGENCY ISLAND DUNES TWO, A CONDOMINIUM





NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.

Balconies are Limited Common Elements to the Unit adjacent thereto.



LANAI FLOOR
(NORTH HALF)

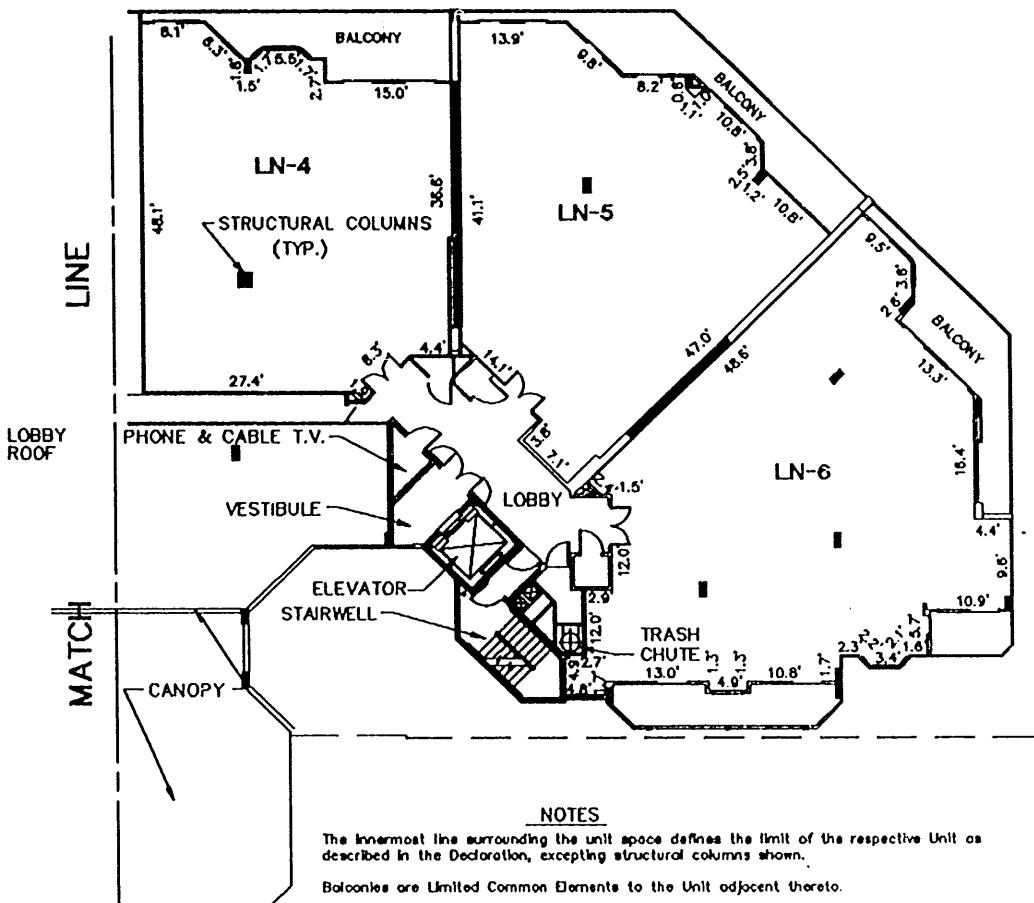
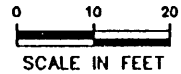
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: 2N-2.DWG

4-18-97

EXHIBIT A
SHEET 13 OF 38



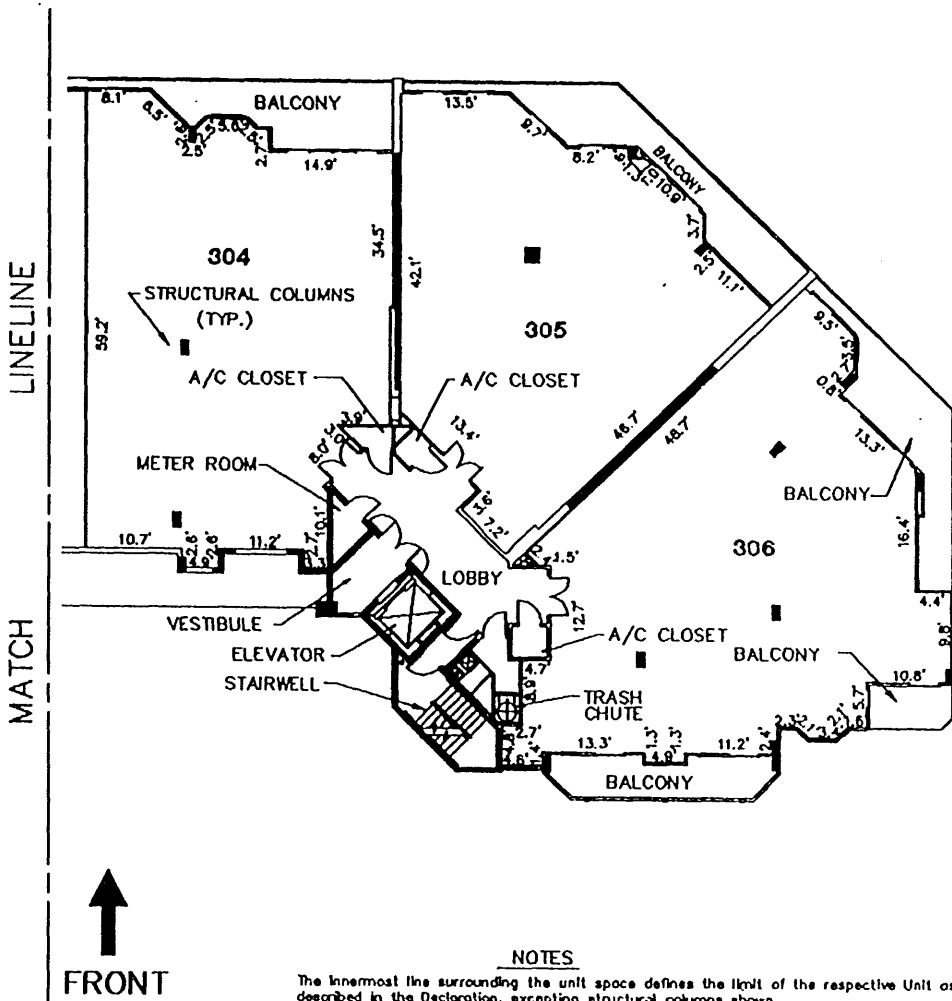
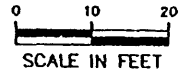
NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.
 Balconies are Limited Common Elements to the Unit adjacent thereto.

FRONT

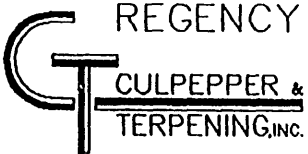
LANAI FLOOR
 (SOUTH HALF)

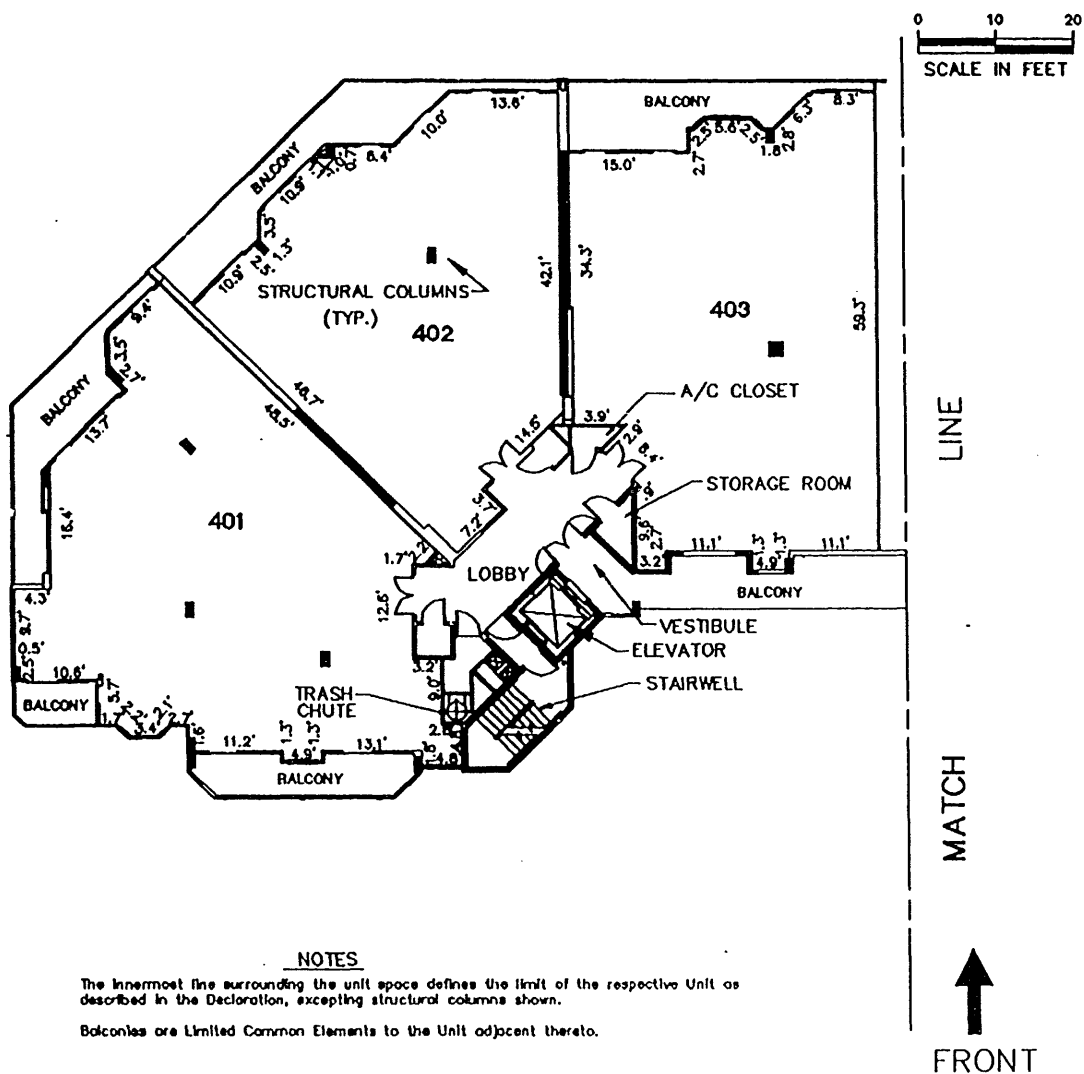
G REGENCY ISLAND DUNES TWO, A CONDOMINIUM
 CULPEPPER &
 TERPENING, INC.



3RD. FLOOR
(SOUTH HALF)

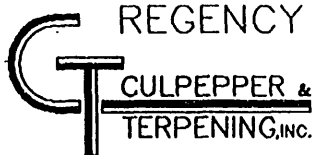
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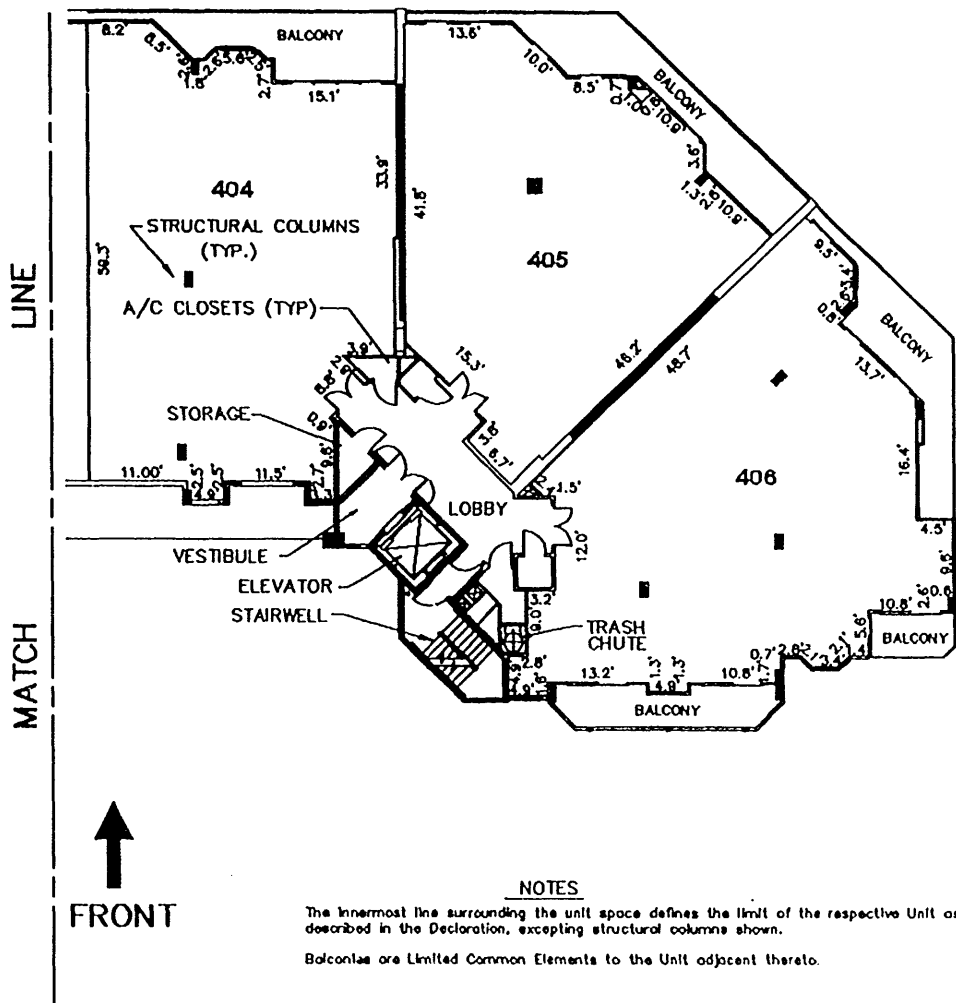
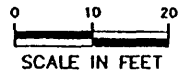




4TH. FLOOR
(NORTH HALF)

REGENCY ISLAND DUNES TWO, A CONDOMINIUM





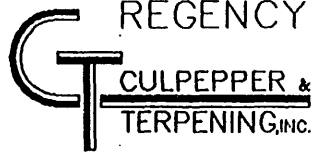
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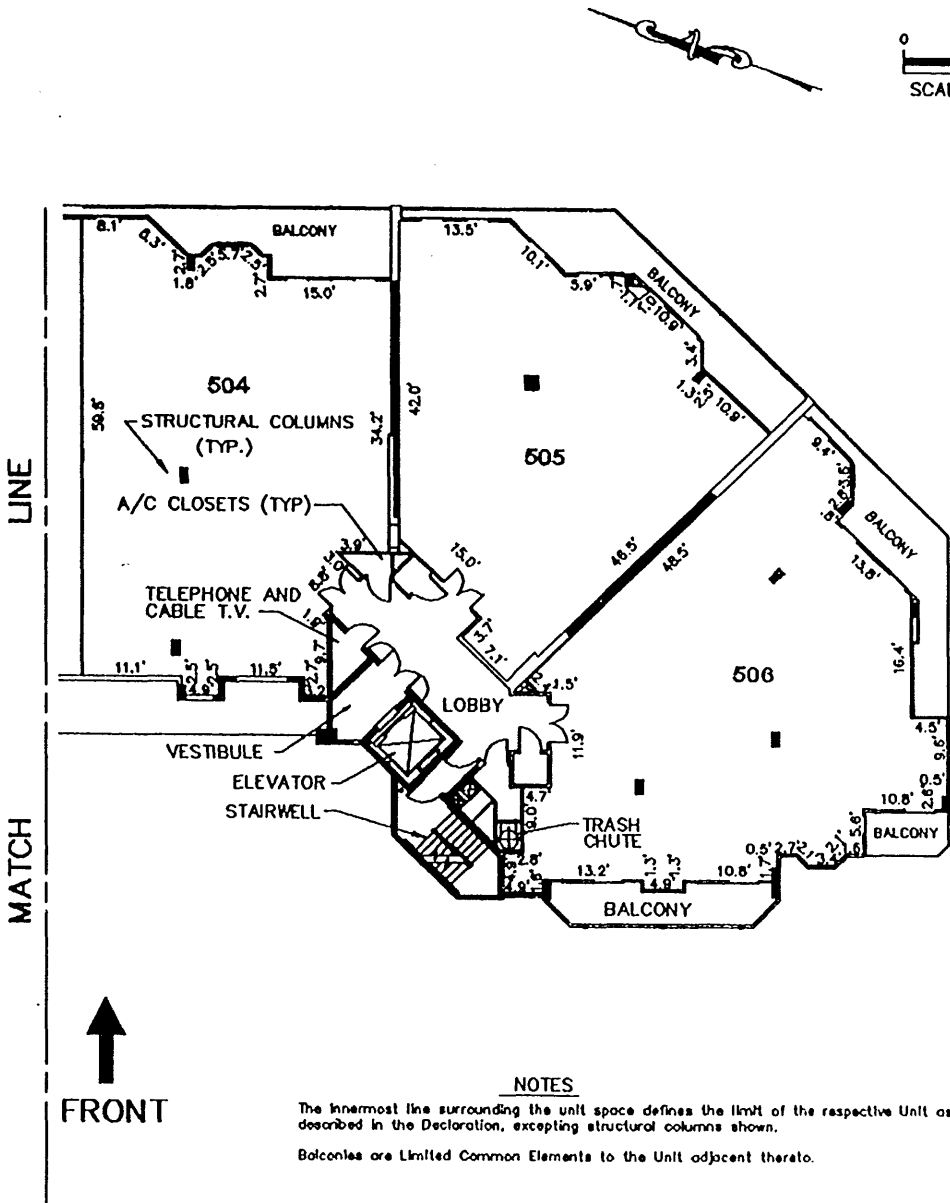
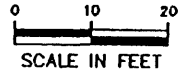
The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.

Balconies are Limited Common Elements to the Unit adjacent thereto.

4TH. FLOOR
(SOUTH HALF)

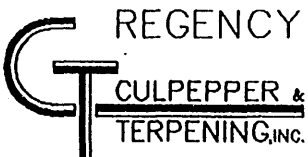
REGENCY ISLAND DUNES TWO, A CONDOMINIUM





5TH. FLOOR
(SOUTH HALF)

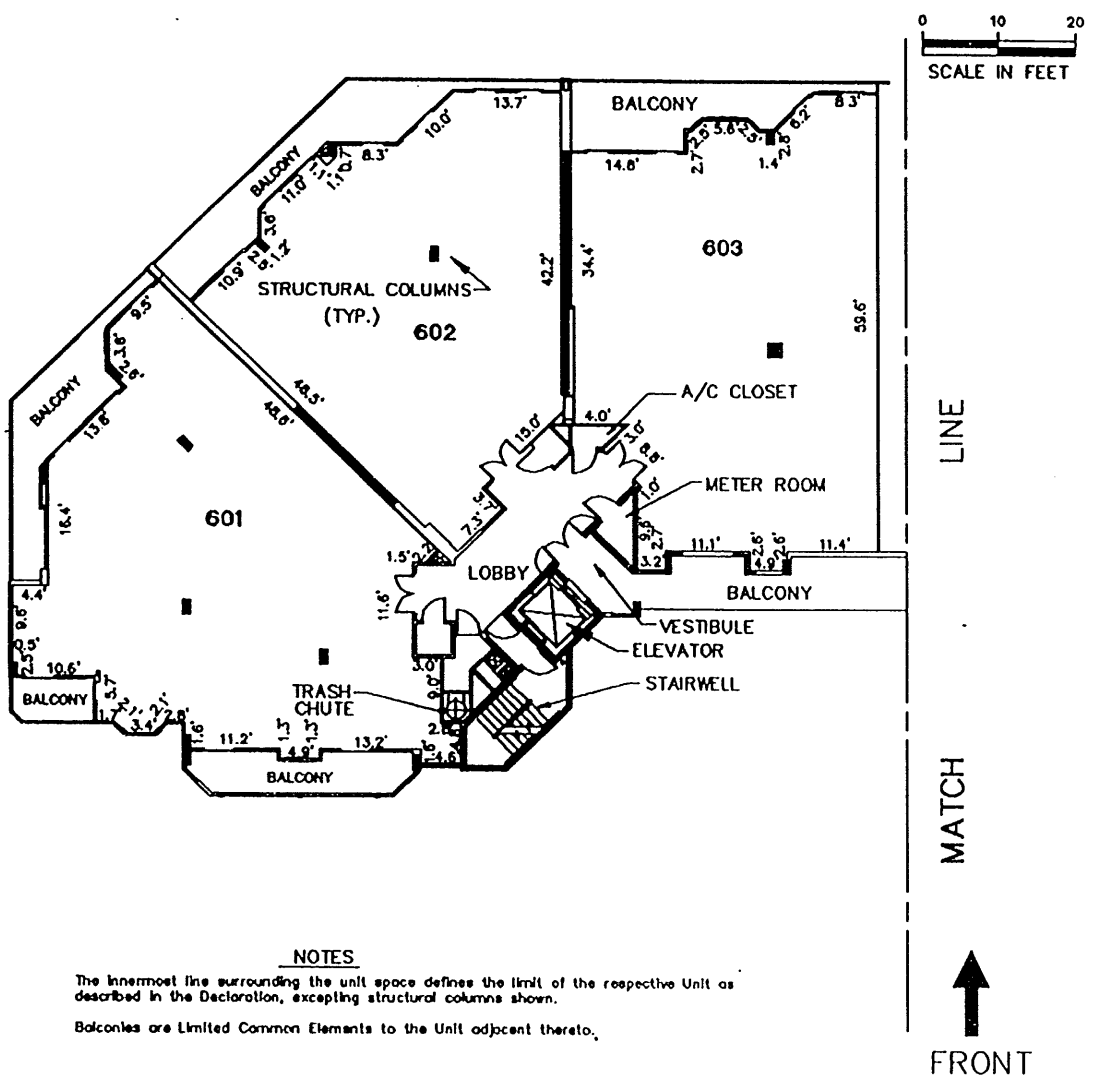
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: 5S-2.DWG

4-18-97

EXHIBIT A
SHEET 20 OF 38



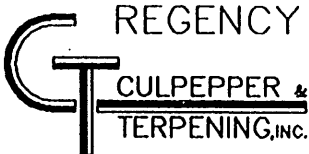
NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.

Balconies are Limited Common Elements to the Unit adjacent thereto.

6TH. FLOOR
(NORTH HALF)

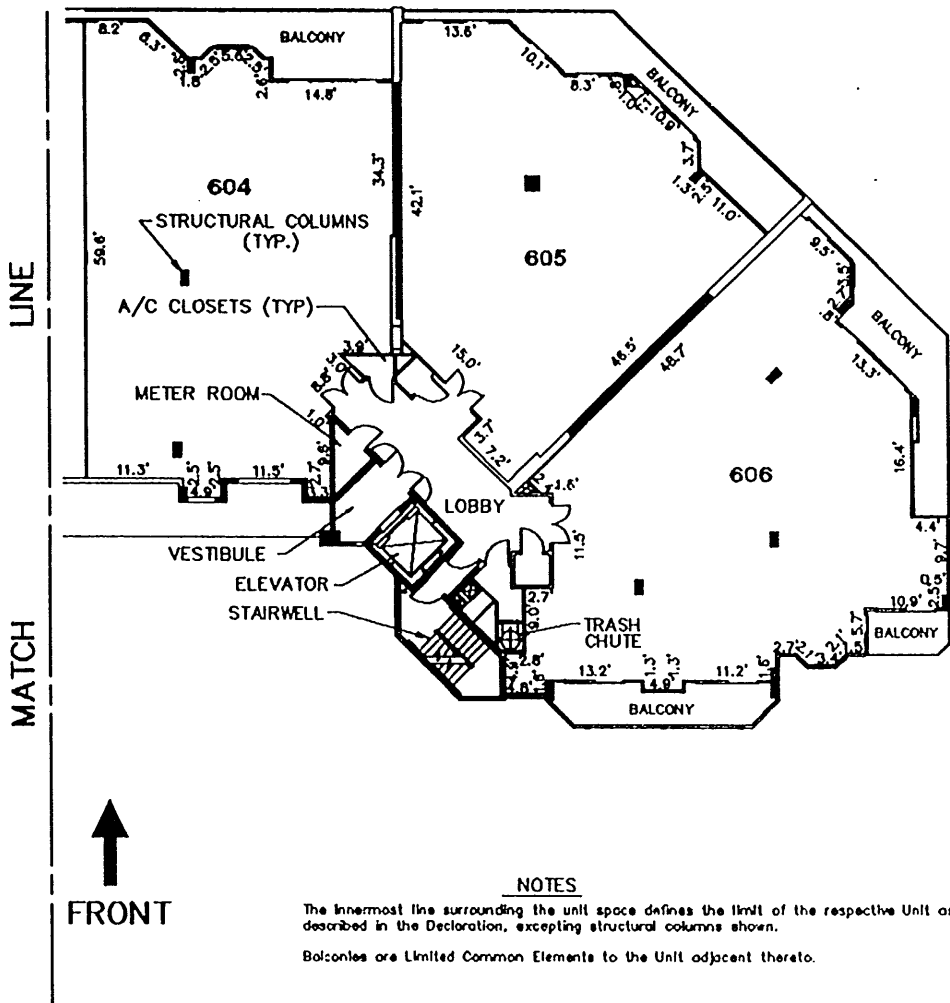
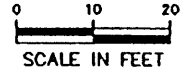
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: 6N-2.DWG

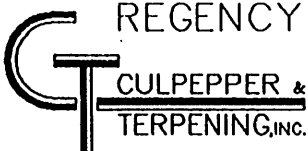
4-18-97

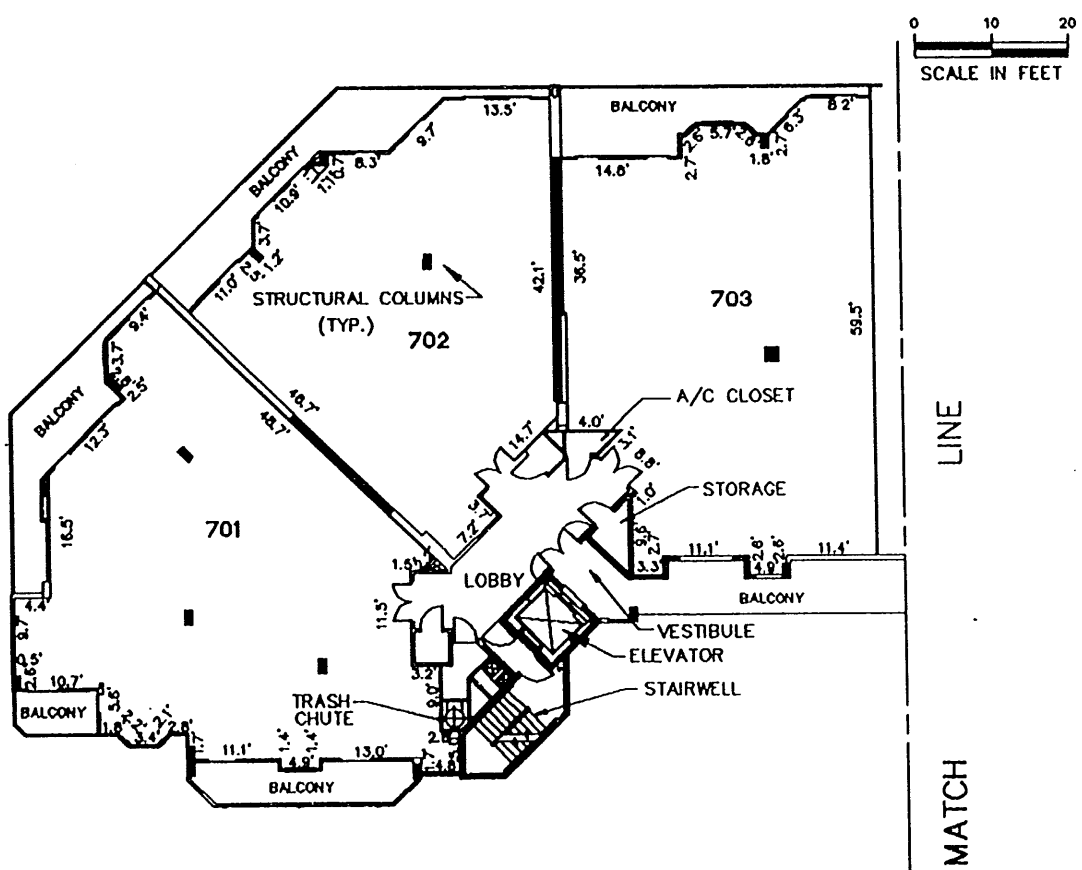
EXHIBIT A
SHEET 21 OF 38



6TH. FLOOR
(SOUTH HALF)

REGENCY ISLAND DUNES TWO, A CONDOMINIUM



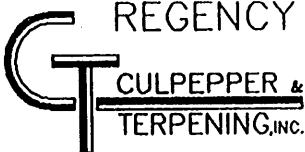


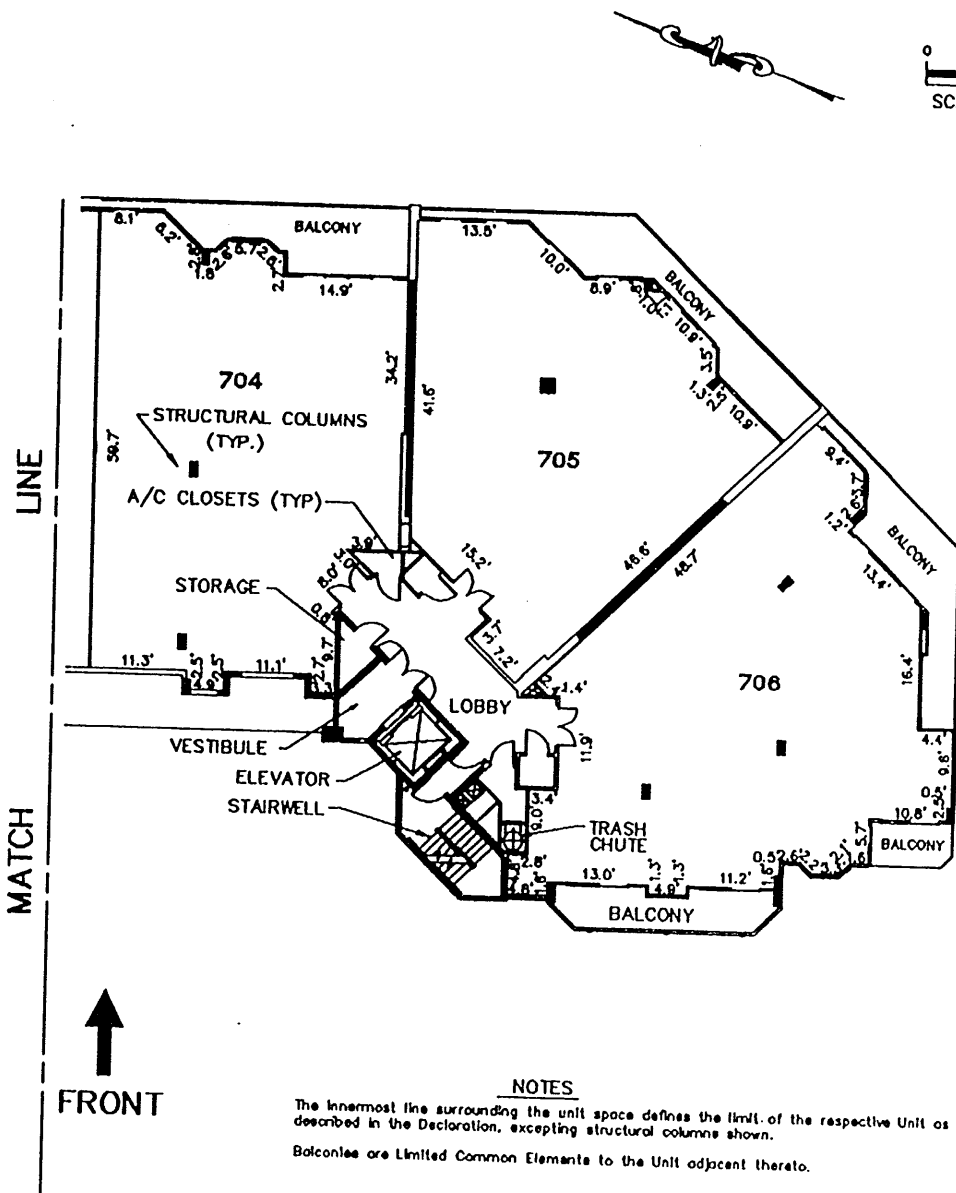
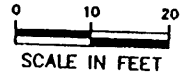
NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.
 Balconies are Limited Common Elements to the Unit adjacent thereto.

7TH. FLOOR
 (NORTH HALF)

REGENCY ISLAND DUNES TWO, A CONDOMINIUM



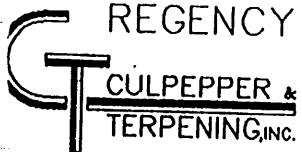


NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.
 Balconies are Limited Common Elements to the Unit adjacent thereto.

7TH. FLOOR
(SOUTH HALF)

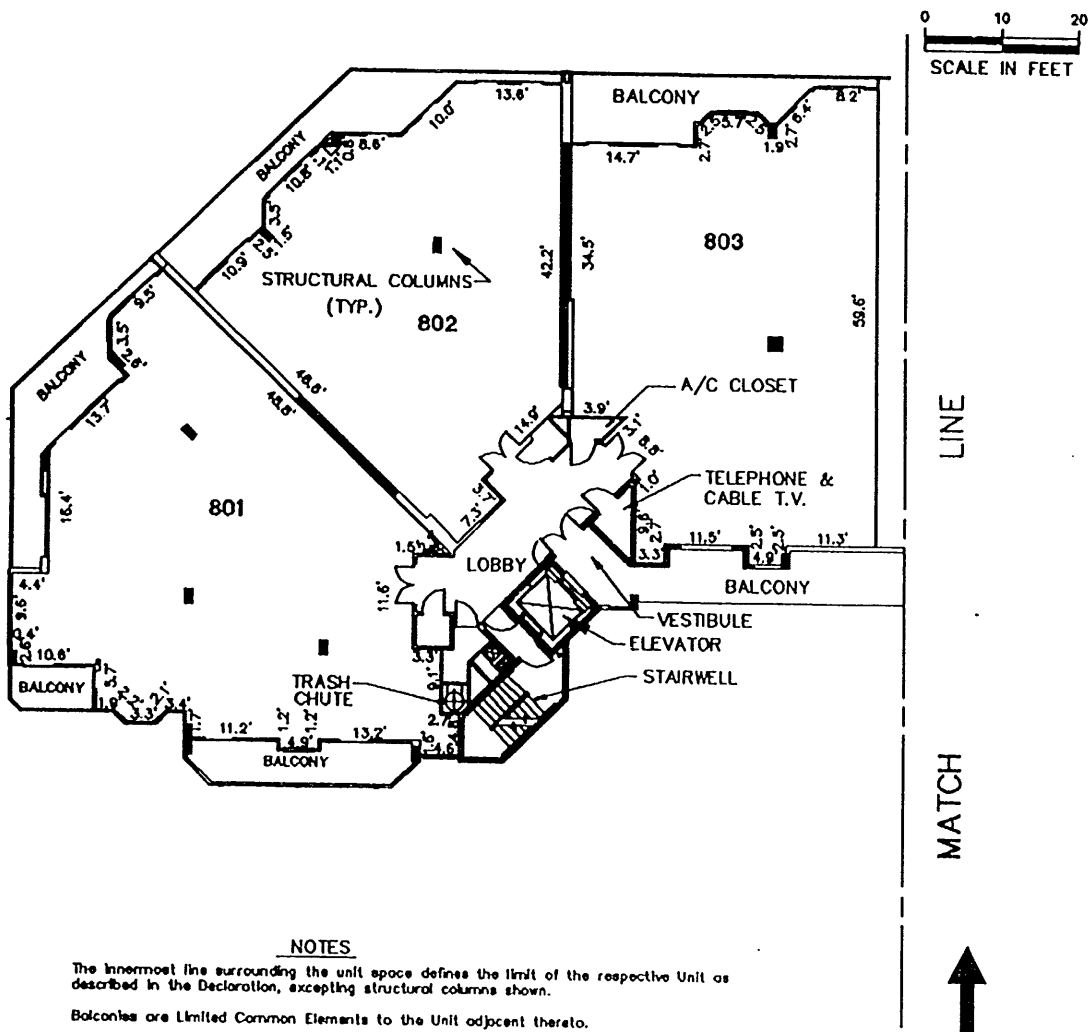
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
SK: 9107-2 FILE: 7S-2.DWG

4-18-97

EXHIBIT A
SHEET 24 OF 38

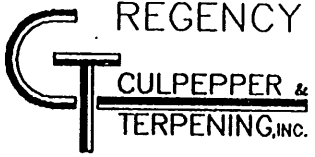


NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.
 Balconies are Limited Common Elements to the Unit adjacent thereto.

8TH. FLOOR
 (NORTH HALF)

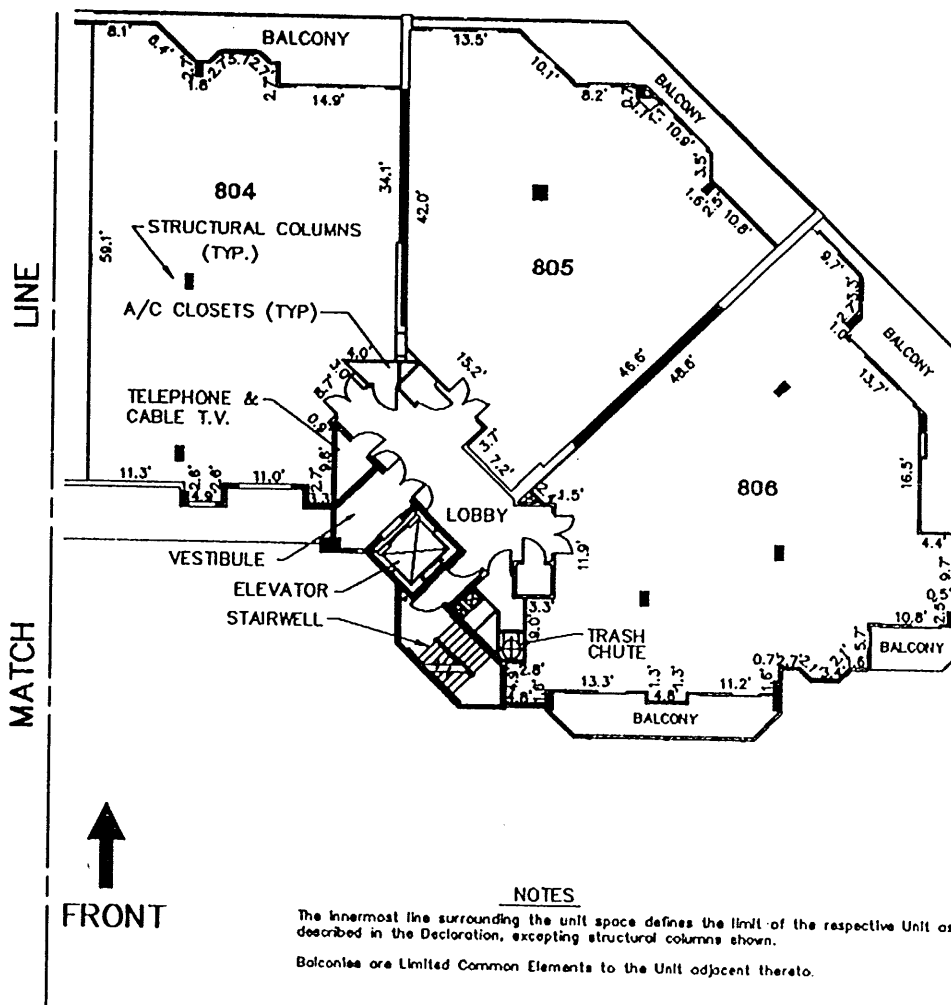
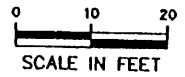
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
 DISK: 9107-2 FILE: 8N-2.DWG

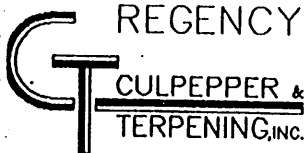
4-18-97

EXHIBIT A
 SHEET 25 OF 38



8TH. FLOOR
(SOUTH HALF)

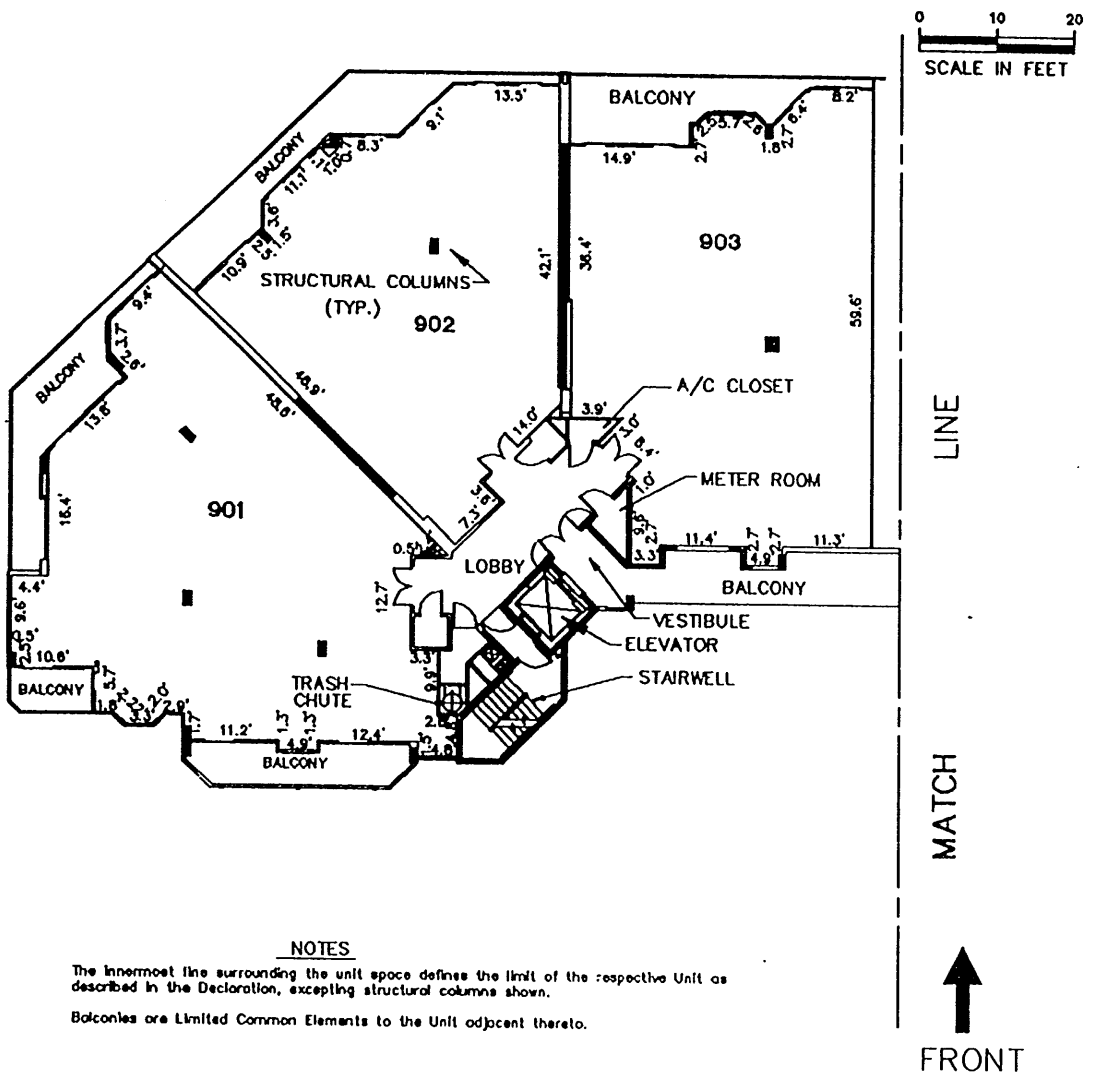
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
ASK: 9107-2 FILE: 8S-2.DWG

4-18-97

EXHIBIT A
SHEET 26 OF 38



NOTES

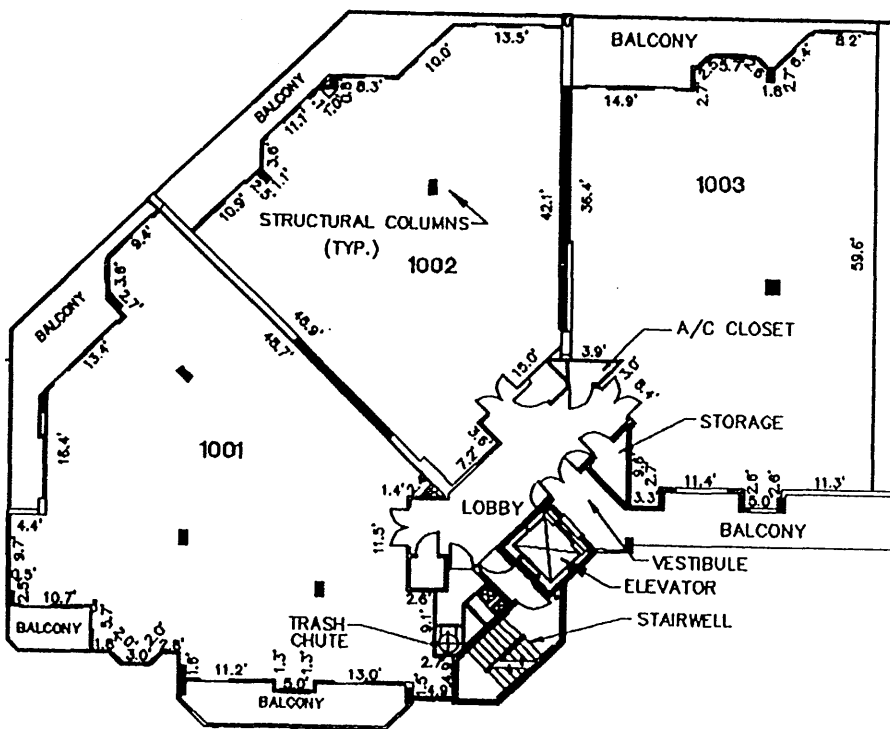
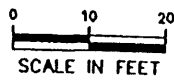
The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.

Balconies are Limited Common Elements to the Unit adjacent thereto.

9TH. FLOOR
(NORTH HALF)

REGENCY ISLAND DUNES TWO, A CONDOMINIUM





LINE

MATCH



FRONT

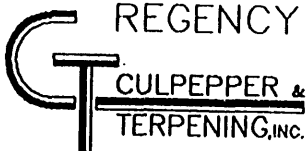
NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.

Balconies are Limited Common Elements to the Unit adjacent thereto.

10TH. FLOOR
(NORTH HALF)

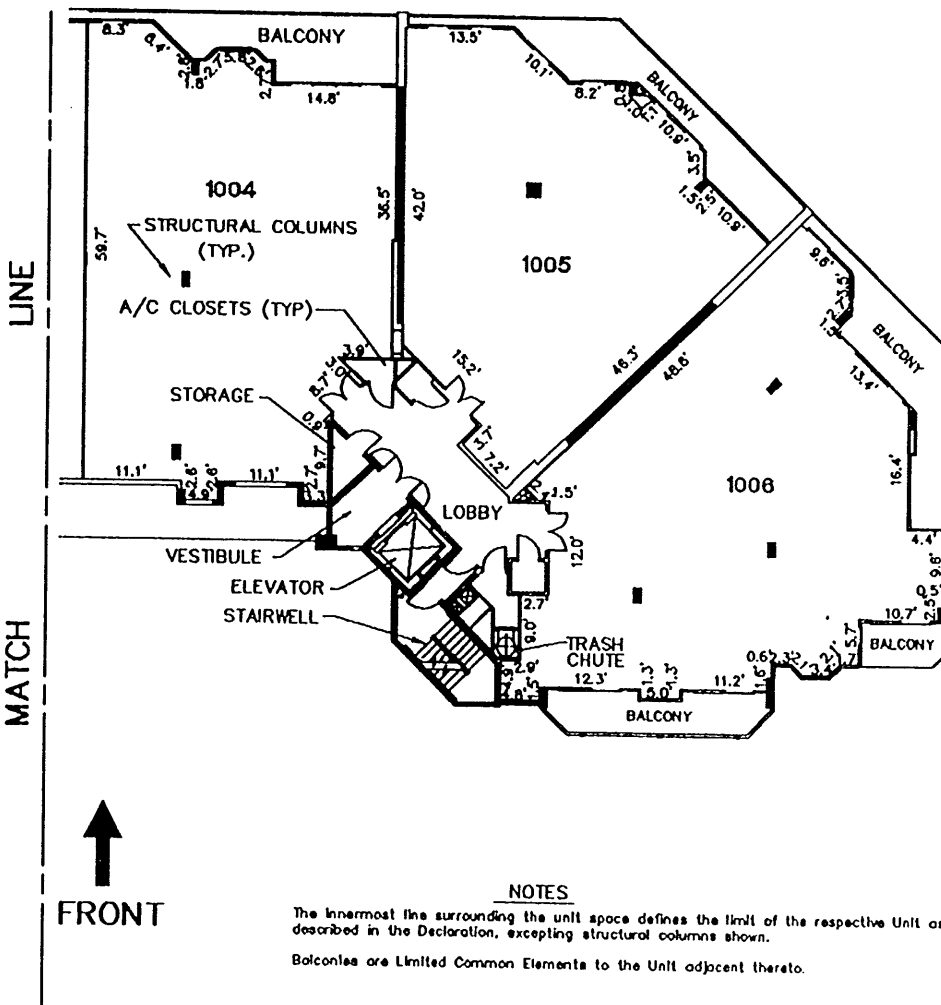
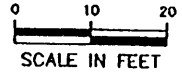
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: 10N-2.DWG

4-18-97

EXHIBIT A
SHEET 29 OF 38



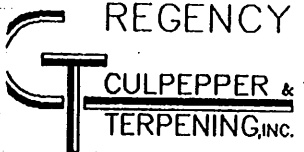
NOTES

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Balconies are Limited Common Elements to the Unit adjacent thereto.

10TH. FLOOR
(SOUTH HALF)

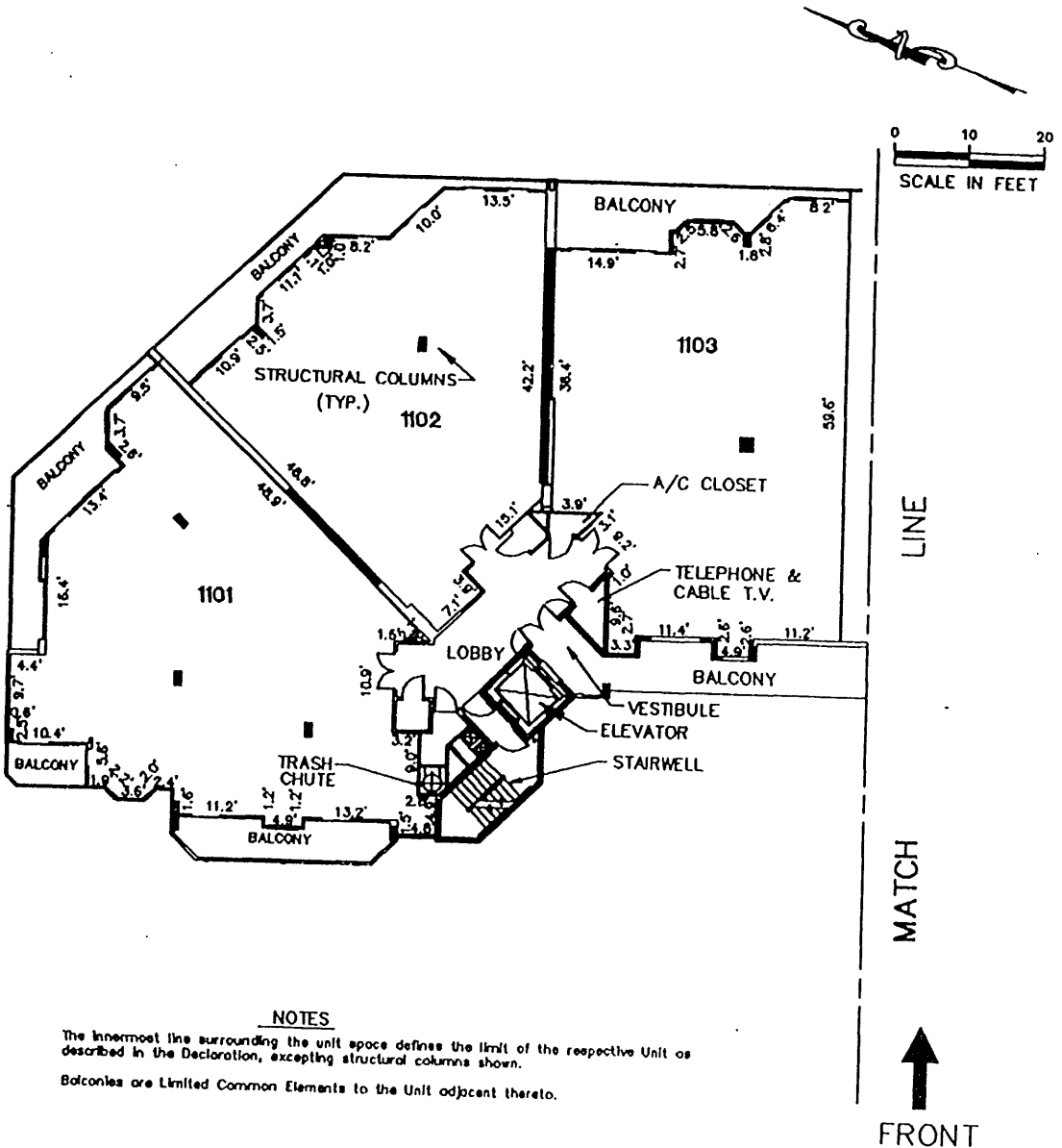
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
SK: 9107-2 FILE: 10S-2.DWG

4-18-97

EXHIBIT A
SHEET 30 OF 38



NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.
 Balconies are Limited Common Elements to the Unit adjacent thereto.

11TH. FLOOR
 (NORTH HALF)

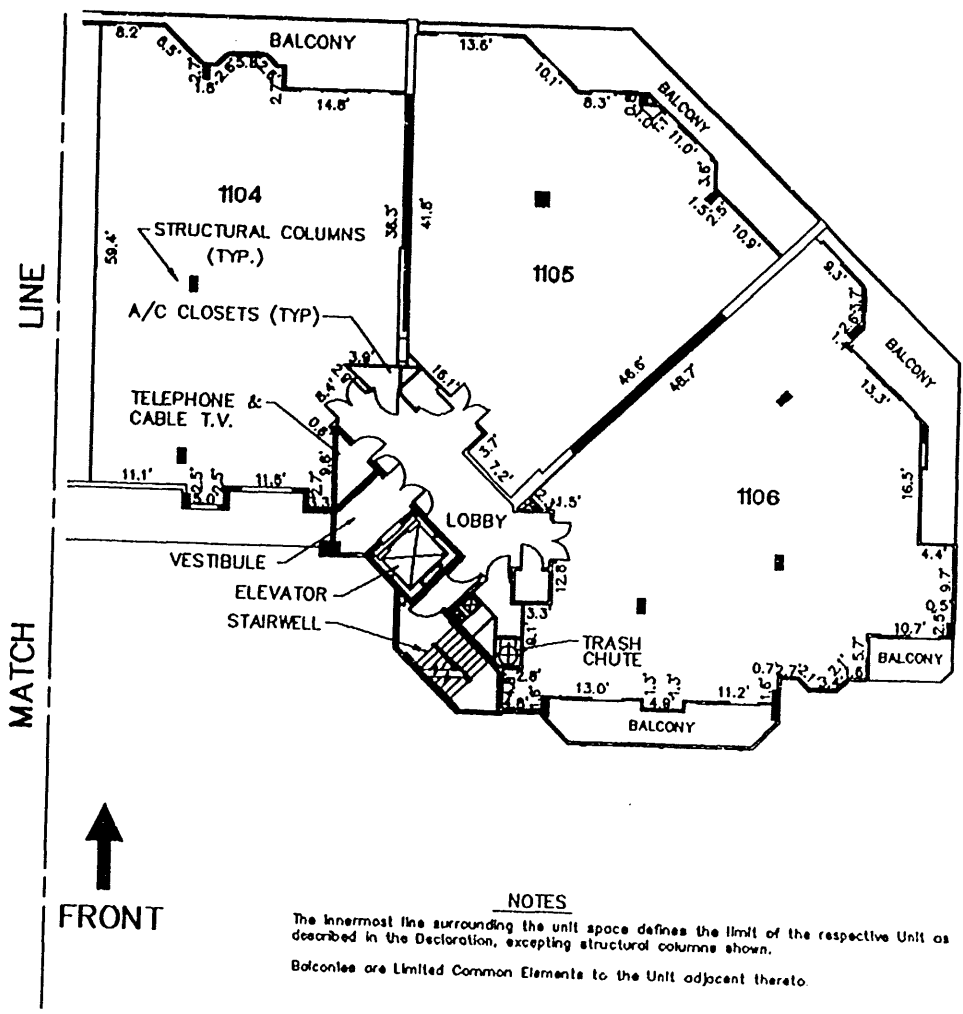
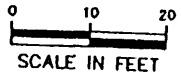
REGENCY ISLAND DUNES TWO, A CONDOMINIUM

GT CULPEPPER &
 TERPENING, INC.

CONSULTING ENGINEERS LAND SURVEYORS
 DISK: 9107-2 FILE: 11N-2.DWG

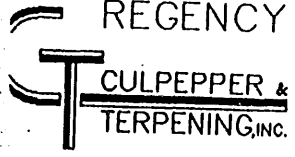
4-18-97

EXHIBIT A
 SHEET 31 OF 38



11TH. FLOOR
(SOUTH HALF)

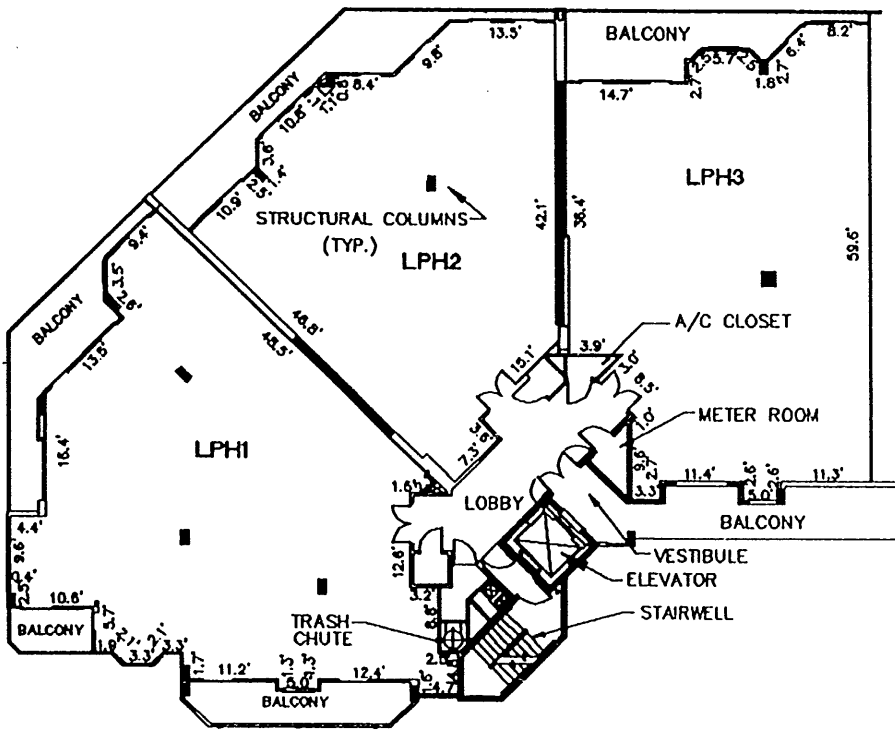
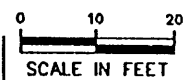
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
K: 9107-2 FILE: 11S-2.DWG

4-18-97

EXHIBIT A
SHEET 32 OF 38



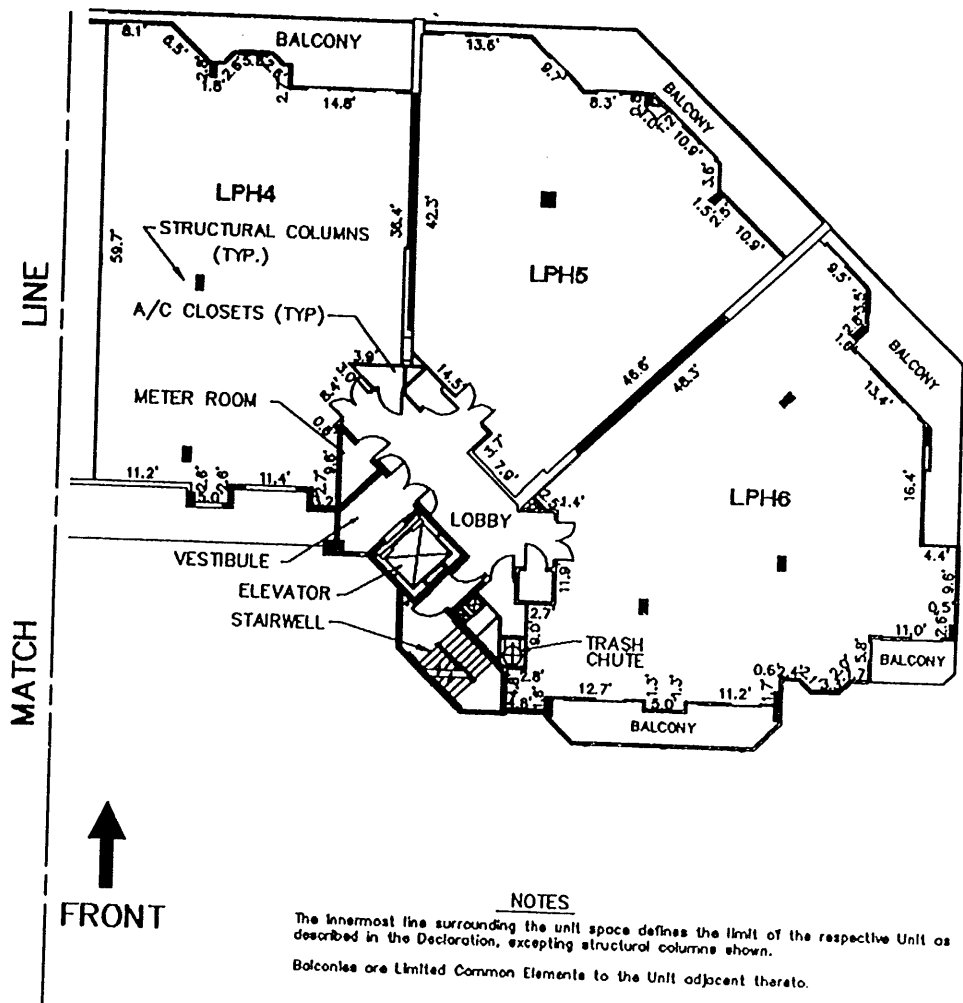
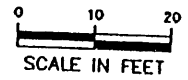
NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.
 Balconies are Limited Common Elements to the Unit adjacent thereto.

LINE
MATCH
FRONT

LOWER PENTHOUSE FLOOR
(NORTH HALF)

REGENCY ISLAND DUNES TWO, A CONDOMINIUM
CULPEPPER &
 TERPENING, INC.

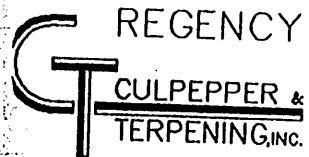


NOTES

The innermost line surrounding the unit space defines the limit of the respective Unit as described in the Declaration, excepting structural columns shown.
Balconies are Limited Common Elements to the Unit adjacent thereto.

LOWER PENTHOUSE FLOOR
(SOUTH HALF)

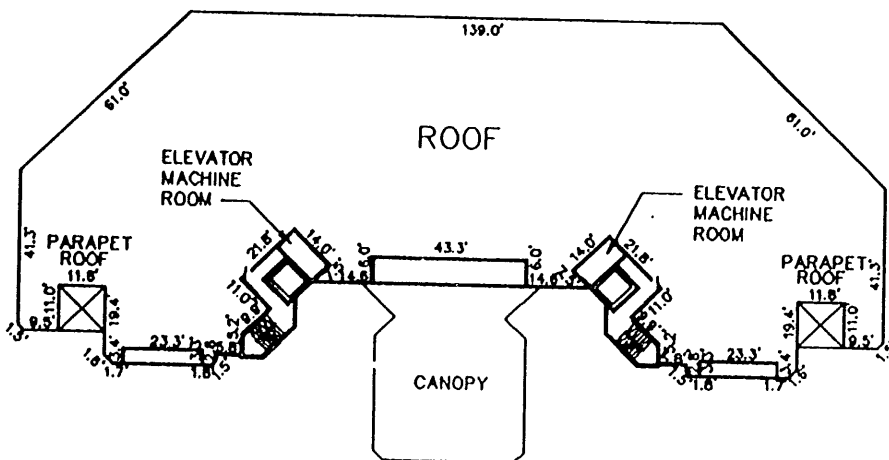
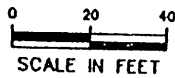
REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
SK: 9107-2 FILE: 12S-2.DWG

4-18-97

EXHIBIT A
SHEET 34 OF 38



ROOF PLAN

REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
MSK: 9107-2 FILE: ROOF-2

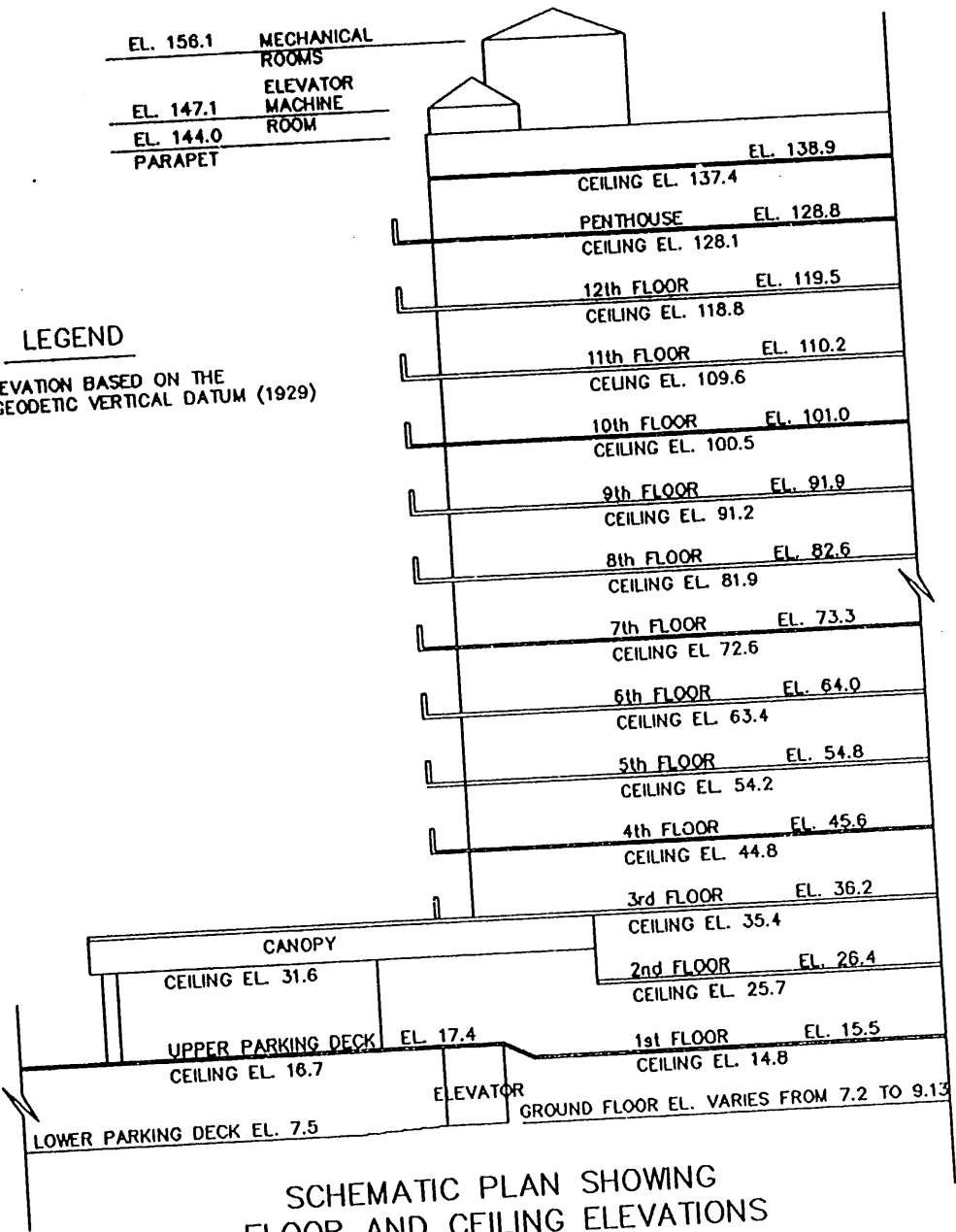
4-18-97

EXHIBIT A
SHEET 37 OF 38

- EL. 158.1 MECHANICAL ROOMS
- EL. 147.1 ELEVATOR MACHINE ROOM
- EL. 144.0 PARAPET

LEGEND

EL. # = ELEVATION BASED ON THE NATIONAL GEODETIC VERTICAL DATUM (1929)



SCHMATIC PLAN SHOWING FLOOR AND CEILING ELEVATIONS

REGENCY ISLAND DUNES TWO, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-2 FILE: ELEV-2

4-18-97

EXHIBIT A
SHEET 38 OF 38

EXHIBIT "B"

REGENCY ISLAND DUNES, A CONDOMINIUM

Being a portion of the South 2577.66 feet of the North 2858.86 feet of Sections 34 and 35, Township 36 South, Range 41 East, Hutchinson Island, St. Lucie County, Florida, lying East of State Road A-1-A, and being more particularly described as follows:

Commence at the point of intersection of the North line of the South 2577.66 feet of the North 2858.86 feet of Sections 34 and 35, and the centerline of State Road A-1-A; thence North 89°59'38" East a distance of 53.34 feet, to the Easterly right-of-way line of said State Road A-1-A; thence South 20°23'08" East along said Easterly right-of-way line a distance of 585.00 feet to the POINT OF BEGINNING (P.O.B.) of the herein described Phase One parcel; thence continue South 20°23'08" East along said Easterly right-of-way line a distance of 406.36 feet; thence North 69°36'52" East a distance of 243.53 feet; thence South 20°23'08" East a distance of 17.00 feet; thence North 69°36'52" East a distance of 204.00 feet, more or less, to the mean high water line of the Atlantic Ocean; thence meander said mean high water line Northwesterly a distance of 376.00 feet, more or less, thence South 69°36'52" West a distance of 284.89 feet; thence North 20°23'08" West a distance of 48.00 feet; thence South 69°36'52" West a distance of 142.00 feet to the POINT OF BEGINNING.

LEGAL DESCRIPTION OF
REGENCY ISLAND DUNES, A CONDOMINIUM

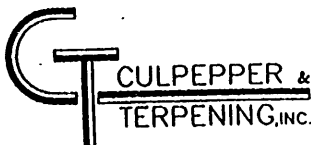


EXHIBIT "C"

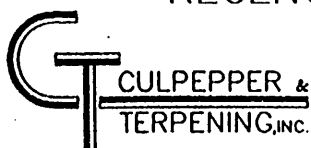
REGENCY ISLAND DUNES, A CONDOMINIUM

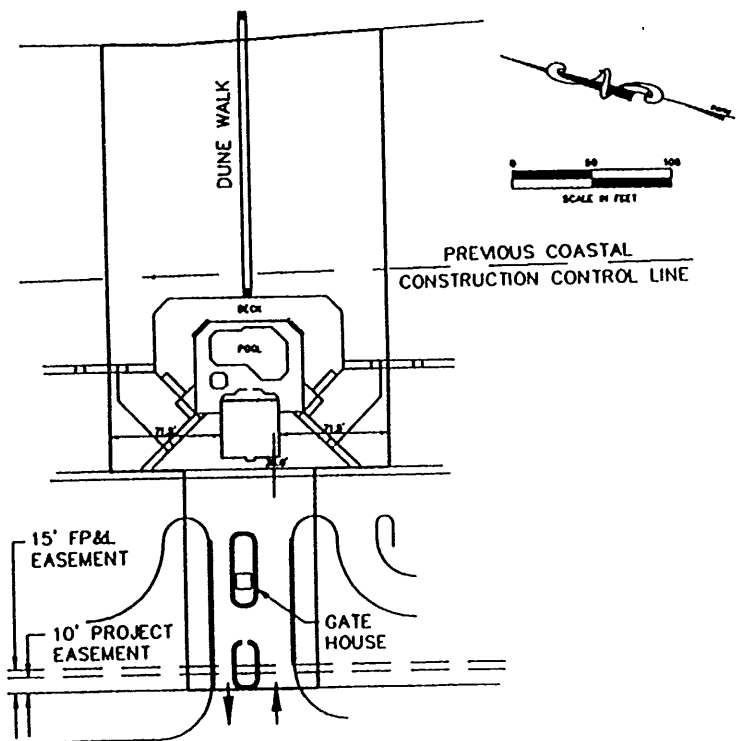
RECREATIONAL AREA

Being a portion of the South 2577.66 feet of the North 2858.86 feet of Sections 34 and 35, Township 36 South, Range 41 East, Hutchinson Island, St. Lucie County, Florida, lying East of State Road A-1-A, and being more particularly described as follows:

Commence at the point of intersection of the North line of the South 2577.66 feet of the North 2858.86 feet of Sections 34 and 35, and the centerline of said State Road A-1-A; thence North 89°59'38" East a distance of 53.34 feet, to the Easterly right of way line of said State Road A-1-A; thence South 20°23'08" East along said Easterly right of way line a distance of 500.00 feet; to the POINT OF BEGINNING (P.O.B.) of the herein described Recreational Phase parcel; thence North 69°36'52" East a distance of 142.00 feet; thence North 20°23'08" West a distance of 48.00 feet; thence North 69°36'52" East a distance of 277.39 feet to the mean high water line of the Atlantic Ocean; thence meander said mean high water line Southeasterly a distance of 181.00 feet, more or less; thence South 69°36'52" West a distance of 284.89 feet; thence North 20°23'08" West a distance of 48.00 feet; thence South 69°36'52" West a distance of 142.00 feet to the Easterly Right Of Way line of State Road A-1-A; thence North 20°23'08" West along said right of way line a distance of 85.00 feet to the P.O.B.

REGENCY ISLAND DUNES, A CONDOMINIUM



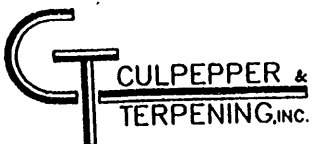


NOTE:

- 1) FOR POOL & DECK DIMENSIONS
SEE SHEET 8 OF 8
- 2) FOR BUILDING DIMENSIONS
SEE SHEETS 6 & 7

PROPOSED SITE PLAN

REGENCY ISLAND DUNES, A CONDOMINIUM



CONSULTING ENGINEERS LAND SURVEYORS
DISK: 9107-3 FILE: SP-3

9-18-95

State of Florida



Department of State

I certify from the records of this office that REGENCY ISLAND DUNES ASSOCIATION, INC., is a corporation organized under the laws of the State of Florida, filed on December 22, 1995.

The document number of this corporation is N95000006022.

I further certify that said corporation has paid all fees and penalties due this office through December 31, 1995, and its status is active.

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

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Tenth day of January, 1996



CR2E022 (1-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

ARTICLES OF INCORPORATION

OF

REGENCY ISLAND DUNES ASSOCIATION, INC.,
A FLORIDA CORPORATION NOT-FOR-PROFIT

FILED

95 DEC 22 PM 2:07

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned Incorporator, for the purpose of forming a corporation not-for-profit pursuant to the laws of the State of Florida, Florida Statutes, Chapter 617, hereby adopts the following Articles of Incorporation:

ARTICLE I - NAME AND ADDRESS

The name of the corporation is REGENCY ISLAND DUNES ASSOCIATION, INC., a Florida corporation not-for-profit, hereinafter referred to as the "ASSOCIATION". The mailing address of the ASSOCIATION is: Atlantic Gulf Communities Corporation, 2601 South Bayshore Drive, Miami, Florida, 33133.

ARTICLE II - PURPOSE

The purposes for which the ASSOCIATION is organized are as follows:

A. To operate as a corporation not-for-profit pursuant to Chapter 617 of the Florida Statutes.

B. To operate REGENCY ISLAND DUNES, A CONDOMINIUM pursuant to the Florida CONDOMINIUM ACT, as and when the Declaration of Condominium of Regency Island Dunes, A Condominium, is recorded in the public records in the county in which the Condominium is located with these Articles attached as an exhibit thereto.

C. To promote the health, safety, welfare, comfort, and social and economic benefit of the members of the ASSOCIATION.

ARTICLE III - DEFINITIONS

The terms used in these ARTICLES and the BYLAWS shall have the same definitions and meanings as those set forth in the Declaration of Condominium of Regency Island Dunes, A Condominium, and in the CONDOMINIUM ACT, unless herein provided to the contrary, or unless the context otherwise requires.

ARTICLE IV - POWERS AND DUTIES

The ASSOCIATION shall have the following powers and duties:

A. All of the common law and statutory powers of a corporation not-for-profit under the laws of the State of Florida, and the statutory powers set forth in the CONDOMINIUM ACT.

B. To administer, enforce, carry out and perform all of the acts, functions, rights and duties provided in, or contemplated by, the DECLARATION, either expressed or implied, and to take any action reasonably necessary or appropriate to operate the CONDOMINIUM pursuant to the DECLARATION, including, but not limited to, the following:

1. To own, purchase, sell, mortgage, encumber, lease, administer, manage, operate, maintain, improve, repair and/or replace real and personal property.

2. To make and collect ASSESSMENTS against members of the ASSOCIATION to defray the costs, expenses and losses incurred or to be incurred by the ASSOCIATION, and to use the proceeds thereof in the exercise of the ASSOCIATION'S powers and duties.

C. To maintain, repair, replace, reconstruct, add to, and operate the CONDOMINIUM, and other property acquired or leased by the ASSOCIATION for use by its members.

D. To purchase insurance upon the CONDOMINIUM and insurance for the protection of the ASSOCIATION, its directors, officers and members, and such other parties as the ASSOCIATION may determine.

E. To make and amend reasonable rules and regulations for the use, maintenance, and appearance of, the UNITS and the use of the COMMON ELEMENTS and the ASSOCIATION PROPERTY, and for the health, comfort, safety, welfare, and benefit of the ASSOCIATION'S members.

F. To enforce by legal means the provisions of the CONDOMINIUM ACT, the DECLARATION, these ARTICLES, the BYLAWS, and the Rules and Regulations of the ASSOCIATION.

G. To contract for the management and maintenance of the CONDOMINIUM and to authorize a management agent or company (which may be the DEVELOPER or an affiliate of the DEVELOPER) to assist the ASSOCIATION in carrying out its powers and duties by performing such functions as the submission of proposals, collection of ASSESSMENTS and other monies owed to the ASSOCIATION, preparation of records, enforcement of rules, and maintenance, repair and replacement of the COMMON ELEMENTS with funds as shall be made available by the ASSOCIATION for such purposes, as well as exercising such other powers and rights delegated to it by the ASSOCIATION, which powers and rights are vested in the ASSOCIATION by virtue of the DECLARATION, these ARTICLES, the BYLAWS and the CONDOMINIUM ACT. The ASSOCIATION and its officers shall, however, retain at all times the powers and duties granted by the DECLARATION and the CONDOMINIUM ACT, including, but not limited to, the making of ASSESSMENTS, promulgation of rules, and execution of contracts on behalf of the ASSOCIATION.

H. To employ personnel necessary to perform the obligations, services and duties required of or to be performed by the ASSOCIATION and for the proper operation of the CONDOMINIUM and/or to contract with others, for the performance of such obligations, services and/or duties.

I. To contract for cable television and security services for the CONDOMINIUM.

ARTICLE V - MEMBERS

A. The members of the ASSOCIATION shall consist of all of the record owners of UNITS. Membership shall be established as to each UNIT upon the recording of the DECLARATION. Upon the transfer of ownership of fee title to, or fee interest in, a UNIT, whether by conveyance, devise, judicial decree, foreclosure, or otherwise, and upon the recordation amongst the public records in the county in which the CONDOMINIUM is located of the deed or other instrument establishing the acquisition and designating the UNIT affected thereby, the new UNIT OWNER designated in such deed or other instrument shall thereupon become a member of the ASSOCIATION, and the membership of the prior UNIT OWNER as to the UNIT designated shall be terminated, provided, however, that the ASSOCIATION shall not have the responsibility or obligation of recognizing any such change in membership until it has been delivered a true copy of the applicable deed or other instrument, or is otherwise informed of the transfer of ownership of the UNIT. Prior to the recording of the DECLARATION, the incorporator shall be the sole member of the ASSOCIATION.

B. The share of each member in the funds and assets of the ASSOCIATION, the COMMON ELEMENTS and the COMMON SURPLUS, and any membership in this ASSOCIATION, cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the UNIT for which that membership is established.

C. On all matters upon which the membership shall be entitled to vote, there shall be only one vote for each UNIT. In the event any UNIT is owned by more than one person and/or by an entity, the vote for such UNIT shall be cast in the manner provided by the BYLAWS. Any person or entity owning more than one UNIT shall be entitled to one vote for each UNIT owned.

D. The BYLAWS shall provide for an annual meeting of the members of the ASSOCIATION and shall make provision for special meetings.

ARTICLE VI - INCORPORATOR

The name and address of the incorporator is: Marcia H. Langley 2601 South Bayshore Drive, Miami, Florida, 33133.

ARTICLE VII

INITIAL REGISTERED OFFICE ADDRESS AND NAME OF REGISTERED AGENT

The address of the initial registered office of the ASSOCIATION is 2601 South Bayshore Drive, Miami, Florida, 33133. The initial registered agent of the ASSOCIATION at that address is Marcia H. Langley.

ARTICLE VIII - DIRECTORS

A. The property, business and affairs of the ASSOCIATION shall be managed by a BOARD which shall consist of not less than three (3) directors, and which shall always be an odd number. The BYLAWS may provide for a method of determining the number of directors from time to time. In the absence of a determination as to the number of directors, the BOARD shall consist of three (3) directors. Except for directors appointed by the DEVELOPER, and except to the extent required in order to elect a full BOARD due to the unwillingness of UNIT OWNERS to serve on the BOARD, directors are required to be UNIT OWNERS, or a shareholder, director, officer or partner of an entity which owns a UNIT.

B. All of the duties and powers of the ASSOCIATION existing under the CONDOMINIUM ACT, the DECLARATION, these ARTICLES and the BYLAWS shall be exercised exclusively by the BOARD, its agents, contractors or employees, subject to approval by the members only when specifically required.

C. Initially the DEVELOPER shall have the right to appoint all of the directors. When members other than the DEVELOPER own fifteen (15%) percent or more of the UNITS that will be operated ultimately by the ASSOCIATION, the members other than the DEVELOPER shall be entitled to elect not less than one-third (1/3) of the directors. Members other than the DEVELOPER shall be entitled to elect not less than a majority of the directors upon the earlier of the following:

1. Three (3) years after fifty (50%) percent of the UNITS that will be operated ultimately by the ASSOCIATION have been conveyed to purchasers;

2. Three (3) months after ninety (90%) percent of the UNITS that will be operated ultimately by the ASSOCIATION have been conveyed to purchasers;

3. When all of 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; or

5. Seven (7) years after the recording of the DECLARATION, or if the ASSOCIATION may ultimately operate more than one (1) CONDOMINIUM, seven (7) years after the recording of the DECLARATION for the first CONDOMINIUM operated by the ASSOCIATION, or if the ASSOCIATION operates a phase condominium created pursuant to Florida Statutes, Section 718.403, seven (7) years after the recording of the DECLARATION creating the initial phase.

The DEVELOPER is entitled to elect at least one director as long as the DEVELOPER holds for sale in the ordinary course of business at least five (5%) percent of the UNITS in a CONDOMINIUM operated by the ASSOCIATION which contains fewer than 500 UNITS and 2% in a CONDOMINIUM with more than 500 UNITS. Following the time that the DEVELOPER

relinquishes control of the ASSOCIATION, the DEVELOPER may exercise the right to vote any DEVELOPER-OWNED UNITS in the same manner as any other UNIT OWNER, except for purposes of re-acquiring control of the ASSOCIATION or selecting a majority of the directors. That will be operated ultimately by the ASSOCIATION. Thereafter all of the directors shall be elected by the members in the manner determined by the BYLAWS.

Notwithstanding the foregoing, the DEVELOPER may waive its right to elect one or more directors which it is entitled to elect, by written notice to the ASSOCIATION, and thereafter such directors shall be elected by the members.

D. Within 75 days after the members other than the DEVELOPER are entitled to elect one or more directors, the ASSOCIATION shall call, and give not less than 60 days notice of, a meeting of members to elect the directors which the members are then entitled to elect. The meeting may be called and the notice given by any UNIT OWNER if the ASSOCIATION fails to do so. Thereafter, the directors which the members are entitled to elect shall be elected at the annual meeting of the members.

E. Directors may be removed and vacancies on the BOARD shall be filled in the manner provided by the BYLAWS, however any director appointed by the DEVELOPER may only be removed by the DEVELOPER, and any vacancy on the BOARD shall be appointed by the DEVELOPER if, at the time such vacancy is to be filled, the number of directors appointed by the DEVELOPER is less than the maximum number of directors which may, at that time, be appointed by the DEVELOPER as set forth above.

F. The names and addresses of the initial directors, who shall hold office until their successors are appointed or elected, are as follows:

Patrick E. Sessions, 2601 South Bayshore Drive, Miami, Florida, 33133

Roy M. Whitehead, 8650 South Ocean Drive, Jensen Beach, Florida 34957

Marcia H. Langley, 2601 South Bayshore Drive, Miami, Florida, 33133

ARTICLE IX - OFFICERS

The officers of the ASSOCIATION shall be a president, vice-president, secretary, treasurer and such other officers as the BOARD may from time to time by resolution create. The officers shall serve at the pleasure of the BOARD, and the BYLAWS may provide for the removal from office of officers, for filling vacancies, and for the duties of the officers. The names of the officers who shall serve until their successors are designated by the BOARD are as follows:

PRESIDENT Patrick E. Sessions

VICE PRESIDENT Roy M. Whitehead

VICE PRESIDENT/SECRETARY/TREASURER . . . Marcia H. Langley

ARTICLE X - INDEMNIFICATION

A. The ASSOCIATION shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the ASSOCIATION) by reason of the fact that he is or was a director, employee, officer or agent of the ASSOCIATION, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the ASSOCIATION; and with respect to any criminal action or proceeding, if he had no reasonable cause to believe his conduct was unlawful; except, that no indemnification shall be made in respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or willful misfeasance or malfeasance in the performance of his duty to the ASSOCIATION unless and only to the extent that the court in

which the action or suit was brought shall determine, upon application, that despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interest of the ASSOCIATION; and with respect to any criminal action or proceeding, that he had no reasonable cause to believe that his conduct was unlawful.

B. To the extent that a director, officer, employee or agent of the ASSOCIATION has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Paragraph 1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

C. Any indemnification under Paragraph 1 above (unless ordered by a court) shall be made by the ASSOCIATION only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper under the circumstances because he has met the applicable standard of conduct set forth in Paragraph 1 above. Such determination shall be made (a) by the BOARD by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in written opinion, or (c) by approval of the members.

D. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the ASSOCIATION in advance of the final disposition of such action, suit or proceeding as authorized by the BOARD in the specific case upon receipt of an undertaking by or on behalf of the directors, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the ASSOCIATION as authorized herein.

E. The indemnification provided herein shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the laws of the State of Florida, any BYLAW, agreement, vote of members or otherwise; and as to action taken in an official capacity while holding office, shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

F. The ASSOCIATION shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the ASSOCIATION, or is or was serving at the request of the ASSOCIATION as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, as arising out of his status as such, whether or not the ASSOCIATION would have the power to indemnify him against such liability under the provisions of this ARTICLE.

ARTICLE XI - BYLAWS

The first BYLAWS shall be adopted by the BOARD and may be altered, amended or rescinded in the manner provided by the BYLAWS.

ARTICLE XII - AMENDMENTS

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

A. A majority of the BOARD shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of the members, which may be the annual or a special meeting.

B. Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member entitled to vote thereon within the time

and in the manner provided in the BYLAWS for the giving of notice of meeting of members. If the meeting is an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

C. At such meeting, a vote of the members entitled to vote thereon shall be taken on the proposed amendment. The proposed amendment shall be adopted upon receiving the affirmative vote of a majority of the votes of the entire membership of the ASSOCIATION.

D. Any number of amendments may be submitted to the members and voted upon by them at any one meeting.

E. If all of the directors and all of the members eligible to vote sign a written statement manifesting their intention that an amendment to these ARTICLES be adopted, then the amendment shall thereby be adopted as though the above requirements had been satisfied.

F. No amendment shall make any changes in the qualifications for membership nor in the voting rights or property rights of members without approval by all of the members and the joinder of all record owners of mortgages upon the UNITS. No amendment shall be made that is in conflict with the CONDOMINIUM ACT or the DECLARATION. So long as DEVELOPER owns any UNIT, no amendment shall be made without the written joinder of the DEVELOPER.

G. No amendment to these ARTICLES shall be made which discriminates against any UNIT OWNER(S), or affects less than all of the UNIT OWNERS without the written approval of all of the UNIT OWNERS so discriminated against or affected.

H. Upon the approval of an amendment to these ARTICLES, articles of amendment shall be executed and delivered to the Department of State as provided by law, and a copy certified by the Department of State shall be recorded in the public records of the county in which the CONDOMINIUM is located.

ARTICLE XIII - MULTIPLE CONDOMINIUMS

Notwithstanding anything contained herein to the contrary, the ASSOCIATION shall be authorized to operate any condominium in addition to Regency Island Dunes, A Condominium which is developed within the property described in Exhibit "B" of the Declaration of Condominium of Regency Island Dunes, A Condominium to which these ARTICLES are to be attached as an exhibit thereto. Any such condominium shall be operated by the ASSOCIATION if the declaration of condominium of such condominium provides the ASSOCIATION will operate the condominium, if such condominium is created by DEVELOPER or any assignee of DEVELOPER. This ASSOCIATION may, but will not be required to, operate any other condominium within the property described in Exhibit "B" of the Declaration of Condominium of Regency Island Dunes, A Condominium, created by any person or entity other than DEVELOPER, or its assigns, provided the ASSOCIATION joins in the declaration of condominium of such other condominium and agrees to operate same. In the event the ASSOCIATION operates any condominium in addition to Regency Island Dunes, A Condominium, then the following provisions shall apply:

A. Definitions. The following definitions shall apply:

1. "CONDOMINIUM" shall mean and refer to REGENCY ISLAND DUNES, A CONDOMINIUM, and any other condominium which the ASSOCIATION operates.

2. "DECLARATION" shall mean and refer to the Declaration of Condominium of Regency Island Dunes, A Condominium, and any other declaration of condominium operated by the ASSOCIATION, and any amendments to such declarations.

3. "UNIT" shall mean and refer to a CONDOMINIUM UNIT within any CONDOMINIUM operated by the ASSOCIATION.

4. "UNIT OWNER" shall mean the record owner of a UNIT within any CONDOMINIUM operated by the ASSOCIATION.

5. Any other defined term in these ARTICLES or in the BYLAWS shall be adjusted and modified where applicable to refer to all of the CONDOMINIUMS operated by the ASSOCIATION.

B. The BYLAWS may divide membership in the ASSOCIATION into classes or otherwise establish such that matters relating to only one CONDOMINIUM will be voted upon only by the members who own UNITS in that CONDOMINIUM, and matters relating to the ASSOCIATION or relating to all of the CONDOMINIUMS operated by the ASSOCIATION will be voted upon by all of the members.

C. The BYLAWS may provide a means by which the directors will be divided among the various CONDOMINIUMS operated by the ASSOCIATION.

D. No amendment to these ARTICLES shall be made which discriminates against or affects the UNIT OWNERS in less than all of the CONDOMINIUMS operated by the ASSOCIATION without the approval of a majority of the UNIT OWNERS within the CONDOMINIUM(S) so discriminated against or affected.

Notwithstanding anything contained herein to the contrary, until such time as all of the property described in Exhibit "B" of the Declaration of Condominium of Regency Island Dunes, A Condominium is developed as part of such condominium, or as one or more additional condominiums, no amendment to this Article XIII shall be made without the prior written consents of DEVELOPER and the owner of any portion of the property described in said Exhibit "C" which is not submitted as part of a condominium.

WHEREFORE, the Incorporator, and the Initial Registered Agent, have executed these ARTICLES on this ___ day of _____, 19___. By executing these ARTICLES, the undersigned registered agent accepts the appointment as registered agent and states that the undersigned is familiar with, and accepts, the obligations of that position.

Marcia H. Langley, as Incorporator and Initial Registered Agent

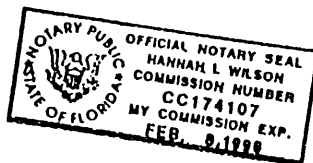
STATE OF FLORIDA)
COUNTY OF Dade) ss:

The foregoing instrument was acknowledged before me this 21st day of March, 1995, by Marcia H. Langley as Incorporator and as Registered Agent. He/she is personally known to me or has produced _____ as identification.

NOTARY PUBLIC, State of Florida

My Commission Expires:

EAS/ISLAND/ARTICLES
12/12/95



BYLAWS OF

REGENCY ISLAND DUNES ASSOCIATION, INC.

1. GENERAL PROVISIONS.

1.1 Identity. These are the BYLAWS of Regency Island Dunes Association, Inc., hereinafter referred to as the "ASSOCIATION." The ASSOCIATION has been organized for the purposes stated in the ARTICLES and shall have all of the powers provided in the CONDOMINIUM DOCUMENTS, the CONDOMINIUM ACT, and any other statute or law of the State of Florida, or any other power incident to any of the above powers.

1.2 Principal Office. The principal office of the ASSOCIATION shall be at such place as the BOARD may determine from time to time.

1.3 Fiscal Year. The fiscal year of the ASSOCIATION shall be the calendar year.

1.4 Seal. The seal of the ASSOCIATION shall have inscribed upon it the name of the ASSOCIATION, the year of its incorporation and the words "Corporation Not-For-Profit." The seal may be used by causing it, or a facsimile thereof, to be impressed, affixed or otherwise reproduced upon any instrument or document executed in the name of the ASSOCIATION.

1.5 Incorporation of the CONDOMINIUM ACT. All of the provisions of the CONDOMINIUM ACT, being Chapter 718, Florida Statutes, as same now exists and may apply to the ASSOCIATION are, with permissible deviations therefrom, incorporated herein by reference. In the event of any conflict between these BYLAWS and the CONDOMINIUM ACT, these BYLAWS shall control unless the deviation from the CONDOMINIUM ACT is impermissible.

1.6 Inspection of Books and Records. The records of the ASSOCIATION shall be open to inspection by UNIT OWNERS or their authorized representatives, and all holders, insurers or guarantors of any first mortgage encumbering a UNIT, upon reasonable request, during normal business hours or under other reasonable circumstances. Such records of the ASSOCIATION shall include current copies of the DECLARATION, ARTICLES, BYLAWS, the Rules and Regulations of the ASSOCIATION; and any amendments thereto; any contracts entered into by the ASSOCIATION, and the books, records and financial statements of the ASSOCIATION; and all other official records of the ASSOCIATION as described in the CONDOMINIUM ACT. The ASSOCIATION shall be required to make available to prospective purchasers of UNITS in the CONDOMINIUM current copies of the DECLARATION, ARTICLES, BYLAWS and Rules and Regulations, and the most recent budget and annual financial statement of the ASSOCIATION.

1.7 Definitions. Unless the context otherwise requires, all terms used in these BYLAWS shall have the same meaning as are attributed to them in the ARTICLES, the DECLARATION, and the CONDOMINIUM ACT.

2. MEMBERSHIP IN GENERAL.

2.1 Qualification. Pursuant to the ARTICLES, all of the record owners of UNITS in the CONDOMINIUM operated by the ASSOCIATION shall be members of the ASSOCIATION. Membership for each UNIT shall be established upon the recording of the DECLARATION. Prior to the recording of the DECLARATION, the incorporator shall be the member of the ASSOCIATION.

2.2 Changes in Membership. The transfer of the ownership of any UNIT, either voluntarily or by operation of law, shall automatically terminate the membership of the prior owner, and the transferee or new owner shall automatically become a member of the ASSOCIATION. It shall be the responsibility of any such transferor and transferee of a UNIT to notify the ASSOCIATION of any change in the ownership of any UNIT, and the corresponding change in any membership, by delivering to the ASSOCIATION a copy of the deed or other instrument of conveyance which establishes a transfer of ownership. In the absence of such notification, the ASSOCIATION shall not be obligated to recognize any

change in membership or ownership of a UNIT for purposes of notice, voting, ASSESSMENTS, or for any other purpose.

2.3 UNIT OWNER Register. The secretary of the ASSOCIATION shall maintain a register in the office of the ASSOCIATION showing the names and addresses of the UNIT OWNERS. It shall be the obligation of each UNIT OWNER to advise the secretary of any change of address of the UNIT OWNER, or of the change of ownership of the UNIT OWNER's UNIT, as set forth above. Any UNIT OWNER who mortgages his UNIT shall notify the ASSOCIATION of the name and address of his mortgagee. Any UNIT OWNER who satisfies the mortgage encumbering his UNIT shall also notify the ASSOCIATION thereof. The names and addresses of any such mortgagee shall also be maintained in the UNIT OWNER register.

3. UNIT OWNER VOTING

3.1 Voting Rights. There shall be one vote for each UNIT. In the event any UNIT is owned by more than one person, or is owned by a person other than an individual, the vote for such UNIT shall be cast as set forth below, and votes shall not be divisible. In the event any UNIT OWNER owns more than one UNIT, the UNIT OWNER shall be entitled to one vote for each such UNIT.

3.2 Majority Vote and Quorum Requirements. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum is present shall be binding upon all UNIT OWNERS for all purposes, except where otherwise provided by law or in the CONDOMINIUM DOCUMENTS. Unless otherwise so provided, at any regular or special meeting, the presence in person or by proxy of persons entitled to cast the votes for one-third (1/3) of the UNITS operated by the ASSOCIATION shall constitute a quorum.

3.3 Determination as to Voting Rights.

3.3.1 In the event any UNIT is owned by one person, his right to cast the vote for the UNIT shall be established by the record title to his UNIT.

3.3.2 In the event any UNIT is owned by more than one person or by an entity, the vote for the UNIT may be cast at any meeting by any co-owner of the UNIT provided, however, that in the event a dispute arises between the co-owners as to how the vote for the UNIT shall be cast, or in the event the co-owners are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to cast the vote for the UNIT on the matter being voted upon at that meeting, but their presence shall be counted for purposes of determining the existence of a quorum. For purposes of this paragraph, the principals or partners of any entity (other than a corporation) owning a UNIT shall be deemed co-owners of the UNIT, and the directors and officers of a corporation owning a UNIT shall be deemed co-owners of the UNIT. If any co-owner of a UNIT appears at any meeting by proxy, and another co-owner appears in person, the vote for the UNIT shall be cast by the co-owner of the UNIT appearing in person, and the proxy shall be deemed revoked.

3.4 Proxies. Every UNIT OWNER entitled to vote at a meeting of the UNIT OWNERS, or to express consent or dissent without a meeting, may authorize another person or persons to act on the UNIT OWNER's behalf by a proxy signed by such UNIT OWNER or his attorney-in-fact. Any proxy shall be delivered to the secretary of the meeting at or prior to the time designated in the order of business for delivering proxies. Any proxy shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. 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. Every proxy shall specifically set forth the name of the person voting by proxy, and the name of the person authorized to vote the proxy for him. Every proxy shall contain the date, time, and place of the meeting for which the proxy is given, and if a limited proxy, shall set forth those items which the proxy holder may vote, and the manner in which the vote is to be cast.

3.5 General and Limited Proxies. Except as specifically otherwise provided herein, UNIT OWNERS may not vote by general proxy but may vote by limited proxies substantially conforming to a limited proxy form adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes. Limited proxies and general proxies may be used to establish a quorum at any meeting of the UNIT OWNERS. Limited proxies shall be used for

votes taken to waive or reduce reserves; for votes taken to waive financial statement requirements; for votes taken to amend the declaration; for votes taken to amend the articles of incorporation or bylaws; and for any other matter for which the CONDOMINIUM ACT requires or permits a vote of the UNIT OWNERS. No proxy, limited or general, shall be used in the election of directors. General proxies may be used for other matters for which limited proxies are not required and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given. Notwithstanding the provisions of this subparagraph, UNIT OWNERS may vote in person at UNIT OWNER meetings.

3.6 Rights of DEVELOPER. Notwithstanding anything contained in the CONDOMINIUM DOCUMENTS to the contrary, until the DEVELOPER has closed the sale of all UNITS, no vote of the UNIT OWNERS shall be effective or may be taken without approval in writing by the DEVELOPER which would:

3.6.1 Result in the DEVELOPER being assessed as a UNIT OWNER for capital improvements;

3.6.2 Be detrimental to the sales of UNITS by the DEVELOPER. However, a non-discriminatory increase in ASSESSMENTS for COMMON EXPENSES without discrimination against the DEVELOPER shall not be deemed to be detrimental to the sales of UNITS.

3.6.3 Adversely affect any right the DEVELOPER may have to appoint any directors, as provided in the ARTICLES, or these BYLAWS.

3.6.4 Otherwise discriminate in any respect against the DEVELOPER, or remove, limit, modify or alter any right of the DEVELOPER as provided in the CONDOMINIUM ACT or the CONDOMINIUM DOCUMENTS.

4. UNIT OWNER MEETINGS

4.1 Who May Attend. In the event any UNIT is owned by more than one person, all co-owners of the UNIT may attend any meeting of the UNIT OWNERS. In the event any UNIT is owned by a corporation, any director or officer of the corporation may attend any meeting of the UNIT OWNERS. However, the vote for any UNIT shall be cast in accordance with the provisions of Paragraph 3 above. INSTITUTIONAL MORTGAGEES have the right to attend all UNIT OWNER meetings. Any UNIT OWNER may tape record or videotape a meeting of the UNIT OWNERS.

4.2 Place. All meetings of the UNIT OWNERS shall be held at the principal office of the ASSOCIATION or at such other place and at such time as shall be designated by the BOARD and stated in the notice of meeting.

4.3 Notices. Written notice, which notice must include an agenda, stating the place, day and hour of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed or delivered to each UNIT OWNER at least 14 days before the date of the meeting, by or at the direction of the president, the secretary or the officer or persons calling the meeting. 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. A copy of the notice shall be posted in a conspicuous place on the CONDOMINIUM PROPERTY at least 14 continuous days prior to any meeting. Upon notice to the UNIT OWNERS, the BOARD shall by duly adopted rule designate a specific location on the CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY upon which all notices of UNIT OWNER meetings shall be posted; however if there is no CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY upon which notices can be posted, this requirement does not apply. Unless a UNIT OWNER waives in writing his right to receive notice of a meeting by mail, the notice of any meeting shall be sent by mail to each UNIT OWNER. An officer of the ASSOCIATION, or the manager or other person providing notice of the ASSOCIATION meeting shall provide an affidavit or United States Postal Service certificate of mailing, to be included in the Official Records of the ASSOCIATION, affirming that the notice was mailed or hand delivered, in accordance with this paragraph, to each UNIT OWNER at the address last furnished to the ASSOCIATION. For the purpose of determining UNIT OWNERS entitled to notice of, or to vote at, any meeting of the UNIT OWNER, or in order to make a determination of the UNIT OWNERS for any other purpose, the BOARD shall be entitled to rely upon the UNIT OWNER

register as same exists ten days prior to the giving of the notice of any meeting, and the BOARD shall not be required to take into account any changes in the UNIT OWNERS occurring after that date but may, in their sole and absolute discretion, do so. Where a UNIT is owned by more than one person, the ASSOCIATION shall provide notice, for meetings and all other purposes, to that one address which the DEVELOPER initially identifies for that purpose and thereafter as one or more of the OWNERS of the UNITS shall so advise the ASSOCIATION in writing, or if no address is given or the OWNERS of the UNIT do not agree, to the address provided in the deed of record. Notwithstanding the foregoing, if a UNIT is owned by more than one person or by an entity, only one notice shall be required to be given with respect to the UNIT, which may be given to any co-owner as defined in Paragraph 3.03.2 of these BYLAWS. Notice to any UNIT OWNER or co-owner shall be sent to the UNIT of such UNIT OWNER or co-owner, unless the UNIT OWNER(S) of the UNIT otherwise request.

4.4 Approvals of UNIT OWNERS. Any approval by UNIT OWNERS called for by the CONDOMINIUM ACT, or the CONDOMINIUM DOCUMENTS, including but not limited to the approval requirement in Florida Statutes, Section 718.111(8), shall be made at a duly noticed meeting of the UNIT OWNERS and shall be subject to all requirements of the CONDOMINIUM ACT and the CONDOMINIUM DOCUMENTS relating to UNIT OWNER decision making, except that UNIT OWNERS may take action by written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by the foregoing documents or any statute which provides for such action.

4.5 Waiver of Notice. Whenever any notice is required to be given to any UNIT OWNER under the provisions of the ARTICLES or these BYLAWS, or as otherwise provided by law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a UNIT OWNER at a meeting shall constitute a waiver of notice of such meeting, except when the UNIT OWNER objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

4.6 Annual Meeting. The annual meeting for the purpose of electing directors and transacting any other business shall be held at eight o'clock p.m. on the third Tuesday in January of each year, or at such other time and date each year as shall be selected by the BOARD and as is contained in the notice of such meeting.

4.7 Special Meetings. Special meetings of the UNIT OWNERS may be called at any time by any director, the president, or at the request, in writing, by a majority of the directors, or at the request in writing of not less than 25% of the UNIT OWNERS, or as otherwise provided by law. Such request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subjects stated in the notice of meeting. Notice of any special meeting shall be given by the secretary, or other officer of the ASSOCIATION, to all of the UNIT OWNERS within thirty (30) days after same is duly called, and the meeting shall be held within forty-five (45) days after same is duly called.

4.8 Adjournments. Any meeting may be adjourned or continued by a majority vote of the UNIT OWNERS present in person or by proxy and entitled to vote, or if no UNIT OWNER entitled to vote is present, then any officer of the ASSOCIATION may adjourn the meeting from time to time. If any meeting is adjourned or continued to another time or place, notice of the reschedule meeting must be given as in the case of all other meetings of the UNIT OWNERS.

4.9 Organization. At each meeting of the UNIT OWNERS, the president, the vice president, or any person chosen by a majority of the UNIT OWNERS present, in that order, shall act as chairman of the meeting. The secretary, or in his absence or inability to act, any person appointed by the chairman of the meeting, shall act as secretary of the meeting.

4.10 Order of Business. The order of business at the annual meetings of the UNIT OWNERS shall be:

- 4.10.1 Determination of chairman of the meeting;
- 4.10.2 Calling of the roll and certifying of proxies;
- 4.10.3 Proof of notice of meeting or waiver of notice;

4.10.4 Reading and disposal of any unapproved minutes;

4.10.5 Election of inspectors of election;

4.10.6 Determination of number of directors;

4.10.7 Election of directors;

4.10.8 Reports of directors, officers or committees;

4.10.9 Unfinished business;

4.10.10 New business; and

4.10.11 Adjournment

4.11 Participation. UNIT OWNERS have the right to participate in meetings of UNIT OWNERS with reference to all designated agenda items. However, the ASSOCIATION may adopt reasonable rules governing the frequency, duration and manner of UNIT OWNER participation.

4.12 Tape Recording or Videotaping. Any UNIT OWNER may tape record or videotape a meeting of the UNIT OWNERS, subject to reasonable rules adopted by the Division of Florida Land Sales, Condominiums and Mobile Homes.

4.13 Minutes. The minutes of all meetings of the UNIT OWNERS shall be kept in a book available for inspection by the UNIT OWNERS or their authorized representatives, and the directors, at any reasonable time and upon reasonable notice. The ASSOCIATION shall retain these minutes for a period of not less than seven years

4.14 Actions Without a Meeting. Any action required or permitted to be taken at any annual or special meeting of the UNIT OWNERS of the ASSOCIATION, may consent in writing, setting forth the action so taken, shall be signed by the UNIT OWNERS having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all UNIT OWNERS entitled to vote thereon were present and voted. Within ten days after obtaining such authorization by written consent, notice shall be given to those UNIT OWNERS who have not consented in writing. The notice shall fairly summarize the material features of the authorized action. If a UNIT is owned by more than one person or by a corporation, the consent for such UNIT need only be signed by one person who would be entitled to cast the vote for the UNIT as a co-owner pursuant to Paragraph 3.02.2 of these BYLAWS. This section shall not apply to annual UNIT OWNER meetings, the reduction or waiver of reserves, or to any other action required by the CONDOMINIUM ACT to be taken at a meeting of the UNIT OWNERS.

5. DIRECTORS

5.1 Membership. The affairs of the ASSOCIATION shall be managed by a BOARD of not less than three (3) directors. The number of directors may be changed at any meeting where the UNIT OWNERS are to elect any directors (i) by the then existing BOARD, if prior to such meeting of the UNIT OWNERS the BOARD votes to change the number of directors and such change is indicated in the notice of the meeting sent to the UNIT OWNERS, or (ii) by the UNIT OWNERS at the meeting prior to the election of directors. If the number of directors on the BOARD is not changed, then the number of directors shall be the same as the number on the BOARD prior to such meeting (plus any unfilled vacancies created by the death, resignation or removal of a director). The number of directors including any unfilled vacancies shall always be an odd number.

5.2 Election of Directors by UNIT OWNERS. Election of directors to be elected by the UNIT OWNERS of the ASSOCIATION shall be conducted in the following manner:

5.2.1 Within 75 days after the UNIT OWNERS other than the DEVELOPER are entitled to elect any directors, as provided in the CONDOMINIUM ACT and the ARTICLES, or within 75 days after the DEVELOPER notifies the ASSOCIATION that it waives its right to appoint one or more directors, the ASSOCIATION shall call, and give not less than 60 days

nor more than 40 days' notice of, a special meeting of the UNIT OWNERS to elect any directors the UNIT OWNERS are then entitled to elect, or to replace the appropriate number of directors previously appointed by the DEVELOPER. The election shall proceed as provided in Florida Statutes, Section 718.112(2)(d). The notice may be given by any UNIT OWNER if the ASSOCIATION fails to do so. At such special Meeting the UNIT OWNERS shall be required to elect any directors which they are entitled to elect, and if they fail to do so any directors appointed by DEVELOPER which would have been replaced by any directors elected by the UNIT OWNERS may resign without further liability or obligation to the ASSOCIATION. If such special meeting is within four (4) months of the next annual meeting, such special meeting may at the option of the BOARD be deemed to be the next annual meeting if the notice of the special meeting states it will be considered to be the annual meeting and if all of the provisions of these BYLAWS and the CONDOMINIUM ACT relating to annual meetings are complied with.

5.2.2 Except as provided above, the UNIT OWNERS shall elect directors at the annual UNIT OWNER meetings.

5.2.3 The election of directors by the UNIT OWNERS shall be by written ballot or voting machine. Proxies shall in no event be used in electing directors, either in general elections or elections to fill vacancies caused by recall, resignation or otherwise, unless otherwise provided in the CONDOMINIUM ACT. Not less than 60 days before a scheduled election, the ASSOCIATION shall mail or deliver, whether by separate ASSOCIATION mailing or included in another ASSOCIATION mailing or delivery including regularly published newsletters, to each UNIT OWNER entitled to vote, a first notice of the date of the election. Any UNIT OWNER or other eligible person desiring to be a candidate for the BOARD must give written notice to the ASSOCIATION not less than 40 days before a scheduled election. Together with the written notice and agenda, the ASSOCIATION shall mail a second notice of the election to all UNIT OWNERS entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the ASSOCIATION shall include an information sheet, no larger than 8 1/2 inches by 11 inches, which must be furnished by the candidate not less than 35 days before the election, to be included with the mailing of the ballot, with the costs of mailing or delivering and copying to be born by the ASSOCIATION. However, the ASSOCIATION has no liability for the contents of the information sheets prepared by the candidates. Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirement: however at least 20 percent of the eligible voters must cast a ballot in order to have a valid election of directors. No UNIT OWNER shall permit any other person to vote his ballot, and any such ballots improperly cast shall be deemed invalid. A UNIT OWNER who needs assistance in casting the ballot for reasons stated in Florida Statutes, Section 101.051, may obtain assistance in casting the ballot. Any UNIT OWNER violating this provision may be fined by the ASSOCIATION as elsewhere provided in these BYLAWS. The regular election shall occur on the date of the annual meeting. Notwithstanding the provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the BOARD. NOTWITHSTANDING THE FOREGOING, THE ELECTION OF DIRECTORS BY THE UNIT OWNERS SHALL BE DONE IN CONFORMANCE WITH THE APPLICABLE PROVISIONS OF THE CONDOMINIUM ACT AND THE RULES OF THE DIVISION OF FLORIDA LAND SALES, CONDOMINIUMS, AND MOBILE HOMES, AS SAME MAY BE AMENDED FROM TIME TO TIME, AND SAME SHALL CONTROL OVER ANY CONFLICTING PROVISIONS OF THESE BYLAWS.

5.3 Term of Office. All directors elected by the UNIT OWNERS shall hold office until the next annual meeting of the UNIT OWNERS and until their successors are duly elected, or until such director's death, resignation or removal, as hereinafter provided or as otherwise provided by statute or by the ARTICLES.

5.4 Organizational Meeting. The newly elected BOARD shall meet for the purposes of organization, the election of officers and the transaction of other business immediately after their election or within ten (10) days of same at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

5.5 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.

5.6 Special Meetings. Special meetings of the BOARD may be called by any director, or by the president, at any time.

5.7 Notice of Meetings. Notice of each meeting of the BOARD shall be given by the secretary, or by any other officer or director, which notice shall state the day, place and hour of the meeting. Except in the case of an emergency where necessary to protect life or property, notice of such meeting shall be delivered to each director either personally or by telephone or telegraph, at least 48 hours before the time at which such meeting is to be held, or by first class mail, postage prepaid, addressed to such director at his residence, or usual place of business, at least three days before the day on which such meeting is to be held. Notice of a meeting of the BOARD need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the beginning of the meeting, an objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the BOARD need be specified in any notice or waiver of notice of such meeting.

5.8 Attendance at BOARD Meetings. All meetings of the BOARD and any committee thereof at which a quorum of the members of that committee are present shall be open to all UNIT OWNERS and INSTITUTIONAL MORTGAGEES. Any UNIT OWNER may tape record or videotape meetings of the BOARD. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The ASSOCIATION may adopt reasonable rules governing the frequency, duration and manner of UNIT OWNER statements. Adequate notice of all meetings, which notice shall specifically incorporate an identification of agenda items, shall be posted conspicuously on the condominium property of each CONDOMINIUM operated by the ASSOCIATION at least 48 continuous hours preceding the meeting, except in an emergency. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the BOARD. Such emergency action shall be noticed and ratified at the next regular meeting of the BOARD. However, written notice of any meeting at which non-emergency special ASSESSMENTS or at which amendment to rules regarding UNIT use will be considered shall be mailed or delivered to the UNIT OWNERS and posted conspicuously on the CONDOMINIUM property of each CONDOMINIUM operated by the ASSOCIATION not less than 14 days prior to the meeting. Evidence of compliance with this 14 day notice shall be made by an affidavit executed by the person providing the notice and filed among the official records of the ASSOCIATION. Upon notice to the UNIT OWNERS, the BOARD shall by duly adopted rule designate a specific location on the CONDOMINIUM PROPERTY of each CONDOMINIUM operated by the ASSOCIATION or ASSOCIATION PROPERTY upon which all notices of BOARD meetings shall be posted. If there is no CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY upon which notices can be posted, notices of BOARD meetings shall be mailed or delivered at least 14 days before the meeting to the OWNER of each UNIT. Notice of any meeting in which regular 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 ASSESSMENTS.

5.9 Quorum and Manner of Acting. A majority of the directors determined in the manner provided in these BYLAWS shall constitute a quorum for the transaction of any business at a meeting of the BOARD. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the BOARD, unless the act of a greater number of directors is required by statute, the CONDOMINIUM ACT, or the CONDOMINIUM DOCUMENTS. A director who is present at a meeting of the BOARD at which action on any matter is taken shall be presumed to have assented to the action taken, unless the director votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest. Directors may not vote proxy or by secret ballot at BOARD meetings, except that officers may be elected by secret ballot. A vote or abstention for each director present shall be recorded in the minutes. A director may join by written concurrence in any action taken at a meeting of the BOARD but such concurrence may not be used for the purposes of creating a quorum.

5.10 Adjourned Meetings. A majority of the directors present at a meeting, whether or not a quorum exists, may adjourn any meeting of the BOARD to another place and time. Notice of any such adjourned meeting shall be given as in the case of any other meeting of the BOARD.

5.11 Presiding Officer. The presiding officer of the BOARD meetings shall be the chairman of the BOARD if such an officer is elected; and if none, the president of the ASSOCIATION shall preside. In the absence of the presiding officer, the directors present at the meeting shall designate one of their members to preside.

5.12 Order of Business. The order of business at a BOARD meeting shall be:

- 5.12.1 Calling of roll;
- 5.12.2 Proof of due notice of meeting;
- 5.12.3 Reading and disposal of any unapproved minutes;
- 5.12.4 Reports of officers and committees;
- 5.12.5 Election of officers;
- 5.12.6 Unfinished business;
- 5.12.7 New business; and
- 5.12.8 Adjournment

5.13 Minutes of Meetings. The minutes of all meetings of the BOARD shall be kept in a book available for inspection by the UNIT OWNERS or their authorized representatives, and the directors at any reasonable time and upon reasonable notice. The ASSOCIATION shall retain these minutes for a period of not less than seven years.

5.14 Committees. The BOARD may, by resolution duly adopted, appoint committees. Any committee shall have and may exercise such powers, duties and functions as may be determined by the BOARD from time to time, which may include any powers which may be exercised by the BOARD and which are not prohibited by law from being exercised by a committee.

5.15 Resignation. Any director may resign at any time by giving written notice of his resignation to another director or officer. Any such resignation shall take effect at the time specified therein or, if the time when such resignation is to become effective is not specified therein, immediately upon its receipt; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.16 Removal of Directors. Directors may be removed as follows:

5.16.1 Any director other than a director appointed by the DEVELOPER may be removed by majority vote of the remaining directors, if such director (a) has been absent for the last three consecutive BOARD meetings, and/or adjournments and continuances of such meetings; or (b) is a UNIT OWNER and has been delinquent for more than thirty (30) days after written notice in the payment of ASSESSMENTS or other monies owed to the ASSOCIATION.

5.16.2 Any director other than a director appointed by the DEVELOPER may be removed with or without cause by the vote of a majority of the UNIT OWNERS at a special meeting of the UNIT OWNERS called by not less than ten percent of the UNIT OWNERS expressly for that purpose. The vacancy on the BOARD caused by any such removal may be filled by the UNIT OWNERS at such meeting or, if the UNIT OWNERS shall fail to fill such vacancy, by the BOARD, as in the case of any other vacancy on the BOARD.

5.17 Vacancies.

5.17.1 Vacancies in the BOARD may be filled by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director, and a director so

chosen shall hold office until the next annual election and until his successor is duly elected, unless sooner displaced. If there are no directors, then a special election of the UNIT OWNERS shall be called to elect the directors. Notwithstanding anything contained herein to the contrary, the DEVELOPER at all times shall have the right to appoint the maximum number of directors permitted by the CONDOMINIUM ACT and by the ARTICLES, and any vacancies on the BOARD may be filled by the DEVELOPER to the extent that the number of directors then serving on the BOARD which were appointed by the DEVELOPER is less than the number of directors the DEVELOPER is then entitled to appoint.

5.17.2 In the event the ASSOCIATION fails to fill vacancies on the BOARD sufficient to constitute a quorum in accordance with these BYLAWS, any UNIT OWNER may apply to the Circuit Court of the County in which the CONDOMINIUM is located for the appointment of a receiver to manage the affairs of the ASSOCIATION. At least thirty (30) days prior to applying to the Circuit Court, the UNIT OWNER shall mail to the ASSOCIATION and post in a conspicuous place on the CONDOMINIUM PROPERTY a notice describing the intended action giving the ASSOCIATION the opportunity to fill the vacancies. If during such time the ASSOCIATION fails to fill the vacancies, the UNIT OWNER may proceed with the petition. If a receiver is appointed, the ASSOCIATION shall be responsible for the salary of the receiver, court costs, and attorneys' fees. The receiver shall have all powers and duties of a duly constituted member of the BOARD, and shall serve until the ASSOCIATION fills vacancies on the BOARD sufficient to constitute a quorum.

5.18 Directors Appointed by the DEVELOPER. Notwithstanding anything contained herein to the contrary, the DEVELOPER shall have the right to appoint the maximum number of directors in accordance with the privileges granted to the DEVELOPER pursuant to the CONDOMINIUM ACT and the ARTICLES. All directors appointed by the DEVELOPER shall serve at the pleasure of the DEVELOPER, and the DEVELOPER shall have the absolute right, at any time, and in its sole discretion, to remove any director appointed by it, and to replace such director with another person to serve on the BOARD. Replacement of any director appointed by the DEVELOPER shall be made by written instrument delivered to any officer or any other director, which instrument shall specify the name of the person designated as successor director. The removal of any director and the designation of his successor by the DEVELOPER shall become effective immediately upon delivery of such written instrument by the DEVELOPER.

5.19 Compensation. Directors shall not be entitled to any compensation unless the UNIT OWNERS elect to pay them compensation, and set the amount of such compensation, at any meeting of the UNIT OWNERS.

5.20 Powers and Duties. The directors shall have the right to exercise all of the powers and duties of the ASSOCIATION, express or implied, existing under the CONDOMINIUM DOCUMENTS, the CONDOMINIUM ACT, or as otherwise provided by statute or law. Such powers and duties of the directors shall include, without limitation (except as limited elsewhere herein), the following:

5.20.1 The operation, care, upkeep and maintenance of COMMON ELEMENTS and of ASSOCIATION PROPERTY.

5.20.2 The determination of the expenses required for the operation of the CONDOMINIUM and the ASSOCIATION and the collection of ASSESSMENTS from UNIT OWNERS required to pay same.

5.20.3 The acquisition, sale and transfer of ASSOCIATION PROPERTY, except that the ASSOCIATION shall not sell, convey or transfer any real property without the consent of a majority of the UNIT OWNERS, and shall not sell, convey or transfer any real property upon which any recreational facilities are located without the consent of 90% of the UNIT OWNERS.

5.20.4 The employment and dismissal of personnel necessary for the maintenance and operation of the COMMON ELEMENTS and ASSOCIATION PROPERTY.

5.20.5 The adoption and amendment of rules and regulations for the operation and use of the use, maintenance and appearance of the UNITS, and the use of the COMMON ELEMENTS and the ASSOCIATION PROPERTY.

5.20.6 Maintaining bank accounts on behalf of the ASSOCIATION and designating signatories required therefor.

5.20.7 Purchasing, leasing or otherwise acquiring UNITS in the name of the ASSOCIATION, or its designee, and selling, leasing, mortgaging or otherwise dealing with UNITS acquired by the ASSOCIATION.

5.20.8 Obtaining and reviewing insurance.

5.20.9 Making of repairs, additions and improvements to, or alterations of, CONDOMINIUM PROPERTY or ASSOCIATION PROPERTY, and repairs to and restoration of CONDOMINIUM PROPERTY and ASSOCIATION PROPERTY, in accordance with the provisions of the DECLARATION, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

5.20.10 The enforcement of the obligations of the UNIT OWNERS, the allocation of profits and expenses, and the performance of anything and everything else necessary and proper for the sound management of the CONDOMINIUM.

5.20.11 Levying reasonable fines against UNIT OWNERS for violations of the CONDOMINIUM ACT or the CONDOMINIUM DOCUMENTS.

5.20.12 Purchasing or leasing a UNIT for use by a resident superintendent.

5.20.13 Borrowing money on behalf of the ASSOCIATION when required in connection with the operation, care, upkeep, and maintenance of the COMMON ELEMENTS and ASSOCIATION PROPERTY; provided, however, that (i) the consent of the UNIT OWNERS of at least two-thirds (2/3) of the UNITS, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these BYLAWS, shall be required for the borrowing of any sum in excess of \$20,000.00., and (ii) no lien to secure repayment of any sum borrowed may be created on any UNIT without the consent of the owner of such UNIT. If any sum borrowed by the BOARD on behalf of the ASSOCIATION pursuant to the authority contained in this subparagraph is not repaid by the ASSOCIATION, a UNIT OWNER, who pays to the creditor a proportion thereof equal to his percentage interest in the COMMON ELEMENTS, shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the UNIT OWNER'S UNIT. Notwithstanding the foregoing, the ASSOCIATION shall provide for ASSESSMENTS against the UNITS in an amount which is not less than that required to provide funds in advance for the payment of all of the anticipated current operating expenses, and for all of the unpaid operating expenses previously incurred by the ASSOCIATION.

5.20.14 Contracting for the management and maintenance of CONDOMINIUM PROPERTY and ASSOCIATION PROPERTY authorizing a management agent or company (which may be an affiliate of the DEVELOPER) to assist the ASSOCIATION in carrying out its powers and duties by performing such functions as the submission of proposals, preparation of budgets, collection of ASSESSMENTS and other monies owed to the ASSOCIATION, preparation of records, enforcement of rules, and maintenance, repair and replacement of the COMMON ELEMENTS and ASSOCIATION PROPERTY with funds as shall be made available by the ASSOCIATION for such purposes, as well as exercising such other powers and rights delegated to it by the ASSOCIATION, which powers and rights are vested in the ASSOCIATION by virtue of the CONDOMINIUM DOCUMENTS and the CONDOMINIUM ACT. The ASSOCIATION and its directors and officers shall, however, retain at all times the powers and duties granted by all CONDOMINIUM documents and the CONDOMINIUM ACT, including, but not limited to, the making of ASSESSMENTS, promulgation of rules, and execution of contracts on behalf of the ASSOCIATION.

5.20.15 Exercising all powers specifically set forth in the CONDOMINIUM DOCUMENTS, the CONDOMINIUM ACT, and as otherwise provided by statute or law, and all powers incidental thereto or implied therefrom.

5.20.16 Entering into the UNITS during reasonable hours, when necessary for the maintenance, repair or replacement of any COMMON ELEMENTS or of any portion of a UNIT to be maintained by the ASSOCIATION pursuant to the DECLARATION or as necessary to prevent damage to the COMMON ELEMENTS or to a UNIT or UNITS.

5.20.17 Collecting delinquent ASSESSMENTS and other monies owed to the ASSOCIATION by suit or otherwise, abating nuisances, and enjoining or seeking damages from UNIT OWNERS for violations of the CONDOMINIUM DOCUMENTS.

6. OFFICERS.

6.1 Members and Qualifications. The officers of the ASSOCIATION shall include a president, a vice president, a treasurer and a secretary, all of whom shall be elected by the directors and may be pre-emptively removed from office with or without cause by the directors. Any person may hold two or more offices except that the president shall not also be the secretary. The BOARD may, from time to time, elect such other officers and designate their powers and duties as the BOARD shall find to be appropriate to manage the affairs of the ASSOCIATION from time to time. Each officer shall hold office until the meeting of the BOARD following the next annual meeting of the UNIT OWNERS, or until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall have resigned, or until he shall have been removed, as provided in these BYLAWS.

6.2 Resignations. Any officer may resign at any time by giving written notice of his resignation to any director or officer. Any such resignation shall take effect at the time specified therein, or if there is no time specified therein, immediately upon its receipt; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make such resignation effective.

6.3 Vacancies. A vacancy in any office, whether arising from death, resignation, removal or any other cause may be filled for the unexpired portion of the term of the office which shall be vacant in the manner prescribed in these BYLAWS for the regular election or appointment of such office.

6.4 The President. The president shall be the chief executive officer of the ASSOCIATION. He shall have all of the powers and duties which are usually vested in the office of president of an association or corporation including, but not limited to, the power to appoint committees from among the UNIT OWNERS from time to time, as he may in his discretion deem appropriate to assist in the conduct of the affairs of the ASSOCIATION.

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

6.6 The Secretary. The secretary shall prepare and keep the minutes of all proceedings of the directors and the UNIT OWNERS. He shall attend to the giving and serving of all notices to the UNIT OWNERS and directors and other notices required by law. He shall have custody of the seal of the ASSOCIATION and affix the same to instruments requiring a seal when duly executed. He shall keep the records of the ASSOCIATION, except those of the treasurer, and shall perform all other duties incident to the office of secretary of an association, and as may be required by the directors or the president.

6.7 The Treasurer. The treasurer shall have custody of all property of the ASSOCIATION, including funds, securities, and evidences of indebtedness. He shall keep books of account for the ASSOCIATION in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the BOARD for examination at reasonable times. He shall submit a Treasurer's Report to the BOARD at reasonable intervals and shall perform all other duties incident to the office of treasurer. He shall collect all ASSESSMENTS and other monies owed to the ASSOCIATION and shall report to the BOARD the status of collections as requested.

6.8 Compensation. The officers shall not be entitled to compensation unless the BOARD specifically votes to compensate them. However, neither this provision, nor the provision that directors will not be compensated unless otherwise determined by the UNIT OWNERS, shall preclude the BOARD from employing a director or an officer as an employee of the ASSOCIATION and compensating such employee, nor shall they preclude the ASSOCIATION from contracting with a director for the management of property subject to the jurisdiction of the ASSOCIATION, or for the provision of services to the ASSOCIATION, and

in either such event to pay such director a reasonable fee for such management or provision of services.

7. OFFICIAL RECORDS. From the inception of the ASSOCIATION, the ASSOCIATION shall maintain all official records as required by Florida Statutes, Section 718.111(12).

8. FINANCES AND ASSESSMENTS.

8.1 Adoption of the Budget.

8.1.1 Not less than 30 days prior to the commencement of any fiscal year of the ASSOCIATION, the BOARD shall adopt a budget for such fiscal year, necessary to defray the COMMON EXPENSES for such fiscal year. The proposed annual budget of the ASSOCIATION shall be detailed and shall show the amounts budgeted by accounts in expense classifications including, where applicable, but not limited to the following: administration of the ASSOCIATION, management fees, maintenance, expenses for recreational and other commonly used facilities, taxes upon ASSOCIATION property, taxes upon leased areas, insurance, security provisions, other expenses, operating capital, reserves, and any fees payable to the Division of Florida Land Sales and Condominiums. In addition, if the ASSOCIATION maintains LIMITED COMMON ELEMENTS with the cost to be shared only by those entitled to use the LIMITED COMMON ELEMENTS, the budget or schedule attached thereto shall show the amounts budgeted therefor.

8.1.2 Reserves. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but are not limited to, roof replacement, building painting, and pavement resurfacing, regardless of the amount of deferred maintenance expense or replacement cost, and for any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000.00. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The ASSOCIATION may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This paragraph does not apply to budgets in which the members of the ASSOCIATION have, by a majority vote at a duly called meeting of the ASSOCIATION, determined for a fiscal year to provide no reserves or reserves less adequate than required by the CONDOMINIUM ACT. Prior to turnover the DEVELOPER may cast votes for DEVELOPER owned UNITS to waive or reduce the funding of reserves during the two first fiscal years of the ASSOCIATION only, beginning with the recording of the DECLARATION. If a meeting of the UNIT OWNERS has been called determined to provide no reserves or reserves less adequate than required and such result is not obtained or a quorum is not obtained, the reserves as included in the budget shall go into effect. Reserve funds and any interest accruing thereon shall remain in the reserve account or accounts, and shall be used only for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the voting interests voting in person or by limited proxy present at a duly called meeting of the UNIT OWNERS.

8.1.3 The BOARD shall mail, or cause to be mailed, a meeting notice and copies of the proposed annual budget of COMMON EXPENSES to all UNIT OWNERS not less than fourteen days prior to the meeting at which the budget will be considered by the directors, which meeting shall be open to the UNIT OWNERS.

8.1.4 If an adopted budget requires ASSESSMENTS against UNIT OWNERS in any fiscal or calendar year exceeding 115% of ASSESSMENTS for the preceding year, the BOARD, upon written application of 10% of the UNIT OWNERS to the BOARD, shall call a special meeting of the UNIT OWNERS within thirty (30) days after the presentation of such application, upon not less than ten (10) days' written notice to each UNIT OWNER. At the special meeting so called, UNIT OWNERS shall consider and ratify the budget, or enact an alternate budget, by a vote of not less than a majority of all UNIT OWNERS. In the alternative, the BOARD may propose any budget to the UNIT OWNERS at a meeting of the UNIT OWNERS or in writing, and if the budget or proposed budget is approved by the UNIT OWNERS at the meeting or by a majority of all UNIT OWNERS in writing, the budget shall be adopted. In determining whether ASSESSMENTS exceed 115% of similar ASSESSMENTS in prior years, any authorized provisions for reasonable reserves for repair or replacement of the CONDOMINIUM PROPERTY, 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. However, as long as the DEVELOPER is in control of the BOARD, the BOARD shall not impose an ASSESSMENT for any year greater than 115% of the prior fiscal or calendar year's ASSESSMENT without approval of a majority of all of the UNIT OWNERS.

8.1.5 If, after the adoption of any budget, it shall appear that the adopted budget is insufficient to provide adequate funds to defray the COMMON EXPENSES of the ASSOCIATION for the fiscal year which the adopted budget applies to, the BOARD may adopt an amended budget to provide such funds. All of the above provisions shall apply to the adoption, and any necessary UNIT OWNER approval, of an amended budget.

8.2 ASSESSMENTS and ASSESSMENT Roll.

8.2.1 As soon as practicable after the adoption of a budget, or an amended budget, the BOARD shall fix and determine the amount and frequency of ASSESSMENTS to be made against the UNIT OWNERS, pursuant to the DECLARATION. However, ASSESSMENTS shall be made against the UNIT OWNERS not less frequently than quarterly, and in an amount no less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. The periodic ASSESSMENTS to be made against the UNIT OWNERS, whether quarterly, monthly or otherwise, shall be equal for each period unless the BOARD determines unequal periodic payments of ASSESSMENTS are required to provide funds in advance for the expenses of the ASSOCIATION, including previously incurred and unpaid expenses. As soon as practicable after the determination of the ASSESSMENTS to be made against the UNIT OWNERS, the ASSOCIATION shall notify the UNIT OWNERS, in writing, of the amount of such UNIT OWNERS' ASSESSMENT, the time or times when same are due, and the method of the payment of same.

8.2.2 From time to time the BOARD shall have the right to, by majority vote, adopt special ASSESSMENTS or ASSESSMENTS for emergencies with respect to the CONDOMINIUM. Any such special ASSESSMENTS or ASSESSMENTS for emergencies shall not be deemed an amendment to the budget of the ASSOCIATION, and shall not require the approval of the UNIT OWNERS, so long as the ASSESSMENTS are made for items which are not anticipated to be incurred on a regular or annual basis, or are for betterments to the CONDOMINIUM PROPERTY or to any property owned by the ASSOCIATION. Upon the adoption of any such special ASSESSMENT, or ASSESSMENT for an emergency, the BOARD shall determine the amount of same required to be paid by any UNIT OWNER, which shall be in the same proportion as a UNIT OWNER'S share of the COMMON EXPENSES of the CONDOMINIUM, and shall notify the UNIT OWNERS of the amount of their ASSESSMENTS, and when and where same shall be paid.

8.2.3 The ASSOCIATION shall maintain an ASSESSMENT roll for each UNIT, designating the name and current mailing address of the UNIT OWNER, the amount of each ASSESSMENT against such UNIT OWNER, the dates and amounts in which the ASSESSMENTS come due, the amounts paid upon the account of the UNIT OWNER, and the balance due.

8.3 Depositories. The funds of the ASSOCIATION shall be deposited in such banks and depositories as may be determined and approved by appropriate resolutions of the BOARD from time to time. All funds may be deposited in a single fund or divided into more than one fund, as determined by the BOARD. All funds shall be maintained separately in the ASSOCIATION'S name. Reserve and operating funds of the ASSOCIATION shall not be commingled. Funds shall be withdrawn only upon checks and demands for money signed by such officers, directors or other persons as may be designated by the BOARD.

8.4 Fidelity Bonds. The ASSOCIATION shall obtain and maintain adequate fidelity bonding of all persons who control or disburse funds of the ASSOCIATION in a principal sum of not less than the amount required by the CONDOMINIUM ACT. The ASSOCIATION shall bear the cost of bonding. However, in the case of a person providing management services to the ASSOCIATION and required to be licensed pursuant to applicable Florida Statutes, the cost of bonding may be reimbursed by the ASSOCIATION; all such persons providing management services to the ASSOCIATION shall provide the ASSOCIATION with a certificate of insurance evidencing compliance with this paragraph.

8.5 Accounting Records and Reports. The ASSOCIATION shall maintain accounting records for the CONDOMINIUM according to good accounting practices. The records shall be open to inspection by UNIT OWNERS and INSTITUTIONAL MORTGAGEES or their authorized representatives, at reasonable times and upon reasonable notice, and written summaries of the reports shall be supplied at least annually to UNIT OWNERS or their authorized representatives. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, and (b) the ASSESSMENT roll of the UNIT OWNERS referred to above. The BOARD may, and upon the vote of a majority of the UNIT OWNERS or at the request of any INSTITUTIONAL LENDER shall, conduct a review of the accounts of the ASSOCIATION for the immediately preceding fiscal year by a certified public accountant, and if such a review is made, a copy of the report shall be furnished to each UNIT OWNER, or their authorized representative, within fifteen days after same is completed.

8.6 Reports. Within sixty days following the end of the fiscal 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 previous 12 months, or a complete set of financial statements for the preceding fiscal year prepared in accordance with generally accepted accounting principles. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications including, if applicable, but not limited to, the following: (i) costs for security, (ii) professional and management fees and expenses, (iii) taxes, (iv) costs for recreational facilities, (v) expenses for refuse collection and utilities services, (vi) expenses for lawn care, (vii) costs for building maintenance and repair, (viii) insurance costs, (ix) administrative and salary expenses, and (x) reserves for capital expenditures, deferred maintenance, and any other category for which the ASSOCIATION maintains a reserve account or accounts. Any INSTITUTIONAL MORTGAGEE has the right to receive such reports upon request to the ASSOCIATION.

8.7 If required by rule of the DIVISION, the ASSOCIATION shall deliver to the UNIT OWNERS, in lieu of the financial report required by Paragraph 8.5, a complete set of financial statements for the preceding fiscal year. Any such financial statements shall be delivered within 90 days following the end of the previous fiscal year. Such financial statements may be required to be compiled, reviewed or audited in accordance with the rules of the DIVISION, provided, however, that any such requirements shall not apply if a majority of the UNIT OWNERS present at a duly called meeting of the ASSOCIATION have determined for a fiscal year to waive this requirement. DEVELOPER hereby waives any such audit requirement for the first 2 years of the operation of the ASSOCIATION, provided the turnover of control of the ASSOCIATION has not occurred prior to such time, and after such time the waiver of an applicable audit requirement shall be by a majority of the UNIT OWNERS other than the DEVELOPER. Any meeting of the UNIT OWNERS waiving such audit requirements shall be held prior to the end of the fiscal year, and the waiver shall be effective for only one fiscal year. Notwithstanding the foregoing, the provisions of this paragraph shall not apply if the CONDOMINIUM consists of 50 or fewer UNITS.

9. FINING PROCEDURE. Prior to imposing any fine against UNIT OWNER or tenant, the UNIT OWNER or tenant shall be afforded an opportunity for a hearing after reasonable notice to the UNIT OWNER or tenant of not less than 14 days, which notice shall include (i) a statement of the date, time and place of the hearing, (ii) a statement of the provisions of the DECLARATION, BYLAWS or Rules and Regulations which have allegedly been violated, and (iii) a short and plain statement of the matters asserted by the ASSOCIATION. The UNIT OWNER or tenant shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge and respond to any material considered by the ASSOCIATION. The hearing must be held before a committee of other UNIT OWNERS, which may consist of the directors of the ASSOCIATION. At the hearing, the COMMITTEE shall conduct a reasonable inquiry to determine whether the alleged violation in fact occurred, and if the COMMITTEE so determines, it may impose such fine as it deems appropriate by written notice to the UNIT OWNER or tenant. If the COMMITTEE does not agree with the fine, the fine may not be levied. The amount of any fine shall be determined by the BOARD, but shall not exceed any maximum amount specified in the CONDOMINIUM ACT. If the UNIT OWNER or tenant fails to attend the hearing as set by the BOARD, the UNIT OWNER or tenant shall be deemed to have admitted the allegations contained in the notice to the UNIT OWNER or tenant. Any fine imposed by the BOARD shall be due and payable within ten (10) days after written notice of the imposition of the fine, or if a hearing is timely requested within ten (10) days after written

notice of the BOARD'S decision at the hearing. If not paid when due all of the provisions of this DECLARATION relating to the late payment of monies owed to the ASSOCIATION shall be applicable except as otherwise provided by the CONDOMINIUM ACT. If any fine is levied against a tenant and is not paid within ten (10) days after same is due, the ASSOCIATION shall have the right to evict the tenant as hereinafter provided.

10. COMPLAINTS. When a UNIT OWNER files a written complaint by certified mail with the BOARD, the BOARD shall respond to the UNIT OWNER in accordance with the provisions of Florida Statutes, Section 718.112(2)(a)2, and any other provisions of the CONDOMINIUM ACT, and any rules promulgated thereunder.

11. ARBITRATION OF DISPUTES. Prior to the institution of court litigation, the parties to a "dispute" shall petition the Division of Florida Land Sales, Condominiums and Mobile Homes for non-binding arbitration, which shall be conducted in accordance with Florida Statutes, Section 178.1265, which Statute is hereby incorporated in its entirety by reference. For purposes of this paragraph, the term "dispute" means any disagreement between two or more parties that involves:

11.1 The authority of the BOARD under the CONDOMINIUM ACT or any CONDOMINIUM DOCUMENT to:

11.1.1 Require any UNIT OWNER to take any action or not to take any action involving that UNIT OWNER'S UNIT.

11.1.2 Alter or add to a COMMON ELEMENT.

11.2 The failure of a governing body, when required by the CONDOMINIUM ACT or a CONDOMINIUM DOCUMENT, to:

11.2.1 Properly conduct elections.

11.2.2 Give adequate notice of meetings or other actions.

11.2.3 Properly conduct meetings.

11.2.4 Allow inspection of books and records.

"Dispute" does not include any disagreement that primarily involves title to any UNIT or COMMON ELEMENT; the interpretation or enforcement of any warranty; or the levy of a fee or assessment, or the collection of an assessment levied against a party.

12. PARLIAMENTARY RULES

12.1 Roberts' Rules of Order (latest edition) shall govern the conduct of the ASSOCIATION meetings when not in conflict with any CONDOMINIUM DOCUMENTS.

13. AMENDMENTS.

Except as otherwise provided, these BYLAWS may be amended in the following manner:

13.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

13.2 Initiation. A resolution to amend these BYLAWS may be proposed either by any director, or by or at the direction of ten (10%) percent or more of the UNIT OWNERS. No BYLAW shall be revised or amended by reference to its title or number only. Proposals to amend existing BYLAWS shall contain the full text of the BYLAWS to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Bylaw. See Bylaw for present text." Non-material errors

or omissions in the BYLAW process shall not invalidate an otherwise properly promulgated amendment.

13.3 Adoption of Amendments.

13.3.1 A resolution for the adoption of the proposed amendment shall be adopted either: (a) by unanimous vote of all of the directors; or (b) by not less than a majority of the votes of all of the UNIT OWNERS. Any amendment approved by the UNIT OWNERS may provide that the BOARD may not further amend, modify or repeal such amendment.

13.3.2 Notwithstanding anything contained herein to the contrary, until a majority of the BOARD is elected by UNIT OWNERS other than the DEVELOPER, these BYLAWS may be amended by majority vote of the BOARD without the vote or approval of the UNIT OWNERS.

13.3.3 Notwithstanding anything contained herein to the contrary, these BYLAWS may be amended by the unanimous vote of the BOARD without the vote or approval of the UNIT OWNERS, if the purpose of such amendment is solely to conform these BYLAWS to the CONDOMINIUM ACT, including any amendments to the CONDOMINIUM ACT hereafter adopted.

13.4 No amendment shall make any changes in the qualification for membership nor in the voting rights or property rights of UNIT OWNERS without approval by all of the UNIT OWNERS and the Joinder of all record owners of mortgages upon the UNITS. No amendment shall be made that is in conflict with the CONDOMINIUM ACT or the CONDOMINIUM DOCUMENTS. So long as the DEVELOPER owns any UNIT no amendment shall be made without the written Joinder of the DEVELOPER.

13.5 No amendment to these BYLAWS shall be made which discriminates against any UNIT OWNER(S), without the written approval of all of the UNIT OWNERS so discriminated against or affected.

13.6 Execution and Recording. No modification of, or amendment to, the BYLAWS shall be valid until recorded in the public records of the county in which each CONDOMINIUM is located.

14. RULES AND REGULATIONS. From time to time the BOARD may enact rules and regulations governing the use, maintenance and appearance of, the UNITS, and the use of the COMMON ELEMENTS and the ASSOCIATION PROPERTY, not in conflict with the CONDOMINIUM ACT or the other CONDOMINIUM DOCUMENTS. Any such rule or regulation may be enforced by the ASSOCIATION against any UNIT OWNER. Any such rule or regulation may be repealed, but not modified or amended, by a vote of the UNIT OWNERS, and any such rule or regulation repealed by the UNIT OWNERS may not be re-enacted by the BOARD without the approval of a majority of the UNIT OWNERS. However, the UNIT OWNERS shall not have the right to enact any rule or regulation.

15. CERTIFICATE OF COMPLIANCE AS TO FIRE AND LIFE SAFETY CODE. A certificate of compliance from a licensed electrical contractor or electrician may be accepted by the BOARD as evidence of compliance of the CONDOMINIUM UNITS to the applicable CONDOMINIUM Fire and Life Safety Code.

16. MISCELLANEOUS.

16.1 Tenses and Genders. The use of any gender or of any tense in these BYLAWS shall refer to all genders or to all tenses, wherever the context so requires.

16.2 Partial Invalidity. Should any of the provisions hereof be void or become unenforceable at law or in equity, the remaining provisions shall, nevertheless, be and remain in full force and effect.

16.3 Conflicts. In the event of any conflict, the CONDOMINIUM ACT (as same may be amended from time to time), the DECLARATION, the ARTICLES, these BYLAWS, and the Rules and Regulations of the ASSOCIATION shall govern, in that order.

16.4 Captions. Captions are inserted herein only as a matter of convenience and for reference, and in no way are intended to or shall define, limit or describe the scope of these BYLAWS or the intent of any provisions hereof.

16.5 Waiver of Objections. The failure of the BOARD or any officers of the ASSOCIATION to comply with any terms and provisions of the CONDOMINIUM DOCUMENTS which relate to time limitations shall not, in and of itself, invalidate the act done or performed. Any such failure shall be waived if it is not objected to by a UNIT OWNER within ten (10) days after the UNIT OWNER is notified, or becomes aware, of the failure. Furthermore, if such failure occurs at a general or special meeting, the failure shall be waived as to all UNIT OWNERS who received notice of the meeting or appeared and failed to object to such failure at the meeting.

17. MULTIPLE CONDOMINIUMS. It is acknowledged that in accordance with the ARTICLES, the ASSOCIATION may operate more than one CONDOMINIUM. In that event, all of the terms of these BYLAWS shall be deemed modified to refer to all of the CONDOMINIUMS operated by the ASSOCIATION, and in addition the following provisions shall apply:

17.1 Matters relating to the ASSOCIATION as a whole, or which affect the rights and interest of all of the UNIT OWNERS in all of the CONDOMINIUMS operated by the ASSOCIATION shall be voted on by the UNIT OWNERS at large. Any matters relating to only one or more CONDOMINIUM(S) which do not affect the ASSOCIATION as a whole or the rights and interests of the UNIT OWNERS in any other CONDOMINIUM(S) operated by the ASSOCIATION, shall be voted upon only by the UNIT OWNERS owning UNITS in the CONDOMINIUMS to which the matter relates, and in that event the presence in person or by proxy of persons entitled to cast the votes for one-third (1/3) of the UNITS in such CONDOMINIUM(S) shall constitute a quorum. The decision as to whether a matter should be voted upon by UNIT OWNERS in less than all of the CONDOMINIUMS operated by the ASSOCIATION, or by the UNIT OWNERS at large, shall be determined by the BOARD, and their determination shall, in the absence of bad faith, be presumed correct.

17.2 In the event the owners of UNITS within less than all of the CONDOMINIUMS are entitled to vote on any matter for which a special meeting is called, only the UNIT OWNERS within such CONDOMINIUM shall be entitled to notice and to attend such meeting.

17.3 There shall be an "Operating Committee" established for each CONDOMINIUM operated by the ASSOCIATION. The Operating Committee for each CONDOMINIUM shall consist of five committee members, who shall be from the CONDOMINIUM. The members of the Operating Committee for each CONDOMINIUM shall be elected in the same manner as directors are elected. All of the provisions of these BYLAWS relating to the election and meetings of directors shall apply to the election and meetings of the members of the Operating Committees. The Operating Committee for each CONDOMINIUM shall have the right to prepare and approve budgets for the CONDOMINIUM operated by the Operating Committee. To the fullest extent permitted by law, the Operating Committee shall also be responsible for the maintenance, operation, repair, replacement, and alteration of the COMMON ELEMENTS within the CONDOMINIUM operated by the Operating Committee, subject to the consent and approval of the Board of Directors as and to the extent required by law, which consent and approval shall not be unreasonably withheld or delayed. In addition, the Board of Directors shall not permit or make any material changes to any CONDOMINIUM without the consent of the Operating Committee for the CONDOMINIUM.

17.4 There shall be an equal number of directors elected from each CONDOMINIUM, and where required in order for there to be an odd number of directors, there shall also be one director elected "at large". At each election of directors the ballot shall separately set forth the names of all nominees from each CONDOMINIUM. All UNIT OWNERS shall have the right to vote for as many nominees from each CONDOMINIUM as there are vacancies on the Operating Committee from the CONDOMINIUM to be filled, regardless of which CONDOMINIUM the UNIT OWNER is from. For example, if the ASSOCIATION operates two CONDOMINIUMS, and if at an election there will be five Operating Committee Members elected from each CONDOMINIUM, all UNIT OWNERS will have the right to cast 10 votes, five of which shall be cast for the nominees in each CONDOMINIUM. The director "at large" shall be the individual receiving the highest number of votes. The directors from each CONDOMINIUM will be the remaining nominees from the CONDOMINIUM receiving the highest

number of votes. The members of the Operating Committee of each CONDOMINIUM will be the remaining individuals receiving the highest number of votes. Notwithstanding the foregoing, if there are less nominees from a CONDOMINIUM who are able or willing to serve than the number of directors or members of the Operating Committee to be elected, then the remaining directors or members of the Operating Committee from the CONDOMINIUM shall be appointed by the other directors from the same CONDOMINIUM. Furthermore, any vacancy on the board of directors other than the director "at large" shall be filled by a director from the same CONDOMINIUM as the prior director.

17.5 For these purposes, any UNIT OWNER or any person who is deemed a co-owner of a UNIT pursuant to Paragraph 3.3.2 of these BYLAWS shall be deemed "from the CONDOMINIUM" in which the UNIT is located.

17.6 The ASSOCIATION shall establish a separate budget for each CONDOMINIUM, and shall also establish a separate budget for the general expenses of the ASSOCIATION. The budget of the general expenses of the ASSOCIATION shall only include administrative expenses of the ASSOCIATION which do not relate to the operation of a particular CONDOMINIUM. The budgets for each CONDOMINIUM shall include all COMMON EXPENSES associated with such CONDOMINIUM and the BUILDINGS and UNITS located therein, including but not limited to casualty insurance; building and landscape maintenance and repairs; water and sewer charges; and reserves for roof repairs, painting and pavement. Each CONDOMINIUM's budget shall also include a share of the common ASSOCIATION budget, which share will be equal to the number of units in such CONDOMINIUM as compared to the total number of UNITS in all of the CONDOMINIUMS operated by the ASSOCIATION. The ASSESSMENTS payable by each UNIT in a CONDOMINIUM shall be equal to the total budget of the CONDOMINIUM, divided by the total number of UNITS in that CONDOMINIUM. It is acknowledged that as a result of the foregoing, units in one CONDOMINIUM may be required to pay ASSESSMENTS which are larger or smaller than the ASSESSMENTS payable by UNITS in another CONDOMINIUM. Notwithstanding anything contained herein or to the contrary, the provisions of this paragraph may not be amended without the consent of a majority of the UNIT OWNERS in each CONDOMINIUM.

17.7 The ASSOCIATION shall maintain separate accounting records and separate books and records for each CONDOMINIUM it operates, and for ASSOCIATION COMMON EXPENSES. Any UNIT OWNER or INSTITUTIONAL LENDER shall be entitled to inspect the books and records of each CONDOMINIUM.

17.8 No amendment to these BYLAWS shall be made which discriminates against any CONDOMINIUM without an approval by the majority of the UNIT OWNERS within such CONDOMINIUM.

The foregoing was adopted as the BYLAWS of the ASSOCIATION at the First Meeting of the BOARD on the 1 day of JANUARY, 1996.

By [Signature]
Its Vice Pres. Bank

EAS/ISLAND/BYLAWS
10/28/93