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DECLARATION OF CONDOMINIUM

OF

THE CEDARS AT MATANZAS RIVER, a condominium

THIS DECLARATION OF CONDOMINIUM is made this 20 day of March, 1998, by O.C.P. DEVELOPMENT CORPORATION, INC., a Florida corporation, its successors and assigns (the "Developer"), the owner of fee simple title to the land described herein, and with the intent and purpose of submitting said land and all improvements thereon to the condominium form of ownership, the Developer makes the following declarations.

I. SUBMISSION TO CONDOMINIUM OWNERSHIP.

The Developer hereby submits to the condominium form of ownership and use the land described in Article III hereof, the improvements now and hereafter situated thereon and the easements and rights appurtenant thereto (the "Condominium Property"), pursuant to Chapter 718, Florida Statutes, 1995, as amended to the date hereof (the "Condominium Act").

II. NAME.

The name by which this condominium is to be identified is THE CEDARS AT MATANZAS RIVER, a condominium, herein referred to as the "Condominium."

III. THE LAND.

The land submitted to Condominium (the "Land") is located in St. Johns County, Florida and is described in Exhibit "A" attached hereto and consists of a parcel of real property (the "Condominium Land") upon which will be constructed residential buildings and certain other improvements described in Article IV hereof. A survey of the Condominium Land is attached hereto and made a part hereof as Exhibit "B".

IV. DESCRIPTION OF CONDOMINIUM PROPERTY.

A. The improvements which shall comprise part of the condominium property, consist of twelve (12) residential units located in two buildings. Eight units are contained in Building A, with each unit containing a garage on the first floor. Four units are located on Building B. The Building B units shall also include an assigned enclosed garage in a separate free standing building located to the east of Building B. Building A will be serviced by an elevator. Attached hereto as Composite Exhibit C is a site plan of the improvements and floor plans of units which identify each condominium unit by number and constitutes a graphic description of the buildings in which units are located. Each page of Exhibit C was prepared by Dixon and Associates, Architects. Page 1 was prepared on July 3, 1997, and pages 2 through 11 of Exhibit C were prepared on July 14, 1997. Each item depicted on the plot plan are proposed improvements. The construction of the improvements on the land is not substantially complete at the time of recordation of this Declaration; however, at the time the improvements or a portion thereof are substantially complete, the Developer shall cause this Declaration to be amended to include a certificate of a surveyor authorized to practice in this state which provides that the construction of the units or certain units to be conveyed are substantially complete so that the materials in Exhibits "A", "B" and "C", together with the provisions of the Declaration describing such improvements are an accurate representation of the location and dimension of such improvements and that the identification, location and dimensions of the common elements and of each unit or of units to be conveyed can be determined from these materials.

B. In addition to the residential buildings situated thereon, the Condominium Land also includes improvements consisting of the outside automobile parking areas, detached garage building, elevator, maintenance room, driveways, walks, landscaping and all underground structures and improvements which are not part of or located within residential buildings and which are not elsewhere herein reserved to and/or retained by the Developer or owned directly by the Association.

V. DEFINITIONS.

A. Units

Each Unit together with all appurtenances thereto shall, for all purposes, constitute a separate parcel of real property which may be owned in fee simple and which may be conveyed, transferred and encumbered in the same manner as any other parcel of real property subject only to the provisions of these condominium documents and the Condominium Act. Each owner shall be entitled to exclusive possession of his Unit subject to the provisions of the condominium documents and the Condominium Act.

The boundaries of each Unit shall be as follows:

- (1) The upper horizontal boundary of each Unit shall be the lower surface of the unfinished ceiling extended to an intersection with the vertical boundaries.
- (2) The lower horizontal boundary shall be the plane of the upper surface of the unfinished floor extended to an intersection with the vertical boundaries.
- (3) The vertical boundaries of each Unit shall be the plane of the inner surface of the sheetrock (being that part of the sheetrock opposite the part of the sheetrock exposed to the interior of the Unit). All glass and other transparent and/or translucent material or screens covering windows and doors and the material covering other openings in the exterior walls of the Units shall be construed to be within the boundaries or limits and part of the Unit exclusively served by such windows, doors and other openings.

B. Common Elements

The term "Common Elements" as used herein shall mean and comprise all of the real property and improvements of the Condominium except Units including, without limitation: (1) easements through Units for conduits, pipes, ducts, vents, plumbing, wiring and other facilities, equipment and/or fixtures for the furnishing of utility services, heating and cooling and/or ventilation to Units and Common Elements; and (2) easements of support in every portion of a Unit which contribute to the support of other Units and/or Common Elements; and (3) installations for the furnishing of utility services to more than one Unit or to the Common Elements or to a Unit other than the Unit containing the installation, specifically excluding however, any utility main lines, distribution lines, force mains or collection lines and meters owned and maintained by the utility company servicing the Condominium Property; and (4) the property and installations in connection therewith required for the furnishing of services to more than one Unit or to the Common Elements; and (5) fixtures owned or held for the common use, benefit and enjoyment of all owners of Units in the Condominium; (6) the riparian and/or littoral rights appertaining to the Land, if any; and (7) easements for ingress and egress serving the Condominium Property.

C. Limited Common Elements

The term "Limited Common Elements" as used herein shall mean and comprise the Common Elements which are reserved herein, or

assigned, or granted separately herefrom, for the use of a certain Unit or Units to the exclusion of other Units, and consisting of the following:

- (1) The patio or balcony attached to the exterior of a building and serving only one Unit.
- (2) One enclosed garage for each Unit as delineated on Exhibit C attached hereto, which shall automatically pass with title to the respective Unit without the necessity for specific reference in the Deed to the Unit.
- (3) The exterior concrete pad and the air space occupied by the air conditioning compressor and the equipment and fixtures appurtenant thereto, exclusively serving and individually owned by the owner of the unit.

VI. APPURTENANCES TO UNITS.

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

A. An undivided 1/12th share in the Common Elements and in the Common Surplus.

B. The right to use exclusively, those portions of the Common Elements designated and/or reserved herein and/or granted elsewhere to a certain Unit or Units as Limited Common Elements;

C. An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time (as shown on Exhibit "C" hereto) and as it may lawfully be altered or reconstructed from time to time;

D. Non-exclusive easements, to be used and enjoyed in common with the owners of all Units in this Condominium, their guests and invitees, for use of those Common Elements or other facilities not designated elsewhere herein as Limited Common Elements including, without limitation, easements for:

- (1) The furnishing and maintenance of utility services to all parts of the real property of the Condominium over, across, in and through the Land, buildings and other improvements, as the fixtures and equipment therefor now exist and/or may be modified or relocated; and
- (2) Vehicular and pedestrian access over, across, upon, in and through the drives, entries, gates, walks, grounds and other portions, if any, of the Common Elements as are intended and/or provided for pedestrian and vehicular traffic through the Condominium and for recreational purposes in and to the Recreation Land (as hereinafter defined) and the improvements, fixtures and equipment thereon, and for access to public ways

E. An exclusive easement for the use of the area of land and air space occupied by the air conditioning compressor and the equipment and fixtures appurtenant thereto, situated in and/or on Common Elements of the Condominium but exclusively serving and individually owned by the Owner of the Unit, as the same exist in and on the Land, which exclusive easement shall be terminated automatically in any air space which is permanently vacated by such air conditioning compressor and the equipment and fixtures appurtenant thereto; provided that the removal of the same for repair and/or replacement shall not be construed to be a permanent vacation of the air space which it occupies.

F. The right to membership in the "Association" (elsewhere herein defined) upon the terms and conditions set forth elsewhere herein.

All water and sewer lines and related installations and equipment shall be owned and maintained by the Association, except as such are located within any portion of the Condominium units. The St. Johns County Utility and Water Department shall furnish sewer services to the Unit Owners of THE CEDARS AT MATANZAS RIVER. All Members of the Association shall share equally the expense of operating, maintaining, repairing and replacing the sewer lines and equipment and the water lines, and the Association shall include such anticipated costs and expenses, and such reserves for replacement as it deems necessary, in its annual budget.

VII. ASSOCIATION.

The entity responsible for the operation of this Condominium, shall be THE CEDARS AT MATANZAS RIVER CONDOMINIUM ASSOCIATION, INC., a Florida corporation not-for-profit (the "Association"). A copy of the Association's Articles of Incorporation and Bylaws are attached hereto and made a part hereof as Exhibits D and E, respectively. The Association shall administer and manage the Condominium Property; provided, that the Association may, to the extent permitted by the Condominium Act, by contract, delegate its maintenance, management and operational duties and obligations; and provided further, however, that the Developer hereby reserves the rights provided in the Florida Condominium Act and this declaration and the Bylaws of the Association to initially manage and operate the Condominium Property.

VIII. VOTING RIGHTS OF UNIT OWNERS.

The owner or owners of each Unit shall become a member or members of the Association automatically upon and simultaneously with the delivery of a deed of conveyance of fee title thereto from Developer or its successors in title. There shall be appurtenant, and pass with title, to each Unit one vote as a member of the Association, which may be exercised by the owner(s) as set forth in the Articles of Incorporation and Bylaws of the Association. Membership in the Association shall terminate when Unit Owner's vested interest in the fee title to the Unit terminates. Membership in the Association cannot be separately transferred, assigned or pledged in any manner except as an appurtenance to the respective Unit.

IX. AMENDMENT OF DECLARATION.

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

A. Notice

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

B. Proposal

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

C. Adoption

Any amendment to this Declaration so proposed by the Board or members of the Association shall be transmitted to the President of the Association; or, in the absence of the President, to a Vice President or other acting chief executive officer, who shall thereupon call a special meeting of the Unit owners in this Condominium to consider and vote upon such proposed amendment; provided that a proposed amendment may be considered and voted upon at an annual meeting of the members of the Association if the next such meeting is to held within the time hereafter limited and if notice of the proposed amendment shall be included in the notice of such meeting. The special or annual meeting, as the case may be, of the members shall be held not sooner than thirty (30) days nor later than sixty (60) days from the date of receipt by the Association of the proposed amendment. Notice of the meeting shall be delivered and the meeting shall be called and held as provided for in the By-Laws of the Association; provided, that any member may, in writing signed by such member, waive notice of any such meeting in the manner provided for in the By-Laws of the Association and such waiver, when delivered to the Secretary of the Association for filing in its records, whether before, during or after such meeting shall be construed to be the equivalent of giving notice to such member. The proposed amendment may be adopted and shall become effective, by and upon the affirmative vote at such meeting of unit owners owning not less than sixty-six and two-thirds percent (66-2/3%) of the Units; provided, that any amendment so proposed may be adopted, without a formal meeting of the members, by an instrument executed and acknowledged with the formalities of a deed by members owning not less than sixty-six and two-thirds percent (66-2/3%) of all Units. Notwithstanding the foregoing provisions for adoption of amendments to this Declaration or any other provisions for amendment in the Condominium Act, no amendment shall:

- (1) Change any "Condominium Parcel" (as defined in the Condominium Act) unless the record owner thereof and all record owners of liens thereon shall join in the execution and acknowledgment of the amendment;
- (2) Discriminate against any Unit owner or against any Unit or building or class of buildings comprising part of the Condominium Property, unless the record owners of all affected Units and record owners of all liens thereon shall join in the execution and acknowledgment of the amendment;
- (3) Change the share of Common Elements appurtenant to any Unit or Units or the share of any Unit owner in the Common Surplus, or increase the share of any Unit owner(s) in the Common Expenses, unless the record owners of all Units and the record owners of all liens thereon shall join in the execution and acknowledgment of such amendment;
- (4) Make any change in Article XII hereof, entitled "Insurance" nor in Article XIII hereof, entitled "Reconstruction or Repair After Casualty" unless the record owners of all liens on Units shall join in the execution and acknowledgment of the amendment;
- (5) Adversely affect the lien or priority of any previously recorded mortgage to a mortgagee; or
- (6) Adversely affect any right, reservations, privileges, powers and options of the Developer.

D. Effective Date and Recording Evidence of Amendment

An amendment to this Declaration shall be effective at the

time of filing the amendment or certificate of amendment in the public records of St. Johns County, Florida. The President of the Association, or, in the absence of the President, a Vice President or other acting chief executive officer of the Association, shall cause to be filed in the Public Records of St. Johns County, Florida, the original amendment to the Declaration, if it is in the form of an instrument executed and acknowledged by Unit owners and the holders of liens thereon, or a certificate of amendment, if it is a certification by the proper officers of the Association that such amendment was adopted by the Association at a meeting of the members. A true and correct copy of each such amendment or certificate of amendment shall be delivered, forthwith after adoption thereof, to the record owners of all Units and to the record owners of all liens on Units, by the President, Vice President or other acting chief executive officer of the Association, but delivery of such copies shall not be a condition precedent to the effectiveness of any such amendment.

E. Amendment to Correct Omission or Error in Condominium Documents

Notwithstanding any provision to the contrary set forth in this Article X or elsewhere, in and of this Declaration, the Articles of Incorporation or By-Laws of the Association, the affirmative vote of the owners of not less than fifty-one percent (51%) of the Units in the Condominium shall be sufficient to adopt an amendment to this Declaration for the purpose of correcting a defect, error or omission in or of this Declaration not materially adversely affecting the rights of owners, lienors or mortgagees.

F. Amendment by Developer

Notwithstanding any provision to the contrary set forth in Article X or elsewhere in this Declaration or in the Articles of Incorporation or ByLaws of the Association, the Developer may amend this Declaration to add any surveyor's certificate(s) as described in Article IV A without the consent or joinder of any Unit owner or mortgagee of any unit.

X. COMMON EXPENSES AND COMMON SURPLUS.

The term "Common Expenses", as used herein, shall mean all expenses for which the owners of Units in THE CEDARS AT MATANZAS RIVER shall be liable to the Association. The term "Common Surplus," as used herein, shall mean the excess of all receipts of the Association from owners of Units in THE CEDARS AT MATANZAS RIVER including, without limitation, assessments, rents, profits and revenues on account of the Common Elements of THE CEDARS AT MATANZAS RIVER, over the amount of the Common Expenses of THE CEDARS AT MATANZAS RIVER. All owners of Units in THE CEDARS AT MATANZAS RIVER shall share the Common Expenses and shall own the Common Surplus in an equal fractional amount of 1/12th.

XI. MAINTENANCE REPAIRS AND REPLACEMENTS.

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

A. Unit Owner's Responsibility

Each Unit Owner shall maintain, repair and replace, at his expense: his Unit, and the fixtures, equipment and appliances comprising a part thereof, located therein or exclusively serving the same even if located outside the Unit, and including, without limitation, all doors within the Unit and those which open to the Unit from the outside, interior walls and partitions, windows and window apparatus and glass, sliding glass and screen doors, heating and air conditioning equipment within the Unit, the air conditioning compressor located outside of the Unit, and the ducts,

pipes, wirings, controls and other apparatus serving only that Unit, even if located outside the Unit, major appliances, such as dishwasher, laundry or refrigerator, oven, stove, water heater, whether or not such items are built-in equipment, floor coverings, interior fixtures such as electrical and plumbing fixtures, inside paint, and other inside wall finishes. Each Unit Owner shall be responsible for the cost of keeping his Limited Common Elements in a clean and orderly condition except his assigned parking space which shall be the Association's responsibility. Notwithstanding the obligation of the Unit Owners for maintenance, repair and replacement of and in Units, the proceeds of all insurance awards or payments under insurance carried by the Association for loss or damage to or within Units shall be applied against repairs and replacements to the extent that such award or payments exceed the deductible provisions of such insurance.

B. Association's Responsibility

The Association shall be responsible for and shall assess against and collect from the owners of all Units in the Condominium the costs of maintaining, repairing, replacing and keeping in clean and orderly condition all of the Common Elements provided, however, that each Unit Owner shall keep his own patio or balcony clean and orderly. The Association shall, at the expense of the owners of all Units in the Condominium, repair any and all incidental damage to Units resulting from maintenance, repairs and/or replacement of or to Common Elements. The Association shall be responsible for repairing and replacing all Limited Common Elements other than air conditioning compressors and related fixtures which serve only one unit, and shall assess against and collect from the owner of all Units in the Condominium, the cost of such repair and replacement.

It is the responsibility of the Association to insure that the storm water retention system is maintained so that the designed volume and function are not reduced. At a minimum, this maintenance shall include mowing, berm repairs, debris removal, vegetation removal, and pipe, conduit, and spillway cleaning to enable full flows.

XII. INSURANCE.

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

A. Duty and Authority to Obtain

The Association shall obtain and keep in force at all times the insurance coverage which it is required hereby to carry and may obtain and keep in force all of such other or additional insurance coverage as it is authorized hereby to carry. All insurance obtained by the Association shall be purchased for the benefit of the Association and the Unit owners and their mortgagees. A certificate evidencing a mortgagee endorsement shall be issued to the mortgagee of each Unit. The owner(s) of each Unit may, at the expense of such owner(s), obtain insurance coverage against damage to and loss of the contents of the Unit, personal liability for injury to and death of persons and damage to and loss of personal property of others, and against additional living expenses, provided, that each policy of such insurance purchased by a Unit owner shall, where such provision is available, provide that the insurer waives its right of subrogation as to any claim or claims against other Unit Owners, the Association, and their respective employees, agents, guests and invitees.

B. Required Coverage

The Association shall purchase and carry casualty insurance covering all of the buildings and other improvements of the Condominium, including, without limitation, Units and Common Elements, in an amount equal to the maximum insurance replacement

value thereof, exclusive of excavation and foundation costs, as determined annually by the Board of Directors of the Association; such insurance to include or afford protection against:

- (1) Loss or damage by fire or other hazards covered by the standard extended coverage or other perils endorsements;
- (2) Such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to buildings and other improvements similar, in construction, location and use, to the buildings and other improvements of the Condominium, including, without limitation vandalism, malicious mischief, windstorm, flood, water damage and war risk insurance, if available;
- (3) Public liability insurance, in such amounts, with such coverage and in such forms as shall be required by the Board of Directors of the Association to protect the Association and the owners of all Units, including, without limitation hired automobile, non-owned automobile, off premises employee coverage, water damage and legal liability, with cross-liability endorsements to cover liability of all Unit Owners as a group to each Unit Owner;
- (4) Workmen's Compensation insurance to meet the requirements of Law; and

If the Association is developer controlled, the association shall exercise due diligence to obtain and maintain such insurance. Failure to obtain and maintain adequate insurance during any period of developer control shall constitute a breach of fiduciary responsibility by the developer appointed members of the Board of Directors of the Association, unless said members can show that despite such failure, they had exercised due diligence.

The Association shall obtain and maintain adequate insurance or fidelity bonding of all persons who control or disburse funds of the association. The insurance policy or fidelity bond must cover the maximum funds that will be in the custody of the association or its management agent at any one time. As used in this paragraph, the term "persons who control or disburse funds of the Association" includes, but is not limited to, those individuals authorized to sign checks and the President, Secretary, and Treasurer of the Association. The Association shall bear the costs of bonding.

C. Optional Coverage

The Association may purchase and carry such other insurance coverage as the Board of Directors of the Association, in its sole discretion, may determine from time to time to be in the best interests of the Association and Unit Owners, including Directors' liability insurance coverage, or as an institutional lender may reasonably require while it holds a mortgage encumbering any Unit.

D. Premiums

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

E. Assured

All policies of insurance obtained and purchased by the Association shall be for the benefit of the Association, its members and their mortgagees, as their interests may appear. All

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

F. Insurer

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

G. Application of Insurance Proceeds

The proceeds of casualty insurance paid to the Association shall be applied and paid as follows:

(1) Common Elements Only.

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

(2) Units.

The proceeds paid to the Association for loss of or damage to a building, constituting Common Elements and one or more Units thereof only, shall be first applied to the repair, replacement or reconstruction of Common Elements, then to the repair, replacement or reconstruction of any Unit or Units in such building which have been destroyed or damaged. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements and Units, the excess shall be paid by the Association to the owners of the damaged or destroyed Units and their respective mortgagees, as their interests may appear, in equal amounts. If the insurance proceeds shall be sufficient to pay for the repair, replacement or reconstruction of the Common Elements but shall be insufficient to pay the cost of the repair, replacement or reconstruction of the

damaged or destroyed Unit or Units in such building, the Association shall assess the amount of the difference against, and collect the same from, the owner(s) of the Unit(s) damaged or destroyed, in the proportion that the amount of damage sustained to each such Unit bears to the total deficit, and apply such sum toward the total cost of repairing, replacing or reconstructing all of such damaged or destroyed Common Elements and Units. If the insurance proceeds shall be insufficient to pay the cost of the repairs, replacements, or reconstruction of the Common Elements, the difference between the total cost of repairing, replacing or reconstructing the Common Elements and the amount of the insurance proceeds shall be assessed by the Association against, and collected from, all Unit Owners, as a Common Expense, and in such event, the cost of repairing, replacing or reconstructing the Unit or Units destroyed or damaged shall be assessed by the Association against, and collected from, the owner(s) of such damaged or destroyed Units. If and when insurance proceeds are paid to the Association for any casualty loss, the holder(s) of any mortgage or mortgages encumbering a Unit shall not have the right to determine or participate in the determination of repair or replacement of any loss or damage, and shall not have the right to elect to apply insurance proceeds to the reduction of indebtedness secured by such mortgage(s), unless the insurance proceeds represent a distribution to the owner(s) of the Unit and the mortgagee(s) thereof, after such insurance proceeds have been first applied to repair, replacement or reconstruction of any loss or damage, or unless such casualty insurance proceeds are authorized to be distributed to the owner(s) of the Unit, and the mortgagee(s) thereof by reason of loss of or damage to personal property constituting a part of the Common Elements and as to which a determination is made not to repair, replace or restore such personal property.

XIII. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

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

A. Residential Buildings

If one or more of the Residential Buildings shall be damaged or destroyed, repair or reconstruction thereof, or termination of the Condominium, shall be in accordance with the following:

(1) Total Destruction of the Residential Buildings.

If all the Residential Buildings of the Condominium are totally destroyed or are so damaged that no Unit therein is habitable, neither the Buildings nor any of the improvements comprising Common Elements shall be reconstructed, and the Condominium shall be terminated unless seventy-five percent (75%) of the owners of Units agree in writing, within sixty (60) days after the date of such destruction, to reconstruct the same and/or unless any policy or policies of casualty insurance covering the same shall require reconstruction thereof as a condition precedent to the payment of proceeds thereunder, and in either case as long as the then applicable zoning and other regulatory laws and ordinances shall allow the same to be reconstructed.

(2) Damage to the Buildings.

If one or more but less than all of the Residential

Buildings are wholly or partially damaged and a majority of the Units in any building remains habitable, the damaged or destroyed Common Elements and/or Units shall be repaired or reconstructed so that the building and/or Unit(s) shall be restored to substantially the same condition as existed prior to such damage or destruction, unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere herein provided that the Condominium shall be terminated.

B. Common Elements

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

C. Plans and Specifications

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

D. Responsibility

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

XIV. USE RESTRICTIONS.

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

A. Units

Each of the Units shall be occupied by not more than two adults and their immediate family, its servants and guests or lessees, as a residence and for no other purposes. Except as the right to divide and subdivide is reserved to Developer, no Unit may be divided or subdivided into a smaller Unit, nor any portion thereof sold or otherwise transferred.

B. Common Elements

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

C. Nuisances

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

Condominium Property.**D. Lawful Use**

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

E. Leasing

Entire Units, but not less than entire Units, may be leased; provided occupancy is only by not more than two adults and their immediate family, servants and guests, not to exceed five persons occupying the premises on a permanent basis. No unit may be leased for any rental period of less than 6 months. No lease may be assigned or sublet by any tenant. The owner must provide a copy of any lease agreement to the Board.

F. Regulations

Reasonable regulations concerning the use of the Condominium Property may be made and amended from time to time by the Board; provided, however, that all such regulations and amendments thereto may be changed or revoked by two-thirds of the Unit Owners, who are present at any meeting at which a quorum exists.

G. Rights of the Developer

- (1) Until Developer has completed and sold all of the Units, neither the Unit Owners nor the Association nor the use of the Condominium Property shall interfere with the completion of the proposed improvements and the sale of the Units. Developer may make such use of the unsold Units and common area as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, the showing of the land, and the display of signs, use of the Recreation Land in the promoting of sale or rental of additional dwelling units in the Possible Future Development Area provided such rights shall not be exercised in an unreasonable manner not consistent with the right of Unit Owners; and further provided, that Developer retains the right, so long as it holds fee simple title to any Unit in the Condominium, to establish a plan for leasing any Unit or Units in the Condominium, whether such Unit or Units be owned by it or not, and thereafter to administer such plan for voluntarily participating Unit Owners on such terms as Developer may provide.
- (2) Pursuant to the provisions of the Condominium Act, Developer shall be excused from payment of assessments attributable to Units owned by the Developer until the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first Unit occurs. However, Developer must pay the portion of common expenses incurred during that period which exceed the amount assessed against other Unit owners.

XV. MAINTENANCE OF COMMUNITY INTERESTS.

In order to maintain a community of congenial residents and protect the value of Units, the transfer of title to or possession of Units by any owner other than Developer shall be subject to the following provisions so long as the Condominium exists, which provisions each owner covenants to observe:

A. Transfers Subject to Approval

(1) Sale.

No Unit Owner may dispose of a Unit or any interest therein by sale without approval of the Association except to another Unit Owner.

(2) Gift.

If any Unit Owner proposes to transfer his title by gift, the proposed transfer shall be subject to the approval of the Association; provided, however, the transfer of a Unit Owner's title or any interest therein by gift or devise to a member of such Unit Owner's immediate family shall not require the approval of the Association.

(3) Other Transfers.

If any Unit Owner proposes to transfer his title in any manner not heretofore considered in the foregoing subsections, the proposed transfer shall be subject to the approval of the Association; provided, however, that any lease of a Unit shall not be subject to approval by Association.

B. Approval by Association

(1) Notice to Association.

(a) Sale.

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

(b) Gift; Other Transfers.

A Unit Owner who proposes to transfer his title by gift or in any other manner not heretofore considered or permitted hereunder, shall give to the Association notice of the proposed transfer of his title, together with such information concerning the transferee as the Association may reasonably require, and a copy of all instruments to be used in transferring title.

(c) Failure to Give Notice.

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

(d) Transfer Fee.

Upon any proposed transfer by a unit owner which requires the approval of the Association, the unit owner shall pay a transfer fee to the Association of \$50.00 to defer the Association's expense in reviewing then proposed sale.

(2) Certificate of Approval.

(a) Sale.

If the proposed transaction is a sale, then, within twenty (20) days after receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the proper officers of the Association and shall be delivered to the purchaser.

(b) Gift; Other Transfers.

If the Unit Owner giving notice proposes to transfer his title by gift or in any other manner, then, within twenty (20) days after receipt of such notice and information, the Association must either approve or disapprove the proposed transfer of title to the Unit. If approved, the approval shall be stated in a certificate executed by the proper officers of the Association and shall be delivered to the Unit Owner.

(c)

If the Association does not approve or disapprove such sale, gift or other transfer, in writing delivered to the purchaser or Unit Owner within twenty (20) days after receipt of Notice of such sale, gift or other transfer, the transaction shall be deemed approved by the Association.

(3) Approval of Corporate Owner or Purchaser.

Inasmuch as the Condominium may be used only for residential purposes and a corporation cannot occupy a Unit for such use, if the Unit Owner or purchaser of a Unit is a corporation, the approval of ownership by the corporation shall be conditioned by requiring that the primary occupant of the Unit be also approved by the Association. The approval of ownership by a partnership or joint venture or a Trustee or other holder of legal title for a beneficial owner who is to be the primary occupant of a Unit shall also be conditioned upon approval of the primary occupant by the Association.

C. Disapproval by Association

If the Association shall disapprove a transfer or ownership of a Unit, the matter shall be disposed of in the following manner:

(1) Sale.

If the proposed transaction is a sale and if the notice of sale given by the Unit Owner shall so demand, then, within twenty (20) days after receipt of such notice and information, the Association shall deliver or mail by certified mail to the Unit Owner an agreement to purchase by the Association, or a purchaser approved by the Association who will purchase and to whom the Unit Owner must sell the Unit, upon the following terms:

- (a) The price to be paid by the purchaser, to be identified in the agreement, shall be that stated in the disapproved contract to sell.
- (b) The purchase price shall be paid in full in cash or shall include assumption of any existing mortgage financing plus cash.
- (c) The sale shall be closed within thirty (30) days after the delivery or mailing of said agreement to purchase or at the time specified in the disapproved contract, whichever is later.
- (d) If the Association shall fail to provide a purchaser upon demand of the Unit Owner in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided.

(2) Gifts; Other Transfers.

If the Unit Owner giving notice proposes to transfer his title by gift or in any other manner, then, within twenty (20) days after receipt from the Unit Owner of the notice and information required to be furnished, the Association shall deliver or mail by certified mail to the Unit Owner written notice of the terms and conditions upon which the transfer must be made, including without limitation, the requirements of the Association regarding occupancy of the Unit and by whom the votes in the Association affairs may be cast.

D. Lease

Notwithstanding anything contained in this Article to the contrary no approval of the Association shall be required in connection with the lease or rental of any Unit; provided that such lease or rental agreement is in accordance with the provisions of the Declaration and By-Laws.

E. Exceptions

The foregoing provisions of this Article shall not apply to a transfer or purchase by a mortgagee which acquires its title as the result of foreclosure or deed-in-lieu of foreclosure. Neither shall such provisions require the approval of a purchaser who acquires the title to a Unit at a duly advertised public sale with open bidding which is provided by law, such as but not limited to, execution sale, foreclosure sale, judicial sale or tax sale.

F. Unauthorized Transactions

Any sale, or gift or other transfer not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

G. Notice of Lien or Suit

(1) Notice of Lien.

A Unit Owner shall give notice to the Association of every lien upon his Unit other than for permitted mortgages, taxes and special assessments within five days after the attaching of the lien.

(2) Notice of Suit.

A Unit Owner shall give notice to the Association of every suit or other proceeding which may affect the title to his Unit; such notice to be given within five (5) days after the Unit Owner receives knowledge thereof.

(3) Failure to Comply.

Failure to comply with this Article XVI will not affect the validity of any judicial sale.

XVI. COMPLIANCE AND DEFAULT.

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

A. Negligence

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

B. Costs and Attorney's Fees

In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Declaration, the Articles of Incorporation and Bylaws of the Association, and any and all regulations adopted pursuant thereto, as they may be amended from time to time, the Association shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court provided the Association is the prevailing party.

C. No Waiver of Rights

The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation and Bylaws of the Association, or the regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

XVII. ASSESSMENTS: LIABILITY, LIEN AND ENFORCEMENT.

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

A. Determination of Assessments

Each Unit Owner shall pay to the Association 1/12th of the total assessments deemed necessary by the Board of Directors for the operation of the Condominium Property.

B. Time for Payment

The regular assessments levied against the owner of each Unit and his Unit shall be payable monthly and be due by the first day of each month. Any special assessment adopted by the Board shall be due within 15 days after notification of the adoption of the Association assessment.

C. Annual Budget

Subject to the requirements of the Condominium Act, the Board shall establish an Annual Budget in advance for each fiscal year which shall estimate all expenses for the forthcoming fiscal year required for the proper operation, management and maintenance of the Condominium, including, when deemed necessary or advisable by the Board, a reasonable allowance for contingencies and reserves and shall estimate all income to be collected during the year. Upon adoption of each annual budget by the Board, copies thereof shall be delivered to each Unit Owner, and the assessment for the year shall be based upon such budget. Failure to deliver a copy of the budget to a Unit Owner shall, however, not affect the liability of such owner for such assessment. Should the Board at any time and from time to time determine, in the sole discretion of the Board, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, or in the event of emergencies, the Board shall have the authority to levy such additional assessment or assessments as it shall deem to be necessary.

D. Reserve Fund

The Board, in establishing each Annual Budget, shall include therein a sum to be collected and maintained as a reserve fund for the capital expenditures, deferred maintenance and replacement of Common Elements and personal property held for the joint use and benefit of the owners of all Units. These reserve accounts shall include, but not be limited to, roof replacement, building painting, pavement resurfacing, and any other item for which the deferred maintenance expense or replacement cost exceeds \$10,000.00. The amount to be reserved shall be calculated by dividing the estimated replacement cost of each reserve item by its remaining useful life. The association may adjust replacement reserve assessments annually to take into account any changes in estimates or extension of the useful life of a reserve item caused by deferred maintenance. This subsection does not apply to budgets in which the members of an association have, by a majority vote at a duly called meeting of the association, determined for a fiscal year to provide no reserves or reserves less adequate than required by this section. However, prior to turnover of control of the Association by the Developer to Unit Owners other than the Developer pursuant to Florida Statute 718.301, the Developer may vote to waive the reserves or reduce the funding of reserves for the first two years of the operation of the Association, after which time reserves may be waived or reduced only upon the vote of a majority of all non-developer voting interests voting in person or by limited proxy at a duly called meeting of the Association. If a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

E. Use of Association Funds

All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Condominium, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles, and Bylaws. Although all funds and other assets of the Association, and any increments thereto or profits derived therefrom, or from the leasing or use of Common Elements, including, without limitation, Common Surplus, shall be

held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Unit.

F. Delinquency or Default

The payment of any assessment or installment thereof due to the Association shall be in default if not paid to the Association on or before the due date thereof. When in default, the delinquent assessments or installments thereof shall bear interest at the rate of eighteen percent (18%) annum until the same, and all interest due thereon, has been paid in full. Any assessment which remains unpaid after five days from the date it is due shall be subject to a late fee of \$25.00 per assessment.

G. Personal Liability of Unit Owner

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

H. Liability Not Subject to Waiver

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

I. Lien for Assessment

The Association is hereby granted a lien upon each Unit and its appurtenant undivided interest in Common Elements or Limited Common Elements which lien shall and does secure the monies due for all: (1) assessments levied against the owner of and each Unit, and (2) interest and late fees, which may become due on delinquent assessments owing to the Association, and (3) costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing its lien upon the Unit and its appurtenances. The lien of the Association shall also secure all advances for taxes, and payments on account of superior mortgages, liens or encumbrances made by the Association to preserve and protect its lien, together with interest at the rate of eighteen percent (18%) per annum on all such advances made for such purposes.

J. Recording and Priority of Lien

The claim of lien of the Association shall be effective from and after recording, in the Public Records of St. Johns County, Florida. A claim of lien shall state the description of the Condominium parcel encumbered thereby, the name of the record owner, the name and address of the Association, the amount due and the due dates, and shall continue in effect until all sums secured thereby, including any additional amounts which accrue after the lien is recorded, shall have been fully paid. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record.

K. Effect of Foreclosure or Judicial Sale

A Unit Owner, regardless of how his or her title has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments which come due while he or she is the unit owner. Additionally, a Unit Owner is jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any rights the owner may have to recover from the previous owner the amounts paid by the

owner.

The liability of a first mortgagee or its successor or assigns who acquires title to a unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due prior to the mortgagee's acquisition of title is limited to the lessor of; (1) The units unpaid common expenses and regular periodic assessments which accrued or came due during the six months immediately preceding the acquisition of title and for which payment in full has not been received by the Association; or (2) One percent of the original mortgage debt.

The provisions of the preceding paragraph shall not apply unless the first mortgagee joined the Association as a Defendant in the foreclosure action. Joinder of the Association is not required if, on the date the complaint is filed, the Association was dissolved or did not maintain an office or agent for service of process at a location which was known to or reasonably discoverable by the mortgagee.

The person acquiring title shall pay the amount owed to the Association within 30 days after transfer of title. Failure to pay the full amount due shall entitle the Association to record a lien against the parcel and proceed in the same manner as provided in this section for the collection of unpaid assessments.

L. Effect of Voluntary Transfer

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

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

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

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

XVIII. REGISTRY OF OWNERS AND MORTGAGEES.

The Association shall at all times maintain a Register of the

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

XIX. ALTERATIONS OF AND IMPROVEMENTS TO UNITS AND COMMON ELEMENTS.

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

A. Developer reserves the right to change the interior design and arrangement of, and to alter the boundaries between, Units owned by Developer, provided that no such change shall increase the number of Units without an amendment to this Declaration of Condominium by the Unit Owners, their mortgagees and the Association, as provided for elsewhere herein. Any such amendment to this Declaration which Developer is authorized to make to reflect the alteration of the boundaries of a Unit or Units owned by Developer may be executed and acknowledged by Developer and shall not require the consent or joinder of other Unit Owners and/or their mortgagees.

B. Unless the Unit Owner shall first submit plans for such work to the Board, and the Board, by resolution unanimously adopted by the affirmative vote of all members thereof, shall approve and consent thereto, no alteration of or improvement or addition to a Unit, or to any Limited Common Element to which the owner has an exclusive right of use, shall be made, constructed, erected or installed which shall: (1) remove, in whole or in part, replace, reroute, or otherwise affect any column, bearing wall or partition, pipe, duct, wire or conduit, or obstruct any easement herein provided for, or (2) remove or change the style, pattern, material, texture or outside color of any door, window, screen, fixture, equipment or appliance in or on an exterior Unit or building wall, or (3) cover, from the inside or outside, the glass or other transparent and/or translucent material in any exterior door or window with, or apply or affix thereto, any material or substance which shall render the same opaque or change the exterior color thereof, except interior draperies, curtains, shades or shutters which are lined, backed, covered or painted on the side visible from the exterior with a neutral color material, or (4) affix to or over any exterior door or window, or otherwise install on the exterior, of any Unit or building, any storm or hurricane shutter or awning or any protective or decorative panel, paneling, trim, enclosure, fixture, or appliance, or (5) otherwise change, modify or alter the exterior of any Unit or building so that it thereby differs in appearance from any other Units or buildings, of the same type. There shall be no material alterations or substantial improvements or additions to the Common Elements except in the following manner: subject to the foregoing restrictions against changing the exterior appearance of Units and/or buildings, the Association shall have the right to make or cause to be made alterations, improvements and/or additions to the Common Elements, except the acquisition of additional real property, which have been approved by two-thirds of the owners of Units. The cost of such alterations, improvements and/or additions shall be assessed against and collected from the owners of all Units as Common Expenses.

C. In the event that the unit owner fails to maintain his Unit in accordance with the Declaration, the Articles, or the By-Laws, or makes any structural addition or alteration, or change without the required consent or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to proceed in a court of competent jurisdiction for an injunction to seek compliance with the provisions herein. In lieu thereof, and in addition thereto, the Board shall have the right to levy an assessment against the Unit and its owner for such sums as may be necessary to remove any unauthorized structural additions or alterations and to restore the property to good condition and repair. The Association shall have the further right to have its employees and agents, or any subcontractors appointed by it enter

the Unit at all reasonable times to do such work as is deemed necessary by the Board of Directors of the Association to enforce compliance with the provisions hereof.

D. In any litigation or other dispute arising out of this Article XIX and if the Association shall be the prevailing party, it shall be entitled to reimbursement of its costs incurred in the litigation or dispute, including, without limitation, reasonable attorneys' fees.

XX. TERMINATION.

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

A. Destruction

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

B. Agreement

The Condominium may be terminated at any time by the approval in writing of all of the owners of the Condominium, and by all record owners of mortgages upon Units therein owned by Institutional Lenders and other mortgagees approved by the Association. If the proposed termination is submitted to a meeting of the members of the Association, the notice of which meeting gives notice of the proposed termination, and if the approval of 75% of the owners of Units, and of the record owners of all mortgages upon Units in the Condominium are obtained not later than thirty (30) days from the date of such meeting, then the approving owners shall have an option to buy all of the Units of the other owners for the period ending on the sixtieth (60th) day from the date of such meeting. Such option shall be upon the following terms:

(1) Exercise of Option.

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

(2) Price.

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

(3) Payment.

The purchase price shall be paid in full in cash or shall include assumption of any existing mortgage financing plus cash.

(4) Closing.

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

C. Certificate

The termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the Public Records of St. Johns County, Florida.

D. Shares of Owners After Termination

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

E. Amendment

This Article XX cannot be amended without the consent of four-fifths of the total voting interests of the Association.

XXI. CONDEMNATION.**A. General**

Whenever all or any part of the Condominium Property shall be taken by any authority having the power of condemnation or eminent domain, each owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association. Unless otherwise provided by law at the time of such taking, any award made therefor shall be disbursed by the Association, as hereinafter provided in this Article XXII.

B. Units

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

C. Common Elements

If part of the Common Elements is acquired by eminent domain, the award shall be paid to the Association. The Association shall divide any portion of the award not used for any restoration or repair of the remaining Common Elements among the Unit owners in proportion to their respective Common Element interests before the taking, but the portion of the award attributable to the acquisition of a Limited Common Element shall be equally divided among the owners of the Units to which that Limited Common Element was allocated at the time of acquisition.

XXII. RIGHTS OF DEVELOPER TO SELL OR LEASE UNITS.

So long as Developer, or any mortgagee succeeding Developer in title, shall own any Unit, it shall have the absolute right to lease or sell any such Unit to any person, firm or corporation, upon any terms and conditions as it shall deem to be in its own best interests, and as to the sale of such unit, the right of first refusal and any right of redemption herein granted to the Association shall not be operative or effective in any manner.

XXIII. RIGHTS OF INSTITUTIONAL MORTGAGEES.

Any mortgagee of a Condominium Parcel who makes a request in writing to the Association for the items provided in this section shall have the following rights:

A. To be furnished with at least one (1) copy of the annual financial statement and report of the Association, including a detailed statement of annual carrying charges or income collected and operating expenses, such financial statement and report to be furnished within sixty (60) days following the end of each fiscal year.

B. To be given written notice by the Association of the call of a meeting of the membership to be held for the purpose of considering any proposed amendment to this Declaration of Condominium, or the Articles of Incorporation and Bylaws of Association, which notices shall state the nature of the amendment being proposed.

C. To be given notice of default by any member owning any Unit encumbered by a mortgage held by such mortgagee of the Unit Owner's obligations under this Declaration which is not cured within thirty (30) days, such notice to be given in writing and to be sent to the principal office of such mortgagee or to the place which it or they may designate in writing to the Association.

D. To be given an endorsement to the insurance policies covering the Common Elements requiring that such mortgagee be given any notice of cancellation provided for in such policy.

E. Regardless of any provision to the contrary contained in this Declaration, unless at least seventy-five percent (75%) of the Mortgagees (based upon one vote for each loan secured by a first mortgage of individual units in the Property) have given their prior written approval, the Association shall not be entitled to:

- (1) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer real estate or improvements thereon owned directly or indirectly by the Association. The granting of easements for public utilities or for other public purpose consistent with the intended use of the Property shall not be deemed a transfer within the meaning of this clause;
- (2) Change the method of determining the obligations, assessments, dues or other charges which may be assessed

against any Units by the Association; or

- (3) By act or omission change, waive or abandon the regulations or enforcement thereof contained in this Declaration pertaining to the architectural design or the exterior appearance of Units.

F. Examine Books and Records

Mortgagees shall have the right to examine the books and records of the Association upon reasonable notice during ordinary working hours.

G. Taxes and Other Charges

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

XXIV. MISCELLANEOUS.

A. Severability

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

B. Applicability of Declaration of Condominium

All present or future owners, tenants, or any other person who might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, and the mere acquisition or rental of any Unit, or mere act of occupancy of any Unit, shall signify that the provisions of this Declaration of Condominium are accepted and ratified in all respects.

C. Construction

The provisions of this Declaration shall be literally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. The Florida Condominium Act as amended to the date hereof is hereby adopted and made a part hereof. In the event of any conflict between the provisions of this Declaration and the Condominium Act, the provisions of the Condominium Act shall prevail.

D. Parties Bound

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

IN WITNESS WHEREOF, the Developer has caused the foregoing Declaration of Condominium to be executed, and its corporate seal to be affixed, by its duly authorized officer on the date set forth above.

Signed, sealed and delivered
in the presence of:

Kenneth D. Hagler
KENNETH D. HAGLER, WITNESS

Tracy L. Stafford
TRACY L. STAFFORD, WITNESS

O.C.P. DEVELOPMENT CORPORATION,
INC.

Charles F. Riggles
By: Charles F. Riggles, III
Its: President

Attest: Harold C. Pabst
By: Harold C. Pabst
Its: Secretary

STATE OF FLORIDA)

COUNTY OF ST. JOHNS)

The foregoing Declaration of Condominium was acknowledged before me this 20th day of March, 1998, by CHARLES F. RIGGLES, III, as President of O.C.P. Development Corporation, Inc., a Florida corporation, and by HAROLD C. PABST, as Secretary.

Tracy L. Stafford
TRACY L. STAFFORD, NOTARY PUBLIC
State of Florida
My Commission Expires:

PREPARED BY:
LAW OFFICE OF KENNETH D. HAGLER, P.A.
5 Palm Row/P.O. Box 4365
St. Augustine, FL 32085-4365
(904) 824-7700



Tracy L. Stafford
MY COMMISSION # CC686409 EXPIRES
October 11, 2001
BONDED TRACY L. STAFFORD INSURANCE, INC.

Block 40, DAVIS SHORES, Less and Except the Easterly 96.59 feet thereof (said land excepted being the same land described in O.R. Book 651, Page 919, as amended in O.R. Book 651, Page 2084, public records of St. Johns County, Florida), according to map or plat thereof recorded in Map Book 3, Page 98, public records of St. Johns County, Florida, and Less and Except the following described parcel of land: Commence at the Southeast corner of the hereinbefore described land (said point of commencement being the Southwest corner of the land described in O.R. Book 651, Page 919, as amended in O.R. Book 651, Page 2084, public records of St. Johns County, Florida), thence North 25 degrees, 41 minutes, 45 seconds West 10 feet; thence Southerly and perpendicular to Flagler Boulevard 8 feet; more or less to the Northerly right of way line of Flagler Boulevard, thence North 86 degrees, 29 minutes East along the North right of way line of Flagler Boulevard to a point of beginning.

Parcel Number: 219310-0000

EXHIBIT A

MAP SHOWING SURVEY OF

Block 40, Davis Street, Less and Except the Easternly 96.54 feet thereof (said 96.54 feet excepted being the same land described in O.R. Book 351, page 914, as recorded in O.R. Book 351, page 2064, public records of St. Johns County, Florida, according to map or plat thereof recorded in Map Book 3, page 98, public records of St. Johns County, Florida, AND LESS AND EXCEPT THE FOLLOWING described parcel of said Commerce at the S. West corner of the Northeastern described land and point of commencement, being the Southwest corner of the land described in O.R. Book 351, page 914, as recorded in O.R. Book 351, page 2064, public records of St. Johns County, Florida, between North 35°41'45" West 10 feet thence Southerly 96.54 feet perpendicular to Fwy 629 East 10 feet thence Southerly 96.54 feet to the Northernly right of way line of Fwy 629, between thence North 86°29' East some of the Northernly right of way line of Fwy 629, bordered to a Point of Beginning.

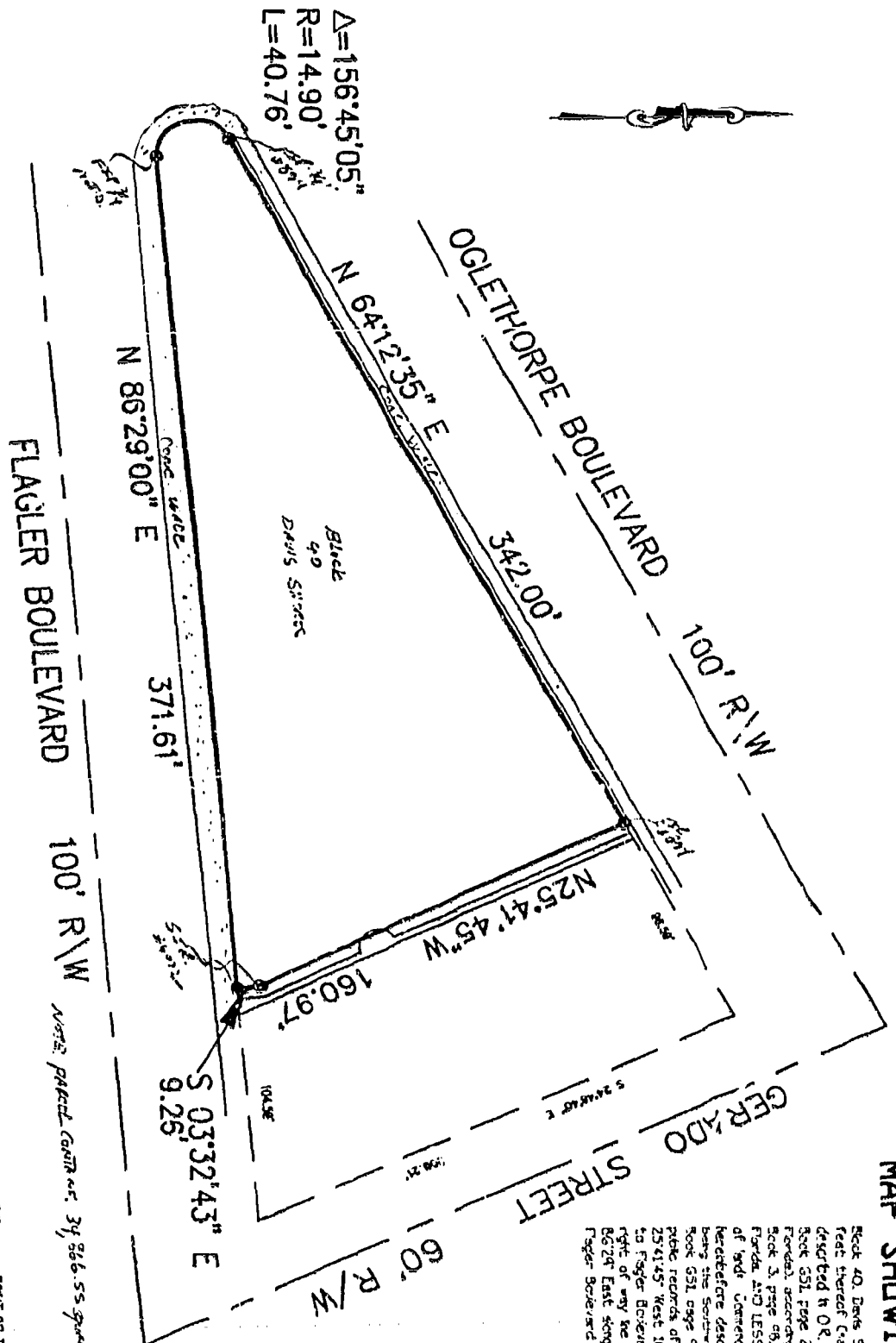


EXHIBIT B

MOLES

- According to the Federal Emergency Management Agency FEMA Map

No. 25/45-00000 effective 2/1/91
the property described hereon appears to be in Zone ES-1
Scale of bearing structure 2000 ft ES-1 2000

- Eriophorum as shown here are only those above ground. Below objects observed by the mirror.

- No underground structures, utilities or foundations were located or determined by this survey.

LEGEND:
FLP - FOUND FROM PIPE/PIN
FIL - FOUND FROM ROD
SLR - SET FROM ROD (LB. 5072) 5/8"
FCL - FOUND CONCRETE REINFORCEMENT
SCM - SET CONCRETE REINFORCEMENT
CMB - CONCRETE REINFORCEMENT MARK

CE	-	CENTERLINE
R	-	RADIUS
CD	-	CHORD DIST
CONC	-	CONCRETE
L	-	ARC LENGTH

T.B.M. - TEMPORARY BENCH MARK
B.M. - BENCH MARK
P.O.C. - POINT OF COMMENCEMENT
P.O.B. - POINT OF BEGINNING
P.O.C. - POINT OF CURVE

P.C.C - POINT DE CONCAGE CURVATURE
P.R.C - POINT DE REVERSE CURVATURE
P.I. - POINT OF INTERSECTION
ELEV./L. - ELEVATION
N.G.V.D. - NATIONAL GEODETIC VERTICAL DATUM

- OFFICIAL RECORDS BOOK
- NOT TO SCALE
- DEED MEASUREMENT
- FIELD MEASUREMENT
- PLAT MEASUREMENT

P.T.	-	POINT OF TANGENCY
F.F.	-	FURNISHED FLOOR ELEV.
P.R.M.	-	PERMANENT REPERES
P.C.P.	-	PERMANENT CONTROL
(112)	-	TYPICAL

EVANATOR: BL - SLOOK
SIDE MOUNTMENT OS - CHORD BEARING
LO PORT R/V - RIGHT OF WAY

DEIÑO
 & Associates, Inc.

NEGOTIERS • SURVIVORS

205 U.S. 1 SOUTH, SUITE

AUGUSTINE, FLORIDA 32

4-797-1867 FAX 504-797-

100

10

1
2
3
4
5

SITE PLAN

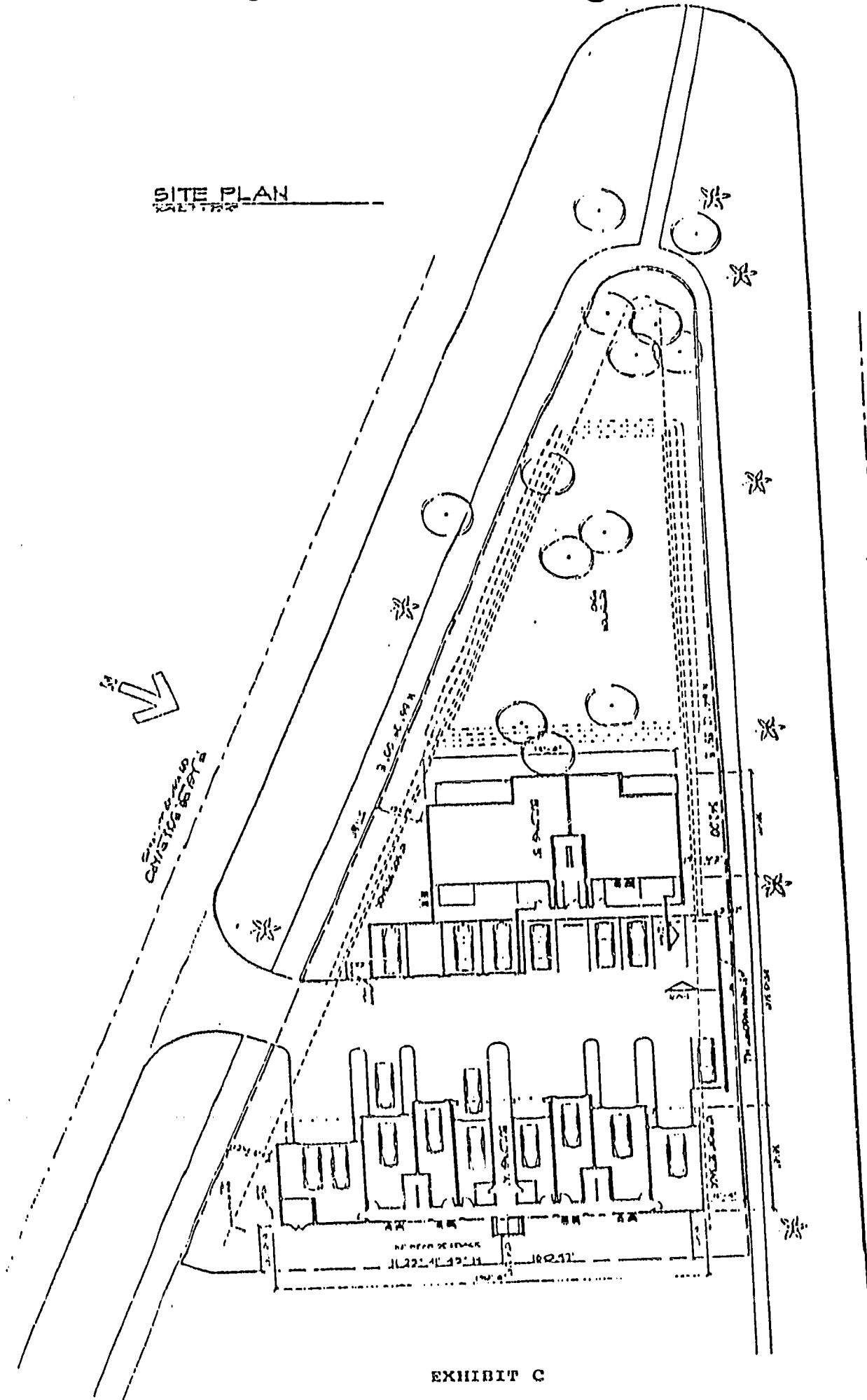


EXHIBIT C

The Cedars at Matanzas River, a condominium
1 of 20

OWNER

OLD CITY PROPERTIES, INC.
155 MARSHSIDE DRIVE
ST. AUGUSTINE, FLORIDA 32084
(904) 471-7614

ARCHITECT**ENGINEERS****CIVIL ENGINEERS**

LUTHER L. SMITH, P.E.
3123 US 1 SOUTH
ST. AUGUSTINE, FLORIDA 32084
(904) 711-2341

ELECTRICAL ENGINEERS

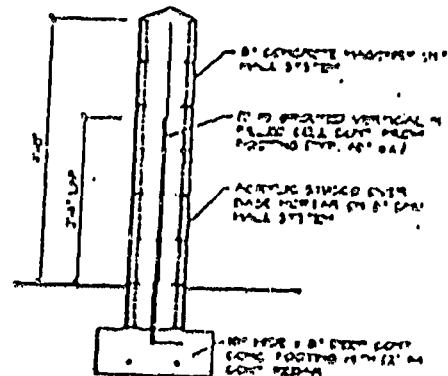
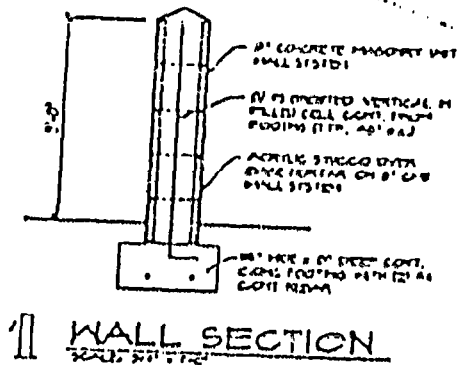
ROBERT E. POLAND, P.E.
138 MARTIN ROAD
ST. AUGUSTINE, FLORIDA 32084
(904) 711-2301

FIRE PROTECTION

ASSEMBLY PARTITIONS	HALLS & PARTITIONS	STAIRS
EXTERIOR WALLS AND DOOR SEPARATION	0	12
STAIRS	0	12
NON-CLADDING	0	12
INTERIOR WALLS	0	12
CLADDING	0	12
NON-CLADDING	0	12
10-15 MINUTE PARTITION	2 MIN	(SECTION 204.4.2)
10-15 MIN CORRIDORS	0	12
FLOOR/CEILING CONSTRUCTION	0	12
CEILING/ROOF CONSTRUCTION	0	12
COURT	0	12
TRANS. SYSTEMS, MOVS	0	12

BUILDING CODE DATA

CODE ADOPTED	STATEMENT BUILDING CODE - 1994 EDITION
IFTA FOR LIFE SAFETY CODE	IFTA FOR LIFE SAFETY CODE
USE GROUP	R3 - RESIDENTIAL (FLOORING)
TYPE OF CONSTRUCTION	TYPE VI - 1 HOUR PROTECTED PARTITION AND CONCRETE EXTERIOR WALLS
	MINIMUM CONCRETE FLOOR
	PRE-ENGINEERED ROOF TRUSS ROOF SYSTEM
ALLOWABLE BUILDING HEIGHT	10 FEET
ALLOWABLE NUMBER OF FLOORS	3
ALLOWABLE BUILDING AREA	
BASE AREA	10,500 SQ. FT.
INCREASE FOR PROTRUSION	4,000 SQ. FT.
(SECTION 203.2.2)	
TOTAL ALLOWABLE AREA	14,500 SQ. FT.

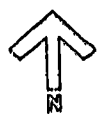
**DESIGN DEVELOPMENT NOTES**

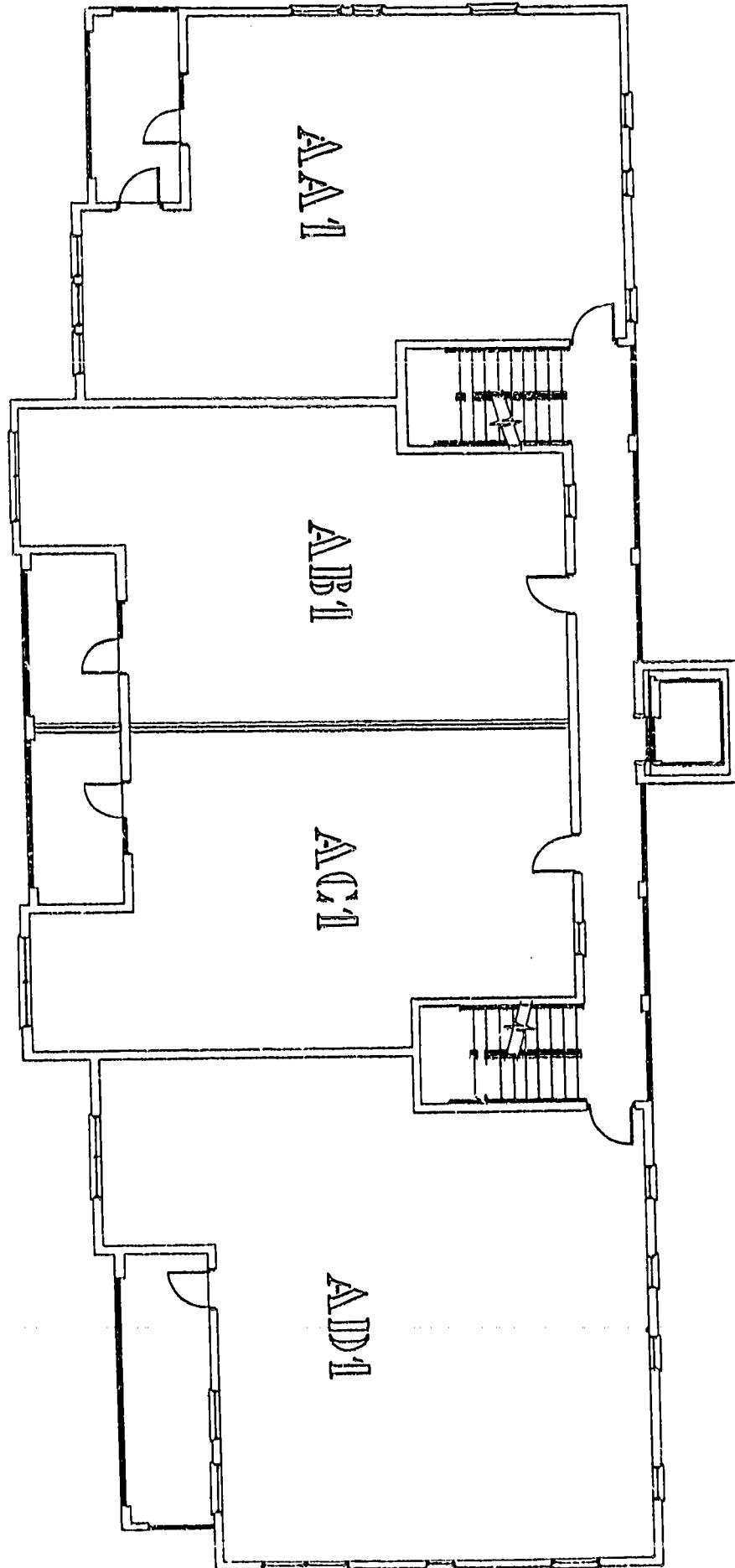
BUILDING 'A'	1 BEDROOM	2 BEDROOM
1st FLOOR	2 UNITS	2 UNITS
2nd FLOOR	2 UNITS	2 UNITS
BUILDING 'B'	1 BEDROOM	2 BEDROOM
1st FLOOR	0 UNITS	2 UNITS
2nd FLOOR	0 UNITS	2 UNITS
TOTAL	4 UNITS	6 UNITS

PARKING REQUIREMENTS

1 BEDROOM = 15 SPACES / UNIT + 4 UNITS = 6 SPACES
2 BEDROOM = 2 SPACES / UNIT + 0 UNITS = 0 SPACES

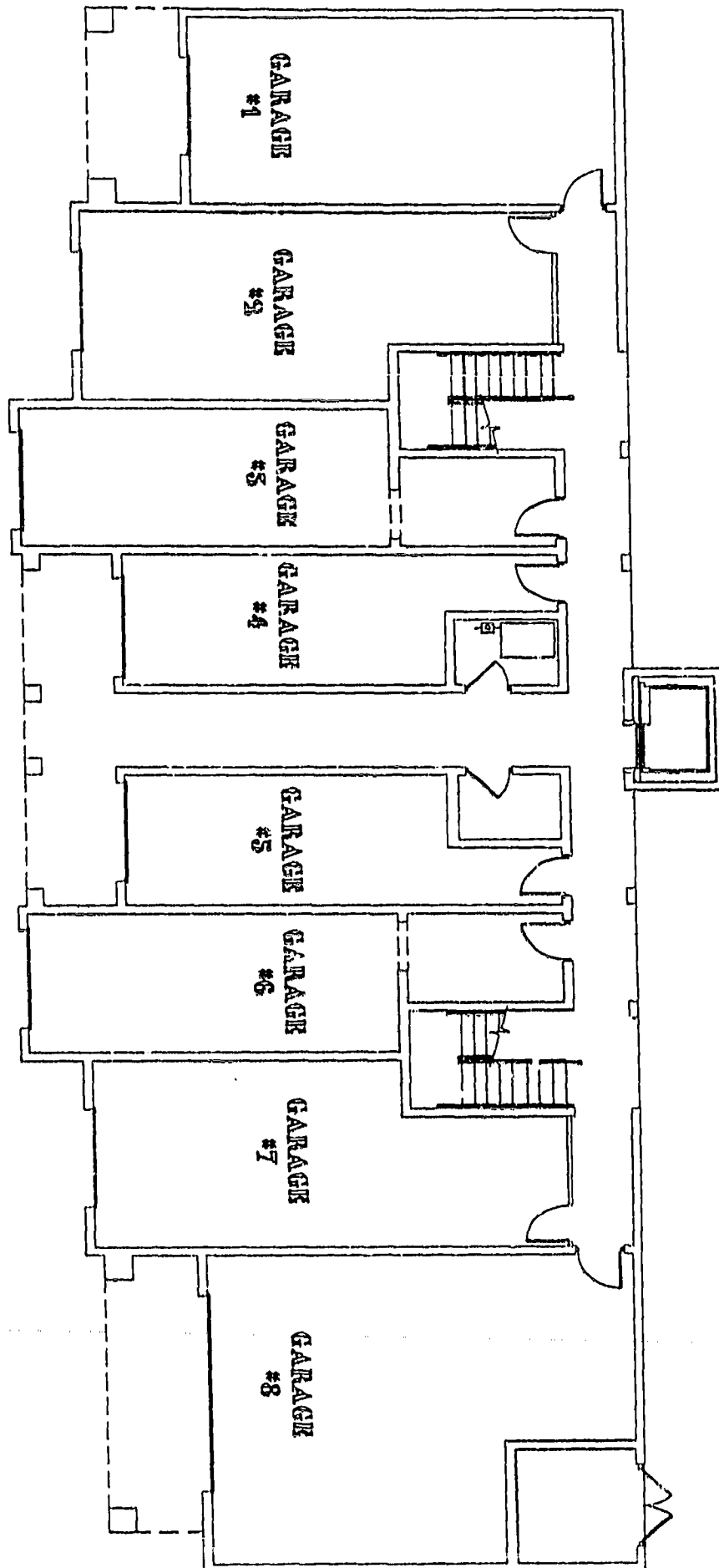
TOTAL 22 SPACES REQUIRED
20 SPACES PROVIDED


FIRST FLOOR PLAN
 SCALE: 3/32" = 1'-0" (BUILDING 'A')

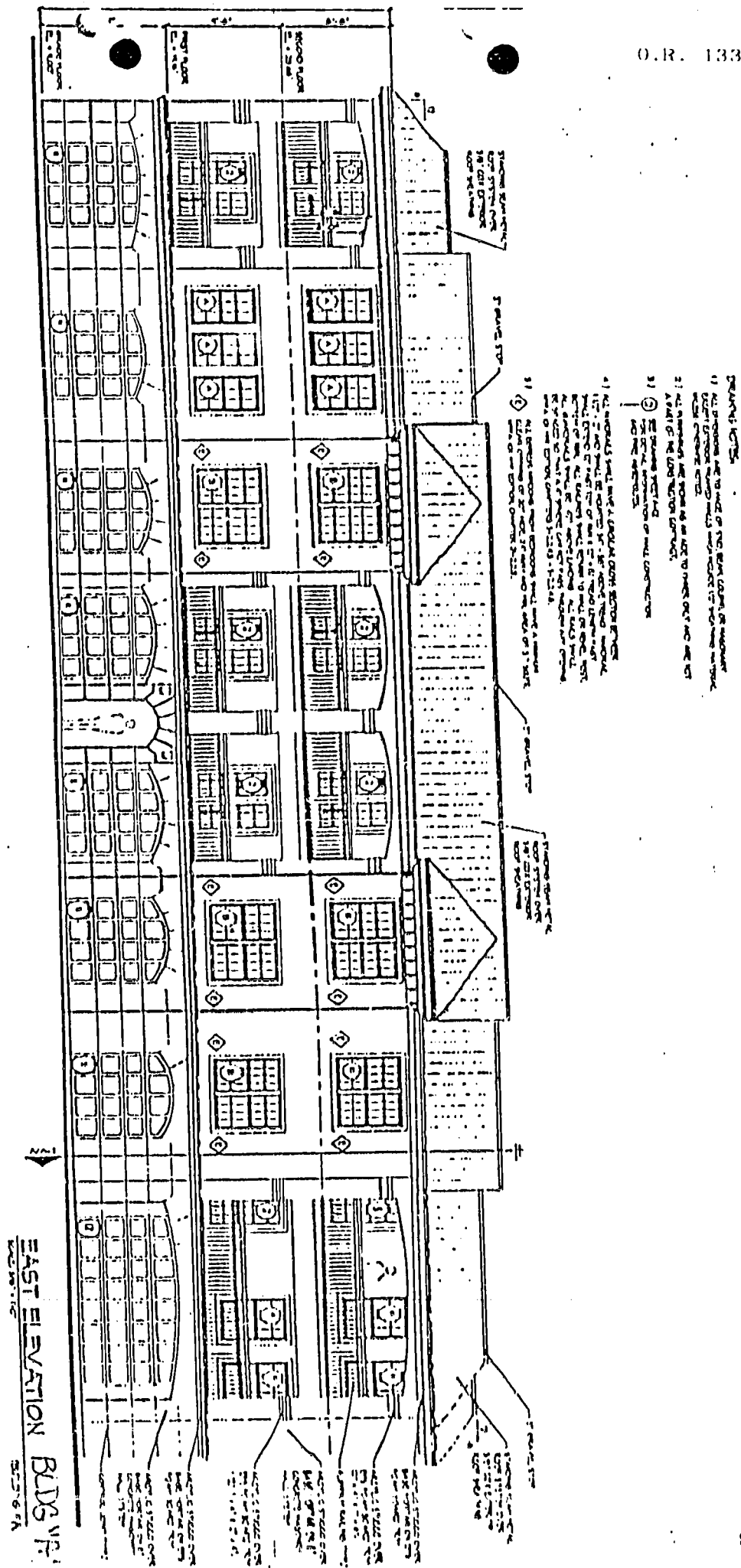


The Cedars at Matanzas River, a Condominium

←
GRADE FLOOR PLAN
 SCALE: 3/32" = 1'-0"
 (BUILDING 'A')

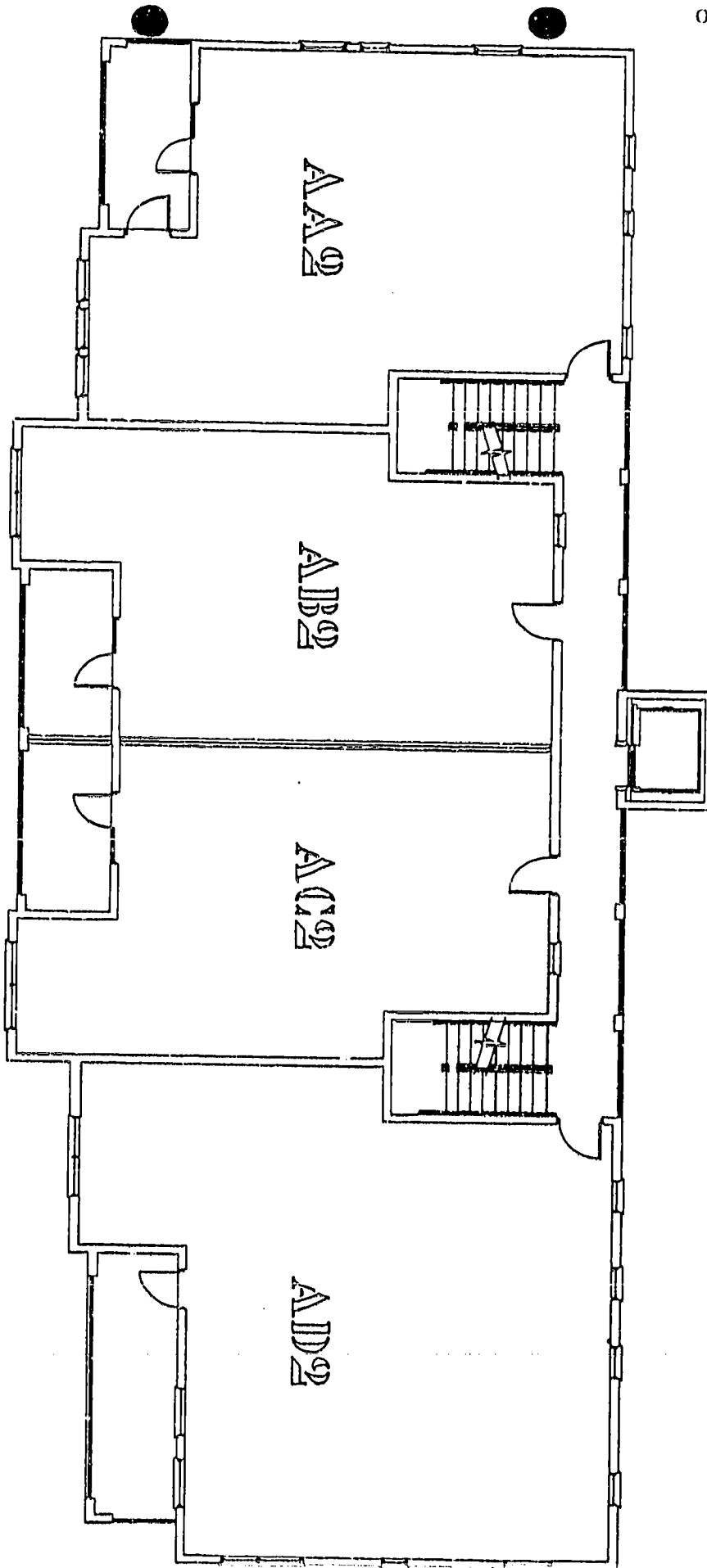


The Cedars at Matanzas River, a Condominium



Scale
3/16" = 1'-0"

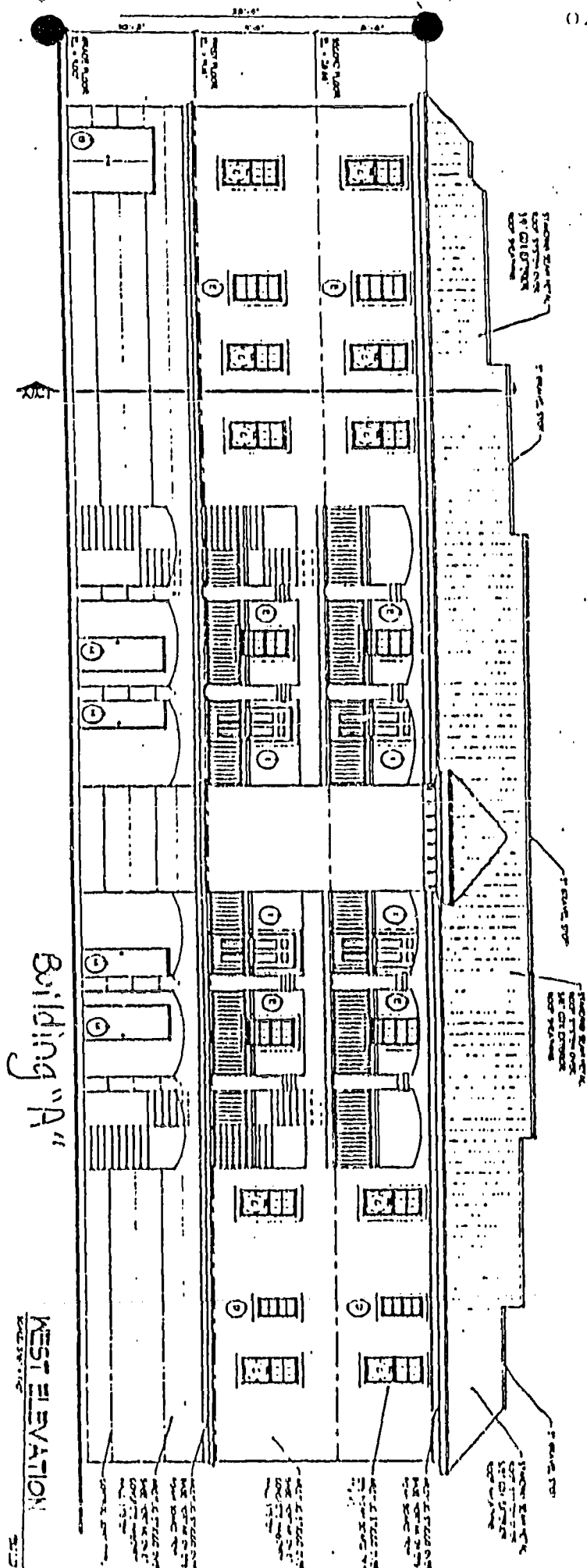
The Cedars at Matanzas River, a condominium



SECOND FLOOR PLAN

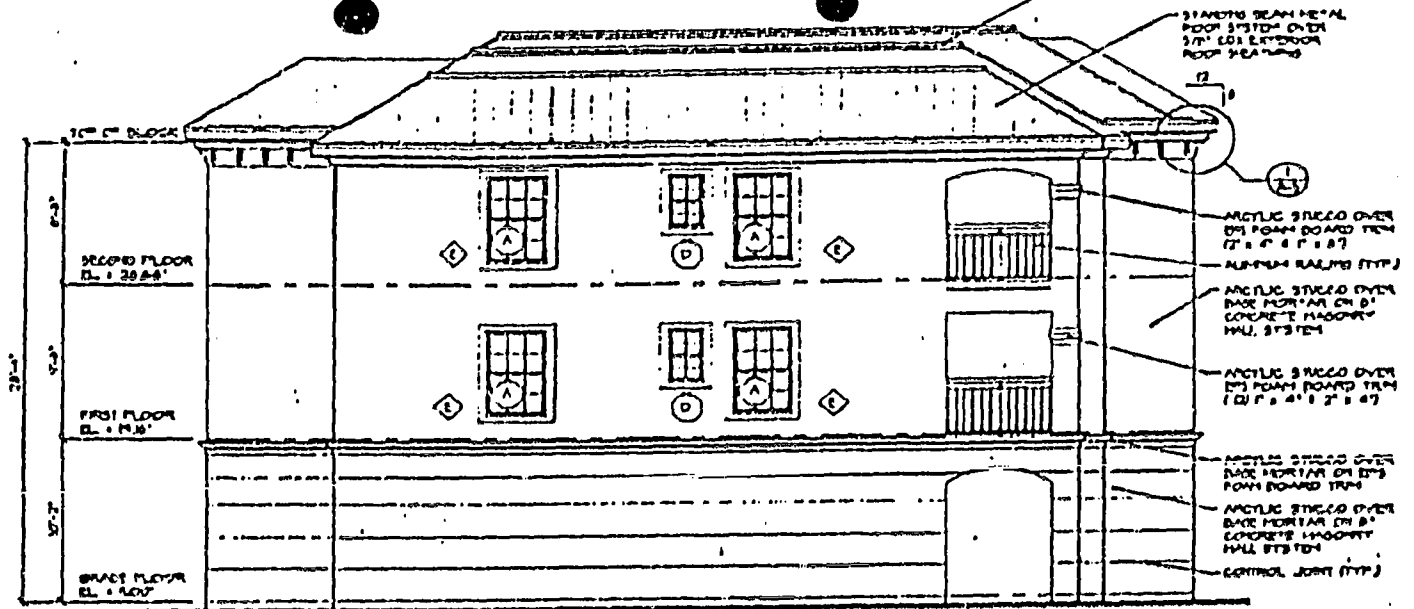
SCALE: 3/32" = 1'-0" (BUILDING 'A')

The Cedars at Matanzas River, a Condominium



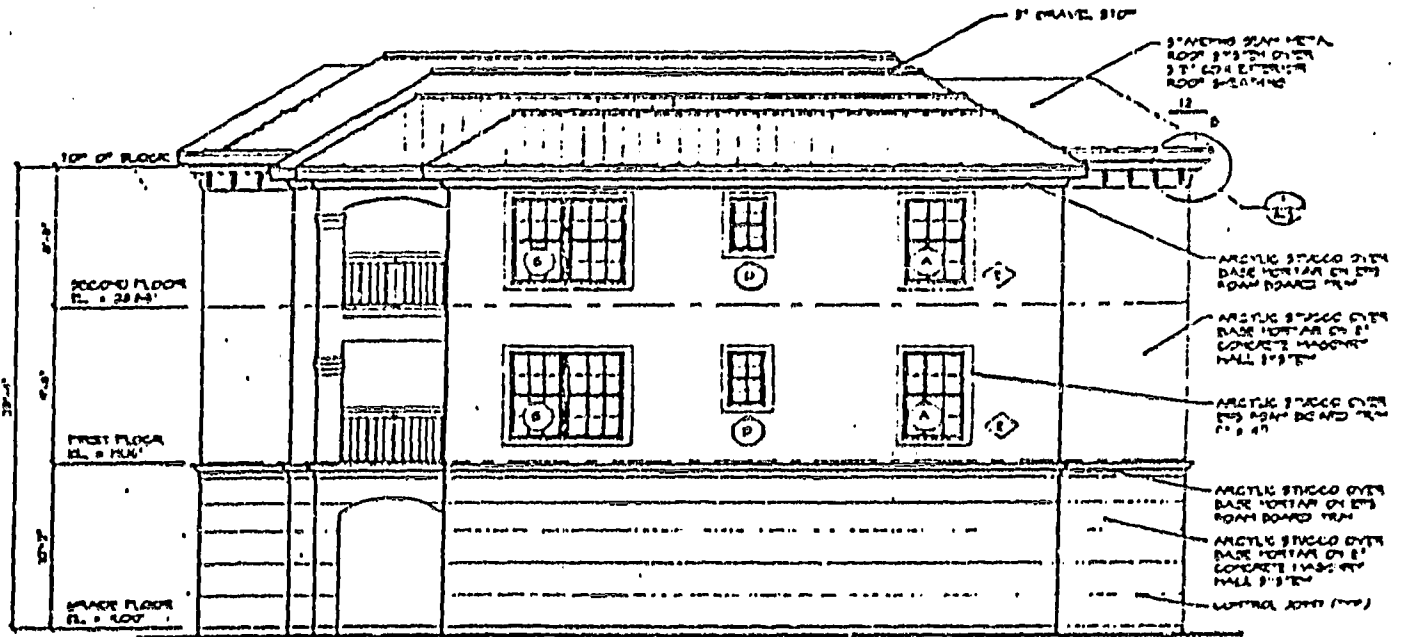
Scale
3/16" = 1'-0"

The Cedars at Matanzas River, a condominium



NORTH ELEVATION
SCALE 3/16" = 1'-0"

Building "A"



SOUTH ELEVATION
SCALE 3/16" = 1'-0"

Building "A"

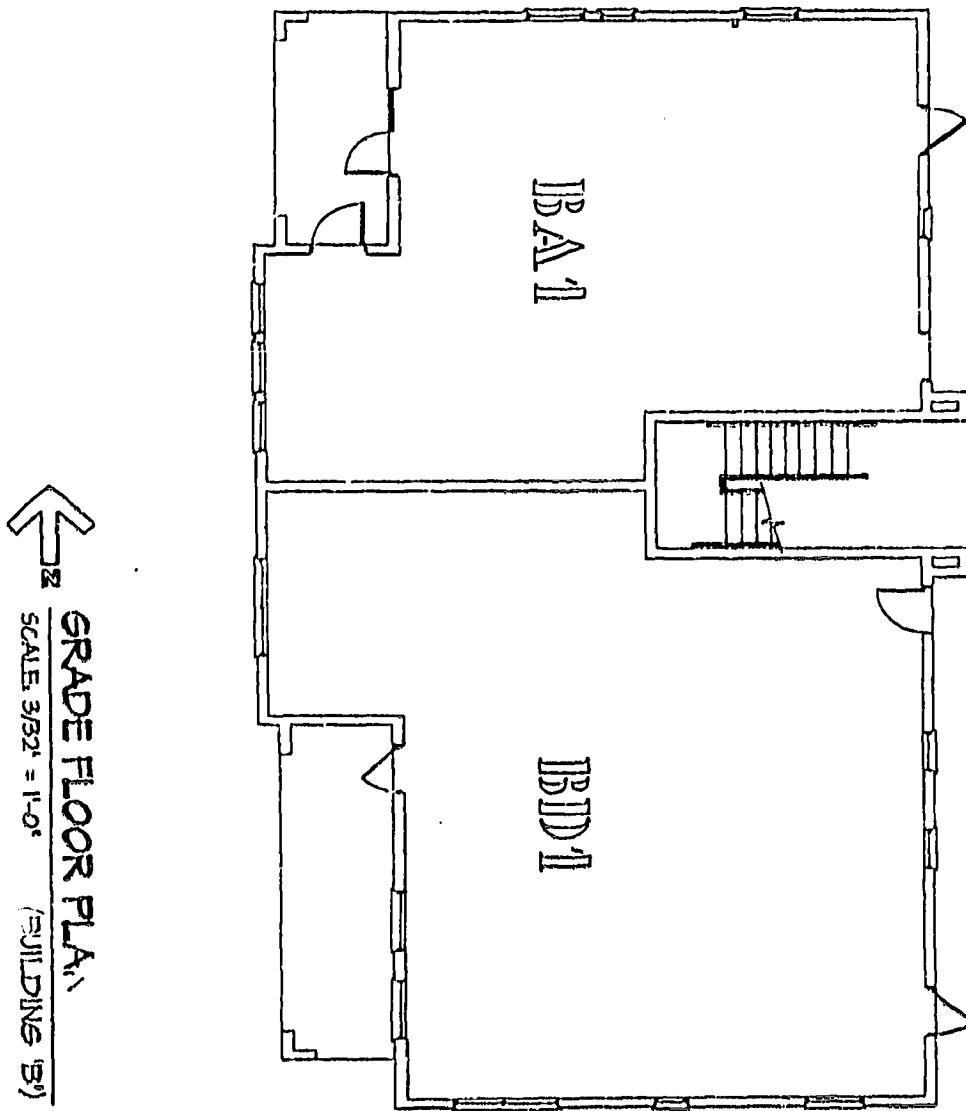
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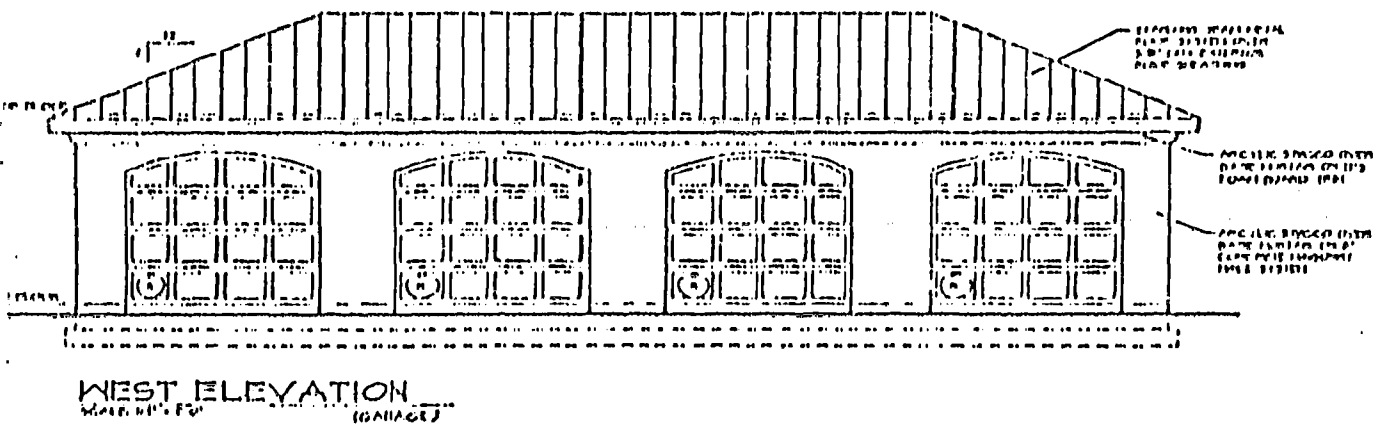
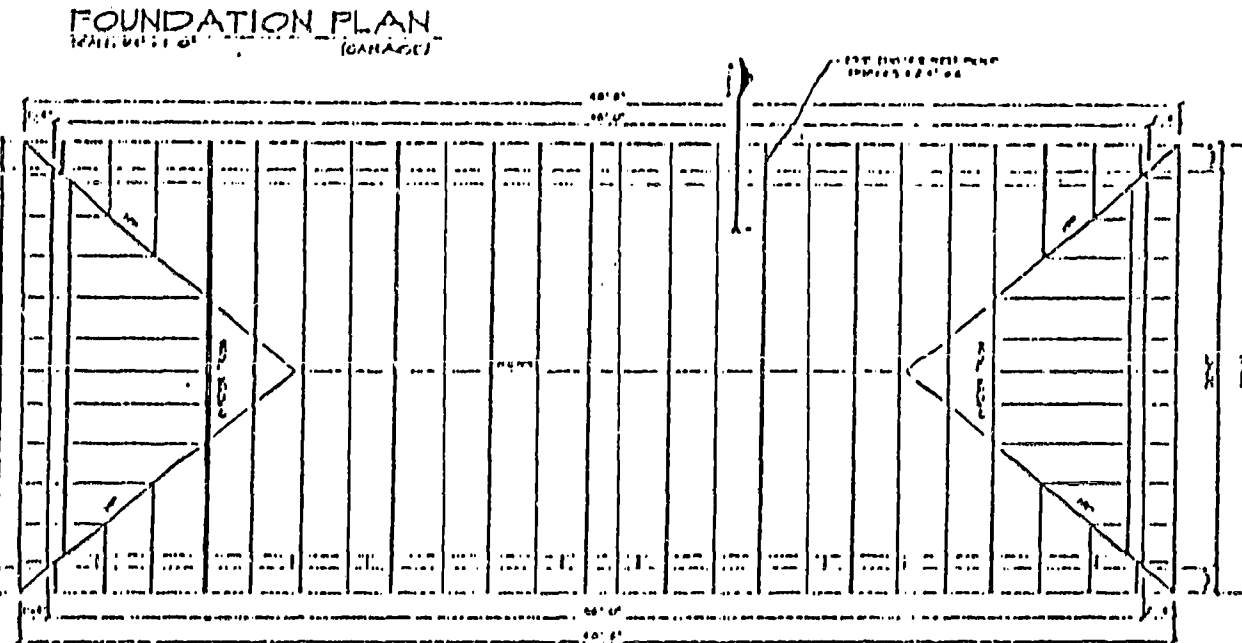
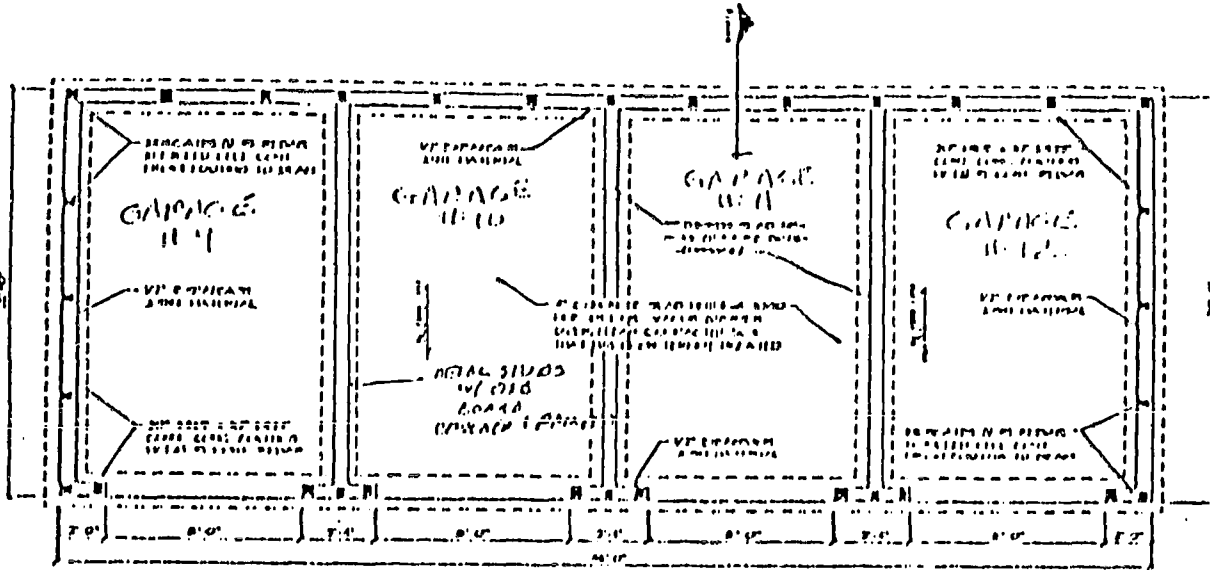


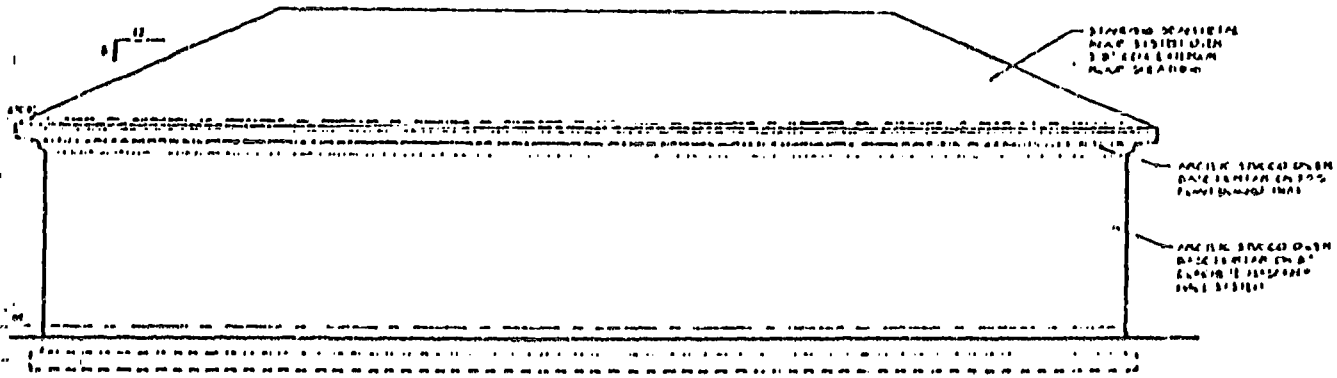
SCALE: 3/32" = 1'-0"
(BUILDING B')



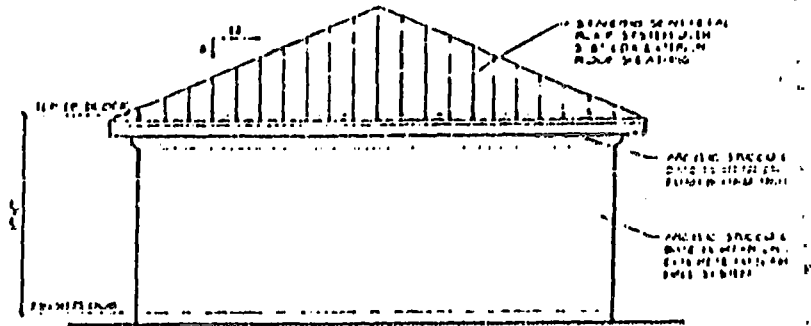
10 of 20



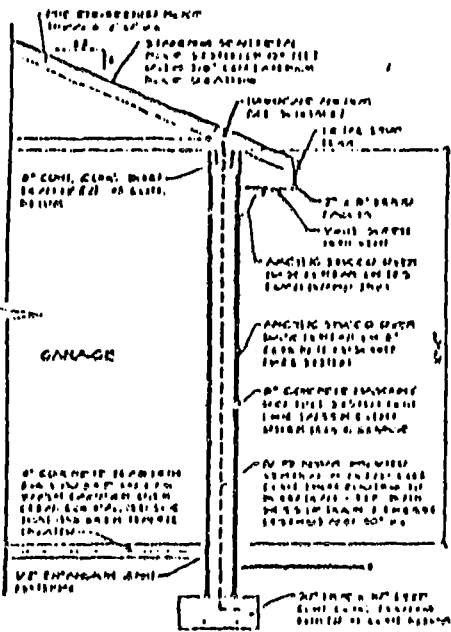




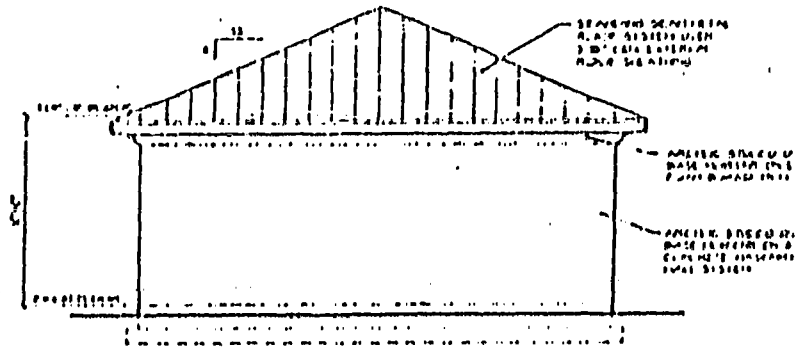
EAST ELEVATION
WALL, V.P. 10' 0" (GARAGE)



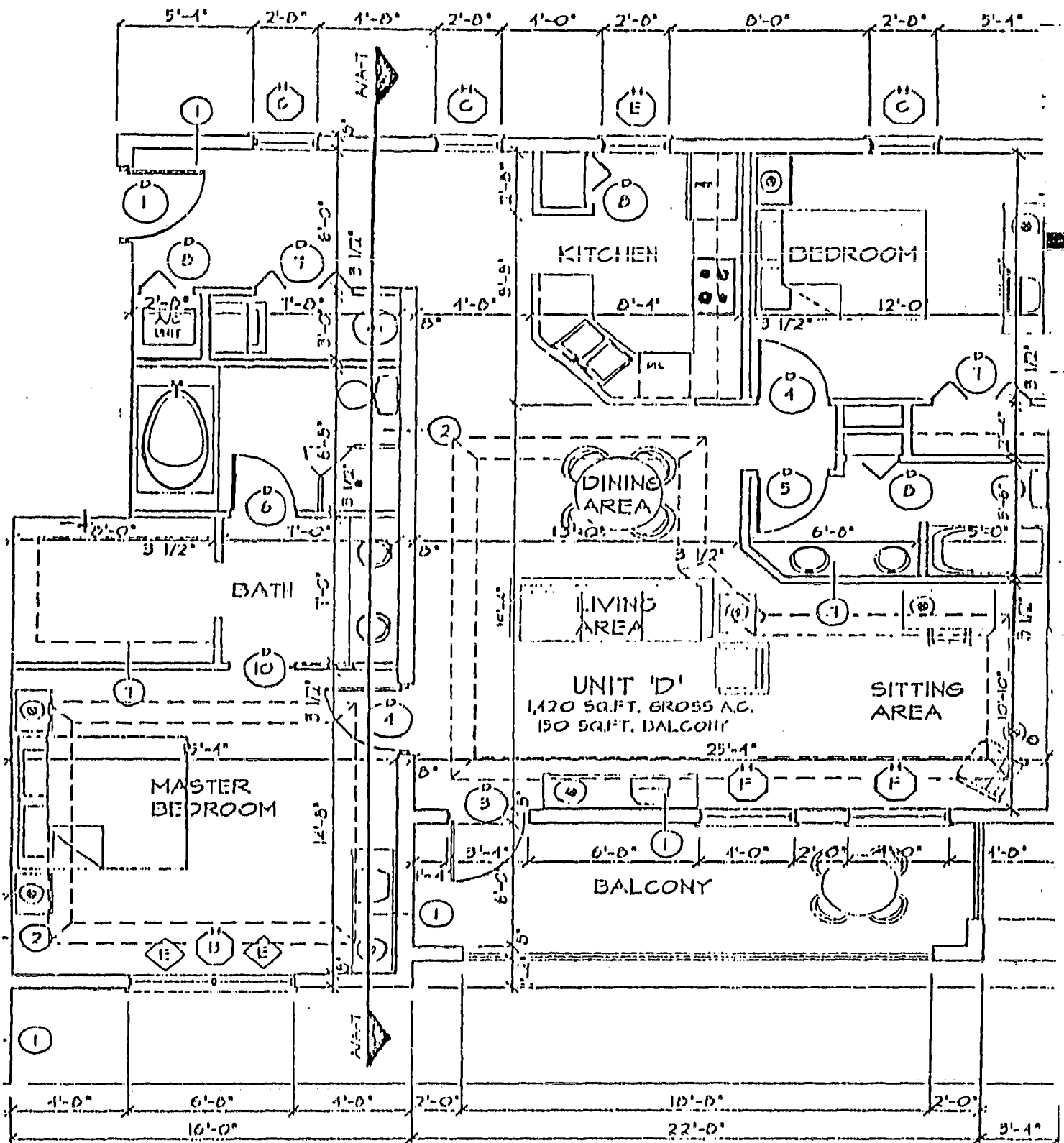
NORTH ELEVATION
WALL, V.P. 10' 0" (GARAGE)



WALL SECTION
WALL, V.P. 10' 0" (GARAGE)



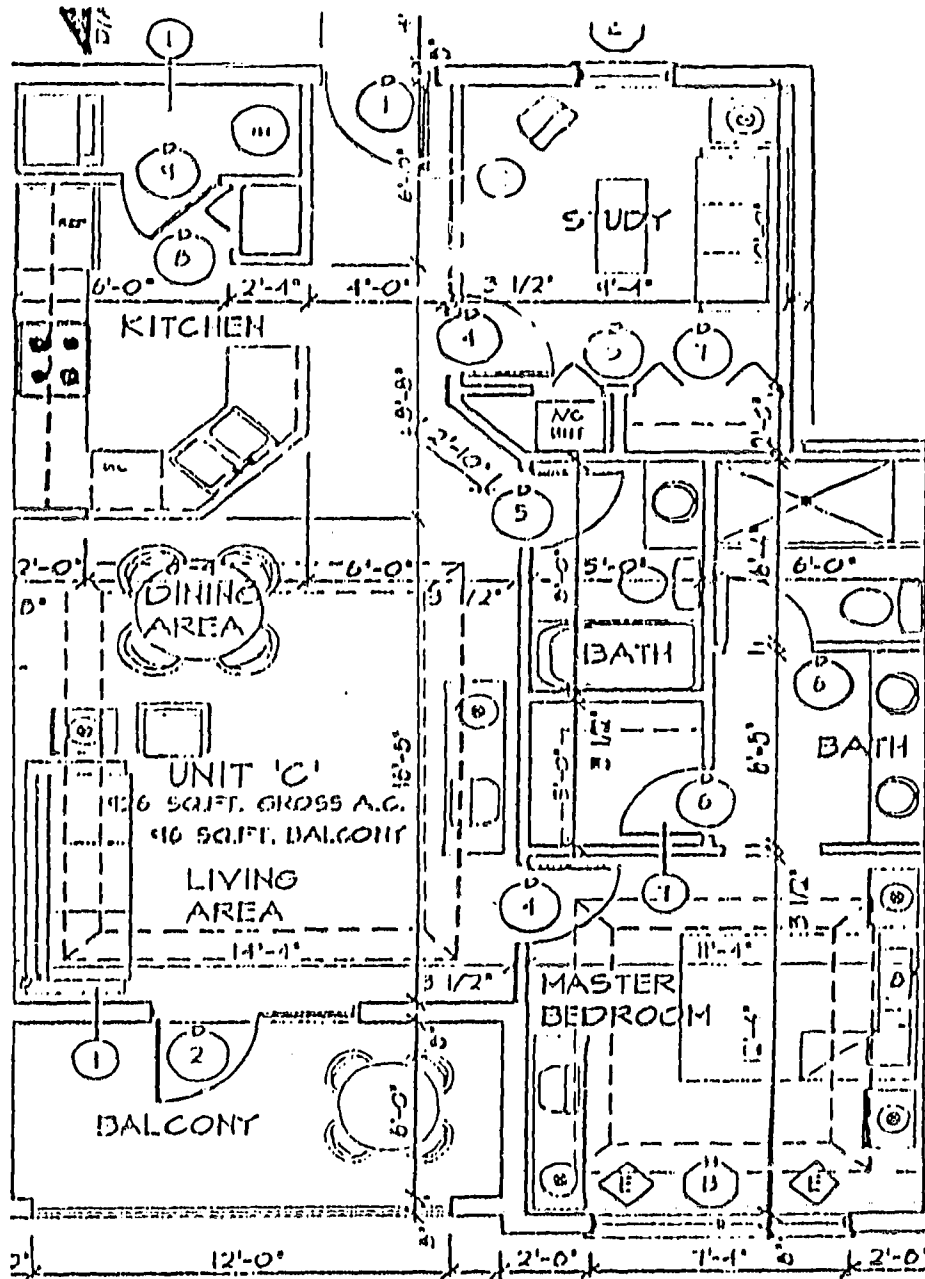
SOUTH ELEVATION
WALL, V.P. 10' 0" (GARAGE)



THE CEDARS AT MATANZAS RIVER, a Condominium

Scale 3/16" = 1' - 0"

FLOOR PLAN:
UNIT'S AD1, AD2, DD1, DD2

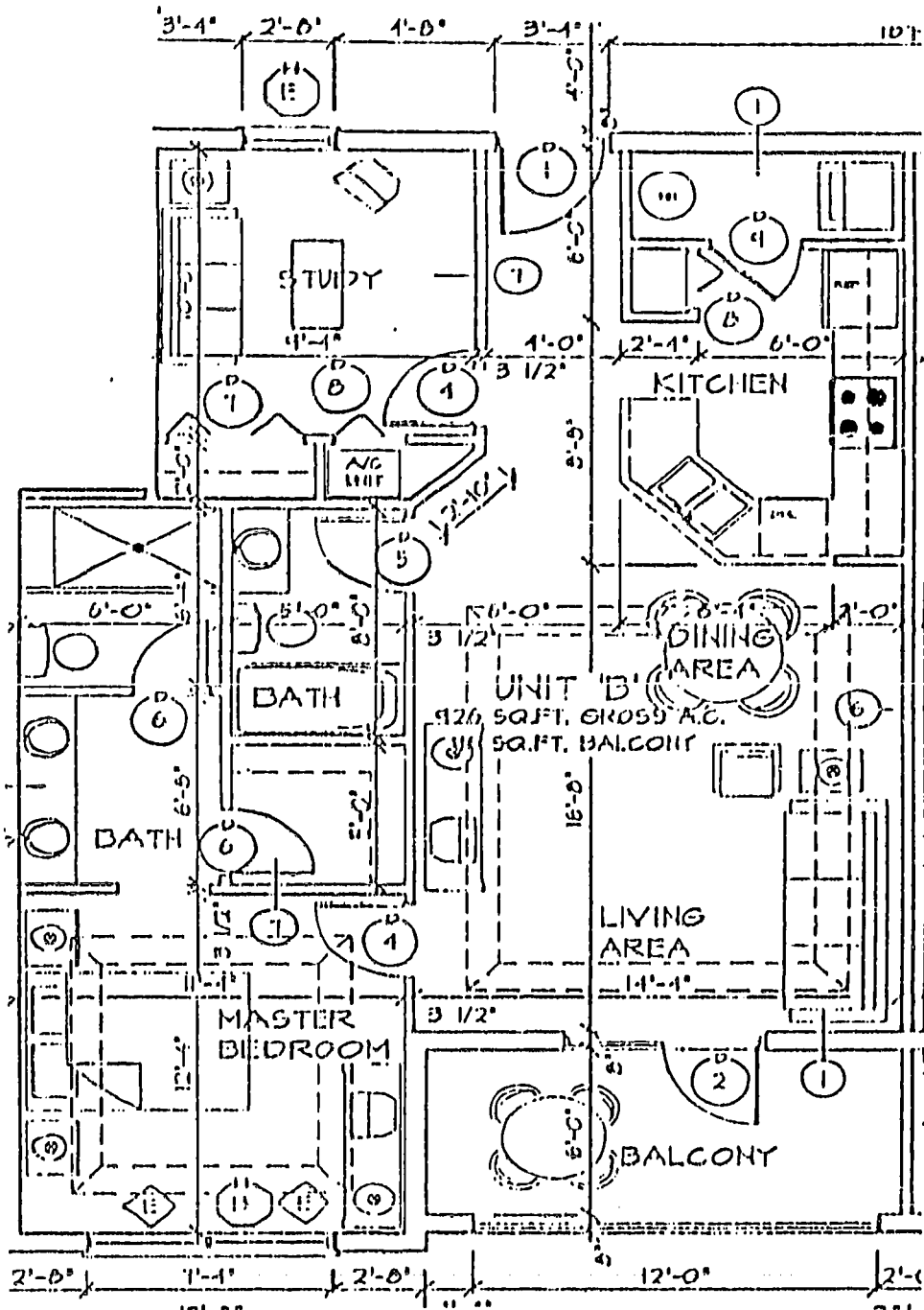


THE CEDARS AT MATANZAS RIVER, a condominium

Scale 3/16" = 1' - 0"

FLOOR PLAN
UNITS AC1, AC2

15 of 20

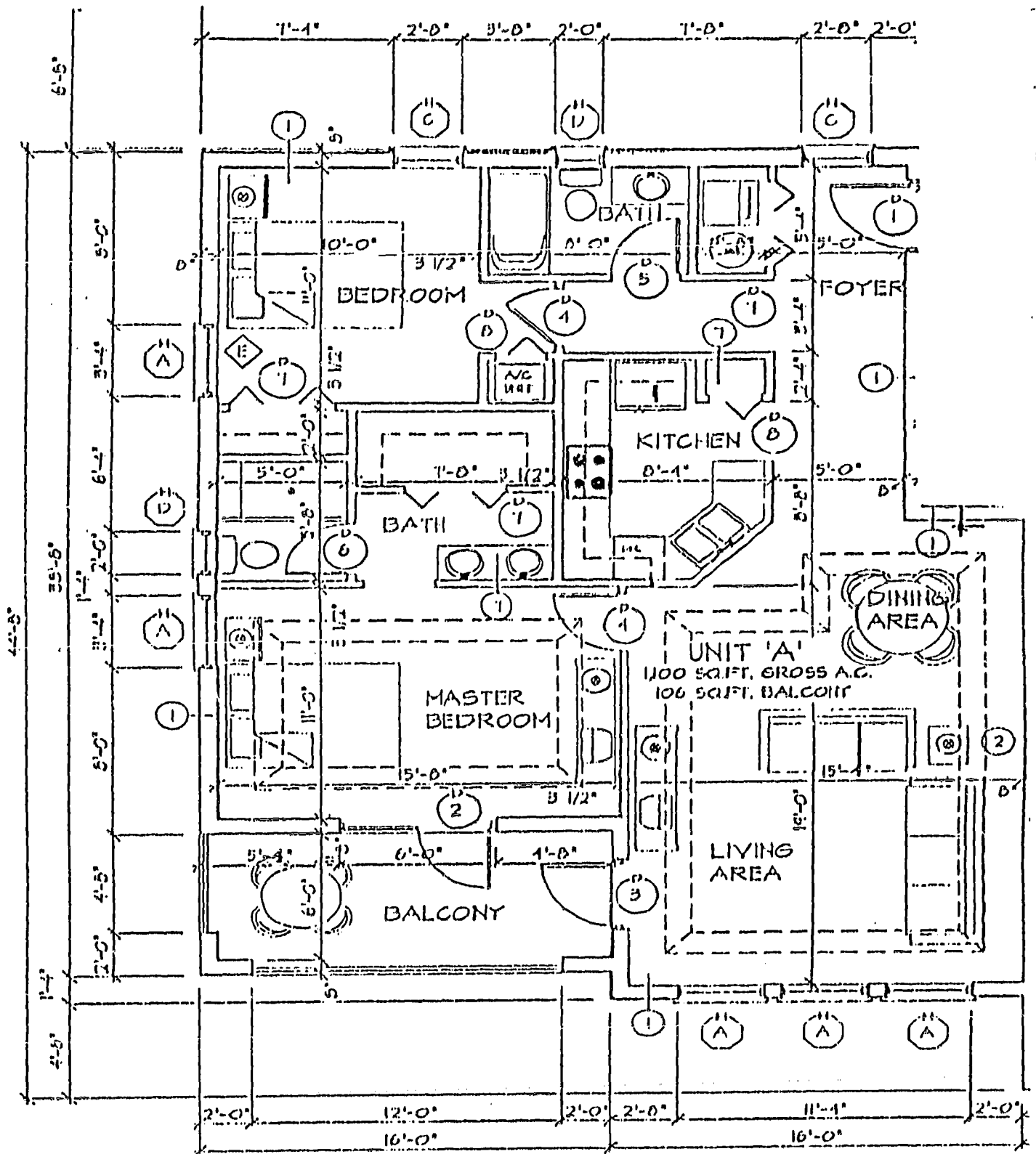


THE CEDARS AT MATANZAS RIVER, a condominium

Scale 3/16" = 1' = 0"

FLOOR PLAN
UNIT'S A01, A02

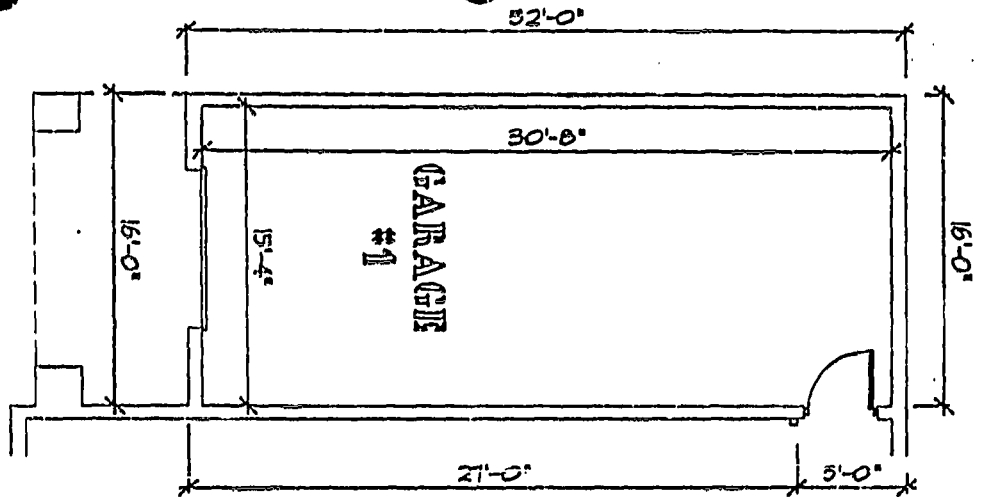
16 of 20



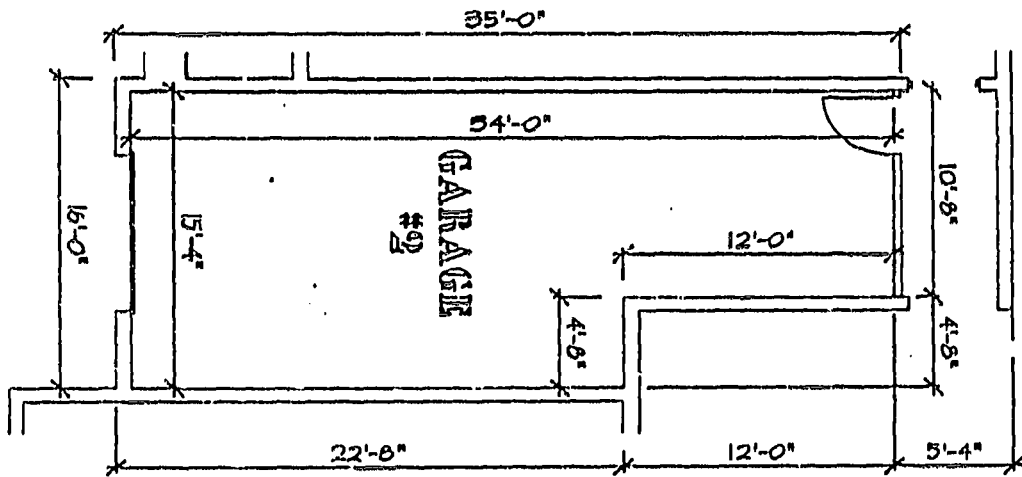
THE CEDARS AT MATANZAS RIVER, a condominium

Scale 3/16" = 1' - 0"

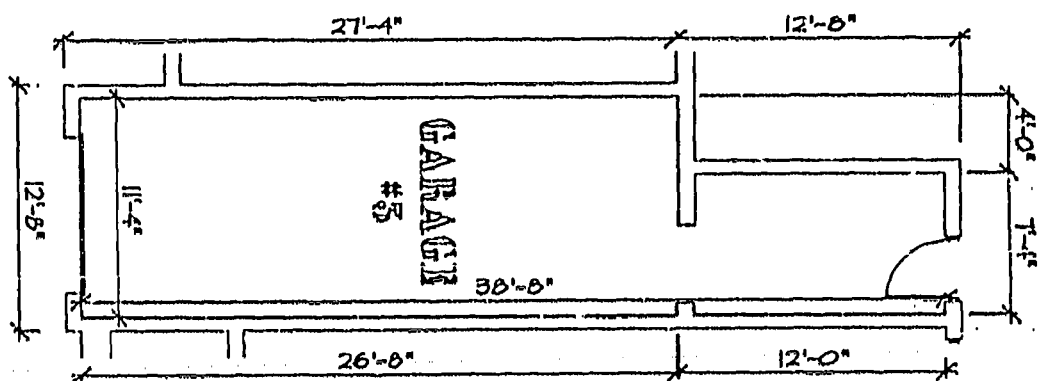
FLOOR PLAN
UNITS AA1, AA2, BA1, BA2



GARAGE #1 PLAN
SCALE: 1/8" = 1'-0" (BLDG. 'A')



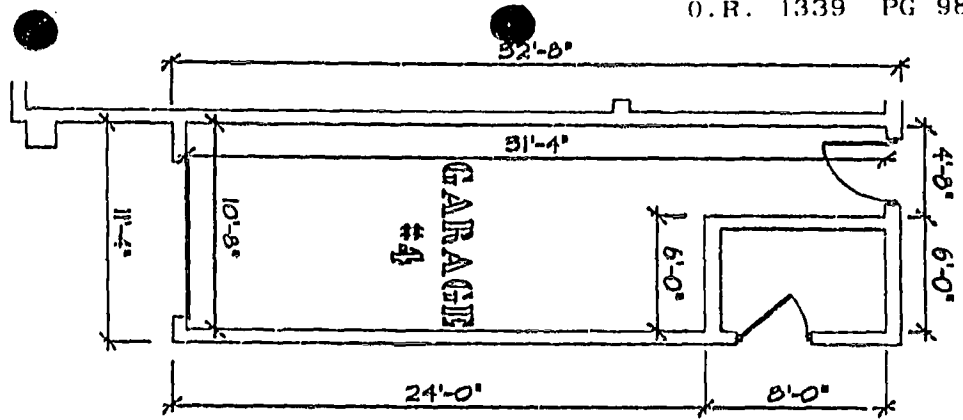
GARAGE #2 PLAN
SCALE: 1/8" = 1'-0" (BLDG. 'A')



GARAGE #3 PLAN
SCALE: 1/8" = 1'-0" (BLDG. 'A')

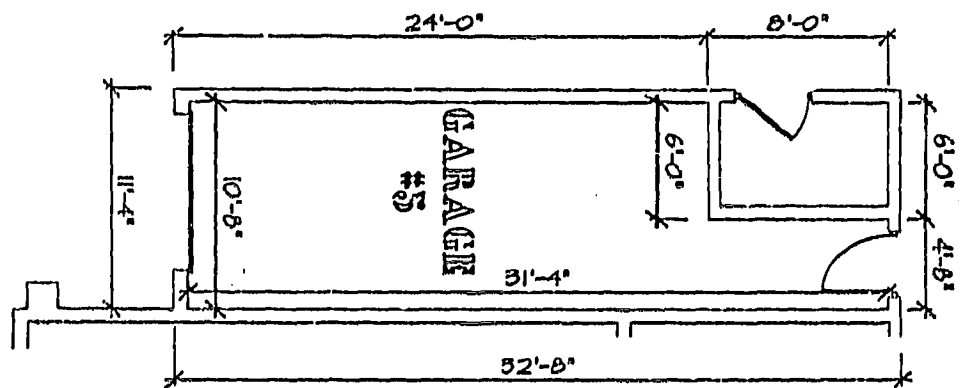


The Cedars at Matanzas River, a Condominium



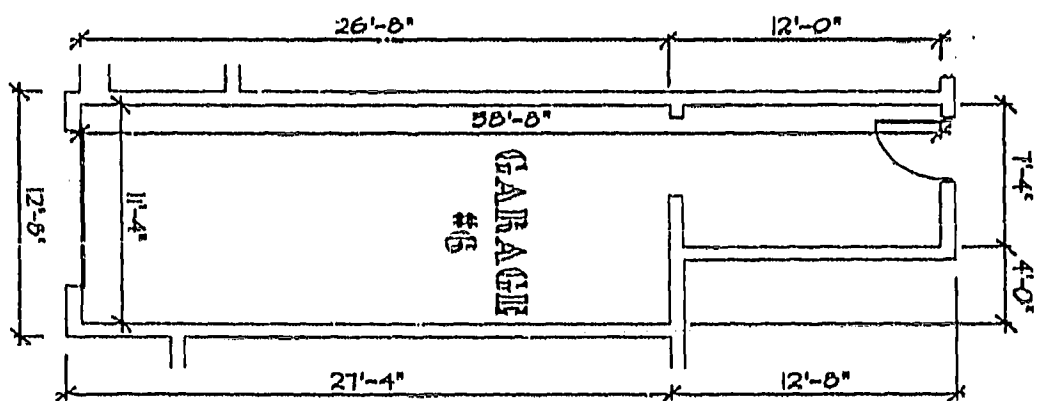
GARAGE #4 PLAN

SCALE 1/8" = 1'-0" (BLDG. 'A')



GARAGE #5 PLAN

SCALE 1/8" = 1'-0" (BLDG. 'A')

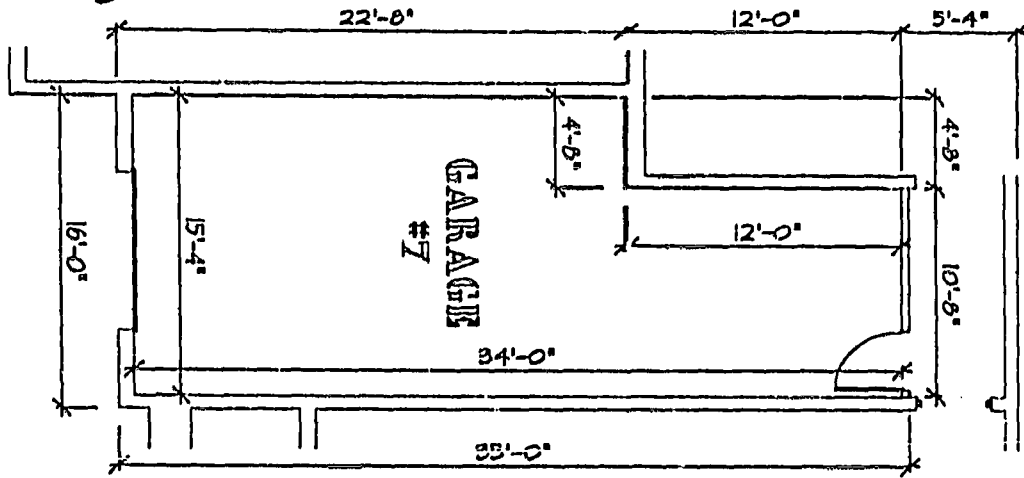


GARAGE #6 PLAN

SCALE 1/8" = 1'-0" (BLDG. 'A')

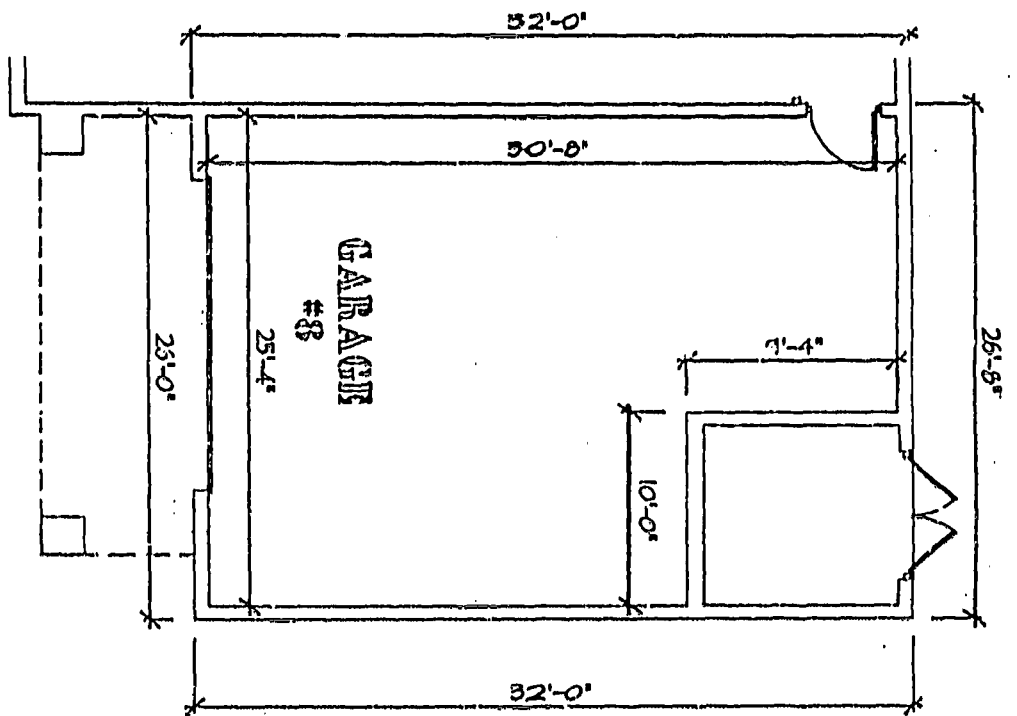


The Cedars at Matanzas River, a Condominium



GARAGE #7 PLAN

SCALE: 1/8" = 1'-0" (BLDG. 'A')



GARAGE #8 PLAN

SCALE: 1/8" = 1'-0" (BLDG. 'A')



The Cedars at Matanzas River, a Condominium

**FLORIDA DEPARTMENT OF STATE****Sandra B. Mortham**
Secretary of State

July 15, 1998

KENNETH D. HAGLER, P.A.
POST OFFICE BOX 4365
ST. AUGUSTINE, FL 32085-4365

The Articles of Incorporation for THE CEDARS AT MATANZAS RIVER CONDOMINIUM ASSOCIATION, INC. were filed on July 13, 1998 and assigned document number N98000004100. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: COMPLIANCE WITH THE FOLLOWING PROCEDURES IS ESSENTIAL TO MAINTAINING YOUR CORPORATE STATUS. FAILURE TO DO SO MAY RESULT IN DISSOLUTION OF YOUR CORPORATION.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THIS OFFICE BETWEEN JANUARY 1 AND MAY 1 OF EACH YEAR BEGINNING WITH THE CALENDAR YEAR FOLLOWING THE YEAR OF THE FILING DATE NOTED ABOVE AND EACH YEAR THEREAFTER. FAILURE TO FILE THE ANNUAL REPORT ON TIME MAY RESULT IN ADMINISTRATIVE DISSOLUTION OF YOUR CORPORATION.

A FEDERAL EMPLOYER IDENTIFICATION (FEI) NUMBER MUST BE SHOWN ON THE ANNUAL REPORT FORM PRIOR TO ITS FILING WITH THIS OFFICE. CONTACT THE INTERNAL REVENUE SERVICE TO RECEIVE THE FEI NUMBER IN TIME TO FILE THE ANNUAL REPORT AT 1-800-829-3676 AND REQUEST FORM SS-4.

SHOULD YOUR CORPORATE MAILING ADDRESS CHANGE, YOU MUST NOTIFY THIS OFFICE IN WRITING, TO INSURE IMPORTANT MAILINGS SUCH AS THE ANNUAL REPORT NOTICES REACH YOU.

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

Neysa Culligan, Document Specialist
New Filing Section

Letter Number: 298A00037640

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of THE CEDARS AT MATANZAS RIVER CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on July 13, 1998, as shown by the records of this office.

The document number of this corporation is N98000004100.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Fifteenth day of July, 1998



CR2EO22 (2-95)

Sandra M. Matham
Secretary of State

FILED

ARTICLES OF INCORPORATION

98 JUL 13 PM 12:08

OF

SECRETARY OF STATE
TALLAHASSEE, FLORIDATHE CEDARS AT MATANZAS RIVER CONDOMINIUM
ASSOCIATION, INC., a Florida non-profit corporation

We, the undersigned, being desirous of forming a corporation not for profit, do hereby associate ourselves into a corporation for the purposes and with the powers herein specified and do hereby agree to the following Articles of Incorporation:

ARTICLE I. NAME

The name of this corporation shall be:

THE CEDARS AT MATANZAS RIVER CONDOMINIUM ASSOCIATION, INC., a Florida non-profit corporation, (hereinafter referred to as the "Association").

ARTICLE II. PURPOSE

The purposes and object of the Association shall be to administer the operation and management of THE CEDARS AT MATANZAS RIVER, a condominium, hereinafter the "Condominium" which may be established in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes ("Condominium Act"), upon any portion of that certain real property in St. Johns County, Florida, as described on Exhibit A attached hereto and incorporated herein by reference which O.C.P. Development Corporation, Inc., a Florida corporation, its successors or assigns (the "Developer") may designate to be administered by the Association. Such designation shall be evidenced by recording, as part of the declaration of condominium, these Articles of Incorporation and By-Laws of this Association as the Association responsible for administration of such condominium. Nothing contained herein shall require that this Association be designated by Developer to operate any such condominium, unless and until so designated by Developer.

The Association shall undertake and perform all acts and duties incident to the operation and management of the Condominium in accordance with the terms, provisions, and conditions of these Articles of Incorporation, the By-Laws of the Association and the Declaration of the Condominium (the "Declaration") which will be recorded in the public records of St. Johns County, Florida.

ARTICLE III. POWERS

The Association shall have the following powers:

A. All of the powers and privileges granted to corporations not for profit under the laws of the State of Florida and under the Condominium Act, and the Declaration of Condominium.

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

1. Make and establish reasonable rules and regulations governing use of the Units, Common Element and, Limited Common Elements of the Condominium as such terms are defined in the Declaration.

2. Own, operate, lease, sell, manage, and otherwise deal with such real and personal property as may be necessary or convenient for the administration of the Condominium.

3. Levy and collect assessments against members of the Association to defray the Common Expenses of the Condominium including the right to levy and collect assessments for the purpose of acquiring, owning, holding, operating, leasing, encumbering, selling, conveying, exchanging, managing and otherwise dealing with the Condominium Property, including Units, which may be necessary or convenient in the operation and management of the Condominium and in accomplishing the purposes set forth in the Declaration.

4. Maintain, repair, replace, operate and manage the Condominium Property, and any property owned by the Association, including the right to reconstruct improvements after casualty and to further improve and add to the Condominium Property and other property owned by the Association.

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

6. Enforce the provisions of these Articles of Incorporation, the Declarations, the By-Laws, and all rules and regulations governing use of the Condominium which may hereafter be established.

ARTICLE IV. QUALIFICATION OF MEMBERS & VOTING

The qualifications of members, manner of their admission to and termination of membership, and voting by members shall be as specified in the By-Laws.

ARTICLE V. TERM OF EXISTENCE

The Association shall have perpetual existence.

ARTICLE VI. OFFICE

The principal office of the Association shall be located at 5 Palm Row, St. Augustine, St. Johns County, Florida, or such other place as the Board of Directors may designate.

ARTICLE VII. BOARD OF DIRECTORS

A. The business affairs of this Association shall be managed by the Board of Directors. The number of members of the first Board of Directors shall be three.

B. Subject to the Declaration of Condominium, the Board of Directors shall be elected by the Members of the Association from among the membership at the annual membership meeting as provided in the By-Laws; provide, however, that the Developer shall have the right to elect all of the Directors on the Board subject to the following:

1. When Unit owners other than the Developer own fifteen percent (15%) or more of all the Units in the Condominium that ultimately will be operated by the Association, the Unit owners other than the Developer shall be entitled to elect one-third (1/3) of the members of the Board of Directors.

2. Unit owners other than the Developer shall be entitled to elect a majority of the Members of the Board of Directors upon the first to occur of the following:

(a) Three years after fifty percent of all of the Units in the Condominium that will be operated ultimately by the Association have been conveyed to purchasers;

(b) Three months after ninety percent of all of the Units in the Condominium that will be operated ultimately by the

Association have been conveyed to purchasers;

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

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

(e) Seven years after recordation of the Declaration of Condominium, whichever occurs first.

3. The Developer is entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five percent of all of the Units in the Condominium ultimately to be operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any developer-owned units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Directors.

4. The names and residence addresses of the persons who are to serve as the initial Board of Directors until their successors are chosen, are as follows:

<u>Director</u>	<u>Address</u>
A. Frank Phillips	20 Contera Drive St. Augustine, FL 32084
Harold C. Pabst	1146 San Jose Forest St. Augustine, FL 32084
William J. Morse	947 Lew Blvd. St. Augustine, FL 32084

ARTICLE VIII. OFFICERS

A. The officers of the Association shall be a President, one or more Vice Presidents, Secretary and Treasurer and, if any, the Assistant Secretaries and Assistant Treasurers, who shall perform, the duties of such offices customarily performed by like officers of corporations in the State of Florida subject to the directions of the Board of Directors.

B. The persons who are to serve as officers of the Association until their successors are chosen are:

<u>Officer</u>	<u>Name</u>
President	C. Frank Riggle
Vice President	A. Frank Phillips
Secretary	Harold C. Pabst
Treasurer	Darrell G. Smith

ARTICLE IX. BY-LAWS

The Board of Directors shall adopt by a majority vote the original By-Laws of the Association.

ARTICLE X. AMENDMENT OF ARTICLES OF INCORPORATION

A. These Articles of Incorporation may be amended as follows:

1. Amendments shall be proposed by a majority of the Board of Directors.

2. The President, or acting Chief Executive Officer of the Association in the absence of the President, shall thereupon call a meeting of the members of the Association to consider the proposed amendment. Each Member shall be given written notice of such meeting stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each Member not less than ten (10) days nor more than thirty (30) days before the date set for such meeting. Such notice shall be deemed properly given when deposited in the United States mail, addressed to the Member at his post office address as it appears on the records of the Association. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of a majority of the votes cast by Members. If so approved, a certified copy of the said amendment or amendments shall be filed in the Office of the Secretary of State of the State of Florida and recorded in the public records of St. Johns County, Florida.

ARTICLE XI. INDEMNITY

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

ARTICLE XII. NON-PROFIT STATUS

No part of the income of this corporation shall be distributed to the Members except upon dissolution or final liquidation and as permitted by the court having jurisdiction thereof.

ARTICLE XIII. SUBSCRIBERS

The names and addresses of the incorporators to these Articles are:

A. Frank Phillips	20 Contera Drive St. Augustine, FL 32084
Harold C. Pabst	1146 San Jose Forest St. Augustine, FL 32084
William J. Morse	947 Lew Blvd. St. Augustine, FL 32084

ARTICLE XIV. DESIGNATION OF RESIDENT AGENT

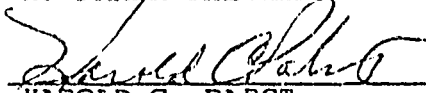
The street address of the registered office of the corporation is 5 Palm Row, St. Augustine, Florida 32084, and the name of its initial Registered Agent at such address is Kenneth D. Hagler, Esquire, until changed as provided by law without amendment of these Articles.

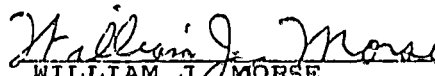
ARTICLE XV. PRINCIPAL ADDRESS

The initial street address of the principal office of this corporation in the State of Florida is 5 Palm Row, St. Augustine, Florida 32084, St. Augustine, Florida 32084.

IN WITNESS WHEREOF, we, the undersigned subscribed incorporators, have hereunto set our hands and seals this 20th day of March, 1998, for the purpose of forming this corporation not for profit under the laws of the State of Florida.



A. FRANK PHILLIPS


HAROLD C. PABST


WILLIAM J. MORSE


STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing ARTICLES OF INCORPORATION was acknowledged before me this 20 day of March, 1998, by A. FRANK PHILLIPS, a subscriber.


Tracy L. Stafford, Notary Public
State of Florida
My Commission Expires:

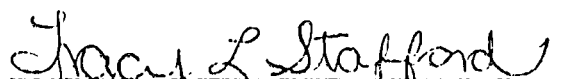
STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing ARTICLES OF INCORPORATION was acknowledged before me this 20 day of March, 1998, by HAROLD C. PABST, a subscriber.

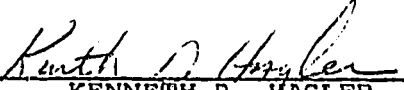

Tracy L. Stafford, Notary Public
State of Florida
My Commission Expires:

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing ARTICLES OF INCORPORATION was acknowledged before me this 20 day of March, 1998, by WILLIAM J. MORSE, a subscriber.



Tracy L. Stafford, Notary Public
State of Florida
My Commission Expires:

I, KENNETH D. HAGLER, hereby accept the designation of
Resident Agent of THE CEDARS AT MATANZAS RIVER for service of
CONDOMINIUM ASSOCIATION, INC.
process.


KENNETH D. HAGLER

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing acceptance of registered agent was acknowledged
before me this 20th day of March, 1998, by KENNETH D. HAGLER, who
is personally known to me.


Tracy L. Stafford, Notary Public
State of Florida
My Commission Expires:



Tracy L. Stafford
MY COMMISSION # CC686409 EXPIRES
October 11, 2001
BONDED THRU TROY FARM INSURANCE, INC.

FILED
98 JUL 13 PM 12:08
STATE
TALLAHASSEE, FLORIDA

BY-LAWS**OF****THE CEDARS AT MATANZAS RIVER CONDOMINIUM
ASSOCIATION, INC., a Florida non-profit corporation****1. GENERAL PROVISIONS.**

1.1 Applicability. These are the By-Laws of THE CEDARS AT MATANZAS RIVER CONDOMINIUM ASSOCIATION, INC. (the "Association"), a Florida corporation not for profit, organized pursuant to the provisions of Chapters 617 and 718, Florida Statutes, 1997, as amended to the date of filing of the Articles of Incorporation. The purpose and object of the Association shall be to administer the operation and management of THE CEDARS AT MATANZAS RIVER, a condominium, hereinafter the "Condominium" which may be established in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes, 1997 ("Act"), upon certain real property in St. Johns County, Florida, as set forth in the Articles of Incorporation of the Association, and in the Declaration of Condominium. The provisions of these By-Laws are applicable to the Condominium and are subject to the provisions of the Articles and the Declaration. All members of the Association, as defined in these By-Laws, and their invitees, including, without limitation, all present or future owners and tenants of Units in the Condominium and any other persons using the Condominium or any of the facilities thereof in any manner, are subject to these By-Laws, the Articles, and the Declaration.

1.2 Office. The office of the Association shall be at 5 Palm Row, St. Augustine, Florida, or at such other place as may be established by resolution of the Board of Directors.

1.3 Fiscal Year. The fiscal year of the Association shall be the first day of January through the last day of December.

1.4 Definitions. All definitions set forth in the Declaration are hereby adopted by reference as through set forth herein verbatim.

2. MEMBERSHIP, VOTING, QUORUM, PROXIES.

2.1 Membership. The qualification of members of the Association (the "Members"), the manner of their admission to membership and termination of such membership, and voting by Members, shall be as set forth in the Declaration and the Articles.

2.2 Quorum. The percentage of voting interests necessary to constitute a quorum at any meeting of the members shall be a majority of the total votes of the Association. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

2.3 Voting.

(a) Each Unit shall be assigned the right to cast one vote at any meeting of Members.

(b) If a Unit is owned by one person, the right to vote shall be established by the record title to the Unit.

(c) If any Unit is owned by more than one person or a partnership, corporation, trust, or any other association or entity, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit or by the President, general partner

or other chief executive officer of the respective entity and filed with the Secretary of the Association. Such certificates shall be valid until superseded by a subsequent certificate or until ownership of the unit is changed. If such a certificate is not on file, the vote of such unit shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.4 Vote Required. Except as otherwise required under the provisions of the Articles, those By-Laws or the Declaration, or where the same otherwise may be required by law, at any meeting of the general membership of the Association duly called and at which a quorum is present, the acts approved by the affirmative vote of a majority of the votes present at such meeting shall be binding upon the Members.

2.5 Proxies. Except as specifically otherwise provided herein, unit owners may not vote by general proxy, but may vote by limited proxies substantially conforming to a limited proxy form adopted by the division. Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes taken to waive or reduce reserves in accordance with Fla. Stat. 718.112(2)(f)(2); for votes taken to waive financial statement requirements as provided by Florida Statute 718.111(14); and for votes taken to amend the Declaration of Condominium; the Articles of Incorporation, or By-Laws. No proxy, limited or general, shall be used in the election of Board members. General proxies may be used for other matters for which limited proxies are not required, and may also be used in voting for nonsubstantive changes to items for which a limited proxy is required and given. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy is revokable at any time at the pleasure of the unit owner executing it.

2.6 Consent. Whenever the vote of members at a meeting is required or remitted by these By-Laws, such meeting and vote may be dispensed with if a majority of the members who would have been entitled to vote at such meeting, if such meeting were held, shall consent in writing to such action being taken without the necessity of having meeting. The unit owners other than the Developer own fifteen percent (15%) or more of the units that will ultimately be operated by the Association, at which time unit owners other than the Developer shall elect one director. The Developer shall designate which Director is to be replaced at the time of the election of a Director by the unit owners other than the Developer.

3. MEMBERS' MEETINGS.

3.1 Annual Meeting. The annual meeting of the Members shall be held at least once each calendar year at the office of the Association or such other place in St. Augustine, Florida, and at such time as may be specified in the notice of the meeting for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members.

3.2 Special Meeting. Special meetings of the entire membership of the Association shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from Members entitled to cast a majority of the votes of the entire membership.

3.3 Notice of Meetings.

(a) **Generally.** Written notice of all meetings of Members, including a copy of the agenda of the meeting, shall be mailed or delivered by the Secretary or, in the absence of the

Secretary, another officer of the Association, to each Member, unless waived in writing. Each notice shall state the time and place of and purpose for which the meeting is called and shall be posted at a conspicuous place on the Condominium property at least fourteen (14) days prior to such meeting.

(b) Annual and Special Meeting. Notice of the annual and any special meeting including a copy of the agenda of the meeting shall be given to each Member not less than fourteen (14) days nor more than sixty (60) days prior to the date set for the meeting, and shall be mailed or delivered personally to each Member. If mailed, such notice shall be deemed properly given when deposited in the United States mail, first class, postage prepaid, addressed to the Member at his mailing address as it appears on the records of the Association.

(c) Waiver. Any Member may, in writing signed by such Member, waive such notice, and such waiver, when filed in the records of the Association, whether before, at or after the holding of the meeting, shall act as a waiver of the notice to such Member.

(d) Adjourned Meetings. If any meeting of Members, cannot be held because a quorum is not present, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

3.4 Presiding Officer and Minutes. At meetings of Members, the President shall preside, or in the absence the President, the Members present shall select a chairman of the meeting. Minutes shall be kept in a business like manner and available for inspection by Directors, Unit owners and their authorized representatives during normal business hours at the principal office of the Association. The Association shall retain these minutes for a period of not less than seven years.

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

- (a) Calling of the roll and certifying of proxies
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading or waiver of reading of minutes of previous meeting of Members
- (d) Reports of officers
- (e) Reports of committees
- (f) Appointment by Chairman of inspectors of election
- (g) Election of Directors
- (h) Unfinished business
- (i) New business
- (j) Adjournment

4. BOARD OF DIRECTORS

4.1 Management of Association. The affairs of the Association shall be managed by a Board of Directors (hereinafter referred to as Board).

4.2 First Board and Developer Control. The first Board shall consist of three (3) persons as designated in the Articles of Incorporation. Developer reserves the right to appoint Directors

to the Board as specified in Article VIII C of the Articles.

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

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

(b) For so long as the Developer shall retain the right to appoint at least one member of the Board of Directors, all members of the Board of Directors whom Developer shall not be entitled to appoint under these By-Laws shall be elected at large, by a plurality of the votes cast at the annual meeting of the general membership, immediately following appointment of the members of the Board whom Developer shall be entitled to appoint.

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

(d) In the election of Directors, there shall be appurtenant to each Unit one (1) vote for each Director to be elected by the membership, provided, however, that no Member or owner of any Unit may cast more than one vote for any person nominated as a Director, it being the intent hereof that voting for Directors shall be non-cumulative.

(e) Within sixty (60) days after Unit owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall call, in a manner as elsewhere provided in these By-Laws, and give not less than thirty (30) days nor more than sixty (60) days notice of a meeting of the Unit owners for this purpose. Such meeting may be called and the notice given by any unit owner if the Association fails to do so within the time prescribed herein. Election of such Directors shall be conducted in the manner provided in these By-Laws.

(f) Until such time as the Members are entitled to elect all of the Directors, each Director shall serve for one year until the next annual meeting or such other time as his successor is elected. At the first annual meeting at which the Unit Owners are entitled to elect all of the members of the Board of Directors, one directorship shall be designated as a two-year term director and the other two shall be for one year terms. At the next succeeding annual meeting, one of such one-year term directorships shall be, from that point on, designated as a two-year term directorship. The intent hereof is to stagger the terms of the directorships so that there shall be only two directors elected each year with one member of the old board continuing on the new board.

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

(h) After such time as the Members are entitled to elect all of the Directors, Members of the Board shall be elected by written ballot or voting machine. Proxies shall in no event be used in electing the Board of Directors. Not less than sixty (60) days before a scheduled election of the Board, the Association shall mail or deliver whether by separate Association mailing or included in another Association mailing or delivery to each unit owner entitled to a vote, a first notice of the date of the election. Any unit owner or other eligible person desiring to be a candidate for the Board must give written notice to the Association not less than forty (40) days before the scheduled election. Together with the written notice and agenda as set forth in the By-Laws, the Association shall mail or deliver a second notice of the election to all unit owners entitled to vote therein, together with a ballot which shall list all candidates. Upon request of a candidate, the Association shall include an information sheet, no larger than 8 1/2 inches by 11 inches, which must be furnished by the candidate not less than 35 days before the election, to be included with the mailing of the ballot, which the costs of mailing or delivery and copying to be born by the Association. Elections to the Board shall be decided by a plurality of those ballots cast. At any meeting held to elect Directors, the written vote of any member shall be recognized if the member is not present at the meeting, provided the written vote is delivered to the Secretary at or prior to the meeting. The regular election of the Board shall occur on the date of the annual meeting. The provisions of this paragraph shall not apply unless there are more candidates for the Board than vacancies to be filled. In the event that there are not more candidates than vacancies to be filled on the Board, then the requirements of an election may be dispensed with, and all such candidates shall become Members of the Board without the necessity of holding an election.

4.4 Regular Board Meeting. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived. Meetings of the Board of Directors shall be open to all Members and notices of meetings shall be posted conspicuously in the Condominium at least forty-eight (48) continuous hours in advance for the attention of Unit owners, except in an emergency. Notice of any meeting where assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

4.5 Special Meetings. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days notice of a special meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting. Notice of any meeting where assessments against Unit owners are to

be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

4.6 Budgetary Meetings. The Board shall mail meeting notice and copies of any proposed annual budget of common expenses to the unit owners not less than fourteen days prior to the meeting at which the budget will be considered. The unit owners shall be given written notice of the time and place of the board meeting which will consider the budget. The meeting shall be open to the unit owners.

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

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

4.9 Quorum. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these By-Laws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, the Directors who are present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

4.10 Action Without a Meeting. To the extent now or from time to time hereafter permitted by the laws of Florida, the Board may take any action which they might take at a meeting of the Board without a meeting; provided, that a record of all such actions so taken, signed by each Director, shall be filed and retained in the minute book of the Association.

4.11 Removal. Any non-developer elected member of the Board may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interest. A special meeting of the unit owners to recall a member or members of the Board of Directors may be called by ten percent (10%) of the voting interest giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting. If the recall is approved by a majority of all voting interest by a vote at a meeting, the recall will be effective immediately, in which case such member or members which are recalled shall turn over to the Board within five (5) business days any and all records and property of the Association in their possession. If a vacancy occurs on the Board as a result of a recall and less than a majority of the Board members are removed, the vacancy may be filled by the affirmative vote of a majority of the remaining directors providing the vacancy is not filled by the Director or Directors recalled.

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

4.13 Powers and Duties. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the laws of Florida, the Articles, these By-Laws and the Declaration. Such powers and duties shall be exercised in accordance with the Articles, these By-Laws and the Declaration, and shall include, without limitation, the right, power and authority to:

(a) Make, levy and collect assessments, including without limitation assessments for reserves and for betterments to Condominiums and/or Association property, against Members and Members' Units to defray the costs of the Condominium and the property owned by the association and use the proceeds of assessments in the exercise of the powers and duties of the Association;

(b) Maintain, repair, replace, operate and manage the Condominium wherever the same is required to be done and accomplished by the Association for the benefit of members;

(c) Repair and reconstruct improvements after casualty;

(d) Make and amend rules and regulations governing the use of the property, real and personal, in the Condominium and such property owned by the Association provided, that such regulations or amendments thereto shall not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles and Declaration;

(e) Approve or disapprove proposed purchasers of the Units and exercise or waive the Association's right of first refusal of each proposed sale of a Unit in the manner specified in the Declaration. The President or the Vice President of the Association by resolution of the Board, may be authorized to approve (but not disapprove) any proposed purchaser, or to waive (but not to exercise) the Association's right of first refusal, and to execute, on behalf of the Association, appropriate documents to evidence same. No fee shall be charged in connection with a transfer, sale, or approval;

(f) Acquire, own, hold, operate, lease, encumber, convey, exchange, manage, and otherwise trade and deal with property, real and personal, including Units, of and in the Condominium, as may be necessary or convenient in the operation and management of the Condominium, and in accomplishing the purposes set forth in the Declaration;

(g) Contract for the management and maintenance of the condominium property and Association property and to authorize a management agent to assist the Association in carrying out its powers and duties, including but not limited to, the performance of such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the common elements and property owned by the Association 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;

(h) Enforce by legal means the provisions of the Articles, these By-Laws, the Declaration and all regulations governing use of property of and in the Condominium hereafter adopted;

(i) Pay all taxes and assessments which are liens against any part of the Condominium other than Units and the appurtenances thereto, and assess the same against the Members and their

respective Units subject to such liens;

(j) Carry insurance for the protection of Members and the Association against casualty and liability, including Directors' liability insurance;

(k) Pay all costs of power, water, sewer and other utility services rendered to the Condominium or to the Association and not billed to the owners of the separate Units;

(l) Employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association.

5. OFFICERS.

5.1 Generally. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall deem advisable from time to time. The President shall be elected from the membership of the Board, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person. The Board may from time to time elect such other officers, and designate their powers and duties, as the Board may deem necessary to properly manage the affairs of the Association. Officers may be removed from office by the Board at any time with or without cause by a vote of the majority of the directors voting at a duly called director's meeting at which a quorum is present.

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

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

5.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He shall have such additional powers as the Board may designate.

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

5.6 Compensation. No compensation shall be paid to any director or officer of the Association except with the approval of a majority of the membership, reflected by a vote taken at a duly constituted membership meeting. Nothing herein shall be construed so as to prohibit or prevent the Board of Directors from employing any director or officer as an employee of the Association at such compensation as the Board shall determine, nor shall anything herein be construed so as to preclude the Board from contracting with a director or officer or with any corporation in which a director or officer of the Association may be stockholder, officer, director or employee, for the management of the Condominium for such compensation as shall be mutually agreed between the Board and such officer, director or corporation, or from contracting with a

director, or officer of the Association or a corporation in which a director or officer of the corporation may be a stockholder, officer, director or employee for the purpose of making available to the owners of condominium units such services as are contemplated by the provisions of Article IV of these By-Laws. It is expressly contemplated that the first Board of Directors may enter into such contracts with persons who are initial officers or directors of the Association, or with corporations having officers, directors or employees who are also members of the first Board of Directors of the Association.

6. FISCAL MANAGEMENT. The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

6.1 Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer and in accordance with standard accounting procedures and the Florida Condominium Act. Written summaries shall be supplied at least annually to members. Such records shall include, but not be limited to:

(a) A record of all receipts and expenditures.

(b) An account for each Unit which shall designate the name and address of the Unit owner, the amount of each assessment, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due.

(c) A register for the names of any mortgage holders or lien holders on Units who have requested in writing that they be registered and to whom the Association will give notice of default in case of nonpayment of assessments. No responsibility by the Association is assumed with respect to the register except that it will give notice of default to any mortgagee or lienor therein, if so requested.

6.2 Inspection of Books. Financial reports and the membership records shall be maintained in the office of the Association and shall be available to members for inspection during normal business hours.

6.3 Annual Budget. The Board shall adopt, for, and in advance of, each fiscal year, a budget for each of the Condominium showing the estimated cost of performing all of the functions of the Association for the year. Each budget shall show the total estimated expenses of the Association for that year and shall contain an itemized breakdown of the common expenses, which shall include without limitation, the cost of operating and maintaining the Common Elements, taxes on Association property, wages and salaries of Association employees, management, legal and accounting fees, office supplies, public utility services not metered or charged separately to Units, premiums for insurance carried by the Association and any reserve accounts and/or funds which may be established from time to time by the Board. Each budget shall also show the proportionate salary of the total estimated expenses to be assessed against and collected from the owner of each Unit and due date and amounts of installments thereof. Copies of the proposed budgets and proposed assessments shall be mailed to each Member at least fourteen (14) days prior to the meeting of the Board of Directors at which the budgets will be considered, together with a notice of the time and place of said meeting, which shall be open to Unit owners. If any budget is subsequently amended, a copy shall be furnished each affected Member. Delivery of a copy of any budget or amended budget to a Member shall not affect the liability of any Member for any select assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of the budget and assessments levied pursuant thereto. Nothing herein contained shall be construed as

a limitation upon the additional assessment in the event that any budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

6.4 Fiscal Year. The fiscal year of the Condominium shall begin on July 1 and end on June 30 of each year covered by the budget.

6.5 Amount of Budget. If a budget is adopted by the Board which requires assessment of the Unit owners in any budget year exceeding 115% of such assessments for the preceding budget year, then upon written application of ten percent (10%) of the Unit owners, a special meeting of the Unit owners shall be held upon not less than ten (10) days written notice to each Unit owner, but within thirty (30) days of the delivery of such application to the Board or any member thereof, at which special meeting Unit owners may consider only and enact only a revision of the budget. Any such revision of the budget shall require a vote of a majority of the votes of all Unit owners. The Board may, in any event, first propose a budget to the Unit owners at any such meeting of Members or by writing, and if such budget or proposed budget be approved by a majority of the votes of all Unit owners either at such meeting or by writing, such budget shall not thereafter be reexamined by the Unit owners in the manner set forth above. If a meeting of the unit owners has been called and a quorum is not attained or a substitute budget is not adopted by the unit owners, the budget adopted by the Board shall go into effect as scheduled.

In determining whether assessments exceed 115% of similar assessments in the prior budget year, there shall be excluded from the computation reasonable reserves made by the Board in respect of repair and replacement of Condominium or Association property, or in respect of anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis; and there shall be excluded from such computation assessments for betterments to the Condominium or Association property. Provided, however, that so long as the Developer is in control of the Board of Directors the Board shall not impose an assessment for a budget year greater than 115% of the prior budget year's assessment without approval of a majority of the votes of all Unit owners.

6.6 Notice of Adopted Budgets. Upon adoption of budgets, the Board shall cause written copies thereof to be delivered to all Unit owners. Assessments shall be made against Unit owners pursuant to procedures established by the Board, and in accordance with terms of the Declaration and Articles. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these By-Laws.

6.7 Assessments. Unless otherwise determined by the Board of Directors, assessments shall be payable monthly on the first day of each month and, if unpaid, shall accrue interest from such date at the highest rate allowed by the laws of Florida. The Association shall have the right to accelerate all unpaid assessments through the remainder of the budget year in which any claim of lien is filed.

6.8 Special Assessments. Special assessments, if required and approved by the Board at a duly convened meeting, shall be levied and paid in the same manner as heretofore provided for regular assessments. Special assessments can be of three kinds: (i) those chargeable to all Members of a Condominium in the same proportions as regular assessments to meet shortages or emergencies, to construct, reconstruct, repair or replace all or any part of the Common Elements (including fixtures and personal property related thereto) and for such other purposes as shall have been approved by the Members at a duly convened meeting; and (ii) those assessed against one Member alone to cover repairs or

maintenance for which such Member is responsible and which he has failed to make, which failure impairs the value of or endangers the Common Elements or the Condominium, or which are for expenses incident to the abatement of a nuisance within his Unit.

6.9 The Depository. The Depository of the Association shall be such bank or banks or savings and loan association or associations as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks or withdrawals signed by such persons as are authorized by the directors, provided that any management agreement may include in its provisions authority for the Manager to sign checks on behalf of the Association for payment of the obligations of the Association.

6.10 Audit. An audit of the accounts of the Association may be made from time to time as directed by the Board of Directors.

6.11 Fidelity Bonds. Fidelity bonds may be required from any persons handling or responsible for Association funds as the Board of Directors shall direct. The premiums of said bonds shall be paid by the Association.

6.12 Condominium Funds. All assessments and other income of the Association shall be maintained separately in the Association's name. Reserve and operating funds of the Association shall not be commingled unless combined for investment purposes. This subsection is not meant to prohibit prudent investment of an association funds even if combined with operating or other reserve funds of the same association, but such funds must be accounted for separately, and the combined account balance may not, at any time, be less than the amount identified as reserve funds in the combined account.

7. PARLIAMENTARY RULES. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation, or these By-Laws.

8. ARBITRATION. Prior to the institution of court litigation, the parties to any dispute as defined below, shall petition the Division of Florida Land Sales, condominiums, and mobile homes of the Department of Business and Professional Regulation for non-binding arbitration in accordance with the provisions of Florida Statute 718.1255. For purposes of this section, any dispute which is required to be submitted to arbitration shall be any disagreement between two or more parties that involves;

(a) The authority of the Board of Directors, under Chapter 718 of the Florida Statutes, or any association document to;

- (1) require any owner to take any action, or not to take any action, involving that owner's unit or the appurtenances thereto;
- (2) alter or add to a common area or element.

(b) The failure of a governing body, when required by Chapter 718 of the Florida Statutes or an association document;

- (1) properly conduct elections;
- (2) give adequate notice of meetings or other actions;
- (3) properly conduct meetings;
- (4) allow inspection of books and records;

Dispute for purposes of this section does not include any disagreement that primarily involves title to any unit or common element; the interpretation or enforcement of any warranty; or the levy of a fee or assessment, or the collection of an assessment levied against a party.

9. AMENDMENTS TO BY-LAWS. Amendments to these By-Laws shall be proposed and adopted in the following manner:

9.1 Proposal. Amendments to these By-Laws may be proposed by the Board, acting upon a vote of a majority of the Directors, or by Members owning a majority of the Units in the Condominium, whether meeting as Members or by instrument in writing signed by them.

9.2 Notice. Upon any amendment or amendments to these By-Laws being proposed by the Board or Members, such proposed amendment or amendments shall be transmitted to the President of the Association, or acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the Members for a date not sooner than fourteen (14) days nor later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each Member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the Members is required as herein set forth; provided, that proposed amendments to the By-Laws may be considered and voted upon at annual meetings of the Members.

9.3 Content of Amendment. No By-Law shall be revised or amended by reference to its title or number only. Proposals to amend existing By-Laws shall contain the full text of the By-Laws to be amended; new words shall be inserted in the text underlined and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of bylaw. See bylaw . . . for present text." Nonmaterial errors or omissions in the bylaw process shall not invalidate an otherwise properly promulgated amendment.

9.4 Voting. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of a majority of the members casting votes in such election. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the public records of St. Johns County, Florida, within fifteen (15) days from the date on which any amendment or amendments have been affirmatively approved by the Members.

9.5 Written Vote. At any meeting held to consider any amendment or amendments to these By-Laws, the written vote of any Member shall be recognized if the Member is not present at the meeting, provided the written vote is delivered to the Secretary at or prior to the meeting.

9.6 Developer's Reservation. Notwithstanding the foregoing provisions of this Article 8, no amendment to these By-Laws which shall abridge, amend or alter the right of Developer to designate members of the Board of Directors of the Association, as provided in Article IV hereof, or any other right of the Developer provided herein or in the Articles of Declaration, may be adopted or become effective without the prior written consent of Developer.

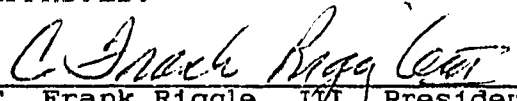
9.7 Proviso. Anything herein to the contrary notwithstanding, until the first regular election of Directors by the membership, and so long as the Developer shall have the right to

fill vacancies on the Board of Directors, an amendment shall require only the unanimous consent of the Board of Directors, and no meeting of the condominium unit owners nor any approval thereof need be had.

The foregoing were adopted as the By-Laws of THE CEDARS AT MATANZAS RIVER CONDOMINIUM ASSOCIATION, INC., a Florida non-profit corporation, under the laws of the State of Florida, at the first meeting of the Board of Directors on the 20 day of March, 1998.


Harold C. Pabst, Secretary

APPROVED:


C. Frank Riggle, VI, President

ESTIMATED OPERATING BUDGET
THE CEDARS AT MATANZAS RIVER, a condominium
For Fiscal Year Beginning July 1, 1998 and Ending June 30, 1999

	<u>Estimated Monthly Assessment</u>	<u>Estimated Yearly Assessment</u>
1. Expenses for the Association and Condominium:		
a) Administration of the Association	N/A	N/A
b) Management Fees	156.00	1,992.00
c) Maintenance	600.00	7,200.00
d) Rent for Recreational and other commonly used facilities	N/A	N/A
e) Taxes upon Association Property	N/A	N/A
f) Taxes upon leased areas	N/A	N/A
g) Insurance	840.00	10,080.00
h) Security	N/A	N/A
i) Pest Control	17.00	204.00
j) Legal & Accounting	25.00	300.00
k) Utilities	200.00	2,400.00
l) Other expenses	N/A	N/A
m) Operating Capital	N/A	N/A
n) Reserves;		
1) Roof Replacement	206.00	2,472.00
a) estimated useful life - 25 years		
b) estimated remaining useful life - 25 years		
c) cost of replacement or deferred maintenance expense of roof \$61,800		
d) estimated fund balance as of beginning of the period for budget - \$0		
2) Building Painting	17.00	204.00
The exterior of the building is a colored acrylic stucco which requires no painting. The only exterior painting will be the garage doors.		
a) estimated useful life - 5 years		
b) estimated remaining useful life - 5 years		

c) cost of replacement or deferred maintenance expense of \$1,020.00

d) estimated fund balance as of beginning of the period for budget - \$0

3) Pavement Resurfacing	10.00	120.00
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a) estimated useful
life - 30 years

b) estimated remaining
useful life - 30 years

c) cost of replacement or deferred maintenance expense of \$3,600.00

d) estimated fund balance as of beginning of the period for budget - \$0

Total Reserves	233.00	2,796.00
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o) Fees Payable to Division of Condominium	4.00	48.00
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2) Expenses for a Unit Owner:

a)	Rent for the Unit if subject to a lease	N/A	N/A
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b) Rent payable by the Unit Owner directly to the lessor under any recreational lease	N/A	N/A
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TOTAL	\$2,085.00	\$25,020.00
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Estimated Monthly Assessment	Estimated Yearly Assessment
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Each of the 12 Units of The Cedars at Matanzas River	\$174.00	\$2,085.00
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This budget is based upon projections and estimates of costs which are subject to unforeseeable changes in the economy. The experience of other condominium developments has been used as a basis for these estimates. The Developer makes no warranties, guaranties or representations regarding these estimates. The actual experience of THE CEDARS AT MATANZAS RIVER may require that these figures be modified. The Bylaws of the Association provide the manner in which the budget shall be proposed and adopted in the future.

THE DEVELOPER MAY BE IN CONTROL OF THE BOARD OF DIRECTORS OF THE CONDOMINIUM DURING THE PERIOD OF OPERATION FOR WHICH THIS BUDGET HAS BEEN RENDERED.

**THE CEDARS AT MATANZAS RIVER, a condominium
PURCHASE AND SALE AGREEMENT**

Seller: O.C.P. Development Corporation, Inc.

Buyer: _____

Name and address of condominium The Cedars at Matanzas River,
a condominium
55 Oglethorpe Blvd.
St. Augustine, Florida 32084

Unit _____

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE PRICE MADE TO THE DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

This Agreement, dated this ____ day of _____, 199__, by and between O.C.P. Development Corporation, Inc., a Florida corporation ("Seller"), and the above-named buyer ("Buyer").

W i t n e s s e t h :

Whereas, the Seller has offered to sell and the Buyer has agreed to purchase the Unit described in Paragraph 1 below, subject to the terms, conditions, and provisions of this Agreement.

Now, Therefore, the parties covenant and agree as follows:

1. PURCHASE AND SALE:

Seller agrees to sell, and Buyer agrees to purchase from the Seller, subject to the conditions of this Agreement, the above-designated condominium unit (the "Unit") of The Cedars at Matanzas River Condominium Association, Inc., a Florida non-profit corporation, as more particularly described in the Declaration of Condominium recorded or to be recorded in the public records of St. Johns County, Florida; together with the undivided interest in the common elements designated in the Declaration of Condominium to be appurtenant to such Unit, for the purchase price set forth below, payable in the manner hereinafter set forth. The Unit has not been previously occupied. All definitions contained in the Florida

Condominium Act, Chapter 718, Florida Statutes, (the "Act") are adopted herein and reference to any such defined term is intended to have the meaning as defined in the Act.

2. PURCHASE PRICE:

The purchase price which Buyer agrees to pay to Seller for the Condominium Unit shall be _____ Dollars (\$ _____).

The purchase price shall be paid as follows:

- (a) \$ _____, which has been paid prior to the execution of this Agreement; and
- (b) \$ _____, paid at Buyer's execution of this Agreement, receipt of which is hereby acknowledged;
- (c) \$ _____, to be paid by Buyer on or before the _____ day of _____, as an additional deposit. In the event this additional deposit is not received by Seller within ten (10) days after the above date, Seller shall have the rights and remedies provided by paragraph 3 below, including the right to retain all deposits previously made and terminate this contract.

So much of the sum of these payments (a), (b) and (c) as equal ten percent (10%) of the sale price shall be held in a non-interest bearing escrow account by Southeast Title Group, Inc., a Florida corporation, 93-A Orange Street, St. Augustine, Florida 32084, as escrow agent, until closing, at which time the amount of the deposit, excluding interest, shall be a credit to Buyer against the purchase price. All interest earned thereon shall be deemed earned by Seller and shall not be a credit to Buyer against the purchase price. So much of the sum of (a), (b), and (c) which is in excess of ten percent (10%) of the sale price shall be held by Southeast Title Group, Inc., a Florida corporation, in a non-interest bearing account and Buyer hereby authorizes Escrow Agent to disburse same to Seller for construction purposes as permitted by the Florida Condominium Act. Seller hereby agrees to pay to Buyer, as a credit at closing against the purchase price, interest of ten percent (10%) per annum on the deposit in excess of 10% of the purchase price for the period of time from date of payment of such portion of the deposit through closing date. All of said deposits shall be held by Escrow Agent pursuant to the terms of the Escrow Agreement between Seller and Southeast Title Group, Inc., a Florida corporation, of which Buyer acknowledges receipt of a copy.

- (d) \$ _____, due at closing from Buyer in the form of cash or certified funds, in addition to closing costs listed in paragraph 13.

3. DEFAULT BY BUYER:

Should Buyer fail to make any of the payments becoming due hereunder, as hereinabove scheduled, or fail or refuse to execute the instruments required to close this transaction, or refuse to pay any costs or other sums required by this Agreement, or otherwise default hereunder, and shall fail to correct such default within ten (10) days after Seller has given Buyer written notice of such default, then Seller may declare this contract terminated and retain all deposits and other monies paid by Buyer together with any interest earned thereon, as liquidated and agreed upon damages, and thereupon the parties hereto will be released and relieved from all obligations hereunder. The provisions herein contained for

liquidated and agreed upon damages are a bona fide provision for such and are not a penalty. Buyer and Seller agree that retention of the deposit as liquidated damages is in full settlement of any claim for damages, and the Buyer and Seller shall be relieved of all further obligation to each other under this Agreement. Buyer hereby unconditionally instructs the escrow agent to disburse to Seller any escrowed funds constituting liquidated damages and to hold the escrow agent harmless for so doing.

4. DEFAULT BY SELLER:

Should Seller be unable to deliver marketable title as hereinafter defined in Paragraph 10 hereof, Buyer shall have the right to demand the return of the deposit money paid pursuant hereto, together with any interest earned thereon, and the parties shall have no further rights, obligations, or liabilities hereunder. Should the Seller default by a willful non-performance under the contract, the Buyer shall have any remedy available by law or equity, including the right to seek specific performance of the contract.

The acceptance of a deed by the Buyer and the closing of the transaction shall be acknowledged by the Buyer of the full performance by the Seller of all of its agreements, obligations and responsibilities under this Agreement, and no performance of any agreements, obligation or representation of the Seller shall survive the closing except the warranties contained in the deed.

5. UNIT OWNERSHIP AND USE SUBJECT TO CONDOMINIUM DOCUMENTS:

Buyer agrees that the purchase of the Unit, the occupancy of said Unit, and all of the obligations of the Buyer will, at all times, be subject to and bound by the provisions of the instruments and documents comprising the Condominium documents, specifically including, but not limited to, those provisions which require the Buyer of an individual unit to pay to the Condominium Association assessments based on the annual operating budget of The Cedars at Mantanzas River Condominium Association, Inc. (hereinafter the "Association"), the condominium association responsible for the maintenance and operation of the condominium property. Buyer further agrees to pay any and all special assessments as may be required from time to time by the Association to defray unanticipated additional expenses, payment of which expenses inures to the benefit of all unit owners.

6. PRORATIONS:

Taxes, Association assessments, and hazard insurance premiums shall be prorated between Buyer and Seller as of the date of closing. The cash payment due at closing from Buyer shall be adjusted as may be required by the proration of said items. If the amount of taxes for the current year cannot be determined, rates, millages, and assessed valuations for the previous year, with known or reasonably expected changes, shall be used. However, tax prorations based on an estimate may subsequently be readjusted where so agreed on the closing statement.

7. CLOSING TIME AND PLACE:

The closing shall be held at a time agreeable to the parties no later than thirty (30) days following written notice by the Seller to the Buyer. Said notice shall be sent by the Seller no later than thirty (30) days after the Seller has determined that the Unit is ready for occupancy and the necessary amendments to the Declaration of Condominium containing the final surveyor's certificate have been recorded in the public records of St. Johns County, Florida. Seller shall be obligated to complete construction of this unit and the common elements within two (2) years of the date of this Agreement.

8. PERSONAL PROPERTY:

The Unit will contain all appliances, equipment and personal property which are specified on the inventory attached as Exhibit 1 hereto.

9. BUYER'S RECEIPT OF CONDOMINIUM DOCUMENTS:

Buyer hereby acknowledges receipt of the Condominium documents listed on Exhibit "2" attached hereto on the date shown on the first page hereof. Buyer further acknowledges that Seller has advised Buyer that a copy of the complete plans and specifications for the construction of the Unit and the improvements to the Common Elements appurtenant to the Unit are available at the Development office or at 5 Palm Row, St. Augustine, Florida 32084, for inspection by Buyer during normal business hours.

10. AMENDMENTS TO CONDOMINIUM DOCUMENTS:

The Seller reserves the right to amend any of the instruments and documents referred to in Exhibit "2", provided that a copy of said amendment is transmitted to Buyer prior to closing. The Declaration of Condominium, and amendments thereto, referred to in Exhibit "2" will be recorded in the public records of St. Johns County, Florida. The Seller reserves the right at any time to make reasonable changes to the plans and specifications of the building or buildings comprising the Condominium and the right to substitute fixtures, hardware, and equipment with items of equal or better quality.

11. TITLE:

The title which Seller obligates itself to deliver to Buyer at closing will be insurable title and will be subject to (a) taxes for the year in which the transaction is closed, which taxes will be prorated as of the date of closing; (b) the Florida Condominium Act; (c) Declaration of Condominium, as amended, and the exhibits which are attached thereto; (d) restrictions, conditions, reservations, limitations and easements of record; (e) and the usual exceptions contained in an Owner's policy of title insurance. The Seller, within five (5) days before closing, will deliver to Buyer, a binder for an owner's title insurance policy in the amount of the purchase price. If the Seller is unable to deliver insurable title as aforesaid, the Seller shall be afforded a period of not more than sixty (60) days from receipt by Seller of written notice of such title defects within which to cure any objections or defects in title, and if Seller does not cure such objections or defects in title, Buyer may accept title in its then existing condition and close the transaction, but without any reduction of the purchase price, or Buyer may terminate this agreement and be entitled to the return of all deposits and interest earned thereon and, upon such return, the parties shall be released of any and all liability to each other and this Agreement shall thereafter be null and void.

12. SURVEY:

The condominium documents required by Section 718.104 include a survey of the condominium property.

13. CLOSING COSTS:

Seller shall pay for the following closing costs:

- a. Owner's title insurance policy;
- b. All documentary stamp taxes on the deed; and
- c. Seller's attorney's fee.

Buyer shall pay all other closing costs and be responsible for any and all costs incidental to any financing of the purchase contemplated hereby. Buyer expressly hereby acknowledges that this Agreement and Buyer's obligations hereunder are not conditioned upon Buyer's being able to obtain financing.

14. PAYMENTS TO ASSOCIATION:

At the closing, Buyer shall pay to the Association, the prorata portion of the first assessment installment as provided in the proration paragraph hereof and as provided in the Declaration and a capital contribution of \$500.00 to the Association for the initial operating expenses of the Association.

15. CONVEYANCE AND POSSESSION:

- (a) Seller agrees that it will convey fee simple title to the Unit Buyer by Warranty Deed and will deliver possession of the Unit at closing. The delivery of the Warranty Deed will constitute instruction to any escrow agent to deliver any escrowed funds to Seller.
- (b) It is contemplated and understood by the parties that at the time of the closing, construction of other improvements may be in progress at or near the Unit or the Condominium. This shall not in any way relieve the Buyer from the obligation to close on the Unit.

16. TERMITE INSPECTION:

Seller agrees to furnish to Association a subterranean termite bond prior to the closing of the first unit in the Condominium.

17. LOSS OR DAMAGE:

The Seller assumes all risk of loss or damage to the property to be conveyed pursuant to this Agreement until the closing of this purchase.

18. GENERAL PROVISIONS:

It is understood and agreed between the parties that:

- (a) This Agreement may not be assigned, set over or transferred by the Buyer without the prior written consent of the Seller, and such consent may be given or withheld in the sole and absolute discretion of the Seller;
- (b) This agreement may not be recorded, and any attempt at recordation will be a nullity and will constitute a default under this Agreement by the party so recording;
- (c) All rights of the Buyer under this Agreement relating to the Unit shall come into existence at the time of the payment of all monies required hereunder in full by the Buyer to the Seller, and the execution and delivery by the parties hereof of all instruments and documents required hereunder. At the closing, Buyer will execute and deliver to Seller all such documents as Seller may deem necessary to give effect to this contract;
- (d) Whenever either party desires or is required to give notice under the terms of this Agreement, the same shall be deemed given when deposited in the United States Mail, postage prepaid, and addressed to the other party at the address set forth on page 1 of this Agreement. Either party may change the address to which notice is to be delivered by giving written notice thereof in accordance

with the terms of this paragraph; and

- (e) If the parties resort to litigation because of a party's failure to comply with all of the terms, covenants and conditions hereof, then the prevailing party shall be entitled to reasonable attorneys' fees, and attorneys' fees on appeal.

19. COMPLETE AGREEMENT:

This Agreement shall supersede any prior understandings and agreements and constitutes the entire agreement between the parties hereto; no oral representations or statements shall be considered a part hereof, nor shall any amendment hereto or collateral agreement be valid unless in writing and signed by both parties. All rights and representations shall merge with the closing of title.

20. WARRANTY:

At closing, the Seller shall provide the Buyer with the warranty of fitness and merchantability described in Section 718.203, Florida Statutes, as to the Unit, the personal property, and all other improvements for the use of the unit owners. Any and all other warranties, express or implied, are hereby disclaimed.

21. SELLER'S RIGHT TO LEASE UNSOLD UNITS:

Seller may rent any units owned by Seller from time to time to tenants selected by Seller, and Seller may subsequently sell such units to purchasers acceptable to Seller without notice, prior consent, or right of first refusal to Buyer or the Condominium Association.

22. RADON:

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. Pursuant to Section 404.056(8), Florida Statutes.

23. CAPTIONS:

The captions contained in this Agreement are for convenience only and are not intended in any way to limit or enlarge the terms or provisions of this Agreement.

24. TIME:

Time is of the essence of this Agreement.

25. BUYER'S RIGHT TO TERMINATE:

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERY OF WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE TERMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PROPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

26. ANY PAYMENT IN EXCESS OF 10 PERCENT OF THE PURCHASE PRICE MADE TO THE DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

Signed, sealed, and delivered
in the presence of:

BUYER:

As to Buyer

As to Buyer

Date

SELLER:

O.C.P. Development Corporation, Inc.

As to Seller

Its

As to Seller

Date

ESCROW AGREEMENTforTHE CEDARS AT MANTANZAS RIVER, a condominium

This Escrow Agreement, dated this 23rd day of March, 1998, by and between O.C.P. DEVELOPMENT CORPORATION, INC., a Florida corporation, (hereinafter "Developer") and SOUTHEAST TITLE GROUP, INC., a Florida corporation, (hereinafter "Escrow Agent").

W I T N E S S E T H :

WHEREAS, Developer proposes to construct and develop a condominium project known as THE CEDARS AT MATANZAS RIVER, a condominium, located in St. Johns County, Florida; and

WHEREAS, Developer desires to arrange for the escrow of deposits paid under the Deposit Receipt and Purchase and Sale Agreements in accordance with the provisions of Section 718.202 of the Florida Condominium Act; and

WHEREAS, Developer has selected Escrow Agent to hold such deposits and Escrow Agent has agreed to hold said deposits in accordance with the terms hereinafter set forth;

WHEREAS, Escrow Agent is a title insurance agent licensed under Chapter 626 of the Florida Statutes;

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, and in consideration of the mutual covenants and agreements contained herein, the parties hereto hereby agree as follows:

1. Developer hereby appoints Escrow Agent as its agent to receive, hold and disburse deposits made pursuant to Deposit Receipt and Purchase and Sale Agreements in accordance with Florida Statute 718.202 of the Florida Condominium Act and pursuant to the terms hereof, and Escrow Agent hereby accepts such appointment.

2. Developer shall from time to time deliver checks payable to or endorsed to Escrow Agent representing deposits made pursuant to the Deposit Receipt and Purchase and Sale Agreements on condominium units at The Cedars at Matanzas River Condominium accompanied by the copies of the contracts executed pursuant to the provisions of the Florida Condominium Act.

3. Escrow Agent shall give the Buyers under the contracts, upon request of the Buyers, a receipt for the deposits.

4. Escrow Agent shall establish an account for the deposit funds under the contract representing up to ten percent (10%) of the sale price stated in the respective contract in an interest-bearing account.

5. Escrow Agent shall, subject to funds clearing, disburse the Buyer's deposit escrowed hereunder in accordance with the following:

(a) To the Buyer within five (5) days after receipt of the Developer's written certification that the Buyer has properly terminated his contract, together with any interest thereon.

(b) To the Developer within five (5) days after the receipt of the Developer's written certification that the Buyer has defaulted in the performance of his obligations under his contract, together with any interest earned thereon.

(c) If the deposit has not been previously disbursed in accordance with the provisions of (a) or (b) above, the deposit, together with interest, may be disbursed to the Developer at the closing of the transaction, upon receipt from the Developer or its agent of a closing statement reflecting that the transaction for the sale and purchase of the subject condominium unit has been closed and consummated, unless prior to the disbursement the Escrow Agent receives from the Buyer written notice of a dispute between the Buyer and Developer. The deposit, without interest, shall be credited to Buyer against the purchase price upon the closing statement.

(d) The Escrow Agent shall at any time make distribution of the Buyer's deposit upon written direction duly executed by the Developer and Buyer.

6. Developer shall from time to time deliver checks payable to or endorsed to Escrow Agent representing the deposits under the contracts in excess of the ten percent (10%) of the sale price stated under each respective contract and Escrow Agent shall deposit same in a special Escrow Account to be disbursed as follows:

(a) Upon request by the Developer after construction of the Condominium Improvements has begun for use in the actual construction and development of the Condominium Property in which the Unit to be sold is located; provided, however, no part of these funds may be used for salaries, commissions or expenses of salesmen or for advertising purposes and Developer shall provide written certification to Escrow Agent as to the specific use of such funds.

(b) The deposit may be disbursed to the Developer at the closing of the transaction, upon receipt from the Developer or its agent of a closing statement reflecting that the transaction for the sale and purchase of the condominium unit has been closed and consummated, unless prior to the disbursement, the escrow agent receives from the Buyer written notice of a dispute between the Buyer and Developer. The deposit, without interest, shall be credited to the Buyer against the purchase price upon the closing statement.

(c) To the Buyer within five (5) day after receipt of the Developer's written certification that the Buyer has properly terminated his contract, together with any interest thereon.

7. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein.

8. The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine. Escrow Agent may assume that any person purporting to give any writing, notice, advise or instructions in connection with the provisions hereof, has been duly authorized to do so.

9. The duty of the Escrow Agent hereunder shall be limited to the safekeeping of such deposits received by it as such Escrow Agent and for the disposition of same in accordance with the provisions hereof.

10. Developer hereby agrees to indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity or any other expense, fees, or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this agreement, and to indemnify Escrow Agent against any and all expenses, including attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim which may be incurred by the Escrow Agent by reason of disputes arising between the makers of this Escrow Agreement as to the correct interpretation of this Agreement and instructions given to the Escrow Agent hereunder, or otherwise.

11. The Escrow Agent may resign upon thirty (30) days written notice to the Developer. Developer shall appoint a successor Escrow Agent within thirty (30) days after any resignation.

12. All notices provided for herein shall be in writing and shall be deemed to be duly given if sent by certified or registered mail, return receipt requested, to the respective addresses set forth herein. All other notices shall be give as specified in the Contracts.

13. The rights created by this Agreement shall inure to the benefit of, and the obligations created hereby shall be binding upon the successors and assigns of the Escrow Agent and all parties of this Agreement.

14. This Agreement shall be construed and enforced according to the laws of the State of Florida.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

SOUTHEAST TITLE GROUP, INC.,
a Florida corporation

O.C.P. DEVELOPMENT CORPORATION,
INC.

Anthony J. Dardi
By: ANTHONY J. DARDI
Its: Manager

C. Frank Riggle, III
By: C. Frank Riggle, III
Its: President

Signed, sealed and delivered
in the presence of:

Bonita Hadwin
BONITA HADWIN, WITNESS

Kenneth D. Hagler
KENNETH D. HAGLER, WITNESS

Tracy L. Stafford
TRACY L. STAFFORD, WITNESS

Tracy L. Stafford
TRACY L. STAFFORD, WITNESS

Hayler

Recorded in Public Records, St. Johns County, FL
Clerk# 98010161 O.R. 1339 PG 1150 03:34PM 03/11/1998
Recording \$9.00 Surcharges \$1.50 Doc Stamps \$931.00

O.R. 1339 PG 1023

WARRANTY DEED

THIS INDENTURE made this 4th day of December, 1997, is between OLD CITY PROPERTIES, INC., a Florida corporation, Grantor, whose mailing address is P.O. Box 4365, St. Augustine, Florida 32085-4365, and O.C.P. DEVELOPMENT CORPORATION, INC., a Florida corporation, Grantee, whose mailing address is P.O. Box 4365, St. Augustine, Florida 32085-4365.

WITNESSETH, that the Grantor for and in consideration of the sum of TEN DOLLARS AND NO/100 DOLLARS (\$10.00), and other good and valuable consideration, to the Grantor in hand paid by the Grantee, the receipt whereof is hereby acknowledged, have granted bargained, and sold to the Grantee and Grantee's heirs and assigns forever, the following described land, situate, lying and being in St. Johns County, Florida, to wit:

Block 40, DAVIS SHORES, Less and Except the Easterly 96.59 feet thereof (said land excepted being the same land described in O.R. Book 651, Page 919, as amended in O.R. Book 651, Page 2084, public records of St. Johns County, Florida), according to map or plat thereof recorded in Map Book 3, Page 98, public records of St. Johns County, Florida, and Less and Except the following described parcel of land: Commence at the Southeast corner of the hereinbefore described land (said point of commencement being the Southwest corner of the land described in O.R. Book 651, Page 919, as amended in O.R. Book 651, Page 2084, public records of St. Johns County, Florida), thence North 25 degrees, 41 seconds, 45 minutes West 10 feet; thence Southerly and perpendicular to Flagler Boulevard 8 feet; more or less to the Northerly right of way line of Flagler Boulevard, thence North 86 degrees, 29 minutes East along the North right of way line of Flagler Boulevard to a point of beginning.

Parcel Number: 219310-0000

SUBJECT TO restrictions, covenants, easements, dedications, reservations, resolutions, conditions and declaration of record, if any.

SUBJECT TO real estate taxes for 1997 and subsequent years.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

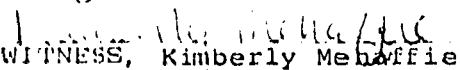
TO HAVE AND TO HOLD, the same in fee simple forever.

GRANTOR covenant with Grantee its heirs and assigns that they are seized of said premises in fee simple; that the same is free and clear of all liens and encumbrances and that they will forever warrant and defend the title to the same against the lawful claims of all persons whomsoever.

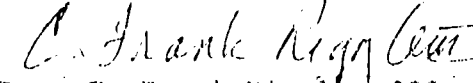
IN WITNESS WHEREOF, Grantor has hereunto set his hand and seal the day and year first above written.

SIGNED, SEALED AND DELIVERED
IN OUR PRESENCE:


WITNESS, Amy M. McLeod


WITNESS, Kimberly McHaffie

OLD CITY PROPERTIES, INC.,
a Florida corporation


By: C. Frank Riggles, III
Its: President

STATE OF FLORIDA)
)
COUNTY OF ST. JOHNS)

O.R. 1302 PG 1151

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by C. FRANK RIGGLE, III, as President of Old City Properties, Inc., who provided FL Driver License as identification and did not take an oath.

Tracy L. Stafford
TRACY L. STAFFORD, NOTARY PUBLIC
STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES:

THIS DOCUMENT PREPARED
WITHOUT OPINION OF TITLE BY:
LAW OFFICE OF KENNETH D. HAGLER, P.A.
5 Palm Row/P.O. Box 4365
St. Augustine, Florida 32085-4365
(904) 824-7700

Tracy L. Stafford
MY COMMISSION # CC686409 EXPIRES
October 11, 2001
LAW OFFICE OF KENNETH D. HAGLER, P.A.

FREQUENTLY ASKED QUESTIONS AND ANSWERS SHEET

The Cedars at Matanzas River
 Condominium Association, Inc.,
 a non-profit Florida corporation

March 20, 1998

Name of Condominium Association

(date)

Q: What are my voting rights in the condominium association?

A: Each unit in the condominium has one vote which may be cast in any elections involving unit owners. Your voting rights are outlined in more detail in Article VII of the Declaration.

Q: What restrictions exist in the condominium documents on my right to use my unit?

A: The units may be used for residential purposes only by not more than two adults and their immediate family. There are also restrictions on the right to alter the unit without approval of the Board of Directors. These restrictions are outlined in the Condominium Rules and Regulations and Articles XIV and XIX of the Declaration of Condominium.

Q: What restrictions exist in the condominium documents on the leasing of my unit?

A: Any lease must be for at least six months. You may not rent your unit to more than two adults and their immediate family, not to exceed 5 persons occupying the premises on a permanent basis. These restrictions are outlined in the Condominium Rules and Regulations and Articles XIV and XIX of the Declaration of Condominium.

Q: How much are assessments to the condominium association for my unit type and when are they due?

A: The estimated monthly assessment for all units in the condominium project is \$174.00. Assessments are due monthly.

Q: Do I have to be a member of any other association? If so, what is the name of the association and what are my voting rights in this association? Also, how much are my assessments?

A: No.

Q: Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?

A: No.

Q: Is the condominium association or other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000.00? If so, identify each such case.

No.

NOTE: THE STATEMENT CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, EXHIBITS HERETO, THE SALES CONTRACT, AND THE CONDOMINIUM DOCUMENTS.

FILING CHECKLIST

	Executed Copy Enclosed	Copy of Proposed Instrument Enclosed	N/A No Such Instrument To Be Used	Will Be Submitted As An Amendment
Prospectus Text			NA	
Declaration of Condominium	X			
Articles of Incorporation	X			
Certificate of Incorporation				X
By-Laws	X			
Estimated Operating Budget		X		
Form of Agreement for Sale or Lease		X		
Receipt for Condominium Documents		X		
Escrow Agreement	X			
Plot Plan	X			
Floor Plan	X			
Survey	X			
Management and Maintenance Contracts			NA	
Ground Lease			NA	
Form of Unit Lease if a Leasehold			NA	
Lease or Agreement and Other Documents for Use of Recreation Facilities or Property			NA	
Declaration of Servitude			NA	
Conversion Inspection Report			NA	
Termite Inspection Report			NA	
Covenants and Restrictions			NA	
Rules and Regulations		X		
Sales Brochure			NA	
Local and State Approval of Development Plan			NA	
Question and Answer Sheet		X		
Evidence of Contractual Interest	X			

61B-15.003 Developer/Condominium Filing Statement

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
DIVISION OF FLORIDA LAND SALES, CONDOMINIUMS AND MOBILE HOMES
1940 NORTH MONROE STREET - NORTHWOOD CENTRE
TALLAHASSEE, FLORIDA 32399-1004
TELEPHONE (904) 488-0744

The filing fee of \$20 for each residential unit to be sold by the developer as provided by ss. 718.502(3), F.S., must accompany this statement. If the offering is a phase condominium pursuant to s. 718.403, F.S., the fee shall be paid as each phase is filed with the Division. A developer may submit more than one phase with this initial filing statement by identifying those additional phases after the name of the condominium.

NOTE: If the Declaration of Condominium is not yet recorded, Rule 61B-17.001(4), Florida Administrative Code, requires that the developer must submit the recording information to the Division within 30 days of its recordation.

FOR STAFF USE ONLY

Prospectus	Plot Plan	T.D. No.
Declaration	Floor Plan	Fee Rec'd \$
Articles	Budget	Form Review
Bylaws	Receipt Form	Recommended
Contract		Reviewed By

- 1.) Name of Condominium The Cedars at Matanzas River, a condominium
Street Address 55 Oglethorpe Blvd.
City St. Augustine County St. Johns State Florida Zip Code 32084
- 2.) Name of Developer/Owner O.C.P. Development Corporation, Inc.
Address 5 Palm Row
City St. Augustine County St. Johns State Florida Zip Code 32084
Telephone (904) 824-7700
- 3.) Developer's Attorney/Agent Kenneth D. Hagler
Address P.O. Box 4365 City St. Augustine
County St. Johns State Florida Zip Code 32084 Telephone (904) 824-7700
- 4.) Name of Condominium Association The Cedars at Matanzas River Condominium Association
Address 5 Palm Row
City St. Augustine County St. Johns State Florida Zip Code 32084

UNIT INFORMATION

- 5) What is the total number of units in the condominium as described in the Declaration of Condominium (if a phase condominium filing pursuant to s. 718.403, F.S., what is the total number of units in all phases described in the Declaration?). 12
- 6) If a phase condominium pursuant to s. 718.403, F.S., what is the total number of units in the phase(s) being filed? NA
- 7) Have residential units been offered for sale in this condominium by another developer? Yes No X
- 8) In order to determine the fees now payable pursuant to Rule 7D-16.001, what is the number of units to be sold by the developer submitting this statement? (If a phase condominium pursuant to s. 718.403, F.S., what is the number of units in phases being filed with this statement?) 12

CONDOMINIUM TYPE INFORMATION

- 9) Is this condominium in a development that contains more than one condominium? (Multi Condominium) Yes No X
- If yes, please answer a, b and c below.
- a) Does each separate condominium have its own association? Yes No
- b) Is there only one association that operates all the condominiums? Yes No
- c) Are there both a separate association for each condominium and a master/umbrella association? Yes No
- 10) Will this condominium initially contain time sharing plans or interval ownership units? Yes No X
- a) If "yes", please answer the following:
1. What is the length of the time share period?
 2. How many time share periods are set aside for maintenance?
 3. How many time share periods are described in this filing?
 4. Will the time share project participate in an exchange project? Yes No
- If "yes", please name the network
- b) Has the developer reserved the right to create time Yes No X

sharing estates in this condominium at some future date?

(NOTE: a complete time sharing filing pursuant to Chapter 721, Florida Statutes, must be submitted to the Division prior to offering if the developer exercises this right.)

- 11) Is this condominium a conversion of existing, previously occupied improvements? (Conversion Condominium) Yes___No__X
- 12) Is this a phase condominium pursuant to the requirements of s. 718.403, F.S.? (Phase Condominium) Yes___No__X
- 13) Are there units in this condominium that are unimproved parcels of land? (Land Condominium) Yes___No__X
- 14) Is this condominium in a development that contains, presently includes, or will include other types of home ownership such as single family detached homes or townhouses? (Planned Unit Development) Yes___No__X
- 15) What other legal condominium type not specified in Questions 9 through 14 might characterize this condominium? (Leasehold, for example) none

RECORDING INFORMATION

- 16) Is the Declaration of Condominium recorded? Yes___No__X
- If yes, please provide the following information:
- Date Recorded_____Book_____Page_____
- County Where Recorded_____

CONSTRUCTION INFORMATION

- 17) If the construction or remodeling, landscaping and furnishing of the condominium property are not substantially complete in accordance with s. 718.202, F.S., what is the anticipated completion date? October 1998

SHARED FACILITIES

- 18) Does or will this condominium share recreational or other facilities with other condominiums for which unit owners are assessed? Yes___No__X
- 19) If the answer to Question No. 18 is yes, is the total Yes___No__

number of units in all condominiums that will share facilities greater than 20?

- 20) Does the association operating this condominium employ professional management?

Yes ___ No X

If yes, please answer a, b, c and d below.

- a) Is there a written management contract?
 b) Is the management provided by a company?
 c) Is the developer of this condominium affiliated with the professional management?
 d) Is there a resident manager?

Yes ___ No ___

Yes ___ No ___

Yes ___ No ___

Yes ___ No ___

LEASE INFORMATION

- 21) Are any units within this condominium subject to a recreational facilities lease?

Yes ___ No X

If yes, please answer a below.

If no, please answer b below.

- a) Does the lease have an escalation clause tied to a nationally recognized price index?
 b) If units in this condominium are not presently subject to a lease, was there ever a recreational facilities lease that contained such an escalation clause?

Yes ___ No ___

Yes ___ No X

- 22) Are units in this condominium subject to a land lease?

Yes ___ No X

If yes, please answer a below.

If no, please answer b below.

- a) Does the land lease have an escalation clause tied to a nationally recognized price index?
 b) If units in this condominium are not presently subject to a lease, was there ever a land lease that contained such an escalation clause?

Yes ___ No ___

Yes ___ No X

FINANCIAL INFORMATION

- 23) Is the developer obligated under any mortgage encumbering this development?

Yes ___ No X

If yes, please provide the following information:

Name of Lender _____

Address _____

State _____ Zip _____ Telephone () _____

MISCELLANEOUS INFORMATION

- 24) Is there a sales brochure for this condominium offering? Yes ___ No X
- 25) As a condition of ownership, are unit owners in this condominium required to join a club such as a golf or tennis club? Yes ___ No X
- 26) What is the date of the annual meeting of the association for this condominium? The 3rd Saturday of May

DEVELOPER INFORMATION

- 27) If the developer has offered for sale or lease residential condominium units described by the attached documents for which there is a filing requirement prior to this filing being submitted to the Division, copies of these contracts are attached so that the Division may assure that all documents are in a proper form for which purchasers are entitled to. NA
- 28) If the developer has closed on any contracts for sale, or contracts for lease with a lease period of more than five (5) years, prior to notification by the Division that the filing is proper or presumed proper, copies of these contracts and deeds, if deemed, are attached so that the Division may assure that all documents are in a proper form which purchasers are entitled to. NA
- 29) Is the information contained herein true and correct as of the date hereof and no material facts requested have been omitted to the best of your knowledge? Yes ___ No X

C. Frank Riggle, III

President - O.C.P. Development Corporation, Inc.

(Type or Print Name)

(Title)

C. Frank Riggle, III
(Signature of Developer/Agent)

April 30, 1998

(Date)

RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges that the documents checked below have been received or, as to plans and specifications, made available for inspection.

NAME OF CONDOMINIUM: THE CEDARS AT MATANZAS RIVER, a condominium

ADDRESS OF CONDOMINIUM: 55 Oglethorpe Boulevard
St. Augustine, FL 32084

Place a check in the column by each document received or, for the plans and specifications, made available for inspection. If an item does not apply, place "N/A" in the column.

<u>DOCUMENT</u>	<u>RECEIVED</u>
Prospectus Text	N/A
Declaration of Condominium	_____
Articles of Incorporation for Condominium Assoc	_____
Bylaws of Condominium Association	_____
Estimated Operating Budget	_____
Form of Agreement for Sale or Lease	_____
Rules and Regulations	_____
Covenants and Restrictions	N/A
Ground Lease	N/A
Management and Maintenance Contracts for More Than One Year	N/A
Renewable Management Contracts	N/A
Lease of Recreational and Other Facilities to be Used Exclusively by Unit Owners of Subject Condominium	N/A
Form of Unit Lease if a Leasehold	N/A
Declaration of Servitude	N/A
Sales Brochures	N/A
Phase Development	N/A
Description [See 718.503(2)(k) & 504(14)]	N/A
Lease of recreational and other facilities to be used by Unit Owners with other condo's [See 718.503(2)(h)]	N/A
Description of Management for Single, Management of Multiple Condominiums	N/A
Conversion Inspection Report	N/A
Conversion Termite Inspection Report	N/A
Plot Plan	_____
Floor Plan	_____
Survey of Land and Graphic Description of Improvements	_____
Executed Escrow Agreement	_____

MADE AVAILABLE

Plans and Specifications _____

THE PURCHASE AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AGREEMENT BY THE BUYER AND RECEIPT BY THE BUYER OF ALL THE DOCUMENTS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE BUYER HAS RECEIVED ALL THE DOCUMENTS REQUIRED. BUYER'S RIGHT TO VOID THE PURCHASE AGREEMENT SHALL TERMINATE AT CLOSING.

Executed this _____ day of _____, 1998.

Purchaser

RULES AND REGULATIONS

OF

THE CEDARS AT MATANZAS RIVER, a condominium

Pursuant to the authority vested by the Declaration of Condominium, the Board of Directors of The Cedars at Matanzas River Condominium Association, Inc., have duly adopted the following rules and regulations of The Cedars at Matanzas River, a condominium.

1. **ENFORCEMENT.** All violations of these rules and regulations shall be reported immediately to a member of the Board of Directors, an Association officer, and/or the management agent. If the Board of Directors of the Association deems it necessary, it may bring action at law or in equity, in the name of the Association, to enforce these rules and regulations. In the event any such action is instituted, and reduced to judgment in favor of the Association, the Association shall in addition be entitled to recover its costs and attorney's fees incurred in enforcing these rules and regulations.

2. **NOISE.** All noise, including, without limitation, talking, singing, television, radio, record player, tape recorder, or musical instrument, shall be kept at such volume level that said noise is not audible outside of the boundaries of the Unit in which it originates.

3. **PETS.** No animals of any kind other than one dog weighing not more than 25 pounds when full grown and/or two cats, aquarium fish, or small birds such as canaries and parakeets shall be kept in a Unit or allowed upon the Condominium Land except by prior written consent of the Board of Directors of the Association. Such consent, if given, shall be revocable by the Board of Directors at any time, and shall automatically expire upon the death or other disposition of the pet. Pets shall be leashed and restrained at all times when on or about the Condominium Land and facilities. No guest, tenant, lessee, or invitee shall bring any animal upon the Condominium Land or upon the facilities. Owners maintaining pets on the Condominium and facilities or whose guests, tenants, lessees, or invitees, despite these rules, bring any animal upon the Condominium property, shall be responsible for, and bear the expense of any damage to person or property resulting therefrom. Any such damage shall be determined by the Board of Directors of the Association and collected by the Association. Unit Owners shall be specifically responsible for cleaning up all waste left by their pets and to remove excessively noisy pets from the condominium premises.

4. **OBSTRUCTIONS.** There shall be no obstruction or cluttering of the Condominium property, including, without limitation, sidewalks, driveways, automobile parking spaces, lawns, entrances, elevators, stairways, patios, courts or vestibules, or other Common Elements or areas.

5. **DESTRUCTION OF PROPERTY.** There shall be no marking, marring, damaging, destroying or defacing of any part of the Condominium Land and facilities. Members shall be held responsible for, and shall bear any expense of such damage caused by said member, his family, guests, lessees, and/or invitees.

6. **BALCONIES, WINDOWS, TERRACES, AND DOORS.** Nothing shall be dropped, thrown, swept, or otherwise expelled from any window, door, balcony, or terrace. No towels, clothing or other fabric, or rugs may be hung from or on any window, door, balcony, or terrace. Barbecue grills shall be kept neat and shall be stored within the balcony or terrace immediately outside the Unit. All loose or movable objects shall be removed from balconies or terraces upon notice of an approaching hurricane or other inclement weather characterized by conditions of high wind. Balconies, windows, terraces, and doors shall not be altered from the condition in

which originally constructed, including, without limitation alteration by painting, screening, or installation of reflective materials, awnings or canopies, unless pursuant to the Declaration of Condominium, Articles of Incorporation, and By-Laws of the Association.

7. **REFUSE.** All refuse, waste, bottles, cans, newspapers, magazines, and garbage shall be deposited in the containers provided therefor.

8. **SIGNS.** No sign, nameplate, signal, advertisement, or illumination shall be inscribed or exposed on or at any window, door, balcony, or terrace without the express prior written consent of the Board of Directors.

9. **PARKING.** Unauthorized parking shall include: (1) Vehicles parked so as to impede ingress to or egress from other parking spaces, drives, roads, or buildings entryways, or parked in unauthorized spaces; (2) Parking of boats, trailers, campers, trucks or other oversized vehicles in areas other than those which may be provided for said vehicles.

Except in the event of emergency, no vehicle maintenance or repairs shall be performed on the Condominium Land. No vehicle shall be washed, polished, and/or waxed on the Condominium Land except in such specific area as may from time to time be designated by the Board of Directors for such activity. Only operational vehicles may be parked on Condominium Land.

10. **TELEVISION ANTENNAE & SATELLITE DISHES.** No Unit Owner or their guests, tenants, lessees, shall install any exterior television antennae or satellite dish on any part of either the common elements or limited common elements of the condominium.

11. **STORAGE OF PERSONAL PROPERTY.** The personal property of all unit owners, guests, tenants, and lessees shall be stored within the condominium unit or the specified limited common elements assigned to the unit.

12. **COMPLIANCE WITH DOCUMENTS.** All members, and every lessee, guest, or visitor of a member, shall comply with all of the terms, conditions, covenants, restrictions and limitations contained in the Declaration of Condominium, the Articles of Incorporation, the By-Laws, and the Rules & Regulations. Each Unit Owner shall be responsible to insure that their guests and lessees comply with the terms of these documents.

13. **RULE CHANGES.** The Board of Directors of the Association reserves the right to change or revoke existing rules and regulations and to make such additional rules and regulations from time to time as, in their opinion, shall be necessary or desirable for the safety and protection of the buildings and their occupants, and to promote cleanliness and good order of the property and to assure the comfort and convenience of members.