

DECLARATION OF CONDOMINIUM

OF

REF 529 PAGE 302

'CAPTAINS' QUARTERS CONDOMINIUM
a condominium

82 3045

THIS DECLARATION made this 4th day of March, 1982, pursuant to Florida Statutes §718, by CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH, LIMITED, organized and existing under the laws of Florida, having its principal offices at 326 South Grandview Avenue, Daytona Beach, Florida 32018, and hereinafter referred to as "Developer",

WHEREIN, the Developer makes the following Declarations:

1. Submission of Property. Developer, CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH, LTD., which is the owner in fee simple of the land described below, the building and all other improvements constructed or currently being constructed thereon, together with all other property, personal or mixed, intended for use in connection therewith, hereinafter collectively referred to as the "property", hereby declares certain divisions, covenants, restrictions, limitations, conditions and uses respecting the property, intending thereby to submit the property to the provisions of Chapter 718 of the Florida Statutes, hereinafter referred to as the "Condominium Act", and further thereby intending to create covenants running with the land and binding Developer and its successors and assigns forever.

All the restrictions, reservations, covenants, conditions and easements contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, and rule perpetually unless terminated as provided herein, and shall be binding upon all parties or persons subsequently owning property in said condominium, and in consideration of receiving and by acceptance of a conveyance, grant, devise, lease or mortgage, all grantees, devisees, lessees and assigns, and all parties claiming by, through or under such persons agree to be bound by all the provisions hereof; except however, if the Developer shall convey all of the property designated as CAPTAINS' QUARTERS CONDOMINIUM to a corporate grantee; then and in such event, said immediate grantee shall be considered as Developer herein for all intents and purposes. Both the burdens imposed and the benefits shall run with each unit and the interests in the Common Elements and Limited Common Elements as herein defined.

2. Name of Condominium. The name by which the property shall hereafter be known is CAPTAINS' QUARTERS CONDOMINIUM.

3. Description of Land Being Submitted to Condominium Ownership.

The North 405.69 feet of Government Lots 1 and 2 of Section 15, Township 8 South, Range 30 East, St. Johns County, Florida lying East of State Road No. A-1-A, excepting therefrom the North 30 feet of said Government Lots 1 and 2 and excepting therefrom the following described parcel of land:

EXHIBIT 2

Commencing at the intersection of the North line of said Section 15 and the East right-of-way line of State Road No. A-1-A, a 100 foot width right-of-way; thence South 14°, 58' East on the said East right-of-way line of State Road, 30.94 feet; thence North 89°, 11' East, on the South line of a County Road and 30 feet South of and parallel with the North line of said Section 15, a distance of 1,000 feet; thence South 14°, 58' East 387.45 feet; thence South 89°, 11' West, on the South line of said North 405.69 feet of Government Lots 1 and 2, a distance of 1,000 feet; thence North 14°, 58' West, on said East right-of-way line of State Road, 387.45 feet to the Point of Beginning. (Survey attached as Exhibit 10.)

4. Description of Land Being Used for the Condominium Complex. The above described real property shall have constructed thereon a single three-story building containing fifty-seven (57) units therein.

5. Units. The 57 units are shown by unit numbers commencing with Unit No. 101 through Unit No. 120 on the first floor (Note: there is no Unit No. 113); Unit No. 201 through Unit No. 220 on the second floor (Note: there is no Unit No. 213); and Unit No. 301 through Unit No. 320 on the third floor (Note: there is no Unit No. 313); (Plot Plan and Floor Plans attached as Exhibits 7, 11-A, 11-B and 11-C, respectively.)

Notwithstanding the actual location of the walls, ceilings and floors, each unit consists of the space bounded by the vertical projections of the unit boundary lines shown on the plat between the horizontal planes at the floor and ceiling elevations shown.

6. Limited Common Elements. Limited Common Elements are those structures appurtenant to the units in this condominium as shown and reflected by the floor and plot plans, the same being either balconies, terraces or patios directly accessible only through an individual unit. The Limited Common Elements known as either the balcony, terrace or patio are reserved for the use of the units appurtenant thereto, to the exclusion of other units, and there shall pass with a unit, as appurtenant thereto, the exclusive right to use the Limited Common Element so appurtenant. Expenses of maintenance, repair or replacement relating to such Limited Common Elements shall be treated as, and paid for as part of the common expenses of the management association (hereinafter specifically defined), except however, the expenses of maintenance, repair or replacement made necessary by the act of any unit owner shall be borne by said unit owner.

7. Common Elements. The Common Elements include all portions of the condominium property not located in the individual units and the Limited Common Elements; such Common Elements, as defined in Chapter 718, Florida Statutes, include, but are not necessarily limited to the following:

- A. Parking spaces and driveways.
- B. Sidewalks and elevators.
- C. All sewer and water pipes.
- D. Swimming pool 25'x50' & deck area 2100 sq.ft. (Shown on Plot Plan, Exhibit 7).
- E. Tennis Court.
- F. Club House and laundry.
- G. Association Office.
- H. The foundations, exterior walls (not including portions thereof on unit sides of the block work of such walls), walls and partitions separating units between the center lines of plaster on each side of such partitions and above the underside of the roof.

- I. All other parts of the property necessary or convenient to its existence, maintenance and safety, or which are normally in common use.

8. Ownership of Common Elements and Share of Common Expenses and Surpluses. Each owner of a unit in the said condominium shall own in fee simple absolute an undivided percentage interest in the common elements, the common expenses and surpluses assigned to each unit as hereinafter set forth:

<u>Unit No.</u>		<u>Percentage Interest in Common Elements & Common Surplus and Share of Common Expenses</u>
1st Flr.	108 (A)	2.16%
	112 (A)	2.16
	101 (C)	1.74%
	102 (C)	1.74
	103 (C)	1.74
	104 (C)	1.74
	105 (C)	1.74
	106 (C)	1.74
	107 (C)	1.74
	109 (B)	1.75%
	110 (B)	1.75
	111 (B)	1.75
	114 (C)	1.74%
	115 (C)	1.74
	116 (C)	1.74
	117 (C)	1.74
	118 (C)	1.74
	119 (C)	1.74
	120*	
2nd Flr.	208 (A)	2.16%
	212 (A)	2.16
	201 (C)	1.74%
	202 (C)	1.74
	203 (C)	1.74
	204 (C)	1.74
	205 (C)	1.74
	206 (C)	1.74
	207 (C)	1.74
	209 (B)	1.75%
	210 (B)	1.75
	211 (B)	1.75
	214 (C)	1.74%
	215 (C)	1.74
	216 (C)	1.74
	217 (C)	1.74
	218 (C)	1.74
	219 (C)	1.74
	220 (C)	1.74
3rd Flr.	308 (A)	2.16%
	312 (A)	2.16
	301 (C)	1.74%
	302 (C)	1.74
	303 (C)	1.74
	304 (C)	1.74
	305 (C)	1.74

*Note: Manager's unit and exempt from payment of common expenses.

306 (C)	1.74%
307 (C)	1.74
309 (B)	1.75%
310 (B)	1.75
311 (B)	1.75
314 (C)	1.74%
315 (C)	1.74
316 (C)	1.74
317 (C)	1.74
318 (C)	1.74
319 (C)	1.74
320 (C)	1.74

9. Definition of Common Expenses. For purposes of this Declaration "Common Expenses" means expenses for which unit owners shall be proportionately liable, including:

- A. All expenses of administration, maintenance, repair and replacement of the Common Elements.
- B. Expenses agreed upon as common expenses by all the unit owners.
- C. Expenses declared common expenses by or pursuant to the provisions of the Condominium Act, this Declaration or the By-Laws.

10. Covenants and Agreements. Developer, its successors and assigns, by this Declaration, and all future owners of units by acceptance of their respective unit deeds, hereby covenant and agree as follows:

A. Until Developer has completed all of the contemplated improvements and closed the sales of all units in the condominium, neither the unit owners, contract purchasers, nor the Association, nor their use of the condominium property shall interfere with the completion of the contemplated improvements or the sale of the units. Developer may make such use of any unsold units and common areas as may facilitate such completion and sale, including but not limited to maintenance of a sales office, showing of the property, display of signs and storage of materials.

B. The Common Elements shall remain undivided, and no right shall exist to partition or divide any of them, except when withdrawal of the property from the Condominium Act is authorized by all unit owners and the holders of all mortgages or other liens affecting all units, or directed by a court of equity as provided by law. On such authorization, all unit owners, mortgagees, and lienors shall execute and file for record in the office where this Declaration is filed, an instrument of revocation of this Declaration. On the filing of such instrument of revocation, the owners shall become tenants in common of the property, and each shall own an undivided interest therein equal to the percentage of his undivided interest in the Common Elements before the filing of such instrument. On the filing of such instrument of revocation, each lien on an individual unit shall become a lien as tenants in common of the entire property. Removal of the property from the Condominium Act shall not bar subsequent resubmission to the provisions of such Act in accordance with the terms thereof.

C. If any portion of the Common Elements encroaches on any unit, or if any unit encroaches on any other unit, or any portion of the Common Elements, as a result of the construction of the building; or if any such encroachment shall occur as a result of settling or shifting of the building, a valid easement for such

encroachment and for the maintenance of the same so long as the building stands shall exist. If the building, or any Common Element or any unit therein is partially or totally destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings, and then rebuilt, the minor encroachments of parts of the Common Elements on any unit or of any unit on any other unit or on any portion of the Common Elements due to such rebuilding shall be permitted, and valid easements for such encroachments and the maintenance thereof for so long as the building stands shall exist.

D. Each unit owner shall have an easement in common with the owners of all other units to:

(1) Use all streets, walks and other rights of way serving the units of the condominium as part of the Common Elements and providing access to the streets and other public ways of St. Johns County; and

(2) Use all pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other units serving his unit.

Each unit shall also be subject to such easements in favor of the owners of all other units. The governing board, on behalf of all unit owners, shall have a right of access to each unit to inspect same, and to maintain, repair or replace the Common Elements therein or appurtenant thereto.

E. Each unit space shall be occupied and used by its respective owner only as a private dwelling for the owner, his family, tenants and social guests, and for no other purpose whatsoever.

F. Such easements are reserved throughout the condominium property as may be required for utility services and needed to serve the condominium adequately; provided, however, such easements through a unit shall be only in accordance with the plans and specifications for the building containing said unit, or as the building is actually constructed. All owners of units shall have as an appurtenance to their units a perpetual easement for ingress to and egress from their units over stairs, terraces, balconies, walks and other common property from and to the public highways bounding CAPTAINS' QUARTERS CONDOMINIUM, a condominium, and a perpetual right or easement, in common with all persons owning an interest in any unit in CAPTAINS' QUARTERS CONDOMINIUM, a condominium, to the use and enjoyment of all public portions of buildings and to other common facilities (including but not limited to utilities as they now exist) located in the common property.

All units and the common property shall be subject to a perpetual easement in gross being granted to CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH CONDOMINIUM ASSOC., INC., and its successors for ingress and egress for the purposes of having its employees and agents perform all obligations and duties of the corporation as set forth herein.

11. Unit Owners' Association.

A. The administration and management of the condominium shall be vested in an association to be known as CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH CONDOMINIUM ASSOC., INC., hereinafter referred to as the "Association". The Association shall be a corporation not for profit. A copy of the Articles of Incorporation for the "Association" is attached hereto as Exhibit 3.

B. Each owner of a unit or units shall automatically on becoming an owner of such unit or units become a member of the above condominium association and shall remain a member thereof until such time as his ownership for any reason shall cease, at which time his membership in the Association shall likewise cease.

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

D. Any unit leased or acquired by the governing board in any manner whatsoever shall be held by the board on behalf of all unit owners, in proportion to the respective common interests of such owners as set forth above.

E. Administration of the condominium shall be in accordance with the provisions of this Declaration and the By-Laws of the Association, attached as Exhibit 4.

F. Each owner, and all occupants of units shall comply with the provisions of this Declaration, their unit deeds, and the By-Laws, rules, regulations, decisions and resolutions of the Association, as lawfully amended from time to time. Failure to comply with any such provisions, decisions or resolutions shall be grounds for an action for damages, injunctive relief, or both, maintainable by the Association or by any unit owner or by any person who holds a blanket mortgage or unit mortgage and is aggrieved by any such noncompliance.

G. No owner of a unit may exempt himself from liability for his proportionate share of the common expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his unit.

H. There shall be a total of fifty-six (56) votes to be cast by the owners of the condominium units (which provides for Unit No. 120, to be owned by the Association and to be used for office facilities and a manager's living unit and shall not be entitled to a vote), to be cast as follows: The owner of each condominium unit (designated as such on the exhibits attached to this Declaration) shall be entitled to one (1) vote. Where a condominium unit or units are owned by the managing Association, no vote shall be allowed for such condominium unit or units. Where a condominium unit is owned by more than one person, all the owners thereof shall be collectively entitled to the vote assigned to such unit and such owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the owners of such condominium unit of which he is a part until such authorization shall have been changed in writing. The term "owner" as used herein, shall be deemed to include the Developer.

I. All of the affairs, policies, regulations and property of the Association shall be controlled and governed by the Board of Directors of the Association consisting of a minimum of three (3) members, who are all to be elected annually by the members entitled to vote. Each member shall be entitled to one vote for each member of the Board of Directors duly nominated. Each director shall be the owner of a condominium unit (or partial owner of a condominium unit where such unit is owned by more than one individual), or if a unit is owned by a corporation, including Developer, any duly elected officer or officers of any owner corporation may be elected by a director or directors.

J. It shall be the duty of the Association to provide, through its agents and employees, for the administration, operation, maintenance, repair and replacement of the Common Elements, all exterior surfaces of the buildings and patios, except windows, sliding glass doors and screens of individual units, whether Common Elements or a part of a unit (unless damage to same is covered by insurance carried by the owner of the units, his agent, guest or lessee), to make reasonable uniform rules and regulations from time to time, as well as to perform all other duties necessary or impliedly set forth herein.

K. The Association shall have the right to levy monthly maintenance and special assessments against each unit to provide for the payment of the Association's expenses.

L. The Board of Directors of the Association shall approve annual budgets in advance for each fiscal year and the budgets shall project anticipated income and estimated expenses in sufficient detail to show separate estimates for insurance for fire and extended coverage, vandalism and malicious mischief for the units, Common Elements and Limited Common Elements, and public liability insurance for the Common Elements, operating expenses, maintenance expense, repairs, utilities, replacement service, if any, and reasonable operating reserve for the Common Elements. Failure of the Board to include any item in the annual budget shall not preclude the Board from levying an additional assessment in any calendar year for which the budget has been projected. After adoption of a budget, the Association shall promptly notify all owners thereof by delivering or mailing notice thereof to the voting member representing each unit owner at such member's most recent address as shown by the books and records of the Association.

M. The total monthly maintenance against each unit shall be determined by the members of the Association, except that until the Association by vote approves otherwise, the monthly maintenance shall be: \$103.72 for the six Type A units; \$84.03 for the nine Type B units; \$83.55 for the 41 Type C units per unit. Monthly payments are payable in advance to the Association on the 1st day of each month regardless of whether or not members are sent or actually receive a written notice thereof; the first payment to be made on the first day of the month succeeding the date of the unit deed. The first three months' regular maintenance shall be paid at the time of closing to provide adequate income to defray the initial Association operating expense.

The record owners of each unit shall be personally liable, jointly and severally, to the Association for the for the payment of all assessments, and/or maintenance dues, regular or special, made by the Association for all costs of collection of delinquent assessments and/or maintenance dues. In the event assessments, and/or maintenance dues against a unit are not paid within 60 days after due date, the Association may elect to declare all past due installments of assessments and/or maintenance dues and all installments to become due during the remainder of the fiscal year then due and payable in full as if such aggregate sum had originally been stipulated to so become due and payable in full, and the Association shall have the right to foreclose its lien for such assessments and/or maintenance dues.

Assessments and/or maintenance dues (hereinafter referred to as dues) that are unpaid for over 30 days after due date shall bear interest at the rate of 18% per annum until paid.

N. The Association shall have a lien on each condominium parcel, its appurtenances and the interest in the Common Elements for any unpaid assessments and/or dues, and interest thereon which has been assessed against the owner of such condominium unit. The said lien shall be effective from and after the time of recording in the public records of St. Johns County, Florida, (same being the county in which subject condominium is located) of a claim of lien stating the description of the condominium unit, name of the record owner, the amount due and the date when due. The said lien shall continue in effect until all sums secured by the lien shall have been fully paid. All such claims of lien shall be signed and verified by an officer or agent of the Association. Where any such lien shall have been paid in full, the party making payment thereof shall be entitled to receive a satisfaction of such lien in such form that it may be recorded in the public records of St. Johns County, Florida.

Any and all liens herein provided for shall be subordinate to the lien of a mortgage or other lien recorded prior to the time of recording of the claim of lien. The Board of Directors may take such action as it deems necessary to collect assessments and/or dues by personal action or by enforcement and foreclosing said lien and may settle and compromise same if in the best interest of the Association. The delinquent owner shall pay all costs, including reasonable attorneys' fees, for filing any action or suit enforcing and foreclosing a lien, and the lien shall be deemed to cover and secure such costs and fees. The Association shall be entitled to bid at any sale held pursuant to a suit to foreclose an assessment lien and to apply as a credit against said bid all sums due the Association which are covered by the lien enforced.

As to priority between the lien of a recorded mortgage and the lien for any assessment and/or dues, the lien for an assessment and/or dues shall be subordinate and inferior to only a recorded institutional first mortgage, unless the assessments and/or dues are secured by a claim of lien of assessments and/or dues that is recorded prior to the recording of an institutional first mortgage. For the purposes of this instrument, an "institutional first mortgage" shall be defined as a first mortgage originally executed and delivered to a bank, savings and loan association or insurance company authorized to transact business in the State of Florida. Upon recordation of the Certificate of Title issued pursuant to the foreclosure of an institutional first mortgage, the lien for assessments and/or dues, due and payable after the recordation of said Certificate of Title shall not be impaired and shall be effective as to the grantee of such Certificate of Title.

O. Any person who acquires an interest in a unit, except through the foreclosure of an institutional first mortgage, shall be personally liable and jointly and severally liable with the grantor for all unpaid assessments and/or dues up to the time of transfer of ownership. In the event a member exercises his right of first refusal or redemption, hereinafter provided, said member shall be liable for the unpaid assessments and/or dues against the unit and shall have the right to deduct such sums from the refusal or redemption price paid to the seller or transferrer.

P. The Association at any time may require owners to maintain a minimum balance on deposit with the Association to cover future regular maintenance dues. Such deposits shall be in accordance with each owner's share of the common expenses and shall in no event exceed three months' regular maintenance dues.

Q. The Developer, at the time of recording this Declaration is the owner in fee simple of all units in this condominium together with appurtenances, and may desire to develop additional land in the area. Developer, or its agents or assigns, are irrevocably empowered, notwithstanding anything to the contrary, to sell, lease or rent any said units to any persons approved by the Developer. Developer, its agents or assigns, shall have the right to transact on the condominium property any business necessary to consummate sale of units in this condominium, as well as for any and all units to be built on the property, including but not limited to the right to maintain models, to reserve parking spaces, have signs on the property, maintain and staff a sales office, use and show the Common Elements to promote sales, and to show units and Common or Limited Elements for the purpose of selling units in this condominium, as well as other developments. Developer may assign this right of commercial usage to such other persons or entities as it may choose. As long as Developer either owns property in the condominium or owns property contiguous to or in close proximity to the condominium property, or has an option on such property, the Developer retains this right.

The Developer retains the right to operate the Board of Directors pursuant to §718.301(1), Florida Statutes.

Until such time as the Developer has sold all the units in the condominium, the Developer shall be assessed for maintenance expenses on the unsold units the same as other units in the condominium; provided, however, Developer, at its option, agrees to pay in lieu of the monthly maintenance the amount of the monthly common expenses incurred by the Association as set forth in the budget herein, not completely paid by the unit owners total maintenance dues.

Upon turning over the management of the condominium project to the owners through their Association, the Developer shall call a meeting of the management corporation and all unit owners; and at such meeting a formal transfer of the management of the condominium project to the management corporation shall be made, and Developer shall then automatically be released of any and all types of liability to individual owners or their Association, except for those liabilities as set forth in §718, Florida Statutes.

R. The Association shall have a resident manager and it shall provide a residence for such manager. The Association shall purchase one unit from the Developer at a sales price of \$80,000, with the Association assuming the existing mortgage encumbering said unit. A contract for purchase shall be entered into between Developer and the Association which shall set forth the terms and conditions of said sale and purchase and the cash due above the assumed mortgage amount shall be paid by a second mortgage to the Developer. The terms and conditions of the second mortgage, such as the number of years and interest rate, shall be the same as the first mortgage. The Developer shall pay the Association's (buyer) closing costs as set forth in the Agreement for Sale; however, these closing costs shall be added to the second mortgage to reimburse the Developer. The transaction shall take place within twenty (20) days after the date the Certificate of Occupancy is issued as to that respective unit.

12. Sale of Units. Prior to the sale of any interest in a unit and its appurtenances, the owner of said unit shall notify the Board of Directors of the Association, in writing, of the name and address

of the person to whom the proposed sale is to be made, and such other information as may be required by the Board of Directors of the Association. Within five (5) days any one of the three members of the Board of Directors, appointed specifically for the purpose by the president of the Association shall either approve or disapprove of a proposed sale, in writing, and shall notify the owner of his decision. In the event the committee fails to act or disapproves of a proposed sale, and if the member still desires to so transfer, he shall, thirty (30) days before such transfer, give written notice to the secretary of the Association of his intention to sell on a certain date, and the bona fide price and other terms thereof; and the Association, through one of its officers, shall promptly notify the members of the date, price and terms. Members shall have the first right over non-members to accept such sale at the bona fide price and on the terms contained in the notice, provided that they so notify the secretary of the Association in writing of such acceptance at least ten (10) days before the date of the intended transfer, which information the Association shall promptly forward to the owner. It shall be discretionary with the member giving notice to consummate the sale with whichever of the accepting members he chooses, and nothing hereinabove shall be construed as precluding a group of members from purchasing a unit.

In the event the member giving notice receives no written notice from any member accepting his price and terms of the proposed sale on or before ten (10) days before the day given in the notice as the day of the transfer, then that member may complete the sale within a reasonable time of the day and at the price or terms given in his notice, but at no other price or terms without repeating the procedure outlined above. In the event a member makes a sale without first complying with the terms hereof, any other member shall have the right to redeem from the grantee, subject to termination, according to the provisions hereof. The member's or members' redemption rights shall be exercised by the member or members reimbursing the grantee for the monies expended, and immediately after such reimbursement said grantee shall convey all of his right, title and interest to the member or members making the redemption.

An affidavit by the secretary of the Association stating that the sale of the unit and its appurtenances to certain persons was approved in all respects on a certain date shall be conclusive evidence of such facts, and from the date of approval as stated in the affidavit, the redemption rights herein afforded the members shall terminate.

An affidavit of the secretary of the Association stating that the Board of Directors was given proper notice on a certain date of a proposed sale, and that the approval committee disapproved or failed to act on such proposed sale, and that thereafter all provisions hereof which constitute conditions precedent to a subsequent sale of a unit and its appurtenances have been complied with and that the sale of a unit and its appurtenances to particularly named persons does not violate the provisions hereof, shall be conclusive evidence of such facts for the purpose of determining status of those persons' title to the unit and its appurtenances transferred. Such affidavit shall not be evidence of the fact that the subsequent transfer to such persons was made at the price, terms and date stated in the notice given to the secretary, but one hundred fifty (150) days after date of the notice to the Board of Directors as stated in the affidavit, the redemption rights herein afforded the members shall terminate.

Notwithstanding anything to the contrary herein, the provisions of this section shall in no way be construed as affecting the rights of an institutional first mortgagee with a recorded institutional first mortgage on any unit, its appurtenances and interest in the Common Elements

in that the redemption rights as set forth herein shall remain subordinate to any such institutional first mortgage.

Notwithstanding anything to the contrary herein, the provisions of this entire Section 12 shall not be applicable to purchases at foreclosure or other judicial sales, to transfers to or from institutional first mortgagees; transfers from or to the Developer, not corporate grantee of all property in this condominium, which said grantee shall be considered as Developer as hereinabove set out, nor transfers wherein an officer of the development corporation acts as agent, or if said corporation shall be legally dissolved, wherein any one of the Developers or a member of the last Board of Directors, their administrators or assigns is acting as agent. The Developer and institutional first mortgagees shall have the right to transact any business that may be necessary to consummate sales of condominium parcels, including but not limited to the right to maintain models, have signs identifying the condominium property and advertising the sale of condominium parcels, have employees in offices and models and other Common Elements, and use the Common Elements, and to show units. Sales office furnishings, if any, the furniture and furnishings in the model units, if any, signs and items pertaining to sales shall not be considered Common Elements and shall remain the property of the Developer. Further, the Developer and its employees shall have the right to exclusive possession of any sales office, if any, until such time as all condominium parcels have been sold.

The provisions of this Section 12 shall not apply to transfers by a unit owner to any member of his immediate family (viz. spouse, children or parents).

Any owner of a unit may not transfer his interest in said unit to a purchaser without simultaneously transferring his undivided interest in the Common Elements and Limited Common Elements to said purchaser.

The purpose of the covenants in this section is to maintain a congenial residential community, and this covenant shall exist until this Declaration is modified or until the condominium project is terminated as hereinafter provided.

13. Rental of Units. Unit owners shall have the absolute right to lease their units provided such leases are subject to the covenants and restrictions contained in this Declaration and in the By-Laws as may be from time to time amended.

14. Enforcement of Maintenance. In the event owners of a unit fail to maintain it as required herein or make any structural addition or alteration without the required written consent, the Association or any owner with an interest in any unit shall have the right to proceed in a court of equity to seek compliance with the provisions hereof. The Association shall have the right to levy at any time a special assessment against the owners of the unit and the unit for the necessary sums to put the improvements within the unit in good condition and repair or to remove any unauthorized structural addition or alteration. After making such assessment, the Association shall have the right to have its employees and agents enter the unit at any time to do such work as deemed necessary by the Board of Directors of the Association to enforce compliance with the provisions hereof.

The Board of Directors of the Association may enter into a contract with any firm, person or corporation for the maintenance and repair of the condominium elements and may join with other condominium corporations on contracting with the same firm, person or corporation for maintenance and repair.

The Association shall determine the exterior color scheme of all buildings and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window, patio or any exterior surface, etc., at any time without the written consent of the Association.

In the event the Association fails to maintain the common property in accordance with its obligations hereunder, any owner of an interest in any unit, or institutional first mortgagee of a unit, shall have the right to seek specific performance in a court of equity to compel the Association to do so; or in the event of emergency repairs needed to utilities, walls, etc., the owner of an interest in any unit may give the Association twenty-four (24) hours' notice to repair same, and if it is not done, said owner may proceed to contract in his own name to make such repairs and the Association shall be obligated to reimburse said owner for the reasonable value of the repairs which were necessary and for which the Association has financial responsibility.

15. Destruction of Improvements and Insurance. The Association shall obtain fire and extended coverage insurance and vandalism and malicious mischief insurance, insuring all of the insurable improvements erected upon the property designated as condominium for eighty (80%) percent of the full replacement value, and the premium for such coverage shall be assessed against the owners of such unit as a part of the annual assessment. The Association shall annually make a survey and thereby determine replacement costs for insurance purposes for all then existing improvements for the ensuing year. On the basis of said survey, the Association shall continue to maintain the necessary fire and extended coverage and vandalism and malicious mischief insurance to assure replacement or repair to damaged improvements as hereinabove set forth. The original policy shall be held by the Association with institutional first mortgagees to be named in the policy as their interests may appear, and certification of insurance shall be furnished to them.

In the event a loss occurs to any improvements within any of the units alone, or within improvements in the Limited Common Elements, or in the event that a loss occurs to improvements within the contiguous Common Elements or to improvements within the common property alone, payments under the policy shall be made jointly to the Association and to the institutional holders of mortgages on units; and said proceeds shall be expended or disbursed as follows:

A. All Association officers and employees handling funds shall be bonded at least to the full extent of the insurance proceeds and other funds on hand, and all payees shall endorse the insurance company check to the Association, and the Association shall promptly contract for the necessary repairs to the improvements within the Common Elements, Limited Common Elements or within the damaged units.

B. The improvements shall be completely restored and repaired. The Association shall negotiate and obtain a contractor willing to do the work on a fixed price basis, and shall disburse the insurance proceeds and other funds in accordance with the progress payments contained in the contract between the Association and the contractor, which construction contract shall be subject to written approval of the institutional mortgagee or mortgagees holding a mortgage or mortgages on any damaged individual unit or units and/or its or their appurtenances. However, where the condominium project has been abandoned, as hereinafter provided, the insurance proceeds shall be disbursed by the Association to the owners and mortgagees of the individual units as their interest may appear.

Under all circumstances, the Association hereby has the authority to act as the agent of all owners for the purpose of compromising or settling insurance claims for damage to improvements within the units, Limited Common Elements or the Common Elements. The Association shall also obtain public liability insurance covering all of the Common Elements included in this condominium project, and also the Limited Common elements, and insuring the Association and the common owners as its or their interest appear in the minimum amount of \$250,000.

16. Termination of Condominium Project. The condominium may be terminated in either of the following manner:

A. At any time when there has been total loss or destruction of the units and improvements in the Common Elements and Limited Common Elements, and the members by majority vote, elect to abandon the condominium project, said project shall be abandoned.

B. At any time, for any reason whatsoever, whether or not any destruction of the property has occurred, all of the unit owners, upon the written unanimous consent of all voting members, may remove the condominium property from the provisions of the Condominium Act by an instrument to that effect, duly recorded, provided that the holders of all liens affecting any of the condominium parcels consent thereto or agree, in either case by instruments duly recorded, that their liens be transferred to the undivided share of the unit owner as hereinafter provided.

Upon removal of the condominium property from the provisions of the Condominium Act, the condominium shall be deemed to be owned in common by the unit owners, and the undivided share of the property owned in common by each unit owner shall be the undivided share previously owned by such owner in the Common Elements. After termination of the condominium in any manner, the liens upon condominium parcels shall be upon the respective undivided shares of the owners as tenants in common.

Additionally, after termination of the condominium project in any manner, the unit owners, at their option, upon the unanimous written consent of all such owners and of the holders of institutional first mortgage liens on any unit, may elect to immediately convey by Warranty Deed to the Association, all of said unit owner's right, title and interest to any unit and to the Common Elements and Limited Common Elements, provided the Association's officers and employees handling funds have been adequately bonded and the Association or any member shall have a right to enforce such conveyance by making specific performance in a court of equity.

The Board of Directors of the Association shall then sell all of the property at public or private sale upon the terms approved in writing by all of the institutional first mortgagees. Upon the sale of said property, the costs, fees and charges for effecting said sale, the cost of liquidation and dissolution of the Association, and all obligations incurred by the Association in connection with the management and operation of the property up to and including the time when distribution is made to unit owners, shall be paid out of the proceeds of said sale, and the remaining balance (hereinafter referred to as "net proceeds of sale") shall be distributed to the unit owners in accordance with each unit owner's proportionate ownership in the condominium project as set forth herein.

Upon the determination of each unit owner's share, as hereinabove provided for, the Association shall pay out of each unit owner's share all mortgages and other liens encumbering said unit in accordance with

their priority, and upon such payment being made all mortgagees and lienors shall execute and record satisfactions or releases of their liens against said unit or units. Thereupon, the directors of the Association shall proceed to liquidate and dissolve the Association, and distribute the remaining portion of each distributive share, if any, to the owner or owners entitled thereto. If more than one person has an interest in a unit, the Association shall pay the remaining distributive share allocable to said unit to the various owners of such unit, excepting that if there is a dispute as to the validity, priority or amount of mortgages or liens encumbering a unit, then payment shall be made to the owner and/or owners of such unit and to the owners and holders of the mortgages and liens encumbering said unit.

As evidence of the members' resolution to abandon passed by the required vote or written consent of the members, the president and secretary shall effect and place in the public records of St. Johns County, Florida, an affidavit stating that such resolution was properly passed or approved by the members and also shall record the written consents, if any, of institutional first mortgagees to such abandonment.

After such affidavit has been recorded, the title to said property thereafter shall be free and clear from all the restrictions, covenants, conditions and easements set forth in this Declaration, and the purchaser and subsequent grantees of any said property shall receive title to said lands free and clear thereof.

17. Modification, Invalidation and Operation. These restrictions, reservations, covenants, conditions and easements, and the By-Laws which are attached hereto and made a part hereof, may be modified or amended by recording such modification or amendment in the public records of St. Johns County, Florida, signed by two-thirds (2/3) of the unit owners and by all owners and holders of first liens on any units, except that unanimous consent of the owners shall be necessary to change the vote or consent necessary to terminate the condominium project, and further except that, with the consent of all institutional first mortgagees, the Developer reserves the right to amend, modify, alter or annul any of the covenants, restrictions or conditions of this Declaration until ninety per cent (90%) of the units have been sold and titled out to individual purchasers; and further except that the Developer or a member of the Board of Directors of the Association, their administrators or assigns must approve in writing any modification or amendment of Section 12 hereof entitled "Sale of Units".

Invalidation of any of these restrictions, reservations, covenants, conditions and easements, or any provision contained in this Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM, or in a conveyance of a unit by the Developer by judgment, court order or law shall in nowise effect any of the other provisions which shall remain in full force and effect.

In the event that any court should hereafter determine that any provisions, as originally drafted herein, violates the rule against perpetuities or any other rule of law because of the duration of the period involved, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law; and for such purpose the measuring life shall be that of the youngest incorporator of the corporation.

These restrictions, reservations, covenants, conditions and easements, shall be binding upon and inure to the benefit of all property owners and their grantees, heirs, personal representatives, successors and assigns, and all parties claiming by through or under any member.

17. Subordination. No breach of any of the provisions contained herein shall defeat or adversely affect the lien of any mortgage at any time made in good faith and for a valuable consideration upon said property, or any part thereof, and made by a bank, savings and loan association, or insurance company authorized to transact business in the State of Florida and engaged in the business of making loans constituting a first lien upon real property, but the rights and remedies hereby granted to the Developer, the Association and the owner or owners of any part of said condominium, may be enforced against the owner of the portion of said property subject to said mortgage, notwithstanding said mortgage. The purchaser at any sale upon foreclosure shall be bound by all of the provisions herein contained, unless said purchaser be an institutional first mortgagee which had a mortgage on said unit at the time of institution of said foreclosure action, or the Developer.

18. Improvements. Subsequent to the original construction, improvements and additions to the Common Elements may be made by the Association levying a special assessment, provided, however, no such special assessment shall be levied for improvements which shall exceed one-fourth (1/4) of the current regular annual assessment, unless prior written unanimous consent shall be received from all voting members.

19. Interpretation. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the plural shall include the singular and the use of the singular shall include the plural.

Provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a condominium.

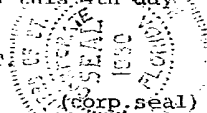
20. Remedies for Violations. For violation or a breach of any provision of this Declaration by a person claiming by, through or under the Developer, or by virtue of any judicial proceedings, the Association and members thereof, or an institutional first mortgagee, or any of them, severally, shall have the right to proceed at law for damages on in equity to compel a compliance with the terms hereof or to prevent the violation or breach of any of them, or for such other relief as may be appropriate. In addition to the foregoing right, the Association shall have the right, whenever there shall have been built within the condominium any structure which is in violation of this Declaration, to enter upon the property where such violation of this Declaration exists and summarily abate or remove the same at the expense of the owner, provided, however, the Association shall then make the necessary repair or improvements where such violation occurred so that the property shall be in the same condition as it was before said violation occurred, and any such entry or abatement or removal shall not be deemed a trespass. The failure promptly to enforce any of the provisions of this Declaration shall not bar their subsequent enforcement.

IN WITNESS WHEREOF, CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH LIMITED a Florida Limited Partnership, has caused these presents to be signed in its name by its General Partner, CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH, INC., a Florida corporation, and its corporate seal affixed this 4th day of March, 1982.

Witnesses:

Ronald N. Johnson
Jennifer N. Crockett

CAPTAINS' QUARTERS OF ST.
AUGUSTINE BEACH LIMITED



By: CAPTAINS' QUARTERS OF ST.
AUGUSTINE BEACH, INC. (General Partner)

By: *W. H. Bradshaw*
W. H. BRADSHAW, President

STATE OF FLORIDA
COUNTY OF VOLUSIA

I HEREBY CERTIFY that on this 4th day of March, 1982, before me personally appeared W. H. BRADSHAW, President of CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH, INC., a Florida corporation and General Partner of CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH LIMITED, a Florida Limited Partnership, to me known to be the person described in and who executed the foregoing DECLARATION OF CONDOMINIUM OF CAPTAINS' QUARTERS CONDOMINIUM, and acknowledged the execution thereof to be his free act and deed under authority vested in him by said partnership and corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the county and state last aforesaid this 4th day of March, 1982.

Jennifer H. Crockett
Notary Public

My Commission Expires:

NOTARY PUBLIC, State of Florida at Large
My Commission Expires June 9, 1985
Bonded by AUTO OWNERS INSURANCE CO.

ARTICLES OF INCORPORATION

OF

CAPTAINS' QUARTERS OF ST. AUGUSTINE
BEACH CONDOMINIUM ASSOC., INC.(a corporation not for profit under
the laws of the State of Florida)

The undersigned, by these Articles, associate themselves for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes.

ARTICLE IName

The name of the organization shall be CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH CONDOMINIUM ASSOC., INC. (a corporation not for profit under the laws of the State of Florida). For convenience the corporation shall be referred to in this instrument as the "Association".

ARTICLE IIPurpose

2.1 - The purpose for which the Association is organized is to provide an entity pursuant to §718.111 of the Condominium Act, Chapter 718, Florida Statutes (1977) as amended, for the operation of CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH CONDOMINIUM, a condominium, to be located upon the following lands in St. Johns County, Florida:

The North 405.69 feet of Government Lots 1 and 2 of Section 15, Township 8 South, Range 30 East, St. Johns County, Florida lying East of State Road No. A-1-A, excepting therefrom the North 30 feet of said Government Lots 1 and 2 and excepting therefrom the following described parcel of land:

Commencing at the intersection of the North line of said Section 15 and the East right-of-way line of State Road No. A-1-A, a 100 foot width right-of-way; thence South 14° 58' East on said East right-of-way line of State Road, 30.94 feet; thence North 89°, 11' East, on the South line of a County Road and 30 feet South of and parallel with the North line of said Section 15, a distance of 1,000 feet; thence South 14°, 58'

GREZIK AND JOHNSON
ATTORNEYS AT LAW
326 SOUTH GARDENVIEW AVE.
DAYTONA BEACH, FLORIDA
32018
(904) 252-3694

EXHIBIT 3

East 387.45 feet; thence South 89°, 11' West, on the South line of said North 405.69 feet of Government Lots 1 and 2, a distance of 1,000 feet; thence North 14°, 58' West, on said East right-of-way line of State Road, 387.45 feet to the Point of Beginning.

2.2 - The Association shall make no distribution of income to its members, directors or officers.

ARTICLE III

Powers

The powers of the Association shall include and be governed by the following provisions:

3.1 - The Association shall have all the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these Articles.

3.2 - The Association shall have all the powers and duties as set forth in the Condominium Act, except as limited by these Articles and the Declaration of Condominium, and all of the powers and duties reasonably necessary to operate the condominium pursuant to the Declaration as presently drafted and as it may be amended from time to time, including but not limited to the following:

A. To make and collect assessments against members as unit owners to defray the costs, expenses and losses of the condominium.

B. To use the proceeds of assessments in the exercise of its powers and duties.

C. To purchase insurance upon the condominium property and insurance for the protection of the Association and its members as unit owners.

D. To maintain, repair, replace and operate the condominium property.

E. To reconstruct improvements after casualty and the further improvement of the property.

GREZIK AND JOHNSON
ATTORNEYS AT LAW
336 SOUTH GRANDVIEW AVE.
DAYTONA BEACH, FLORIDA
32118
(904) 257-3554

F. To make and amend reasonable regulations respecting the use of the property in the condominium.

G. To approve or disapprove the leasing, transfer, mortgage and ownership of units as provided by the Declaration of Condominium and the By-laws of the Association.

H. To enforce by legal means the provisions of the Condominium Act, the Declaration of Condominium these Articles, the By-Laws of the Association, and the Regulations for the use of the property in the condominium.

I. To contract for the management and maintenance of the condominium property and to authorize a management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and common elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the 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.

J. To contract for the management and operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.

K. To employ personnel to perform the services required for proper operation of the condominium.

3.3 - The Association shall have the power to purchase a unit in the condominium and to hold, lease, mortgage and convey same.

3.4 - All funds and titles to all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the By-Laws.

GREZIK AND JOHNSON
ATTORNEYS AT LAW
326 SOUTH GRANDVIEW AVE.
DAYTONA BEACH, FLORIDA
32018
(904) 252-3694

ARTICLE IVMembers

4.1 - The members of the Association shall consist of all of the record owners of units in the condominium, and after termination of the condominium shall consist of those who are members at the time of such termination and their successors and assigns.

4.2 - After receiving approval of the Association as required by the Declaration of Condominium, change of membership in the Association shall be established by recording in the Public Records of St. Johns County, Florida, a deed or other instrument establishing a record title to a unit in the condominium and the delivery to the Association of a certified copy of such instrument. The owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated.

4.3 - The owner of each unit shall be entitled to one vote as a member of the Association. The manner of exercising voting rights shall be determined by the By-Laws of the Association.

ARTICLE VDirectors

5.1 - The affairs of the Association will be managed by a board consisting of the number of directors fixed by the By-Laws, but not less than three members.

5.2 - The directors of the Association shall be elected at the annual meeting of the members in the manner specified in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided in the By-Laws.

5.3 - A. Directors named in these Articles shall serve until their successors are elected, and any vacancies in their number occurring before the elections, as set forth below, shall be filled by the remaining directors.

B. When unit owners other than the developer own 15 per cent (15%) or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the

GREZIK AND JOHNSON
ATTORNEYS AT LAW
326 SOUTH GRANDVIEW AVE.
DAYTONA BEACH, FLORIDA
32018
190412523694

developer shall be entitled to elect no less than one-third of the members of the board of directors of the association. Unit owners other than the developer are entitled to elect not less than a majority of the members of the board of directors of an association:

(1) Three years after 50 per cent (50%) of the units that will be operated ultimately by the Association have been conveyed to the purchasers;

(2) Three months after 90 per cent (90%) of the units that will be operated ultimately by the Association have been conveyed to the purchasers;

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

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

(5) 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 per cent (5%) of the units.

5.4 - The names and addresses of the members of the first Board of Directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

W. H. BRADSHAW
12 Wisteria Drive
Ormond Beach, FL 32074

W. V. HARVEY
410 Rivershore Ct., N.W.
Atlanta, GA 30328

R. L. PICKARD
2538 Kingsland Ct.
Doraville, GA 30340

GREZIK AND JOHNSON
ATTORNEYS AT LAW
216 SOUTH GRANDVIEW AVE.
DAYTONA BEACH, FLORIDA
32018
(904) 252-3694

-5-

ARTICLE VIOfficers

The affairs of the Association shall be administered by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the Association, and they shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

W. H. BRADSHAW
President
12 Wisteria Drive
Ormond Beach, FL 32074

W. V. HARVEY
Vice-President/Treasurer
410 Rivershore Ct., N.W.
Atlanta, GA 30328

R. L. PICKARD
Secretary
2538 Kingland Ct.
Doraville, GA 30340

ARTICLE VIIIndemnification

Every director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty for wilful misfeasance or malfeasance in the performance of his duties; provided, that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

GREZIK AND JOHNSON
ATTORNEYS AT LAW
326 SOUTH GRANDVIEW AVE.
DAYTONA BEACH, FLORIDA
32018
(904) 257-3684

ARTICLE VIII

By-Laws

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the By-Laws.

ARTICLE IX

Amendments

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

9.1 - 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.

9.2 - A resolution for adoption of a proposed amendment may be proposed either by the Board of Directors or by members of the Association. Directors and members not present in person or by proxy at the meeting to consider the amendment may express their approval in writing provided such approval is delivered to the secretary at or prior to the meeting. Except as hereinafter provided, approval of a proposed amendment must be either by:

A. Not less than 75% of the entire membership of the Board of Directors and not less than 75% of the votes of the entire membership of the Association; or

B. Not less than 30% of the votes of the entire membership of the Association; or

C. Until the first election of the Board of Directors, only by all of the directors.

9.3 - No amendment shall make any changes in the qualifications for membership nor the voting rights of members, nor any change in Section 3.3 of Article III hereof, without approval in writing by all members and the joinder of all record owners of mortgages upon the condominium. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium.

GREZIK AND JOHNSON
ATTORNEYS AT LAW
376 SOUTH GRADVIEW AVE.
DAYTONA BEACH, FLORIDA
32018
(904) 252-3694

9.4 - A copy of each amendment shall be certified by the Secretary of the State of Florida and must be recorded in the Public Records of St. Johns County, Florida.

ARTICLE X

Terms and Address

The term of the Association shall be perpetual. The principal office of the Association shall be located at 326 South Grandview Avenue, Daytona Beach, Florida 32018, but the Association may maintain offices and transact business in such other places within or without the State of Florida as may from time to time be designated by the Board of Directors. The Board of Directors shall also have the right to relocate the principal office. The initial resident agent of the Association shall be RONALD N. JOHNSON whose address is 326 South Grandview Avenue, Daytona Beach, Florida 32018. The Board of Directors may from time to time change the resident agent by designation filed in the office of the Secretary of State.

ARTICLE XI

Subscribers

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

RONALD N. JOHNSON
326 S. Grandview Avenue
Daytona Beach, FL 32018

JENNIFER N. CROCKETT
Taylor Road
Daytona Beach, FL 32014

W. H. BRADSHAW
12 Wisteria Drive
Ormond Beach, FL 32074

IN WITNESS WHEREOF, the incorporators have affixed their signatures this 11th day of February, 1982.


RONALD N. JOHNSON


JENNIFER N. CROCKETT

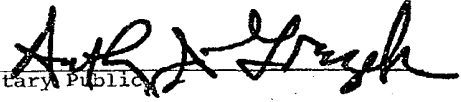

W. H. BRADSHAW

GREZIK AND JOHNSON
ATTORNEYS AT LAW
326 SOUTH GRANDVIEW AVE.
DAYTONA BEACH, FLORIDA
32018
904/252-3694

STATE OF FLORIDA
COUNTY OF VOLUSIA

I HEREBY CERTIFY that on this day, before me the undersigned authority duly authorized in the state and county aforesaid to take acknowledgments, personally appeared RONALD N. JOHNSON, JENNIFER N. CROCKETT and W. H. BRADSHAW, to me well known to be the persons described as subscribers in, and who executed the foregoing Articles of Incorporation, and they acknowledged before me that they subscribed to said Articles of Incorporation.

WITNESS my hand and official seal in the county and state last aforesaid this 11th day of February, 1982.

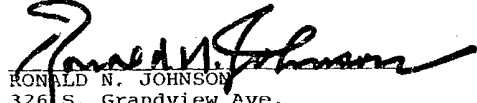

Notary Public

My Commission Expires:

Notary Public, State of Florida
My Commission Expires Aug. 26, 1985
Bonded thru Tary Fain - Insurance, Inc.

ACCEPTANCE OF DESIGNATION OF RESIDENT AGENT

The undersigned, having been named to accept service of process for the above stated corporation, at the place designated in Article X of the Articles of Incorporation, hereby accepts to act in such capacity and agrees to comply with the provisions of §48.091, Florida Statutes, relative to keeping open said office.


RONALD N. JOHNSON
326 S. Grandview Ave.
Daytona Beach, FL 32018

GREZIK AND JOHNSON
ATTORNEYS AT LAW
326 SOUTH GRANDVIEW AVE.
DAYTONA BEACH, FLORIDA
32018
(904) 252-3654

BY-LAWS

OF

CAPTAINS' QUARTERS OF ST. AUGUSTINE
BEACH CONDOMINIUM ASSOC., INC.
(a non-profit Florida corporation)

ARTICLE I

Section 1. Apartment Ownership. The project located at A1A, St. Augustine Beach, St. Johns County, Florida, known as CAPTAINS' QUARTERS CONDOMINIUM is submitted to the Common Law of Florida and all applicable statutes.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the project.

Section 2. Personal Applications. All present or future owners, tenants, future tenants, or their employees, or any other person who might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws, the Charter of the corporation operating the project, and the Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM, in connection therewith. The mere acquisition or rental of any of the family units (hereinafter referred to as "units") of the project or the mere act of occupancy of any of said units will signify that these By-Laws, Charter provisions and regulations in the Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM are accepted, ratified and will be complied with.

Anything in these By-Laws to the contrary notwithstanding, the said By-Laws shall become applicable or effective insofar as the management of the condominium project is concerned in accordance with Florida Statutes 718.111, 718.112 and 718.301.

ARTICLE IIVOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. Voting shall be based on unit ownership as provided for in the Articles of Incorporation and Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM, and each member shall be entitled to one vote, which shall not be cumulative.

Section 2. Majority of Owners. As used in these By-Laws, the term "Majority of Owners" shall mean those owners holding 51% of the votes in accordance with the votes as assigned in the Articles of Incorporation and the Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM.

Section 3. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "Majority of Owners" as defined in Section 2 of this Article shall constitute a quorum.

Section 4. Proxies. Votes may be cast in person or by proxy, or in any manner provided in the Articles of Incorporation and in the Declaration of CAPTAINS' QUARTERS CONDOMINIUM. The Board of Directors of the Association shall have the right to appoint a proxy committee, and the proxy committee appointed by the Board of Directors shall be entitled to cast the

EXHIBIT 4

vote for the person signing the proxy. The proxies shall be mailed out to all persons entitled to vote at least fifteen (15) days, but not more than thirty (30) days prior to a meeting of the Association, and any person wishing to vote by proxy shall have his proxy properly signed and in the hands of the secretary at least five (5) days prior to the date of the meeting.

ARTICLE III

ADMINISTRATION

Section 1. Association Responsibilities. The owners of the units, being all of the members of this non-profit corporation, will constitute the Association of Owners (hereinafter referred to as the "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arrange for the management of the project. The Association agrees that in the event any present or future tax assessor refuses to tax apartments individually together with interest in the Common Elements, then the Board of Directors shall so assess each individual owner for his percentage of the tax as it shall actually be assessed, and each owner shall pay such assessment as herein provided for regular assessments, and the Association shall have the same rights and remedies as herein provided for regular assessments. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of owners.

Section 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the project or such other suitable place convenient to the owners as may be designated by the Board of Directors.

Section 3. Annual Meetings. The annual meetings of the Association shall be held on the second Saturday of January of each year. At such meetings there shall be elected by ballot of the owners a Board of Directors. The owners may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the president to call a special meeting of the owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of owners and having been presented to the secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the votes present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each owner of record at least fifteen (15), but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served. In addition, the secretary shall post in a conspicuous place on the condominium property said notice at least fourteen (14) days prior to the annual meeting.

Section 6. Minutes of All Meetings. Minutes of all meetings of unit owners and the Board of Directors shall be kept in a book available for inspection by unit owners, or their authorized representatives, and board members at any reasonable time. The Association shall retain these minutes for a period of time of not less than seven (7) years.

Section 7. Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either by proxy or in person, may adjourn the meeting to not more than forty-eight (48) hours from the time the original meeting was called.

ARTICLE IV

OFF REC 529 PAGE 329

BOARD OF DIRECTORS

Section 1. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of a minimum of three (3) persons, all of whom must be owners of units in the condominium project. At the turn-over meeting of the condominium project, the number of directors shall be increased to a total of seven (7) persons.

Section 2. Powers and Duties. The Board of Directors shall have the power and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or these By-Laws directed to be exercised and done by the owners.

Section 3. Other Duties. In addition to the duties imposed by these By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

A. Shall comply with all the terms and conditions of the Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM.

B. Care, upkeep, surveillance of the condominium project and the common areas and facilities and the limited common areas and facilities.

C. Employ, dismiss and control the personnel necessary for the maintenance and operation of the condominium project, the common areas and facilities and the limited common areas and facilities.

D. Shall, at its option, adopt any house rules and regulations which may or which may become relative to the general use of the common areas.

Section 4. Vacancies. Vacancies on the Board of Directors caused by reason other than the removal of a Director by majority vote of the owners shall be filled by the vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 5. Removal of Directors. At the regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by a majority vote of the owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall have an opportunity to be heard at the meeting.

Section 6. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the president on three (3) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the meeting time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice upon the written request of at least three directors.

Section 9. Meeting Notices. Notice of all meetings shall be posted conspicuously on the condominium property at least 48 hours in advance, except in an emergency.

Section 10. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time and place thereof. If all the Directors are present any any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. Any any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

ARTICLE V

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors and all of whom shall be members of the Board of Directors. Directors may appoint an assistant treasurer and an assistant secretary and such other officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board, and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the president of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may, in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association. He shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all of the duties incident to the office of secretary.

Section 7. Treasurer. The Treasurer shall have the responsibility of Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VI

OBLIGATIONS OF THE OWNERS

Section 1. Assessments. All owners are obligated to pay monthly assessments imposed by the Association to meet all project communal expenses including specifically, but not by way of limitation, fire and extended coverage and vandalism and malicious mischief and public liability insurance. All owners agree to pay the taxes on their unit whether assessed directly or assessed against the condominium as a whole and prorated by the Board of Directors.

Section 2. Maintenance and Repair.

A. Every owner must perform promptly all maintenance and repair work within his own unit and upon that limited common property known as either the patio or balcony which is adjacent to his own unit, all of which if omitted would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may encompass.

B. All of the repairs of internal installations of the unit, such as water, light, gas, power, sewage, telephone, air conditioners, sanitary installations, doors, windows, lamps and other accessories belonging to the unit area shall be at the owner's expense, unless the repair is covered by the above reference insurance.

C. An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault or through the fault of any agent, guest or lessee of such owner.

Section 3. Use of Units - Internal Changes.

A. All units shall be utilized for residential purposes only.

B. An owner, other than the Developer shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association, in writing through the Board of Directors, and securing permission from the Board of Directors to so modify or alter his unit. The Board of Directors shall have the obligation to answer within ten (10) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section 4. Use of Common Areas and Facilities and Restricted Common Areas and Facilities. An owner shall not place or cause to be placed in the walkways, stairways, vestibules and other condominium areas of similar nature, any furniture, packages or objects of any kind. Such areas shall be used for no other reason than for normal transit through them.

Section 5. Right of Entry.

A. Each owner hereby grants the right of entry to the manager, or to any other persons authorized by the Board of Directors of the Association in case of emergency originating in or threatening his unit, whether the unit owner is present at the time or not.

B. An owner shall permit representatives of the Association, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of emergency, such right of entry shall be immediate.

Section 6. Rules of Conduct and Restrictions.

A. The units are for residential purposes and no business purposes are allowed.

B. No advertising in or outside the units is allowed.

C. No alterations and structural changes are allowed without the approval of the Board of Directors.

D. No owner or occupant shall install wiring for telephone or electrical installations without written permission from the Board of Directors.

E. The units shall be used only in accordance with the existing laws and By-Laws.

F. The premises should not be used by the owners or occupants in a way which would disturb other unit owners.

G. Installations for the common use of the unit owners or occupants shall not be misused or damaged in any manner.

H. No rugs, garments, etc., may be hung or dusted from windows or railings.

I. Garbage and trash shall be deposited only in the containers provided for such purpose.

J. In order not to disturb other persons, the owners and occupants shall minimize noises and the use of musical instruments or radios, television sets, amplifiers, etc.

ARTICLE VII

ASSOCIATION ANNUAL BUDGET

Section 1. Meeting Notice. The Board of Directors shall mail a meeting notice and copies of the proposed annual budget of common expenses to unit owners not less than thirty (30) days prior to the meeting at which the budget will be considered.

Section 2. Approval of Annual Budget. The adoption of the annual budget shall require a vote of not less than a majority vote of all unit owners.

ARTICLE VIII

OFF REC 529 PAGE 333

AMENDMENT TO PLAN OF OWNERSHIP

Section 1. By-Laws. These By-Laws may be amended as provided in ARTICLE IX of the Articles of Incorporation of CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH CONDOMINIUM ASSOC., INC.

ARTICLE IX

MORTGAGES

Section 1. Notice to Association. Any owner who mortgages his unit shall notify the Association through the President of the Board of Directors of the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Units".

Section 2. Notice of Assessments. The Association shall at the request of a mortgagee report any unpaid assessment due from the owner of such unit; however, any lien resulting from such unpaid assessment shall always be considered inferior and subordinate to the lien of said mortgagee.

ARTICLE X

PARTITION

No owner shall have a right to seek partition in the courts as long as the project is operated as a condominium or until the building's destruction, whichever occurs first, since partition would negate the plan and concept of a condominium ownership.

ARTICLE XI

FIRST REFUSAL


The Association shall have the right to exercise its right of "First Refusal" in accordance with the terms of the Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM to purchase the unit should an owner decide to sell during the life of the condominium or the buildings, whichever is lesser; to carry out the intentions of the owners; to form and maintain a congenial residential community and to preserve the value of the property.

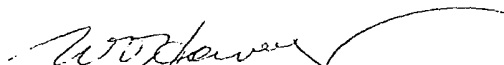
ARTICLE XII

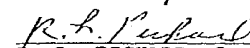
COMPLIANCE

In the event that any of the By-Laws conflict with the other provisions of the Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM, it is hereby agreed and accepted that such other provisions of the Declaration of Condominium will control.

The foregoing By-Laws of CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH CONDOMINIUM ASSOC., INC. approved by members of the Board of Directors this 4th day of March, 1982.


W. H. BRADSHAW, President and
Director

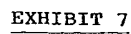

W. V. HARVEY, Vice-President/
Treasurer and Director


R. L. PICKARD, Secretary and
Director

ESTIMATED OPERATING BUDGET
FOR
CAPTAINS' QUARTERS CONDOMINIUM ASSOC., INC.

<u>INCOME:</u>	<u>MONTHLY</u>	<u>YEARLY</u>
6 "A" Units at \$103.72/mo.	\$ 622.32	\$ 7,467.84
9 "B" Units at \$84.03/mo.	756.27	9,075.24
41 "C" Units at \$83.55/mo.	3,425.55	41,106.60
 TOTAL INCOME	 \$ <u>4,804.14</u>	 \$ <u>57,649.68</u>
 <u>EXPENSES:</u>		
Salaries	\$ 800.00	\$ 9,600.00
Manager's Unit	800.00	9,600.00
Insurance	500.00	6,000.00
Electric	500.00	6,000.00
Pool Service	100.00	1,200.00
Water, Sewage, Garbage	750.00	9,000.00
Elevator	200.00	2,400.00
Taxes (Manager's Unit)	50.00	600.00
Office Supplies	77.14	925.68
Replacement Reserve (including building and painting, roof replacement and pavement resurfacing)	<u>1,027.00</u>	<u>12,324.00</u>
 TOTAL EXPENSES	 \$ <u>4,804.14</u>	 \$ <u>57,649.68</u>

EXHIBIT 5

OFF 529 PAGE 335
REC

SURVEY

CAPTAINS' QUARTERS CONDOMINIUM

OFF REC 529 PAGE 336

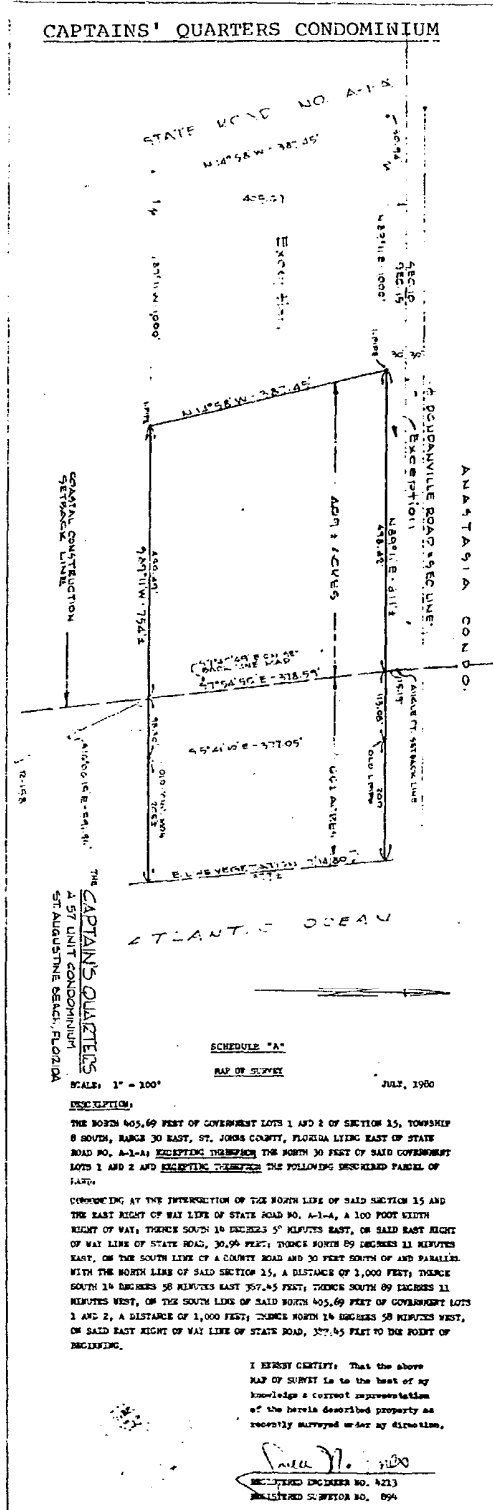
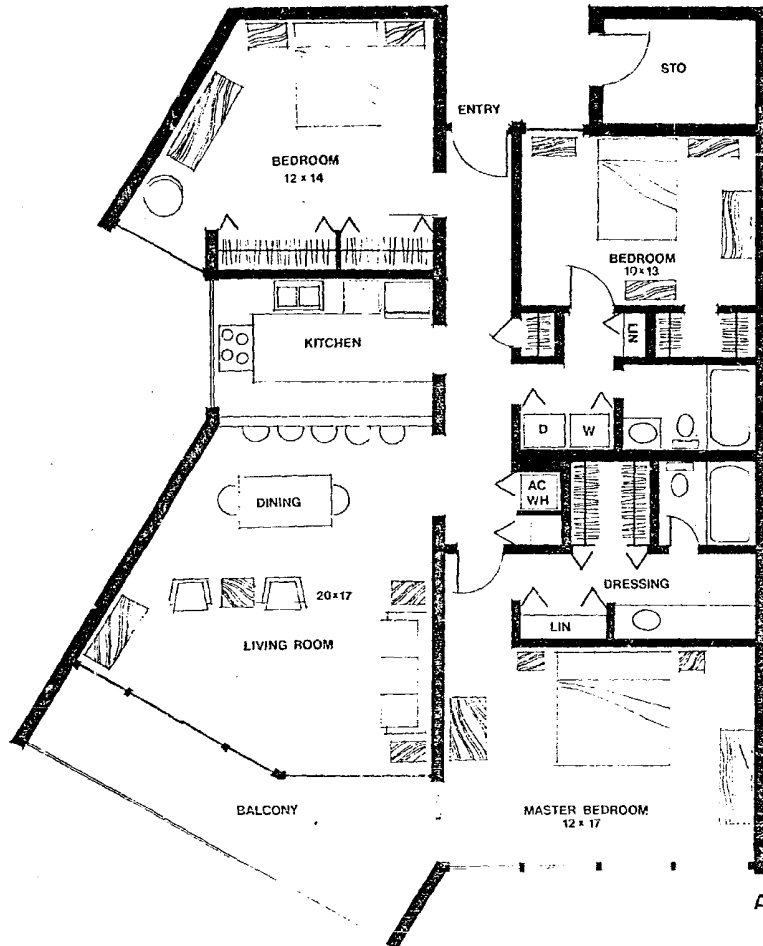


EXHIBIT 10

FLOOR PLAN - A UNIT

OFF REC 529 PAGE 337

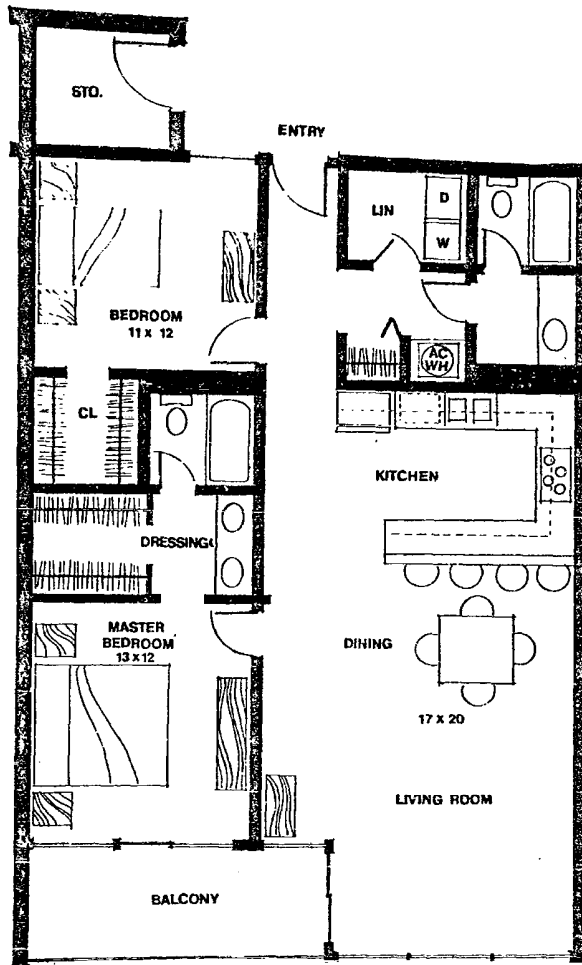


THE CAPTAIN'S QUARTERS
A 57 UNIT CONDOMINIUM
ST. AUGUSTINE BEACH, FLORIDA

EXHIBIT 11-A

FLOOR PLAN - B UNIT

OFF REC 529 PAGE 338



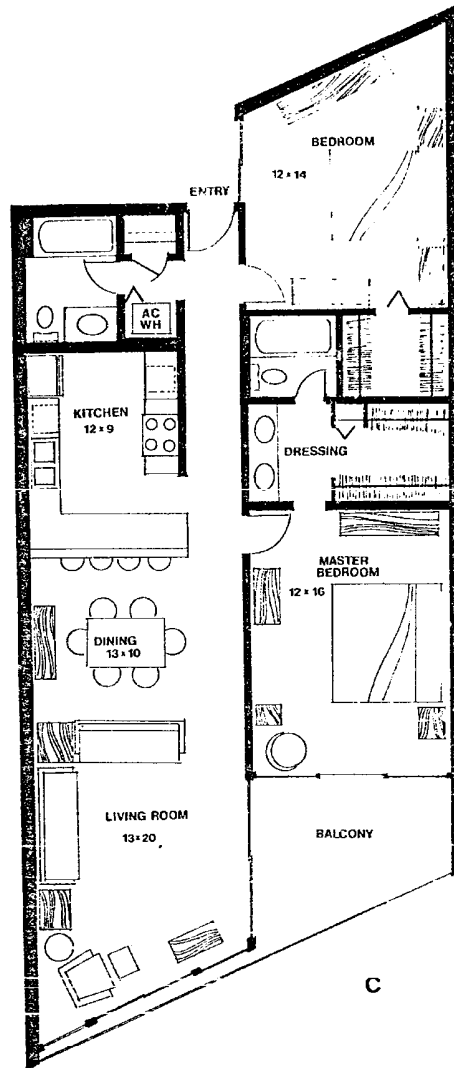
B

THE CAPTAIN'S QUARTERS
A 57 UNIT CONDOMINIUM
ST. AUGUSTINE BEACH, FLORIDA

EXHIBIT 11-B

FLOOR PLAN - C UNIT

OFF REC 529 PAGE 339



THE CAPTAIN'S QUARTERS
A 57 UNIT CONDOMINIUM
ST AUGUSTINE BEACH, FLORIDA

FILED AND RECORDED IN
PUBLIC RECORDS OF
ST. JOHNS COUNTY, FLA.
1992 MAR -5 AM 10:41
Book "Bund" Number
RECORDS OF CIRCUIT COURT

EXHIBIT 11-C

82 3046

AMENDMENT TO
 DECLARATION OF CONDOMINIUM
 OF
 CAPTAINS' QUARTERS CONDOMINIUM
 a condominium

OFF REC 529 PAGE 340

THIS AMENDMENT TO THE DECLARATION OF CONDOMINIUM OF CAPTAINS' QUARTERS CONDOMINIUM made this 4th day of March, 1982, by CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH LIMITED, a Florida Limited Partnership;

WITNESSETH:

I. Amendment to DECLARATION OF CONDOMINIUM OF CAPTAINS' QUARTERS CONDOMINIUM - EXHIBIT 2:

1. Page 3, Provision 8, Ownership of Common Elements and Share of Common Expenses and Surpluses is amended in its entirety to read:

Each owner of a unit in the said condominium shall own in fee simple absolute an undivided percentatge interest in the Common Elements, the common expenses and surpluses assigned to each unit as hereinafter set forth:

<u>Unit No.</u>	<u>Percentage Interest in Common Elements and Common Surplus and Share of Common Expenses</u>		
<u>"A"</u>			
108		2.16%	
208		"	
308		"	
112		"	
212		"	
312		"	
<u>"B"</u>			
109		1.75%	
110		"	
111		"	
209		"	
210		"	
211		"	
309		"	
310		"	
311		"	
<u>"C"</u>			
101	301	201	1.74%
102	302	202	"
103	303	203	"
104	304	204	"
105	305	205	"
106	306	206	"
107	307	207	"
114	314	214	"
115	315	215	"
116	316	216	"
117	317	217	"
118	318	218	"
119	319	219	"
	320	220	"

2. Page 7, Provision 11, Unit Owners' Association, Section K, is amended in its entirety to read:

The Association shall have the right to levy monthly maintenance and special assessments against each unit to provide for the payment of the Association's expenses.

3. Page 7, Provision 11, Unit Owners' Association, Section M, is amended in its entirety to read:

The total monthly maintenance dues against each unit shall be determined by the members of the Association, except that until the Association by vote approves otherwise, the monthly maintenance for the six (6) Type A units shall be in the sum of \$103.72 per unit; for the nine (9) Type B units, the sum of \$84.03 per unit and for the forty-one (41) Type C units, the sum of \$83.55 per unit. Such monthly payments are payable in advance to the Association on the first day of each month regardless of whether or not members are sent or actually receive a written notice thereof; the first payment to be made on the first day of the month succeeding the date of the unit deed. The first regular three months' maintenance shall be paid at the time of closing to provide adequate income to defray the initial Association operating expense.

The record owners of each unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, and/or maintenance dues, regular or special, made by the Association for all costs of collection of delinquent assessments and/or maintenance dues. In the event assessments, and/or maintenance dues against a unit are not paid within sixty (60) days after the due date, the Association may elect to declare all past due installments of assessments and/or maintenance dues, and all installments to become due during the remainder of the fiscal year then due and payable in full as if such aggregate sum had originally been stipulated to so become due and payable in full, and the Association shall have the right to foreclose its lien for such assessments and/or maintenance dues.

Assessments and/or maintenance dues that are unpaid for over thirty (30) days after due date shall bear interest at the rate of eighteen per cent (18%) per annum until paid.

4. Page 8, Provision 11, Unit Owners' Association, Section P, is amended in its entirety to read:

The Association at any time may require owners to maintain a minimum balance on deposit with the Association to cover future regular maintenance dues. Such deposits shall be in accordance with each owner's share of the common expenses and shall in no event exceed three months' regular maintenance dues.

5. Page 9, Provision 11, Unit Owners' Association, Section Q, the third paragraph is amended in its entirety to read:

Until such time as the Developer has sold all the units in the condominium, the Developer shall be assessed for maintenance expenses on the unsold units the same as other units in the condominium; provided, however, Developer at its option agrees to pay in lieu of the monthly maintenance the amount of the monthly common expenses incurred by the Association as set forth in the budget herein, not completely paid by the unit owners total maintenance dues.

6. Page 14, Provision 16, Termination of Condominium Project, second paragraph on the page, the reference to the public records of Flagler County is amended to the public records of St. Johns County.

7. Page 14, Provision 17, Modification, Invalidation and Operation, first paragraph, the reference to the public records of Flagler County is amended to the public records of St. Johns County, and the word "last" in said paragraph as referring to "the last Board of Directors" is deleted.

II. Amendment to ARTICLES OF INCORPORATION OF CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH CONDOMINIUM ASSOC., INC. - EXHIBIT 3:

1. Page 7, ARTICLE IX, AMENDMENTS, Paragraph 9.2(B) is amended in its entirety to read:

Not less than 80% of the votes of the entire membership of the Association; or

III. The DECLARATION OF CONDOMINIUM OF CAPTAINS' QUARTERS CONDOMINIUM has been changed to reflect the amendments contained herein.

IN WITNESS WHEREOF, CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH LIMITED, a Florida Limited Partnership, has caused these presents to be signed in its name by its General Partner, CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH, INC., a Florida corporation, and its corporate seal affixed this 4th day of March, 1982.

Witnesses:

Ronald N. Johnson
Jennifer A. Crockett

CAPTAINS' QUARTERS OF ST.
AUGUSTINE BEACH LIMITED

By: CAPTAINS' QUARTERS OF ST. (corp. seal)
AUGUSTINE BEACH, INC.

By: *W. H. Bradshaw*
W. H. BRADSHAW, President

STATE OF FLORIDA
COUNTY OF VOLUSIA

I HEREBY CERTIFY that on this 4th day of March, 1982, before me personally appeared W. H. BRADSHAW, President of CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH, INC., a Florida corporation and General Partner of CAPTAINS' QUARTERS OF ST. AUGUSTINE BEACH LIMITED, a Florida Limited Partnership, to me known to be the person described in and who executed the foregoing instrument, and acknowledged before me the execution thereof to be his free act and deed under authority vested in him by said partnership and corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the county and state last aforesaid this 4th day of March, 1982.

Jennifer A. Crockett
Notary Public

My Commission Expires:

FILED AND RECORDED IN
PUBLIC RECORDS OF
ST. JOHNS COUNTY, FLA.

1982 MAR -5 AM 10:41

Paul "Bud" Hunkel
CLERK OF CIRCUIT COURT

NOTARY PUBLIC, State of Florida at Large
My Commission Expires June 9, 1985
Fidelity Auto Owners Insurance Co.

82 9415

AMENDMENT TO DECLARATION OF CONDOMINIUM
'CAPTAINS' QUARTERS CONDOMINIUM

The undersigned developer of CAPTAINS' QUARTERS CONDOMINIUM hereby amends Exhibit A to the Declaration of Condominium of CAPTAINS' QUARTERS CONDOMINIUM, pursuant to the authority granted in Paragraph 17 of the Declaration as recorded in Official Records Book 529, Pages 302 through 339, Public Records of St. Johns County, Florida, by adding to said Exhibit A to the Declaration the attached Certificate of Surveyor, as provided for in Florida Statutes §718.104(4)(c).

IN WITNESS WHEREOF, I have hereunto subscribed my name this 1st day of June, 1982.

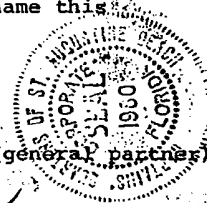
Witnesses:

CAPTAINS QUARTERS OF ST.
 AUGUSTINE BEACH LIMITED

Ronald N. Johnson
James H. Crockett

By: CAPTAINS QUARTERS OF ST.
 AUGUSTINE BEACH, INC. (general partner)

By: W. H. Bradshaw
 W. H. Bradshaw, President



STATE OF FLORIDA
 COUNTY OF VOLUISA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared W. H. BRADSHAW, well known to me to be the President of Captains' Quarters of St. Augustine Beach, Inc., the General Partner of CAPTAIN' QUARTERS OF ST. AUGUSTINE BEACH LIMITED, a Florida Limited Partnership, and who acknowledged executing the same on behalf of said Limited Partnership.

WITNESS my hand and official seal in the County and State last aforesaid this 1st day of June, 1982.

James H. Crockett
 Notary Public

My Commission Expires:

NOTARY PUBLIC, State of Florida at Large
 My Commission Expires June 9, 1985
 Bonded by AUTO OWNERS INSURANCE CO.

This instrument prepared by:
 Ronald N. Johnson
 Attorney-at-Law
 326 South Grandview Avenue
 Daytona Beach, Florida 32018

CERTIFICATE OF SURVEYOR

I, ROBERT C. BOLLES, JR., of Ormond Beach, Florida, certify
as follows:

1. I am a surveyor authorized to practice in the State of
Florida; my surveyor's registration number is: 3464.

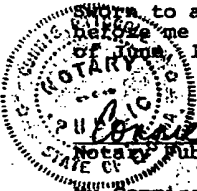
2. This Certificate is made as to CAPTAINS' QUARTERS CONDO-
MINIUM, located at Route 5, St. Augustine, Florida.

3. The undersigned has examined the survey, graphic descrip-
tions and plot plan comprising Exhibit A to the Declaration of
Condominium of CAPTAINS' QUARTERS CONDOMINIUM, as recorded in Of-
ficial Records Book 529, Pages 302 through 339, Public Records of
St. Johns County, Florida.

4. The construction of the condominium is substantially com-
plete; the materials comprising said Exhibit A to the Declaration
of Condominium are accurate representations of the location and
dimensions of the improvements, so that together with the wording
of the Declaration, the identification, location and dimensions of
the common elements and of each unit can be determined from said
materials.

Robert C. Bolles, Jr.
ROBERT C. BOLLES, JR.

Sworn to and subscribed .
before me this 22 day
of June, 1982.



James Russell
Notary Public

My Commission Expires:

Notary Public, Florida, State at Large
My Commission Expires Feb. 5, 1985
Bonded thru Jedco Insur. Agency

FILED AND RECORDED IN
PUBLIC RECORDS OF
ST. JOHNS COUNTY, FLA.

1982 JUL 12 AM 9 35

Paul "Bud" Smith
CLERK OF CIRCUIT COURT