

This instrument prepared by:
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Daytona Beach, Florida 32018

DECLARATION OF CONDOMINIUM

OF

OCEAN CLUB II CONDOMINIUM

THIS DECLARATION made this 18th day of April, 1983, pursuant to Florida Statute §718, by OCEAN CLUB II OF ST. AUGUSTINE BEACH, INC., organized and existing under the laws of Florida, having its principal office at 326 South Grandview Avenue, Daytona Beach, Florida 32018, hereinafter referred to as "Developer",

WHEREIN, Developer makes the following Declarations:

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

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

2. Name of Condominium. The name by which the property shall hereafter be known is OCEAN CLUB II CONDOMINIUM.

3. Description of Land Being Submitted to Condominium Ownership.

A portion of the north 465.69 feet of Government Lots 1 and 2 of Section 15, Township 8 South, Range 30 East, St. Johns County, Florida, lying east of State Road A-1-A; excepting therefrom the north 30 feet of said Government Lots 1 and 2, said parcel being more particularly described as follows:

Commence at the intersection of the north line of said Section 15 and the easterly right-of-way line of State Road A-1-A, a 100 foot wide right-of-way; thence S 14°58'00" E along said easterly right-of-way line of State Road A-1-A 30.94 feet to the intersection of the easterly right-of-way line of State Road A-1-A with the southerly right-of-way line of Dondanville Road, a 60 foot wide right-of-way; thence N.89°11'00" E. along the southerly right-of-way line of said Dondanville Road and 30 feet south of and parallel to the north line of said Section 15, 200.00 feet to the Point of Beginning of this description; thence continue N.89°11'00" E. along the southerly right-of-way line of said Dondanville Road a distance of 400.00 feet; thence S. 14°58'00" E. departing the southerly right-of-way line of said Dondanville Road 387.45 feet; thence S.89°11'00" W. and parallel to the north line of said Section 15, 400.00 feet; thence N.14°58'00" W. 387.45 feet to the southerly right-of-way line of said Dondanville Road and the Point of Beginning of this description.

4. Description of Land Being Used for the Condominium Complex. The above described real property shall have constructed thereon three separate two-story buildings. One building shall contain 17 units; the second building shall contain 12 units and the third building shall contain 15 units, for a total of 43 units. The above mentioned buildings are shown and described in detail on the plot plan attached as Exhibit 9.

5. Units. The units in Building 1 are shown by unit numbers 1 through 17; however, there is no Unit #13. The units in Building 2 are shown by unit numbers 18 through 29 and the units in Building 3 are shown by unit numbers 30 through 44. The units are shown and identified in the plans comprising the description of the resident improvements attached as Exhibit 9. The units shall also include the enclosed parking space attached to each respective unit and such parking space shall not be conveyed separate from the respective unit.

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

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

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

- A. Parking spaces and driveways.
- B. Sidewalks.
- C. Swimming Pool, 20' x 40'; shown on site plan.
- D. Foundations, exterior walls (not including portions thereof on unit sides of the block work of such walls), walls and partitions separating units between the center lines of plaster on each side of such partitions, and above the underside of the roof.
- E. All other parts of the property necessary or convenient to its existence, maintenance and safety, or which are normally in common use.

8. Ownership of the Common Elements. Each owner of a unit in the said condominium shall own in fee simple absolute an undivided one-forty-third (1/43) interest in the aforesaid Common Elements which are shown on the attached Exhibit 9. Any interest of a unit owner in the Common Elements shall be nontransferrable except as part and parcel with the sale of the condominium unit.

9. Proportionate Representation; Participation in Common Expenses. Each unit owner shall share in the common expenses, as hereinafter defined, and in the total voting power of the Association of owners in accordance with each unit owner's interest in the Common Elements as set forth above. However, such proportionate representation may be limited in accordance with the provisions of the By-Laws attached hereto as Exhibit 4, or as later amended.

9.1 - For the purposes of this Declaration, "common expenses" mean expenses for which unit owners shall be proportionately liable, including:

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

10. Swimming Pool and Deck Area. A swimming pool shall be constructed principally of concrete with the following measurements: 800 square feet; depth 2' to 3'; pool deck approximately 3200 square feet; capacity of 20 people; pool is not heated.

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

11.1 - Until Developer has completed all of the contemplated improvements and closed the sales of all units in the condominium, neither the unit owners, contract purchasers, nor the Association, nor their use of the condominium property shall interfere with the completion of the contemplated improvements or the sale of the units. Developer may make such

use of any unsold units and common areas as may facilitate such completion and sale, including but not limited to maintenance of a sales office, showing of the property, display of signs and storage of materials.

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

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

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

- A. Use all streets, walks and other rights of way serving the units of the condominium as part of the Common Elements and providing access to the streets and other public ways of St. Johns County; and
- B. Use all pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other units serving his unit.

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

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

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

11.7 - All property covered by the exhibits hereto shall be subject to a perpetual easement for encroachments which now exist or hereafter exist caused by settlement or movement of the building, and encroachments shall be permitted to remain undisturbed and such easements shall continue until such encroachment no longer exists.

11.8 - All units and the common property shall be subject to a perpetual easement in gross being granted to OCEAN CLUB II CONDOMINIUM ASSOC., INC., and its successors for ingress and egress for the purposes of having its employees and agents perform all obligations and duties of the corporation as set forth herein.

12. Unit Owners' Association. The administration and management of the condominium shall be vested in an association to be known as OCEAN CLUB II CONDOMINIUM ASSOC., INC., hereinafter referred to as the "Association". The Association shall be a corporation not for profit. A copy of the Articles of Incorporation of the said OCEAN CLUB II CONDOMINIUM ASSOC., INC., is attached hereto as Exhibit 3.

12.1 - Each owner of a unit or units shall automatically become a member of OCEAN CLUB II CONDOMINIUM ASSOC., INC. upon becoming an owner of such unit or units, and shall remain a member thereof until his ownership, for any reason, shall cease, at which time his membership in the Association shall likewise cease.

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

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

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

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

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

12.7 - There shall be a total of forty-two (42) votes to be cast by the owners of the condominium units (Condominium Unit #3 is to be owned by the Association and to be used for office facilities and a manager's living unit and shall not be entitled to a vote) to be cast as follows:

The owner of each condominium unit (designated as such on the exhibits attached to this Declaration) shall be entitled to one (1) vote. If a unit or units are owned by the managing Association, no vote shall be allowed for such condominium unit or units. If a condominium unit is owned by more than one person, all the owners thereof shall be collectively entitled to the vote assigned to such unit, and the owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the owners of such condominium unit of which he is a part until such authorization is changed in writing. The term "owner" as used herein shall be deemed to include the Developer.

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

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

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

12.11 - The Board of Directors of the Association shall approval annual budgets in advance for each fiscal year and the budgets shall project anticipated income and estimated expenses in sufficient detail to show separate estimates for insurance for fire and extended coverage, vandalism and malicious mischief for the units, Common Elements and Limited Common Elements, and public liability insurance for the Common Elements; operating expenses; maintenance expense; repairs; utilities; replacement service, if any; and reasonable operating reserve for the Common Elements. Failure of the Board to include any items in the annual

budget shall not preclude the Board from levying an additional assessment in any calendar year for which the budget has been projected. After adoption of a budget, the Association shall promptly notify all owners thereof by delivering or mailing notice to the voting member representing each unit owner at such member's most recent address as shown by the books and records of the Association.

12.12 - The total monthly assessment against each unit shall be determined by the members of the Association, except that until the Association by vote approves otherwise, the monthly assessment shall be in the sum of Eighty-five (\$85.00) Dollars per month per unit in said condominium. Such monthly payments are payable in advance to the Association on the first day of each month regardless of whether or not members are sent or receive a written notice thereof; the first payment to be made on the first day of the month succeeding the date of the unit deed. The first three months' assessments shall be paid at the time of closing to provide adequate income to defray the initial Association operating expense.

12.13 - The record owners of each unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, and/or dues, regular or special, made by the Association for all costs of collection of delinquent assessments, and/or dues. In the event assessments, and/or dues, against a unit are not paid within 60 days after the due date, the Association may elect to declare all past due installments of maintenance, and/or dues, and all installments to become due during the remainder of the fiscal year then due and payable in full, as if such aggregate sum had originally been stipulated to so become due and payable in full, and the Association shall have the right to foreclose its lien for such assessments, and/or dues. Assessments, and/or dues, that are unpaid for over 30 days after due date shall bear interest at the rate of 18% per annum until paid.

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

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

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

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

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

12.19 - Until such time as the Developer has sold all units in the condominium, the Developer shall be assessed for maintenance expenses on the unsold units the same as other units in the condominium.

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

12.21 - The Association shall have a resident manager and it shall provide a residence for such manager. The Association shall purchase one unit from the Developer at a sales price of \$ 65,900 , with the Association either assuming an existing mortgage encumbering said unit or obtaining a mortgage. A contract for purchase shall be entered into between Developer and the Association which shall set forth the terms and conditions of said sale and purchase and the cash due above the mortgage amount shall be paid by a second mortgage to the Developer. The terms and conditions of the second mortgage, such as number of years and interest rate, shall be the same as for the first mortgage. The Developer

shall pay the Association's (buyer) closing costs as set forth in the Agreement for Sale; however, these closing costs shall be added to the second mortgage to reimburse the Developer. The transaction shall take place within twenty (20) days after the date the Certificate of Occupancy is issued pertaining to that respective unit.

13. Sale of Units. Prior to the sale of any interest in a unit and its appurtenances, the owner of said unit shall notify the Board of Directors, in writing, of the name and address of the person to whom the proposed sale is to be made, and such other information as may be required by the Board of Directors. There shall be no restrictions or limitations upon the sale, transfer, conveyance or other disposition of a condominium unit.

14. Rental of Units. All leases or rental agreements for unit estates shall be in writing and made specifically subject to the requirements of the applicable condominium documents, such as this Declaration of Condominium and the Association By-Laws. No unit estates may be leased or rented for a period of less than 30 days. The lease of a unit shall not discharge the unit owner from compliance with any of his obligations and duties as a unit owner. All of the terms and provisions of the Condominium Act, the Declaration, Articles of Incorporation, By-Laws and the rules and regulations of the Association pertaining to use and occupancy shall be applicable and enforceable against any person occupying a unit as a tenant to the same extent as against a unit owner, and a covenant upon the part of each such tenant to abide by the rules and regulations of the Association, and the terms and provisions of the Condominium Act, this Declaration, Articles of Incorporation and By-Laws of the Association shall exist.

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

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

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

15.3 - In the event the Association fails to maintain the common property in accordance with its obligations hereunder, any owner of an interest in any unit, or institutional first mortgagee of a unit, shall

have the right to seek specific performance in a court of equity to compel the Association to do so; or in the event of emergency repairs needed to utilities, walls, etc., the owner of an interest in any unit may give the Association 24 hours' notice to repair same, and if it is not done, said owner may proceed to contract in his own name to make such repairs and the Association shall be obligated to reimburse said owner for the reasonable value of the repairs which were necessary and for which the Association has financial responsibility.

16. Insurance. The Board of Directors of the Association shall obtain fidelity insurance in accordance with the Federal National Mortgage Association (FNMA) requirements, if applicable; public liability and property damage insurance covering all the condominium property, and insuring the Association and the unit owners as its and their interests appear. Premiums for the payment of such insurance shall be paid by the Association and such premiums shall be a common expense.

16.1 - Liability Insurance. The Association shall maintain a comprehensive general liability insurance policy covering all common areas, public ways and any other areas that are under its supervision. The insurance shall also cover commercial spaces that are owned by the Association, even if they are leased to others. The policy should provide coverage of at least \$1,000,000 for bodily injury and property damage for any single occurrence.

16.1-A. Liability insurance shall provide coverage for bodily injury and property damage that results from the operation, maintenance or use of the project's common areas; and any legal liability that results from law suits related to employment contracts in which the Association is a party.

16.1-B. The policy shall provide for at least ten days' written notice to the Association and to each holder of a first mortgage on an individual unit in the project before the insurer can cancel or substantially modify it.

16.2 - Fidelity Bonds. The Association shall have blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. A management agent that handles funds for the Association shall also be covered by its own fidelity bond.

16.2-A. Except for fidelity bonds that a management agent obtains for its personnel, all other bonds shall name the Association as an obligee and shall have their premiums paid as a common expense by the Association.

16.2-B. The fidelity bond shall cover the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force. In addition, the fidelity bond coverage must at least equal the sum of three months' assessments on all units in the project, plus the Association's reserve funds.

16.2-C. The bonds shall include a provision that calls for ten days' written notice to the Association or insurance trustee before the bond can be cancelled or substantially modified for any reason. This same notice must be given to each servicer that services a FNMA-owned mortgage in the project.

16.3 - Casualty Insurance. The Association shall obtain fire and extended coverage insurance with other perils endorsement and vandalism and malicious mischief insurance, insuring all the improvements on the condominium property, and all property owned by the Association, in and for the interests of the Association, all unit owners and their first mortgagees of record, as their interests may appear, in a company acceptable to the Board of Directors of the Association, in an amount equal to the maximum insurable replacement value as determined annually by the Board of Directors. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the Association and such premiums and other expenses shall be a common expense. The casualty insurance shall cover 100% of the current cost of the project facilities, including the individual units. Coverage does not need to include land, foundations, excavations or other items that are usually excluded from insurance coverage.

16.3-A. The following endorsements are required in the policy:

- (1) Agreed Amount and Inflation Guard Endorsement, when it can be obtained.
- (2) Construction code endorsements, if there is a construction code provision that requires changes to undamaged portions of the buildings even when only part of the project is destroyed by an insured hazard. Typical endorsements include Demolition Cost Endorsements, Contingent Liability from Operation of Building Laws Endorsement, and Increased Cost of Construction Endorsement.
- (3) Steam Boiler Coverage Endorsement, providing at least \$50,000 coverage for each accident at each location.

16.3-B. The policy shall provide that:

- (1) Any Insurance Trust Agreement will be recognized.
- (2) The right of subrogation against unit owners will be waived.
- (3) The insurance will not be prejudiced by any acts or omissions of individual unit owners that are not under the control of the Association.
- (4) The policy will be primary, even if a unit owner has other insurance that covers the same loss.

16.4 - Loss Payable Provisions. All policies purchased by the Association shall be for the benefit of and made payable to the Association and all unit owners, and their first mortgagees of record, as their interests may appear. Such policies shall be deposited with the Association, and the policies and any proceeds thereof will be held in accordance with the terms hereof. Said policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the Association. Mortgagee endorsements for first mortgages of record shall be issued as to said policies. It shall be the duty of the Association to receive such proceeds as are paid, and hold same in trust for the purposes elsewhere herein stated, for the benefit of the Association and the unit owners and their respective first mortgagees of record in the following shares:

16.4-A. Common Elements: Proceeds on account of loss or damage to Common Elements, an undivided share for each unit owner, such share being the same as his undivided share in the Common Elements appurtenant to his unit.

16.4-B. Units: Proceeds on account of loss or damage to units shall be in the following undivided shares:

- (1) Loss or Damage Less Than Very Substantial Loss or Damage, or Very Substantial Loss or Damage When the Building is to be Repaired or Reconstructed. For the unit owners, as hereinafter provided, in proportion to the cost of repairing or reconstructing the loss or damages suffered by each unit owner.
- (2) Very Substantial Loss or Damage When Building is not to be Repaired or Reconstructed. For the unit owners, as hereinafter provided, each unit owner's share being in proportion to his share in the Common Elements appurtenant to his unit.

16.4-C. Mortgagees: In the event a mortgagee endorsement has been issued to a unit, the share of the unit owner shall be held in trust for the first mortgagee of record and the unit owner, as their interests may appear; provided, however, that no first mortgagee of record or any other mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

16.5 - Distribution of Proceeds. Insurance policy proceeds received by the Association shall be distributed to or for the benefit of the beneficial owners, and expended or disbursed in the following manner:

- (1) If the loss or damage for which the proceeds were paid is to be repaired or reconstructed, as hereinafter provided, the proceeds shall be paid to defray the costs thereof. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners; all remittances to unit owners and their first mortgagees of record being payable jointly to them and distributed as between them pursuant to the terms of the mortgage. This is a covenant for the benefit of any first mortgagee of record of a unit and may be enforced by such first mortgagee.
- (2) If it is determined in the manner hereinafter provided that the loss or damage for which the proceeds are paid shall not be repaired or reconstructed, the proceeds shall be disbursed to the beneficial owners; remittances to unit owners and their first mortgagees of record being payable to them jointly and, as between them, distributed pursuant to the terms of the mortgage. This is a covenant for the benefit of any first mortgagee of record of a unit and may be enforced by such first mortgagee. In the event of loss or damage to

personal property belonging to the Association, and should the Board of Directors of the Association determine not to repair or replace such personal property, the proceeds shall be disbursed to the beneficial owners as surplus, in the manner stated elsewhere herein.

- (3) Prior to making any distribution to unit owners and their first mortgagees, the Association shall prepare or cause to be prepared a certificate with the names of the unit owners and their first mortgagees of record, such certificate to be approved in writing by an attorney authorized to practice law in the State of Florida, or a title insurance company or abstract company authorized to do business in the State of Florida, prior to any distributions being made.

16.6 - Loss or Damage Less Than Very Substantial Loss or Damage. Where loss or damage occurs with a unit or units, or to the Common Elements, or to any unit or units and the Common Elements, but said loss or damage is less than Very Substantial Loss or Damage, it shall be obligatory upon the Association and the unit owners to repair or reconstruct the damage caused by said loss. In such event the Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the costs of repairing or reconstructing, and after obtaining same, the Association shall promptly contract for the repair or reconstruction of such loss or damage. No first mortgagee of record or any other mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan except as to remaining proceeds, as provided in Paragraph 16.5 hereof.

16.7 - Assessments for Repair and Reconstruction. If the insurance proceeds are not sufficient to defray the estimated cost of repair or reconstruction, or if at any time during repair or reconstruction, or upon completion of repair or reconstruction, the funds for payment of the cost of repair or reconstruction are insufficient, a special assessment shall be made by the Board of Directors of the Association against the unit owners who own the damaged units and against all unit owners in the case of damage to Common Elements, in sufficient amount to provide funds for the payment of such costs. Such assessment against unit owners for damage to units shall be in proportion to the cost of repair or reconstruction of their respective units. Such assessment on account of damage to Common Elements shall be in proportion to each unit owner's share of the Common Elements.

16.8 - Very Substantial Loss or Damage. Should Very Substantial Loss or Damage occur, then:

16.8-A. The Board of Directors of the Association shall promptly obtain reliable and detailed estimates of the cost of repair or reconstruction, and shall ascertain as promptly as possible the net amount of insurance proceeds available for repair or reconstruction. No first mortgagee of record or any other mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan except as to remaining proceeds, as provided in Paragraph 16.5 hereof.

16.8-B. A special meeting of the members shall be called by the Board of Directors to be held not later than 60 days after the casualty to effect termination of the condominium, subject to the following:

- (1) If the net insurance proceeds available for repair or reconstruction are sufficient to cover the cost thereof, so that no special assessment is required, then the building shall be repaired or reconstructed, unless at least 51% of the members of the Association entitled to vote, and mortgage holders holding mortgages on the units shall vote to terminate the condominium. In such event the condominium property shall be removed from the provisions of the law by recording in the Public Records of St. Johns County, Florida, an instrument terminating this condominium. Said instrument shall further set forth the facts effecting the termination, certified by the Association and executed by its president and secretary. The termination of the condominium shall become effective upon the recording of said instrument and the unit owners shall thereupon become owners as tenants in common of the condominium property. Their undivided interests in the condominium property as tenants in common shall be the same as their undivided interest in the Common Elements prior to termination. Upon termination all mortgages and other liens upon condominium parcels shall become mortgages and liens upon the undivided interest of such tenants in common, with the same priority as existed prior to the termination of the condominium.
- (2) If the net insurance proceeds available for repair or reconstruction are not sufficient to cover the cost thereof, so that a special assessment will be required, the Board of Directors shall determine the amount of such assessment. If after discussion of such assessment, 3/4 of the total number of members of the Association entitled to vote shall vote to terminate this condominium, then it shall be so terminated and the condominium property shall be removed from the provisions of the law in accordance with the procedures set forth in Paragraph 16.8-B(1) hereof, and the unit owners shall thereupon become owners as tenants in common of the condominium property in such undivided interest, and all mortgages and other liens upon the condominium parcels shall encumber the undivided interest of such tenants in common, as provided in Paragraph 16.8-B(1) hereof. If the condominium is not terminated as provided above, the Board of Directors shall immediately levy such assessment, such assessment to be made in the manner provided in Paragraph 16.7 hereof,

and thereupon the Association shall proceed to negotiate and contract for such repairs or reconstruction.

16.8-C. If a dispute should occur as to whether Very Substantial Loss or Damage has occurred, the Board of Directors shall decide the question and its decision shall be binding upon and conclusive upon all unit owners.

16.9 - Surplus. It shall be presumed that the first monies disbursed in payment of costs for repair or reconstruction shall be from the insurance proceeds, and if there is a balance in the funds after the payment of all costs of repair or reconstruction, such balance shall be distributed to the beneficial owners of the fund in the manner heretofore provided.

16.10 - Plans and Specifications. Any repair or reconstruction must be substantially in accordance with the plans and specifications for the original building, or as the building was last repaired or reconstructed.

16.11 - Association's Power to Compromise Claim. The Association is hereby irrevocably appointed agent for each unit owner for the purpose of compromising and settling claims arising under insurance policies purchased by the Association, and to execute and deliver releases therefor upon the payment of claims.

16.12 - Workers' Compensation Policy. Policies of workers' compensation insurance shall be obtained to meet the requirements of law.

16.13 - Other Insurance. The Association is authorized to obtain such other insurance as the Board of Directors shall determine from time to time to be desirable. The Board of Directors may obtain insurance policies as provided under this paragraph which contain such deductible clauses as the Board of Directors determines.

16.14 - Unit Owner's Insurance. Each unit owner shall be responsible for purchasing, at his own expense, liability insurance upon his own personal property and such other insurance as he shall desire.

16.15 - Insurance Companies. Insurance companies authorized to do business in the State of Florida shall be affirmatively presumed to be good and responsible companies, and the Board of Directors shall not be responsible for the quality of financial responsibility of the insurance companies provided same are licensed to do business in the State of Florida.

17. Amendments. A resolution for the adoption of a proposed amendment may be proposed by either the Board of Directors of the Association or by the members of the Association entitled to vote at an Association meeting. Such members may propose such amendment by instrument in writing directed to the president or secretary of the Association signed by a majority of such members. Amendments may be proposed by the Board of Directors by action of a majority of the Board of Directors at any regular or special meeting thereof. Upon an amendment being proposed as herein provided, the secretary of the Association shall call a special meeting of the members of the Association to be held not sooner than 20 days nor later than 60 days thereafter for the purpose of considering said amendment. Such amendment must be approved by the affirmative vote of 3/4 of the total number of Association members entitled to vote.

17.1 - Amendment Limitations. No amendment to this Declaration amending Paragraph 16, Insurance, or any part thereof, including subparagraphs, shall be effective unless all first mortgagees of record shall join in the execution of any such amendment, nor shall any amendment to Paragraph 14, Rental of Units, or any part thereof, be effective unless unit owners of all condominium parcels join in the execution of any such amendment. Further, no amendment shall make any changes which would in any way affect any of the rights, privileges or powers herein provided in favor of or reserved to the Developer, unless Developer shall join in the execution of any such amendment. Further, no amendment to Paragraph 23, Termination, or any part thereof, including subparagraphs, shall be effective unless the unit owners of all condominium parcels and the owners of all first mortgages of record on condominium parcels join in the execution of any such amendment. Further, the consent of the owners of units to which at least 67% of the votes in the Association are allocated and the approval of holders holding mortgages on units which have at least 51% of the votes of the unit estates subject to holder mortgages, shall be required to add or amend any material provisions of the condominium documents which establish, provide for, govern or regulate any of the following:

- (1) voting rights;
- (2) assessments, assessment liens, or subordination of assessment liens;
- (3) reserves for maintenance, repair and replacement of common areas;
- (4) responsibility for maintenance and repairs;
- (5) reallocation of interests in the general or limited common areas, or rights to their use;
- (6) boundaries of any unit;
- (7) convertibility of units into common areas or vice versa;
- (8) expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project;
- (9) insurance or fidelity bonds;
- (10) leasing of units;
- (11) imposition of any restrictions on a unit owner's right to sell or transfer his or her unit;
- (12) a decision by the Association to establish self management when professional management had been required previously by an eligible mortgage holder;
- (13) restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents.

- (14) any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or
- (15) any provision that expressly benefit mortgage holders, insurers or guarantors.

17.1-A. When unit owners are considering termination of the legal status of the project for reasons other than substantial destruction or condemnation of the property, the eligible mortgage holders representing at least 67% of the votes of the mortgaged units must agree.

If an addition or amendment is not considered as a material change - such as the correction of a technical error or the clarification of a statement - the constituent documents may provide for implied approval to be assumed when an eligible mortgage holder fails to submit a response to any written proposal for an amendment within 30 days after the proposal is made.

17.2 - Amendments Prior to Transfer of Association Control. Notwithstanding the provisions of Paragraphs 17 and 17.1 hereof, until the first election of the members of the Board of Directors by unit owners, as provided in the Articles of Incorporation and By-Laws of the Association, proposal of an amendment shall be made by the Board of Directors and approval thereof shall require only the affirmative vote of all of the directors at any regular or special meeting thereof.

17.3 - Execution and Recording. Except as otherwise provided in this Declaration or in the Condominium Act, a copy of each amendment shall be attached to a certificate which shall include the recording date identifying this Declaration, certifying that the amendment was duly adopted. Said certificate shall be executed by the president of the Association and attested to by the secretary with the formalities of a deed and shall be effective immediately upon recordation thereof in the Public Records of St. Johns County, Florida.

18. Summary Abatement. No summary abatement or similar procedure may be utilized through non-judicial means to alter or demolish items of construction.

19. Rights of Action. The Association and any aggrieved unit owner shall have an appropriate right of action against unit owners for failure to comply with the provisions of the condominium documents or with decisions of the Association which are made pursuant thereto. Unit owners shall have similar rights of action against the Association.

20. Rights of Mortgage Holders, Insurers or Guarantors. Upon written request to the Association identifying the name and address of the holder, insurer or guarantor and the unit number or address, any such mortgage holder or insurer or guarantor will be entitled to timely written notice of:

- (1) any condemnation loss or any casualty loss which affects a material portion of the project or any unit on which there is a first mortgage held, insured or guaranteed by such mortgage holder, insurer or guarantor, as applicable;
- (2) any delinquency in the payment of assessments or charges owed by an owner of a unit estate subject to a first mortgage held, insured or

guaranteed by such holder, insurer or guarantor which remains uncured for a period of 60 days;

- (3) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- (4) any proposed action which would require the consent of a specified percentage of holders as required herein.

21. Condemnation Rights. The Association shall represent the unit owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common areas, or part thereof. Each unit owner shall appoint the Association as attorney-in-fact for such purposes. In the event of taking or acquisition of part or all of the common areas by a condemning authority, the award or proceeds of settlement shall be payable to the Association, or any trustee, for the use and benefit of the unit estate owners and their mortgagees as their interests may appear.

22. Transfer of Association Control. The developer shall be required to transfer control of the Association to the unit owners no later than the earlier of the following events:

- (1) One hundred twenty (120) days after 75% of the units in the project have been conveyed to unit purchasers; or
- (2) Three (3) years following conveyance of the first unit.

The term "control" means the right of the Developer to control the Association, the Association board, the project, or the unit owners in any manner except through votes allocated to units it owns on the same basis as votes pertaining to sold units. As to the procedure of the Association transfer, Florida Statutes §718.301, Transfer of Association Control, shall be applicable.

23. Termination. The condominium may be terminated as provided in Paragraph 16.8-B(1) and 16.8-B(2) hereof and in the following manner: The condominium may be terminated at any time by the approval in writing of all unit owners together with the approval in writing of all owners of first mortgages of record on condominium parcels. Upon approval as aforesaid, the condominium property shall be removed from the provisions of law by the recording in the Public Records of St. Johns County, Florida of an instrument terminating this condominium. Said instrument shall further set forth the facts effecting the termination, certified by the Association and executed by its president and secretary. The termination shall become effective upon the recording of said instrument in the Public Records of St. Johns County, Florida, and the unit owners shall thereupon become owners as tenants in common of the condominium property, and their undivided interests in the condominium property as said tenants in common shall be the same as their undivided interests in the Common Elements prior to termination. Upon termination, all mortgages and other liens upon condominium parcels shall become mortgages and liens upon the undivided interests of such tenants in common, with the same priority as existed prior to the termination of the condominium.

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

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

26. Severability. Invalidation of any of the provisions of this Declaration, the Articles of Incorporation or By-Laws of the Association shall not affect any of the remaining provisions, which shall remain in full force and effect.

27. Title and Captions. Title or other captions contained in this Declaration, the Articles of Incorporation or By-Laws of the Association are inserted only as a matter of convenience and for reference purposes, and in no way define, limit, extend or describe the scope of this Declaration, Articles of Incorporation or By-Laws of the Association or the intent of any provision.

28. Person and Gender. Whenever the singular number is used in this Declaration, Articles of Incorporation or By-Laws of the Association, and when required by context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders.

IN WITNESS WHEREOF, the Developer has caused this Declaration of Condominium to be executed this 18th day of April, 1983.

Witnesses:

James M. Roberts
Ronald H. Johnson

OCEAN CLUB II OF ST. AUGUSTINE BEACH, INC. (corp. seal)

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

STATE OF FLORIDA
COUNTY OF VOLUSIA

I HEREBY CERTIFY that on this day before me an officer duly authorized in the state and county aforesaid to take acknowledgments, personally appeared W. H. BRADSHAW, as President of OCEAN CLUB II OF ST. AUGUSTINE BEACH, INC., a Florida corporation, and he acknowledged before me that he executed the foregoing Declaration of Condominium freely and voluntarily under authority vested in him by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the county and state last aforesaid this 18th day of April, 1983.

My Commission Expires: 5/9/85

James M. Roberts
Notary Public

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

FIRST AMENDMENT TO PROSPECTUS
 AND DECLARATION OF CONDOMINIUM

OF

OCEAN CLUB II CONDOMINIUM

THIS AMENDMENT TO THE PROSPECTUS AND DECLARATION OF CONDOMINIUM OF OCEAN CLUB II CONDOMINIUM made this 8th day of November, 1984, by OCEAN CLUB II OF ST. AUGUSTINE BEACH, INC., a Florida corporation, the developer of said condominium;

WITNESSETH:

1. PROSPECTUS: Page 6, Provision 3, Management of the Association and Common Area, is amended to read as follows:

8. Management of the Association and Common Area. A manager will be employed by the Association; however, his term of employment shall not be in excess of one year. The Association, in accordance with its grant of powers as set forth in its Articles of Incorporation, Article III, Section 3.4, shall purchase Unit No. 40 to be used as a residence for the manager. The sales price shall be the preconstruction price of \$65,900. The Association shall assume the Developer's first mortgage encumbering the unit which will be approximately 80% of the sales price, and the cash due above the assumed mortgage amount shall be paid by a second mortgage to the Developer. The terms and conditions of the second mortgage, such as the number of years and interest rate, shall be the same as for the first mortgage. The Developer shall pay the Association's (buyer) closing costs, which are those explained in Paragraph 18 of this Prospectus; however, these closing costs shall be added to the second mortgage to reimburse the Developer. The transaction shall take place within 20 days after the date the Certificate of Occupancy has been issued as to that respective unit.

2. DECLARATION OF CONDOMINIUM: Page 6, Provision 12.7, Unit Owners' Association, is amended to read as follows:

12.7 - There shall be a total of forty-two (42) votes to be cast by the owners of the condominium units (Condominium Unit #40 is to be owned by the Association and is to be used for office facilities and a manager's living unit and shall not be entitled to a vote) to be cast as follows:

The owner of each condominium unit (designated as such on the exhibits attached to this Declaration) shall be entitled to one (1) vote. If a unit or units are owned by the managing Association, no vote shall be allowed for such condominium unit or units. If a condominium unit is owned by more than one person, all the owners thereof shall be collectively entitled to the vote assigned to such unit, and the owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the owners of such condominium unit of which he is a part until such authorization is changed in writing. The term "owner" as used herein shall be deemed to include the Developer.

3. This Amendment is submitted by the Developer pursuant to the authority granted under Provision 17.2 of the Declaration of Condominium of Ocean Club II Condominium, Amendments Prior to Transfer of Association Control.

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed this 8th day of November, 1984.

Witnesses:

[Signature]
[Signature]

OCEAN CLUB II OF ST. AUGUSTINE BEACH, INC. (corp. seal)

By: *[Signature]*
Kaye Bradshaw, President

STATE OF FLORIDA
COUNTY OF VOLUNZIA

I HEREBY CERTIFY that on this day before me an officer duly authorized in the state and county aforesaid to take acknowledgments, personally appeared KAYE BRADSHAW, as President of OCEAN CLUB II OF ST. AUGUSTINE BEACH, INC., a Florida corporation, and she acknowledged before me that she executed the foregoing instrument freely and voluntarily under authority vested in her by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the county and state last aforesaid this 8th day of November, 1984.

[Signature]
Notary Public

My Commission Expires: 6/7/85

DEC 7 1984

DEC 7 1984

DEC 7 1984

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

S E C O N D
 AMENDMENT TO DECLARATION OF CONDOMINIUM
 OF
 OCEAN CLUB II CONDOMINIUM

The undersigned developer of OCEAN CLUB II CONDOMINIUM hereby amends Exhibits 9 and 11 of the Declaration of Condominium of OCEAN CLUB II CONDOMINIUM, as recorded in Official Records Book _____, Pages _____ through _____, Public Records of St. Johns County, Florida, by adding to said exhibits the attached Certificate of Surveyor as provided for in Florida Statute §718.104(4)(c).

This Amendment is made pursuant to the authority granted in Paragraph 17.2 of the aforesaid Declaration.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this

3rd day of December, 1984.

Witnesses:

[Signature]
[Signature]

OCEAN CLUB II OF ST. AUGUSTINE BEACH, INC. (corp. seal)

By: *[Signature]*
 KAYE C. BRADSHAW, President

STATE OF FLORIDA
 COUNTY OF VOLUSIA

I HEREBY CERTIFY that on this day, before me an officer duly authorized in the County and State aforesaid to take acknowledgments, personally appeared KAYE C. BRADSHAW, well known to me to be the President of OCEAN CLUB II OF ST. AUGUSTINE BEACH, INC., a Florida corporation, and who acknowledged executing the foregoing Amendment to the Declaration of Condominium of Ocean Club II Condominium on behalf of said corporation, and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of December, 1984.

[Signature]
 Notary Public

My Commission Expires: 6/1/85

SURVEYOR'S CERTIFICATE

I, ROBERT C. BOLLES, JR. (Registered Land Surveyor No. 3464, State of Florida), a surveyor authorized to practice in the State of Florida, hereby certify that the construction of the improvements described in Exhibit 9 of the Declaration of Condominium of OCEAN CLUB II, consisting of one page attached thereto, and Exhibit 11 of the Declaration of Condominium of OCEAN CLUB II, consisting of one page attached thereto, is substantially complete so that the material, together with the provisions of the Declaration relating to matters of survey describing the condominium property is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the common elements, limited common elements, and of each unit can be determined from these materials. Further, attached hereto is a final "as-built" survey prepared by the undersigned which reflects the completed and as built condominium property improvements.

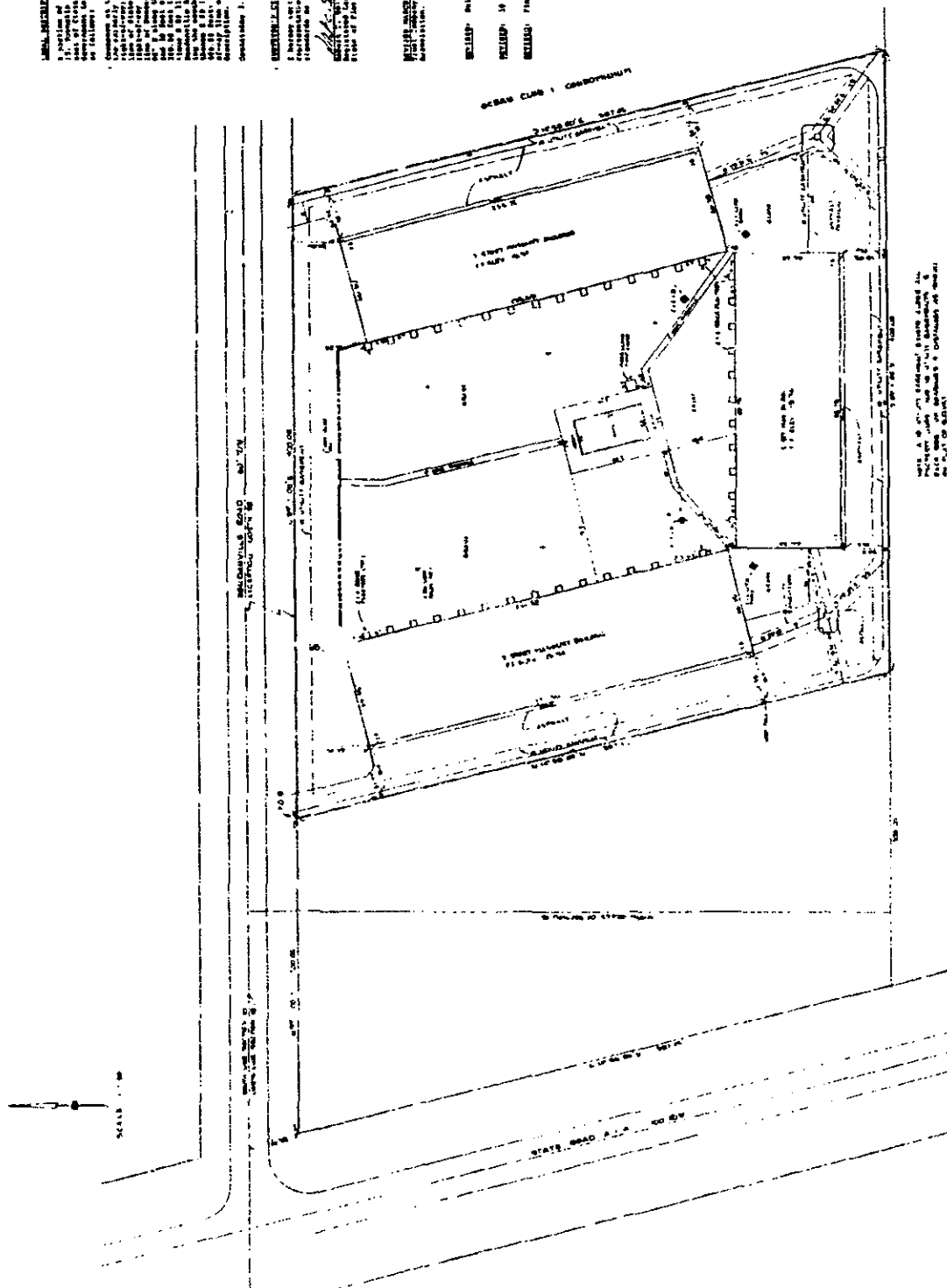
Sworn to and subscribed
before me this 31st
day of December, 1984.

Robert C. Bolles, Jr.
ROBERT C. BOLLES, JR.
Registered Land Surveyor No. 3464
State of Florida

Bonnie Griscoll
Notary Public, State of Florida

My Commission Expires:

Notary Public Florida State Notary
My Commission Expires 12/31/86
Bonded to the State of Florida

[illegible]

O.R. 840 PG 0224

89 29965

FIRST AMENDMENT TO THE BYLAWS
OF
OCEAN CLUB II

THIS AMENDMENT TO THE BYLAWS OF OCEAN CLUB II INC. OF ST. JOHNS
COUNTY, A FLORIDA CORPORATION OF SAID CONDOMINIUM:

WITNESSETH:

1. BYLAWS: ARTICLE IV, BOARD OF DIRECTORS, SECTION 1 IS AMENDED
TO READ AS FOLLOWS:

NUMBER AND QUALIFICATIONS. THE AFFAIRS OF THE ASSOCIATION SHALL
BE GOVERNED BY A BOARD OF DIRECTORS COMPOSED OF A MINIMUM OF THREE
(3) PERSONS, ALL OF WHOM MUST BE OWNERS OF UNITS IN THE
CONDOMINIUM PROJECT. AT THE TURN-OVER MEETING OF THE CONDOMINIUM
PROJECT, THE NUMBER OF DIRECTORS SHALL BE INCREASED TO A TOTAL OF
FIVE (5) PERSONS.

2. THIS AMENDMENT IS SUBMITTED BY THE BOARD OF DIRECTORS PURSUANT
TO THE AUTHORITY GRANTED UNDER ARTICLE VIII, SECTION 2.

IN WITNESS WHEREOF, THE BOARD OF DIRECTORS HAS CAUSED THIS
INSTRUMENT TO BE EXECUTED THIS 10th DAY OF DECEMBER 1989.

WITNESSES:

Wm. E. Adams
Frank Papan

OCEAN CLUB II INC.
ST. JOHNS COUNTY,

(CORP. SEAL)

BY: George Green
GEORGE GREEN, PRESIDENT

O.R. 840 PG 0225

STATE OF FLORIDA
COUNTY OF ST. JOHNS

I HEREBY CERTIFY THAT ON THIS DAY BEFORE ME AN OFFICER DULY AUTHORIZED IN THE STATE AND COUNTY AFORESAID TO TAKE ACKNOWLEDGMENTS, PERSONALLY APPEARED GEORGE GREEN, AS PRESIDENT OF OCEAN CLUB II OF ST. JOHNS COUNTY, INC., A FLORIDA CORPORATION, AND HE ACKNOWLEDGED BEFORE ME THAT HE EXECUTED THE FOREGOING INSTRUMENT FREELY AND VOLUNTARILY UNDER AUTHORITY VESTED IN HIM BY SAID CORPORATION AND THAT THE SEAL AFFIXED THERETO IS THE TRUE CORPORATE SEAL OF SAID CORPORATION.

WITNESS MY HAND AND OFFICIAL SEAL IN THE COUNTY AND STATE LAST AFORESAID THIS 11th DAY OF DECEMBER, 1989.



NOTARY PUBLIC

MY COMMISSION EXPIRES:

June 29, 1991

-2-

FILED AND RECORDED IN
ST. JOHNS COUNTY, FLA.

89 DEC 12 PM 3:17

Clerk of Circuit Court

NOTE: Deposit Guaranty Mort (Eno)
P.O. Box 1193
Jackson, MS 39215-7782

DMC #4902424
Kessler, Clyde

D Rec 500 + 100

SATISFACTION OF MORTGAGE

SECURITY FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, a Corporation existing under the laws of the United States of America, the holder of a promissory note and a mortgage securing the payment thereof encumbering certain property therein described, given by Charles R. Burrell, JR. and Lois B. Burrell, his wife to Security First Federal Savings And Loan Association dated the 31st day of December, 19 75; which mortgage is recorded in the Official Records Book 293, Page 185, of the Public Records of St. Johns County, Florida has received payment of said note which has been cancelled and surrendered, and does hereby acknowledge satisfaction of mortgage.

IN WITNESS WHEREOF the undersigned has caused this instrument to be executed in its name by its duly authorized officers and its corporate seal affixed, this the 22nd day of November, 1991.

SECURITY FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION
(seal)

Witnesses

Karen Juico
Alma M. Smith

BY:

Jon L. Williams, Vice President

ATTEST:

Rosemary Raffetto, Asst. Vice President

Security First Federal Savings and Loan Association
P.O. Box 1270
Daytona Beach, Florida 32015

STATE OF FLORIDA

COUNTY OF VOLUSIA

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgments, Jon L. Williams and Rosemary Raffetto respectively,

Vice President and Assistant Vice President of the above named corporation to me well known to be the persons described in and who executed the foregoing Satisfaction of Mortgage, and duly acknowledged before me that they executed the same for the purposes therein expressed as the act and deed of said corporation and that the seal thereto affixed is in truth and fact the true corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, this 22nd day of November, A.D. 19 91.

This document was prepared by

Vicki Ball for

Deposit Guaranty Mortgage Company
P.O. Box 1193, Jackson, Mississippi 39215

Teresa T. McDonald
Notary Public, State of Florida

Teresa T. McDonald

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA
MY COMMISSION EXPIRES: NOVEMBER 1, 1993

Recorded in Public Records
St. Johns County, FL
Clerk # 92000510
11. 921 26 73
Recording 5.00
Purchase 1.00

10:42
01-08-92

IN: COLLINS TITLE
REV: MORTGAGEE
REC: 210.24
DOC: 131.40
INT:

[Space Above This Line for Recording Data]

MORTGAGE DEED

THIS MORTGAGE DEED Executed this 6th day of April, 1992 by JOAO DoAMARAL and MARILENA DoAMARAL, his wife and ROBISON DeOLIVEIRA and MARLESE DeOLIVEIRA, his wife, and CYNTHIA DoAMARAL, a single woman, of 2903 East Prospect Avenue, Mt. Vernon, New York 10553, hereinafter called the mortgagor, to RICHARD MCCARTHY, hereinafter called the mortgagee: Route 1, Box 458, East Palatka, FL 32131.

[Wherever used herein the terms "mortgagor" and "mortgagee" include all the parties to this instrument and their heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations; and the term "note" includes all the notes herein described if more than one.]

WITNESSETH, that for good and valuable consideration, and also in consideration of the aggregate sum named in the promissory note of even date herewith, hereinafter described, the mortgagor hereby grants, bargains, sells, aliens, renounces, conveys and confirms unto the mortgagee all that certain land of which the mortgagor is now seized and in possession situate in St. Johns, Florida, to wit:

A parcel of land in the Antonio Huertas Grant, Section 38, Township 6 South, Range 28 East, St. Johns County, Florida, more particularly described as follows:

For a POINT OF REFERENCE begin at the intersection of the Easterly line of said Section 38 with the Southerly right-of-way line of State Road No. 16; thence North 47 degrees 51 minutes 36 seconds West, 162.50 feet along said right-of-way to the P.C. of a curve concave to the South, having a radius of 4513.66 feet, delta of 13 degrees 12 minutes 48 seconds, and length of 1040.93 feet; thence along the chord of said curve, North 54 degrees 28 minutes 00 seconds West, 1038.62 feet to the POINT OF BEGINNING; thence along said right-of-way and said curve having a radius of 4513.66 feet, delta of 2 degrees 09 minutes 29 seconds, and length of 170.00 feet; chord bearing of North 62 degrees 09 minutes 03 seconds West, and chord of 169.99 feet; thence South 19 degrees 22 minutes 57 seconds West, 314.96 feet; thence North 72 degrees 14 minutes 24 seconds West, 278.91 feet; thence South 19 degrees 35 minutes 05 seconds West, 81.82 feet; thence South 72 degrees 14 minutes 24 seconds East, 447.40 feet; thence North 19 degrees 22 minutes 57 seconds East, 366.99 feet to the POINT OF BEGINNING and being the last call of this description.

Said described parcel contains 2.00 acres, plus or minus.

LESS AND EXCEPT FROM THE AFOREMENTIONED PARCEL THE FOLLOWING DESCRIBED PROPERTY:

COMMENCE at the POINT OF BEGINNING of the aforementioned parcel; thence along said right-of-way and said curve having a radius of 4513.66 feet, delta of 2 degrees 08 minutes 42 seconds, and a length of 168.98 feet, chord bearing of North 62 degrees 09 minutes 51 seconds West, and chord of 168.98 feet; to the POINT OF BEGINNING; thence along said right-of-way and said curve having a radius of 4513.66 feet, delta of 0 degrees 00 minutes 46 seconds, and a length of 1.01 feet, chord bearing of North 63 degrees 13 minutes 53 seconds West, and chord of 1.01 feet; thence South 19 degrees 22 minutes 57 seconds West, 314.96 feet; thence South 72 degrees 14 minutes 24 seconds East, 1.00 feet; thence North 19 degrees 22 minutes 57 seconds East, 314.23 feet to the POINT OF BEGINNING.

TO HAVE AND TO HOLD the same, together with the tenements, hereditaments and appurtenances thereto belonging, and the rents, issues and profits thereof, unto the mortgagee, in fee simple.

AND the mortgagor covenants with the mortgagee that the mortgagor is indefeasibly seized of said land in fee simple; that the mortgagor has good right and lawful authority to convey said land as aforesaid; that the mortgagor will make such further assurances to perfect the fee simple title to said land in the mortgagee as may reasonable be required; that the mortgagor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free and clear of all encumbrances except the general lien of taxes for the 1992 and thereafter but that such taxes shall be paid by the mortgagor.

PROVIDED ALWAYS, that is said mortgagor shall pay unto said mortgagee the certain promissory note hereinafter substantially copies or identified, to wit:

-COPY-

MORTGAGE NOTE

\$85,700.00

St. Augustine, Florida

April 6th, 1992

FOR VALUE RECEIVED the undersigned promises to pay to the order of RICHARD MCCARTHY, (known as the "Note Holder"), the principal sum of Sixty-Five Thousand Seven Hundred and 00/100'S *** (\$65,700.00) from April 6th, 1992 together with interest thereon at the rate of Ten and 00/100'S *** (10%) per cent per annum until maturity, both principal and interest being payable in Lawful Money of the United States, such principal sum and interest payable in installments as follows:

The monthly sum of Seven Hundred Six and 02/100'S *** Dollars (\$706.02) due May 6th, 1992 and a like payment on the 6th day of each and every consecutive month thereafter until the entire principal balance together with interest accrued is paid in full.

Such installment payments shall be applied first to the interest accruing under the terms of this note and then to a reduction of the principal indebtedness.

Late Payment Penalty. If the Note Holder has not received the full amount of any monthly payment by the end of Fifteen (15) calendar days after the date it is due, the borrower shall pay a late charge to the Note Holder. The amount of the charge will be Five and 00/100'S *** (5) percent of the overdue payment of principal and interest. The borrower shall pay this late charge promptly but only once on each late payment.

Borrower's Right To Prepay. The borrower has the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When a prepayment is made, the borrower shall inform the Note Holder of the same.

The borrower may make a full prepayment or partial prepayments without paying any prepayment charge. The Note Holder will use all of any prepayments to reduce the amount of principal that is owed under this Note. If the borrower makes a partial prepayment, there will be no changes in the due date or in the amount of the monthly payment unless the Note Holder agrees in writing to those changes.

Each person liable hereon whether maker or endorser, hereby waives presentment, protest, notice, notice of protest and notice of dishonor and agrees to pay all costs, including a reasonable attorney's fee, whether suit be brought or not, if, after maturity of this note or default hereunder, or under said mortgage, counsel shall be employed to collect this note or to protect the security of mortgage securing this note.

This note is secured by a mortgage of even date herewith and is to be construed and enforced according to the laws of the State of Florida; upon default in the payment of principal and/or interest when due, the whole sum of principal and interest remaining unpaid shall, at the option of the holders, become immediately due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of subsequent default.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

/s/ JOAO DOAMARAL

JOAO DOAMARAL

/s/ ROBISON DeOLIVEIRA

ROBISON DeOLIVEIRA

/s/ MARILENA DOAMARAL

MARILENA DOAMARAL

/s/ MARILISE DeOLIVEIRA

MARILISE DeOLIVEIRA

/s/ CYNTHIA DOAMARAL

CYNTHIA DOAMARAL

Said Payments shall be paid at Route 1, Box 432, East Palatka, FL 32931 or such other place as the Note Holder shall notify the borrower in writing.

-COPY-

and shall perform, comply with and abide by each and every the agreements, stipulations, conditions and covenants thereof, and of this mortgage, then this mortgage and the estate hereby created, shall cease, determine and be null and void.

AND the mortgagor hereby further covenants and agrees to pay promptly when due the principal and interest and other sums of money provided for in said note and this mortgage, or either; to pay all and singular the taxes, assessments, levies, liabilities, obligations, and encumbrances of every nature on said property; to permit, commit or suffer no waste, impairment or deterioration of said land or the improvements thereon at any time; to keep the building now or hereafter on said land fully insured in a sum of not less than the full insurable value in a company or companies acceptable to the mortgagee, the policy or policies to be held by and payable to, said mortgagee, and in the event any sum of money becomes payable by virtue of such insurance the mortgagee shall have the right to receive and apply the same to the indebtedness hereby secured, accounting to the mortgagor for any surplus; to pay all costs, charges, and expenses, including lawyer's fees and title searches, reasonably incurred or paid by the mortgagee because of the failure of the mortgagor to promptly and fully comply with the agreements, stipulations, conditions and covenants of said note and this mortgage, or either; to perform, comply with and abide by each and every the agreements, stipulations, conditions and covenants set forth in said note and this mortgage or either. In the event the mortgagor fails to pay when due any tax, assessment, insurance premium or other sum of money payable by virtue of said note and this mortgage, or either, the mortgagee may pay the same, without waiving or affecting the option to foreclose or any other right hereunder, and all such payments shall bear interest from date thereof at the highest lawful rate then allowed by the laws of the State of Florida.

DEFAULT. If any sum of money herein referred to be not promptly paid within thirty (30) calendar days next after the same becomes due, or if each and every the agreements, stipulations, conditions and covenants of said note and this mortgage, or either, are not fully performed, complied with and abided by, then the entire sum mentioned in said note, and this mortgage, or the entire balance unpaid thereon, shall forthwith and thereafter, at the option of the mortgagee, become and be due and payable, anything in said note or herein to the contrary notwithstanding. Failure by the mortgagor to exercise any of the rights or options herein provided shall constitute a waiver of any rights or options under said note or this mortgage accrued or thereafter accruing.

DUE ON SALE CLAUSE. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Mortgagee's prior written consent, Mortgagee may, at his option, require immediate payment in full of all sums secured by this mortgage.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage Deed.

Signed, sealed and delivered in the presence of:

Typed Name: Manuel de Albuquerque

Typed Name: Dolores Targa

JAC DOAMARAL (SEAL)

MARILENA DOAMARAL

ROBISON DOOLIVEIRA

MARILISE DOOLIVEIRA

CYNTHIA DOAMARAL

[Space Below This Line For Acknowledgement]

STATE OF NEW YORK, WESTCHESTER COUNTY ss:

THE FOREGOING INSTRUMENT was acknowledged before me on April 22, 1982 by JAC DOAMARAL and MARILENA DOAMARAL, his wife and ROBISON DOOLIVEIRA and MARILISE DOOLIVEIRA, his wife, and CYNTHIA DOAMARAL, a single woman who are personally known to me or has produced his Driver's License as identification and he take an oath.

NOTARY PUBLIC, STATE OF NEW YORK
Name: Manuel de Albuquerque
Commission Expiration:

MANUEL de ALBUQUERQUE
Notary Public, State of New York
No. 55-068350
Qualified in Westchester County

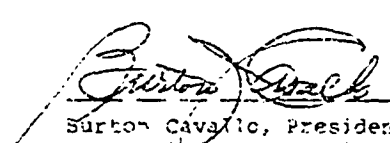
Commission Expires 12/30/1993

Recorded in Public Records St. Johns County, FL
Clerk # 92009875 O.R. 935 PG 67 10:45 04-07-92
Recording 5.00 Surcharge 1.00


THIRD AMENDMENT TO BY-LAWS OF
OCEAN CLUB II CONDOMINIUM ASSOC., INC.

The By-Laws of the Ocean Club II condominium assoc. are hereby
amended to read as follows:

Article IV, Section 12. Board of directors-Quorum. At all meetings
of the Board of Directors a majority of the Directors shall
constitute a quorum for the transaction of business, and the acts
of the majority of the Directors present at a meeting at which a
quorum is present, shall be the acts of the Board of Directors.
If, at any meeting of the Board of Directors, there is less than a
quorum present, the majority of those present may adjourn the meeting
from time to time. At any such adjourned meeting, any business
which might have been transacted at the meeting as originally called
may be transacted without further notice, provided there is a quorum
present.


Burton Cavallo, President
Ocean Club II Condominium Assoc., Inc.

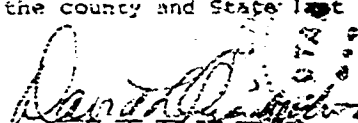

Witness


Witness

State of Florida
County of St. Johns

I hereby certify that on this day before me an officer duly
authorized in the State and County aforesaid to take acknowledgements,
personally appeared Burton Cavallo as President of Ocean Club II of
St. Johns County, Inc., a Florida Corporation and he acknowledged
before me that he executed the foregoing instrument freely and
voluntarily under authority vested in him by said corporation and
that the seal affixed thereto is the true corporate seal of said
corporation.

Witness my hand and official seal in the county and State last
aforesaid this 1 Day of April, 1992


Notary Public DAV...
My commission expires...
NOTARY PUBLIC STATE OF FLORIDA AT L...
MY COMMISSION EXPIRES DECEMBER 31, 19...
POWER INTO AGENTS' NOTARY BROKERAGE

Amended:
Burton Cavallo
Unit 32
at Dondarville Rd.
St. Aug, FL 32054
Fee 500.00

SECOND AMENDMENT TO THE BYLAWS
OF
OCEAN CLUB II

THIS AMENDMENT TO THE BYLAWS OF OCEAN CLUB II INC.,
OF ST JOHNS COUNTY. A FLORIDA CORPORATION OF SAID
CONDOMINIUM:

WITNESSETH:

1. BYLAWS: ARTICAL VII SECTION 8 AUDIT IS AMENDED
TO READ AS FOLLOWS:

SECTION 8 ~~AUDIT~~, REVIEW. ~~AN-AUDIT~~ A REVIEW OF THE
ACCOUNTS OF THE ASSOCIATION SHALL BE MADE ANNUALLY
BY A ~~CERTIFIED-PUBLIC-ACCOUNTANT~~ COMMITTEE CONSIST-
ING OF AT LEAST TWO HOME OWNERS, ~~THE NEW TREASURER.~~
~~THE NEW PRESIDENT AND THE FORMER TREASURER WHO SHALL~~
~~REPORT TO THE BOARD OF DIRECTORS AND A COPY THEREOF~~
SHALL BE FURNISHED TO EACH MEMBER OF THE ASSOCIATION
ENTITLED TO VOTE AND UPON WRITTEN REQUEST, AND FREE
OF CHARGE TO ANY HOLDER, INSURER OR GUARANTOR OF A
FIRST MORTGAGE, WITHIN THIRTY DAYS(30) AFTER ITS
RECEIPT BY THE BOARD OF DIRECTORS.

2. THIS AMENDMENT IS SUBMITTED BY THE BOARD OF DIRECTORS
PURSUANT TO THE AUTHORITY GRANTED UNDER ARTICLE VIII
SECTION 2.

WITNESSES:

OCEAN CLUB II
ST JOHNS COUNTY,

CORP. SEAL

[Signature]
[Signature]



"OFFICIAL SEAL"
Dorothy P. McNelis
My Commission Expires 1/16/96
Commission #CC 174716

BY

[Signature]
CHARLES GAJEWSKI, PRESIDENT

2 REC
94.50

Duseth, George, Green,
Unit #22 21 Dondanville Rd.,
St. Augustine, Fl. 32084

STATE OF FLORIDA
COUNTY OF ST. JOHNS

I HEREBY CERTIFY THAT ON THIS DAY BEFORE ME, AN OFFICER DULY AUTHORIZED IN THE STATE AND COUNTY AFORESAID, TO TAKE ACKNOWLEDGMENTS, PERSONALLY APPEARED CHARLES CAJEWSKI, AS PRESIDENT OF OCEAN CLUB II OF ST JOHNS COUNTY, INC., A FLORIDA CORPORATION, AND HE ACKNOWLEDGED BEFORE ME THAT HE EXECUTED THE FOREGOING INSTRUMENT FREELY AND VOLUNTARILY UNDER AUTHORITY VESTED IN HIM BY SAID CORPORATION AND THAT THE SEAL AFFIXED THERETO IS THE TRUE CORPORATE SEAL OF SAID CORPORATION.

WITNESS MY HAND AND OFFICIAL SEAL IN THE COUNTY AND STATE LAST AFORESAID THIS 16TH DAY OF MARCH 1993.



"OFFICIAL SEAL"
Dorothy P. McNeel
My Commission Expires 1/15/96
Commission #CC 174718

NOTARY PUBLIC

MY COMMISSION EXPIRES: Jan 1/16/96