

BY PELICAN INLET CONDOMINIUM

77 1166

## SUBMISSION STATEMENT

Thomas P. Coughlan, Daniel J. Coughlan and John J. Howard, doing business as C & H Investments, a Minnesota general partnership, are the owners of record in fee simple title to the real property in St. Johns County, Florida, described and set forth as the Condominium property in the survey Exhibits attached hereto as Exhibit No. 1, which is incorporated herein by reference (together with all the equipment, furnishings and fixtures therein not personally owned by Unit Owners), legally described as follows:

PARCEL A

A parcel of land in Lots 34, 35 and 36 of TAYLOR & STAYTON SUBDIVISION, as recorded in Map Book 2, page 54, public records of St. Johns County, Florida, being more fully described as follows:

Commencing at the Northeast corner of Lot 17 of GRACY'S CRESCENT BEACH, UNIT NO. 2, as recorded in Map Book 6, page 10, public records of St. Johns County, Florida; thence North 88 degrees 04 minutes West a distance of 340 feet to the point of beginning; thence run South 3 degrees 18 minutes West a distance of 192.87 feet to a point; thence run South 16 degrees 42 minutes East a distance of 110.96 feet to a point on the South line of said Lot 36; thence run North 88 degrees 04 minutes West a distance of 165.77 feet to a point on the East line of Ries Street, the Southwest corner of said Lot 36; thence run North 6 degrees 40 minutes West along said East right of way of Ries Street, a distance of 300.45 feet, more or less to the Northwest corner of said Lot 34; thence run South 88 degrees 04 minutes East a distance of 165.65 feet to the point of beginning and close.

PARCEL B

Lots 15 and 16 of GRACY'S CRESCENT BEACH UNIT 2, according to the plat thereof

RECORD AND RETURN TO:  
RICE & KREIDLER, P. A.  
4140 WOODCOCK DRIVE  
JACKSONVILLE, FLORIDA 32207

272 1st Amendment  
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filed August 26, 1946, and recorded in Plat Book 6, page 10, of the public records of St. Johns County, Florida.

Lots 32 and 33 of TAYLOR & STAYTON SUBDIVISION, according to the plat thereof recorded in Plat Book 2, page 54, of the public records of St. Johns County, Florida.

PARCEL C

Lot 31, TAYLOR & STAYTON SUBDIVISION, according to the plat thereof recorded in plat book 2, page 54, public records of St. Johns County, Florida. Lot 14, GRACY'S CRESCENT BEACH UNIT 2, according to the plat thereof filed August 26, 1946, and recorded in Plat Book 6, page 10, of the public records of St. Johns County, Florida.

LESS AND EXCEPT the Northeast trianguler corner of said Lot 14, described as follows:

Commencing at the Southeast corner of said Lot 14, thence run North along the East line of said Lot 14, a distance of 68 feet to point of beginning; thence continue North along the East line of said Lot 14, a distance of 32 feet to the Northeast corner of said Lot 14; thence run South 73° 18' West, a distance of 88.5 feet more or less to a point on the North line of said Lot 14; thence run South 88° 04' East, a distance of 95 feet more or less to the point of beginning and close.

The Southwest triangular corner of Lot 13, GRACY'S CRESCENT BEACH UNIT 2, according to the plat thereof filed August 26, 1946 and recorded in Plat Book 6, page 10, public records, St. Johns County, Florida, described as follows:

Commence at the Southeast corner of said Lot 13, thence run South 73° 18' West along the South line of said Lot 13, a distance of 88.5 feet to point of beginning; thence continue South 73° 18' West along the South line of said Lot 13, a distance of 111.5 feet more or less to the Southwest corner of said Lot 13; thence run North 16° 42' West, a distance of 40.09 feet more or less to the Northeast corner of Lot 31, TAYLOR & STAYTON SUBDIVISION; thence run South 88° 04' East, a distance of 118 feet more or less to point of beginning and close.

All of the above described property was submitted to condominium ownership pursuant to the Florida Condominium Act, Florida Statutes, 1975, Chapter 711, by that certain Declaration of Condominium of Contra Las Aquas, a condominium, recorded in Official Records Book 240, beginning at page 218 of the public records of St. Johns County, Florida as amended by Amendment to Declaration of Condominium of Contra Las Aquas as recorded in Official Records Book 244, page 735 of the public records of St. Johns County, Florida, and is now legally described as:

Condominium Parcels A101, A102, A103, A104, A105, A106, A107, A108, A201, A202, A203, A204, A205, A206, A207, A208, B109, B110, B111, B112, B113, E114, B115, B209, B210, B211, B212, B213, B214, B215, C116, C117, C118, C119, C120, C121, C122, C216, C217, C218, C219, C220, C221, C222, D123, D124, D125, D126, D127, D128, D129, D223, D224, D225, D226, D227, D228, D229, E130, E131, E132, E133, E134, E135, E230, E231, E232, E233, E234, E235, F136, F137, F138, F139, F140, F141, F236, F237, F238, F239, F240, and F241

The Developer hereby states and declares that said realty, together with improvements thereon, together with riparian and littoral rights as may be applicable and appurtenant thereto, and together with non-exclusive easements over the property described and as set forth to this Declaration of Condominium, is submitted to Condominium ownership, pursuant to the Condominium Act of the State of Florida. [The provisions of the Condominium Act are incorporated herein by reference.] The Developer herewith files for record this Declaration of Condominium.

#### ARTICLE 1.

#### DEFINITIONS

As used in this Declaration and Bylaws and Exhibits attached thereto, and all amendments thereof, unless the context otherwise requires, the following definitions shall prevail:

1.1) Assessment means a share of the funds required for the payment of common expenses which from time to time are assessed against the Condominium parcel and its unit owner.

1.2) Association means Pelican Inlet Condominium Owners Association, a Florida nonprofit corporation, the entity responsible for the operation of the Condominium.

1.3) Board of Directors means the Board of Directors of the Association.

1.4) Bylaws means the Bylaws of the Association as they exist from time to time.

1.5) Common elements means the portions of the Condominium property not included in the units.

1.6) Common expenses means the expenses for which the unit owners are liable to the Association and includes amounts for maintenance within a current year as well as deposits to reserves for maintenance and replacement at intervals of greater than one (1) year.

1.7) Condominium means that form of ownership of Condominium property under which units of improvements are subject to ownership by one or more owners and there is appurtenant to each unit, as a part thereof, an undivided share in the common elements.

1.8) Condominium Act means and refers to the Condominium Act of the State of Florida, Florida Statutes, 1975, Chapter 711, Sections 711.01 - 711.231, as the same may be amended or restated from time to time.

1.9) Condominium Documents means this Declaration, the Bylaws and all Exhibits annexed thereto, as the same may be amended from time to time.

1.10) Condominium parcel or parcel means a unit, together with the undivided share in the common elements which are appurtenant to the unit and limited common elements where applicable.

1.11) Condominium property means and includes the land in a Condominium, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

1.12) Condominium unit or unit, means a unit as defined in the Condominium Act,

referring herein to each of the separate and identified units delineated in the survey appended to this Declaration as Exhibit 1, and when the context permits, the Condominium parcel includes such unit and its share of the common elements appurtenant thereto. The physical boundaries of each unit are as delineated in the survey and are as more particularly described in Article 3 of this Declaration.

1.13) Declaration or Declaration of Condominium means this instrument and all Exhibits appended hereto, as it may be from time to time amended.

1.14) Developer means C & H Investments, a Minnesota general partnership, its successors and assigns.

1.15) Institutional mortgagee means a bank, savings and loan association, insurance company or union pension fund authorized to do business in the United States of America, an agency of the United States Government, a real estate or mortgage investment trust, or a lender generally recognized in the community as an institutional type lender. The mortgage may be placed through a mortgage or title company.

1.16) Insurance trustee means any Florida bank with trust powers as may be selected by the Board of Directors to collect, account for and disburse all funds received from insurance policies in the event a portion or all of the Condominium complex is damaged.

1.17) Limited common elements means and includes those common elements which are reserved for the use of a certain unit or units to the exclusion of all other units.

1.18) Management Agreement means the agreement appended as Exhibit 2 to this Declaration and incorporated by reference, which provides for the management of the Condominium property.

1.19) Management Firm means the entity identified as the Management Firm in the Management Agreement, its successors and assigns.

1.20) Occupant means the person or persons, other than the unit owner, in possession of a unit.

1.21) Condominium complex where used throughout this Declaration and Exhibits attached hereto means all of the Condominium buildings, property, common elements and limited common elements.

1.22) Unit owner, or owner of a unit, or parcel owner means the owner of a Condominium parcel.

1.23) The following definitions shall refer only to those units committed to and sold under a plan of interval ownership.

(a) Interval ownership is a conveyance whereby the purchaser receives a unit week or multiple thereof for a period of years, with a remainder over in fee simple as tenant in common with all other purchasers of unit weeks in each such Condominium unit so committed and sold in the year 2016.

(b) Unit week means a one (1) week period of ownership in a Condominium unit committed to interval ownership. Unit weeks are computed as follows:

Unit week No. 1 is the seven (7) days commencing on the first Saturday in each year (with the exception of the years 1981, 1987, 1998, 2009 and 2015 when Unit week No. 1 shall begin on January 10). Unit week No. 2 is the seven (7) days succeeding. Additional weeks up to and including Unit week No. 51 are computed in a like manner. Unit week No. 52 contains the seven (7) days succeeding the end of week No. 51 without regard to the month or year plus any excess days not otherwise assigned. Unit weeks run from noon on the first Saturday of the period to noon on the last Saturday of the period.

(c) Unit committed to interval ownership means any unit with one or more weeks sold under a plan of interval ownership.

1.24) All other terms used in this Declaration shall be assumed to have the meaning attributed to said term by Section 3 of the Condominium Act as of the date of this Declaration.

ARTICLE 2.

NAME

2.1) The name of this Condominium is Pelican Inlet Condominium.

ARTICLE 3.

IDENTIFICATION OF UNITS

3.1) The Condominium property essentially consists of all units in the buildings and other improvements and the floor plans set forth in Exhibit 1. All units in the buildings located on the Condominium property are identified by floor and number and are delineated on the survey Exhibits collectively identified as Exhibit 1, attached hereto and made a part of this Declaration. The identifying floor and number is also the identifying floor and number as to the Condominium parcel.

3.2) The representations of paragraph 3.1 are certified to be true and correct by a certification attached hereto as Exhibit 1. The units, buildings and improvements have been constructed substantially in accordance with the plans and specifications and any modifications thereof on file with the Building and Zoning Department of the applicable governmental authority.

ARTICLE 4.

IDENTIFICATION OF UNITS COMMITTED TO  
INTERVAL OWNERSHIP

4.1) Wherever the term unit owner or unit owners is used anywhere within the context of this Declaration or any amendment or supplementary declaration hereto, it shall be construed to include all owners of unit weeks within any unit committed to interval ownership as one unit owner. The respective interests of each owner of unit weeks in a unit committed to interval ownership shall be delineated within the instruments of conveyance establishing interval ownership.

4.2) A unit shall become a unit committed to interval ownership upon the recording of the first deed in said unit, conveying unit weeks, by the Developer. (A unit will no longer be committed to interval ownership any time all unit weeks are owned by the same person or legal entity.) No unit may be committed to interval ownership by any person, or other entity other than the Developer (the Developer may assign its right to commit units to interval ownership to any other entity to which it conveys substantially all units which it owns in the Condominium complex).

# ARTICLE 5.

## COMMON ELEMENTS

5.1) The common elements include all the real estate set forth in the submission statement (the land), all parts of the improvements which are not included within the units, and the following easements:

(i) Ingress and egress is reserved for pedestrian traffic over, through and across sidewalks, paths, walks and lanes as the same from time to time may exist upon the common elements; and for vehicular traffic over, through and across such portions of the common elements as from time to time may be paved or intended for such purposes.

(ii) If a unit shall encroach upon any common element, or upon any other unit by reason of original construction or by the non-purposeful or non-negligent act of the unit owner, then an easement appurtenant to such encroaching unit, to the extent of such encroachment, shall exist so long as such encroachment shall exist. If any common element shall encroach upon any unit by reason of original construction or the non-purposeful or non-negligent act of the Association, then an easement appurtenant to such common element to the extent of such encroachment shall exist so long as such encroachment shall exist.

(iii) Easements are reserved through the entire Condominium complex for conduits, ducts, plumbing, wiring and other facilities for furnishing services to the units and common elements. However, easements through a unit shall be only according to the plans and specifications for the unit, or as the unit is constructed, unless approved in writing by the unit owner.



(iv) An easement is reserved for support in every portion of a unit which contributes to the support of a building.

The common elements shall also include guest parking facilities at the south side of the Condominium property so long as permitted by governmental authority.

5.2) The undivided share in the common elements which is appurtenant to a unit shall not be separated therefrom, shall pass with the title to the unit whether or not separately described, cannot be conveyed or encumbered except together with the unit, and no action for partition of common elements shall lie.

#### ARTICLE 6.

##### OWNERSHIP OF COMMON ELEMENTS

6.1) Each of the unit owners, including an owner of unit weeks in a unit committed to interval ownership, shall own an undivided interest in the common elements and limited common elements stated as percentages of the ownership in the common elements and limited common elements, as set forth on Exhibit 3, appended hereto and incorporated by reference.

6.2) The fee title to each Condominium parcel shall include both the Condominium unit and the respective undivided interest in the common elements. The undivided interest in the common elements is deemed to be conveyed or encumbered with its respective Condominium unit. Any attempt to separate the fee title to a Condominium unit from the undivided interest in the common elements appurtenant to each unit shall be null and void.

#### ARTICLE 7.

##### LIMITED COMMON ELEMENTS

7.1) The limited common elements are shown and located on the surveys appended hereto as Exhibit 1. Any expense for the maintenance, repair or replacement relating to limited common elements shall be paid for as part of the common expenses of the Association unless otherwise specifically provided in this Declaration and Exhibits appended hereto. Should the maintenance, repair or replacement be caused by the

negligence or misuse by a unit owner, his family, guests, servants and invitees, he shall be responsible, and the Association shall have the right to levy an assessment against the owner of the unit. Where the maintenance, repair or replacement is caused by the negligence or misuse by an owner of unit weeks in a unit committed to interval ownership, his family, guests, servants and invitees, any levy of an assessment shall be limited to those weeks owned by the responsible party and shall be of no force and effect as to any other owner of unit weeks in the unit. / The cost and expense of the maintenance, care and preservation, including the painting, where applicable, of patios, decks, balconies and exterior stairs shall be a common expense of the Condominium however, the fixed or sliding glass door(s) in the entrance ways to the patios, decks and balconies shall be maintained and cared for the cost and expense of the applicable unit owner. The applicable provisions in Article 12 herein as to patios, decks and balconies, as well as the stairs, shall be deemed restated and incorporated herein by reference.

7.2) Parking spaces are located within the limited common element parking area as shown and designated in Exhibit 1. All parking spaces are uncovered and each shall be numbered; however, the numbers shall not appear on Exhibit 1 attached hereto and the parking space assignments shall not be recorded in Public Records of St. Johns, Florida. Each Condominium unit shall be entitled to the use of one (1) parking space and such other additional parking spaces as is determined by the Board of Directors. Once a parking space or spaces have been assigned to a unit, the parking space assignment may not be changed or taken away from the party and his heirs, successors and assigns. Parking spaces shall be assigned by the Board of Directors. All parking spaces shall be used as determined pursuant to the Rules and Regulations adopted by the Board of Directors.

7.3) In case of a Condominium unit committed to interval ownership, use of the parking space assigned to the unit by each owner of unit weeks within that unit shall be limited to his period of ownership of unit weeks each year.

#### ARTICLE 8.

##### UNITS

8.1) Each parcel contains:

(a) That part of the building which lies within the following boundaries:

(i) The upper boundary, defined as the horizontal plane of the undecorated finished ceiling.

(ii) The lower boundary, defined as the undecorated finished floor.

(iii) The perimetrical boundaries, defined as the vertical planes of the undecorated finished interior of the walls bounding the living quarters.

(b) Private parking facilities described in Exhibit 1.

(c) An undivided share in the common elements.

(d) Limited common elements described in Article 7.

#### ARTICLE 9.

##### VOTING RIGHTS

9.1) Each unit owner shall be entitled to vote at any meeting of the Association. If a unit is owned by more than one person, the owners of the unit shall designate one person as the voting member, or in the case of a corporate unit owner, an officer or employee shall be the voting member. The designation of the voting member shall be made subject to the provisions and restrictions set forth in the Bylaws of the Association. The vote of a Condominium unit is not divisible, except each owner of unit weeks in a unit committed to interval ownership shall be entitled to vote at meetings of the Association and shall be entitled to 1/50 vote for each unit week owned.

9.2) Each owner or group of owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the common elements applicable to his Condominium parcel as set forth and specified in Exhibit 3.

9.3) Each owner of a unit week in a unit committed to interval ownership shall be entitled to vote at meetings of the Association and shall be entitled to 1/50 vote for each unit week owned.

ARTICLE 10.

COMMON EXPENSE

The common expenses of the Condominium, including the obligations of each unit owner pursuant to the Management Agreement shall be shared by the unit owners according to their percentage ownership in the common elements as specified in Exhibit 3.

ARTICLE 11.

MAINTENANCE AND ALTERATION OF UNITS AND

THE COMMON ELEMENTS :

11.1) Responsibility for the maintenance of the Condominium property shall be as follows:

(a) Units

(i) The Association - The Association shall maintain, repair and replace where necessary or appropriate, all unit walls, foundations, roofs and undecorated interior surfaces contributing to the support of the unit building at the Association's expense.

(ii) The unit owner - The unit owner shall maintain, repair and replace at his expense all portions of his unit including, but not limited to, all doors, windows, glass, screens, electric panels, electric wiring, electric outlets and fixtures, air conditioners, heaters, hot water heaters, refrigerators, dishwashers, other appliances, drains, plumbing fixtures and connections, interior surfaces of all walls including boundary and exterior walls, floors and ceilings, and all other portions of his unit except the portions specifically to be maintained, repaired and replaced by the Association.

(iii) By owners of unit weeks in units committed to interval ownership -

In the event a unit owner of a unit committed to interval ownership is solely responsible for the damage of any of the property specified in (ii) above, that unit owner shall be responsible for the maintenance or proper replacement thereof. If any of the property specified in (ii) above requires maintenance or replacement resulting from normal wear and tear, all of the unit owners of the appropriate unit committed to interval ownership shall pay their pro rata share of the maintenance or the replacement thereof.

(b) Common elements

(i) The Association - The maintenance and operation of the common elements shall be the responsibility of the Association and a common expense, except limited common elements which are to be assessed according to Article 12.

(ii) The unit owner - No unit owner, nor the owner of a unit committed to interval ownership as such, shall undertake to maintain, repair or replace any part of the common elements, nor to enclose, paint or otherwise decorate or otherwise change the appearance of any portion of the exterior of the unit building, but shall promptly report to the Association any defect or need for maintenance, repair or replacement for which the Association is responsible.

(c) Alteration of units - Neither a unit owner, except the Developer, nor the Association shall make any alteration of a unit or unit building maintained by the Association, remove any portion of a unit or unit building, make any additions, nor do anything that would jeopardize the safety or soundness of a unit building or impair any easement without first obtaining approval in writing of owners of all the units in which the work is to be done and the approval of the Board of Directors. A copy of the plans for all such work prepared by an architect licensed to practice in the state of Florida shall be filed with the Association prior to the start of the work.

(d) Alteration of common elements - Except as reserved to the Developer elsewhere, after completion of the improvements included in the common elements contemplated by this Declaration, there shall be no alteration or

further improvement of the real property constituting the common elements without prior approval in writing of the owners of not less than seventy-five percent (75%) of the common elements except as provided by the Bylaws. No alteration or improvement shall interfere with the rights of the unit owner without their prior written consent. The cost of the work shall not be assessed against an institutional mortgagee that acquires its title as the result of owning a mortgage upon a unit, unless such mortgagee shall approve the alteration or improvement, whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any cost not assessed shall be assessed to the other unit owners in proportion to their interest in the common elements and limited common elements stated as percentages of ownership in the common elements and limited common elements as specified on Exhibit 3. There shall be no change in the shares and rights of a unit owner in the common elements altered or further improved, whether or not the unit owner contributes to the cost of such alterations or improvements.

ARTICLE 12.

MAINTENANCE FEE FOR UNITS COMMITTED TO INTERVAL OWNERSHIP

12.1) All owners of unit weeks in a unit committed to interval ownership shall pay a maintenance fee. The maintenance fee shall include the following:

- (a) The particular unit week owner's share of common expenses, as set forth in Article 10;
  - (b) Repair and upkeep of units for normal wear and tear (example - repainting interior walls);
  - (c) Repair and replacement of furniture, fixtures, appliances, carpeting and utensils;
  - (d) Casualty and/or liability insurance on the unit;
  - (e) Utilities for the unit;
  - (f) Personal property, real estate, and any other applicable taxes;
- and

(g) Any other expenses incurred in the normal operation and maintenance of the unit which cannot be attributed to a particular unit week owner.

12.2) The maintenance fee shall be prorated among all owners of unit weeks in a specific unit by applying a fraction, the numerator of which is the number of unit weeks owned by a specific owner, the denominator of which is 50, to the total of all such expenses. The foregoing shall not apply to any unit week conveyed to the Association for maintenance purposes.

### ARTICLE 13.

#### MAINTENANCE WEEK IN UNITS COMMITTED TO INTERVAL OWNERSHIP TERMINATION OF UNIT COMMITTED TO INTERVAL OWNERSHIP

13.1) Upon conveying thirty (30) unit weeks in any unit committed to interval ownership, or six (6) months from the date of the first conveyance under interval ownership in any unit so committed, whichever date comes first, the Developer agrees to convey and the Association agrees to accept one unit week to be used for maintenance purposes. The Developer shall have the right to choose the unit week to be so conveyed.

13.2) In the event any one (1) person, or other legal entity, becomes holder of record title to all unit weeks in any one (1) unit, that person, or other legal entity, may cause the Association to convey the unit week so reserved for maintenance to it by notifying the Association, in writing, of its desire that the unit cease being a unit committed to interval ownership. The Association shall execute the necessary papers to complete the conveyance no later than sixty (60) days after notice. All conveyance expenses, including state stamps and recording fees, shall be borne by the person, or other legal entity, requesting the conveyance.

### ARTICLE 14.

#### METHOD OF AMENDMENT OF DECLARATION

14.1) This Declaration may be amended at any regular or special meeting of the unit owners of this Condominium, called and convened in accordance with the Bylaws,

by the affirmative vote of members casting not less than fifty-one percent (51%) of the total vote of the members of the Association.

14.2) All amendments shall be recorded and certified as required by the Condominium Act. No amendment shall change any Condominium parcel, nor a Condominium unit's proportionate share of the common expenses, nor the voting rights appurtenant to any unit, unless the record owner(s) thereof, and all record owners of mortgages or other voluntarily placed liens thereof, shall join in the execution of the amendment. No amendment shall be passed which shall impair or prejudice the rights and priorities of any mortgages or change the provisions of this Declaration with respect to institutional mortgages without the written approval of all institutional mortgagees of record, nor shall the provisions of Article 13 of this Declaration be changed without the written approval of all institutional mortgagees of record.

#### ARTICLE 15.

#### ASSOCIATION

15.1) The operation of the Condominium shall be by the Association, a non-profit corporation organized under the laws of the State of Florida, which shall fulfill its function pursuant to the following provisions:

(a) A copy of the Articles of Incorporation of the Association is attached hereto as Exhibit 4.

(b) The Bylaws of the Association shall be the Bylaws of the Condominium, a copy of which is attached hereto as Exhibit 5.

(c) the share of the unit owners of the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the unit.

15.2) The Association shall be organized in accordance with the Condominium Act. The Association shall have all of the powers and duties set forth in the Condominium Act, as well as all of the powers and duties granted to or imposed upon it by this Declaration, the Bylaws of the Association and its Articles of Incorporation being appended hereto as Exhibit 4.



15.3) Every owner of a Condominium parcel, whether he has acquired his ownership by purchase, gift, conveyance or transfer by operation of law, or otherwise, shall be bound by the Bylaws and Articles of Incorporation of the said Association, the provisions of the Declaration, and the Management Agreement.

ARTICLE 16.

ASSESSMENTS

16.1) The common expenses shall be assessed against each Condominium parcel owner as provided for in Article 10 of this Declaration.

16.2) The Board of Directors shall have the power to fix and assess from time to time the sum or sums necessary and adequate to provide for the common expenses of the Condominium complex and monthly and other assessments provided for in this Declaration and the Bylaws according to the procedures established therein. Monthly assessments shall be payable in advance and shall be due on the first day of each month unless otherwise ordered by the Board of Directors.

16.3) The Board of Directors may authorize the Management Firm to determine the common expenses of the Condominium property and the other sums specifically provided for in the Declaration and Bylaw appended hereto during the period of time provided in the Management Agreement.

16.4) The Association shall have a lien on each Condominium parcel for unpaid assessments, together with interest thereon, against the unit owner of the Condominium parcel, together with a lien on all tangible personal property located within the unit, except that tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorneys' fees incurred by the Association and its representatives incident to the collection of assessments or the enforcement of the liens, together with all sums advanced and paid by the Association or its representatives for taxes and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association or its representatives, in order to preserve and protect its lien, shall be payable by the unit owner and secured by the lien. The Board of Directors may take such action as it deems necessary to collect assessments by personal action or by enforcing and foreclosing the lien or liens,

and may settle and compromise the same if deemed in its best interest. The lien or liens shall be effective as provided for by the Condominium Act, and shall have the priorities established by the Act. 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 cash credit against its bid, all sums due, as provided herein, covered by the lien enforced. In case of foreclosure, the unit owner shall be required to pay a reasonable rental for the Condominium parcel for the period of time the parcel is occupied by the unit owner or anyone by, through or under the unit owner, and the Association in the foreclosure shall be entitled to the appointment of a receiver to collect same from the unit owner or occupant.

16.5) In the case of a lien against an owner of unit weeks in a unit committed to interval ownership, the lien shall be limited to the unit weeks owned by the owner and shall not encumber the property, real, personal, or mixed of any owner of unit weeks in the unit.

16.6) Where the mortgagee of an institutional first mortgage of record, or other purchaser of a Condominium unit, obtains title to a Condominium parcel as a result of foreclosure of the institutional first mortgage, or when an institutional first mortgagee of record accepts a deed to the Condominium parcel in lieu of foreclosure, the institutional mortgagee or other purchaser, their successors and assigns, shall not be liable for the payment of common expenses or assessments pertaining to the Condominium parcel, or chargeable to the former unit owner of the parcel, which became due prior to acquisition of the title as a result of the foreclosure or the acceptance of the deed in lieu of foreclosure. The unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the unit owners, including an institutional mortgagee or other purchaser, their successors and assigns.

16.7) Any person who acquires an interest in a unit, except through foreclosure of an institutional first mortgage of record, or by virtue of an institutional first mortgagee accepting a deed to a Condominium parcel in lieu of foreclosure, as specifically provided herein including, without limitation, persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the unit or enjoyment of the common elements until all unpaid assessments due by the former unit owners have been paid. The Association, acting through its Board of Directors, shall have the right to assign its claim and lien rights for the recovery of any unpaid assessments to the Developer, or to any unit owner or group of unit owners, or to any third party.

## CASUALTY INSURANCE

17.1) The Association shall obtain fire and extended coverage insurance and vandalism and malicious mischief insurance, insuring all of the insurable improvements within the Condominium including personal property owned by the Association, or included in the common elements, in and for the interest of the Association, all unit owners and their mortgagees, as their interests may appear, in an organization acceptable to the standards set by the Board of Directors, in an amount equal to the maximum insurable replacement value of the personal property owned by the Association or included in the common elements, as determined annually by the Board of Directors. The premiums for coverage and other expenses in connection with the insurance shall be paid by the Association and shall be charged as a common expense.

17.2) Institutional first mortgagees owning and holding first mortgages encumbering Condominium units in the Condominium complex having an unpaid dollar indebtedness equal to One Hundred Thousand Dollars (\$100,000.00) or more shall have the right to approve the policies and the company or companies who are the insurers under the insurance placed by the Association, as herein provided, and the amount thereof, and the further right to approve the insurance trustee. In the absence of the action of the mortgagees, then the Association shall have the right without qualification.

17.3) All policies purchased by the Association shall be for the benefit of and made payable to the Association and all unit owners and their mortgagees, as their interests may appear. The policies shall be deposited with the insurance trustee who must first acknowledge that the policies and any proceeds thereof will be held in accordance with the terms hereof. The policies shall provide that all insurance proceeds payable on account of loss or damage shall be payable to the insurance trustee. Mortgagee endorsement shall be issued as to the policies. All institutional first mortgagees who own and hold a first mortgage on a Condominium unit shall have a right to receive a certified copy of the insurance policy(s) which are obtained pursuant to this Article 17, immediately upon written request by them. The insurance trustee shall not be liable for the payment of premiums nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds, nor for the form or content of the policies. The sole duty of the insurance trustee shall be to receive the proceeds as they are paid and hold them in trust for the benefit of the Association

and the unit owners and their respective mortgagees in the following shares, but the shares need not be set forth upon the records of the insurance trustee:

(a) Common Elements - Proceeds as a result of damage to common elements shall be apportioned on a basis providing an undivided share for each unit owner, the share being the same as the undivided share in the common elements appurtenant to his unit.

(b) Condominium Units - Proceeds as a result of damages to Condominium units shall be apportioned on the following basis:

(i) Partial Destruction - When units are to be repaired and restored for the owners of the damaged units, the division shall occur in proportion to the cost of repairing the damage suffered by each unit owner.

(ii) Total Destruction - Where there is total destruction of Condominium improvements, or where "very substantial" damage occurs and the Condominium improvements are not to be restored, as provided herein for the owners of all Condominium units - each owner's share being in proportion to his share in the common elements appurtenant to his Condominium unit.

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

17.4) Proceeds of insurance policies received by the insurance trustee shall be distributed to or for the benefit of the beneficial owners, and expended or disbursed after first paying or making provisions for the payment of the expenses of the insurance trustee in the following manner:

(a) Reconstruction or Repair - If the damage for which the proceeds were paid is to be repaired and restored, the remaining proceeds shall be paid to defray the cost thereof, as elsewhere provided. Any proceeds remaining after defraying

such costs shall be distributed to the beneficial owners - all remittance to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by the mortgagee. The remittances shall be made solely to an institutional first mortgagee when requested by the institutional first mortgagee whose mortgage provides to the payment of its mortgage debt. 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 replace the personal property as may be lost or damaged, the proceeds shall be disbursed to the beneficial owners as surplus.

(c) Certificate - In making distribution to unit owners and their mortgagees, the insurance trustee may rely upon a certificate of the Association, as to the names of the unit owners and their respective shares of the distribution, approved in writing by an attorney authorized to practice law in the State of Florida, a title insurance company or abstract company authorized to do business in the State of Florida. Upon request of the insurance trustee, the Association shall forthwith deliver the certificate.

17.5) If loss shall occur within a single unit or units, without damage to the common elements and/or the party wall between units, the provisions of Article 17.6(b) below shall apply.

17.6) Where a loss or damage occurs within a unit or units, or to the common elements, or to any unit or units and the common elements, but the loss is less than "very substantial", as herein defined it shall be the responsibility of the Association and the unit owner(s) to repair, restore and rebuild the damage caused by the loss. Where the loss or damage is less than "very substantial", the following shall apply:

(a) The Association shall promptly obtain reliable and detailed estimates of the cost of repairing and restoration.

(b) Where the damage or loss is limited to the common elements with no maximum or minimum damage or loss to any individual Units and the damage or loss to the common elements is less than Three Thousand Dollars (\$3,000), the insurance proceeds shall be endorsed by the insurance trustee to the Association, and the Association shall promptly contract for the repair and restoration of the damage.

(c) Where the damage or loss involves individual units encumbered by institutional first mortgages, as well as the common elements, or the damage is limited to the common elements alone, but is in excess of Three Thousand Dollars (\$3,000), the insurance proceeds shall be disbursed by the insurance trustee for the repair and restoration of the property upon the written direction and approval of the Board of Directors, provided however, that no restoration or repair shall occur without an institutional first mortgagee, the written approval shall also be required of the institutional first mortgagee(s) owning first mortgages encumbering Condominium units in this Condominium if the unpaid balances due on the mortgages to the institutional first mortgagees are equal to One Hundred Thousand Dollars (\$100,000) or more. The insurance trustee may rely upon a certificate of the Association, and the institutional first mortgagee's written approval, if the institutional first mortgagee's approval is required, as to the payee and the amount to be paid from the proceeds. All payees shall deliver evidence of payment of obligations including waivers of mechanic's liens to the insurance trustee, and execute any affidavit required by law or by the Association, institutional first mortgagees whose approval may be required, shall have the right to require the Association to obtain a completion, performance and payment bond, in such form, amount, and with the bonding company authorized to do business in the State of Florida, as are acceptable to the mortgagees.

(d) Subject to the foregoing, the Board of Directors shall have the right to negotiate and contract for the repair and restoration of the premises.

(e) If the net proceeds of the insurance are insufficient to pay for the estimated cost of restoration and repair (or for the actual cost thereof if the work has actually been done), the Association shall promptly determine the deficiency, levy a special assessment against all unit owners in proportion to the unit owner's share in the common elements, for that portion of the deficiency as is attributable to the cost of restoration of the common elements, and against the individual owners for that portion of the deficiency as is attributable to his individual unit; provided, however, that if the Board of Directors finds it cannot determine with reasonable certainty the portion of the deficiency attributable to a specific individual damaged unit(s), then the Board of Directors shall levy an assessment for the total deficiency against all of the unit owners in proportion to each unit owner's share in the common

elements. The special assessment funds shall be delivered by the Association to the insurance trustee to be used with the proceeds available for the repair and restoration of the property.

(f) No mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

17.7) "Very substantial" damage, as used in this Declaration, or any other context dealing with this Condominium, shall mean loss or damage whereby three-fourths (3/4ths) or more of the total unit space in the Condominium is rendered untenable, or loss or damage whereby seventy-five percent (75%) or more of the total amount of insurance coverage becomes payable. Should such "very substantial" damage occur, then the following shall apply:

(a) The Board of Directors shall promptly obtain reliable and detailed estimates of the cost of repair and restoration.

(b) The Board of Directors of the Association shall ascertain as promptly as possible the net amount of insurance proceeds available for restoration and repair. A membership meeting shall thereafter be called by the Board of Directors not later than sixty (60) days after the casualty to determine the desires of the members with reference to the termination of the Condominium subject to the following:

(i) If the net insurance proceeds available for restoration and repair are sufficient to cover the cost thereof, so that no special assessment is required, then the Condominium property shall be restored and repaired unless a majority of the members of the Association shall vote to terminate this Condominium, in which case the Condominium property shall be removed from the provisions of the law by the recording of an instrument terminating this Condominium in the public records of the County of St. Johns, Florida, which instrument shall further set forth the facts effecting the termination of the Condominium and shall become effective upon the recording of the instrument, and the unit owners shall thereupon become owners as tenants in common in the property, and any remaining structures of the Condominium and their undivided interests in the common elements of this Condominium

prior to its termination, and the mortgages and liens upon Condominium parcels shall become mortgages and liens upon the undivided interests of the tenants in common, with the same priority as existed prior to the termination of the Condominium.

(ii) If the net insurance proceeds available for restoration and repair are not sufficient to cover the costs thereof, so that a special assessment will be required, and if a majority of the members of the Association shall vote against the special assessment and to terminate this Condominium, then it shall be so terminated and the Condominium property removed from the provisions of the law as set forth in section (i) above, and the unit owners shall be tenants in common in the property in undivided interests and all mortgages and liens upon the Condominium parcels shall encumber the undivided interests of the tenants in common, as is provided in section (i) above. In the event a majority of the members of the Association vote in favor of special assessments, the Board of Directors shall immediately levy the assessment and, thereupon, the Board of Directors shall proceed to negotiate and contract for repairs and restoration, subject to the provisions of Article 17.6. The special assessment funds shall be delivered by the Association to the insurance trustee and to be used with the proceeds available for the restoration and repair of the property. The proceeds shall be disbursed by the insurance trustee for the repair and restoration of the property, as provided above.

(iii) No mortgagee shall have the right to require the application of insurance proceeds to the payment of its loan.

(c) In the event any dispute shall arise as to whether or not "very substantial" damage has occurred, a determination made by the Board of Directors shall be conclusive and binding upon all unit owners.

17.8) It shall be presumed that the first monies disbursed in payment of costs of repair and restoration shall be from the insurance proceeds; and if there is a balance in the funds held by the insurance trustee after the payment of all costs of the repair and restoration, the balance shall be distributed to the beneficial owners of the fund in the manner elsewhere provided herein.



17.9) The insurance trustee may rely upon a certificate of the Association, certifying as to whether or not the damaged property is to be repaired and restored. Upon the request of the insurance trustee, the Association shall forthwith deliver the certificate.

17.10) Any repair and restoration must be substantially in accordance with the plans and specifications for the original building, or as the building was last constructed, or according to the plans approved by the Board of Directors, which approval shall not be unreasonably withheld. If any material or substantial change is contemplated, the approval of all institutional first mortgagees shall also be required.

17.11) 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.

17.12) Should the Association fail to pay premiums when due, or should the Association fail to comply with other insurance requirements of the institutional mortgagee holding the greatest dollar volume of unit mortgages, the institutional mortgagee shall have the right, at its option, to order insurance policies and to advance funds as required to maintain or procure the insurance, and to the extent of the money so advanced the mortgagee shall be subrogated to the assessment and lien rights of the Association as against the individual unit owners for the payment of the item of common expense.

17.13) The Association shall obtain a workmen's compensation policy which shall meet the requirements of Florida law.

17.14) The Board of Directors shall obtain other insurance as they shall determine from time to time to be necessary or desirable. The Board of Directors may obtain insurance policies as provided under this Article 17 which contain deductible clauses and amounts as the Board of Directors determines.

17.15) If available, and where applicable, the Association shall endeavor to obtain policies which provide that the insurer waives its right of subrogation as to any claims against unit owners, the Association, their respective servants, agents and guests.

17.16) The Board of Directors shall obtain casualty and liability insurance as needed, on all units committed to interval ownership. Each policy shall reflect the respective interests of the Association and all owners of unit weeks in each unit. Casualty insurance shall be in an amount equal to the maximum insurable replacement value of the unit and the personal property therein without deduction for depreciation as determined annually by the Board of Directors. The premiums shall be a part of the maintenance fee. All losses thereunder shall be payable to the insurance trustee in accordance with Article 17.3 above. All proceeds shall be used for the purpose of repair or replacement of any loss, or in the event such loss is not to be repaired or replaced, as determined elsewhere, to be divided among all owners of unit weeks in such unit in accordance with their percentages in the remainder interest. Any deficit or overage in proceeds after repair or replacement shall be divided equally among all owners of unit weeks in that unit. Deficits shall be treated as a part of the maintenance fee.

17.17) Each individual unit owner shall be responsible for purchasing at his own expense, liability insurance to cover accidents occurring within his own unit, and for purchasing insurance upon his own personal property.

#### ARTICLE 18.

##### USE AND OCCUPANCY

18.1) Nothing in this Declaration shall be construed to restrict the Developer, or any successor in interest to the Developer, from selling and/or conveying any unit under a plan of interval ownership, or any person, group of persons, corporation, partnership, or other entity, from selling, reconveying, or in any other way, transferring same, at any time under the plan of interval ownership.

18.2) The Condominium complex shall be for residential use only by the unit owners, members of their families and social guests, and for no other purpose.

18.3) No nuisance shall be allowed upon the Condominium complex, nor any use or practice which is the source of nuisances to residents or which interferes with the peaceful possession and prior use of the property by its residents. The Condominium complex shall be kept in a clean and sanitary condition and no rubbish, refuse nor gar-

bage allowed to accumulate nor any fire hazard allowed to exist. No unit owner shall permit any use of his unit or make any use of the common elements which will increase the rate of insurance upon any part of the Condominium complex.

18.4) No immoral, improper, offensive or unlawful use shall be made of the Condominium complex or any part thereof. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit owners shall not cause anything to be annexed or attached to, hung, displayed or placed, on the exterior walls, doors or windows of the units nor the limited common elements or the common elements, nor shall he cause any type of ground coverage to be installed nor shall he place any furniture or equipment outside his unit except with the prior written consent of the Board of Directors, and further, when approved, subject to the rules and regulations adopted by the Board of Directors. No clothes line or similar device shall be allowed on any portion of the Condominium property, nor shall clothes be hung anywhere except where designated by the Board of Directors of the Association. The unit owners may not screen in or enclose any exterior deck or balcony which abuts his unit with any type of material without the prior written consent of the Board of Directors of the Association. The Developer shall have the right to screen in or enclose the foregoing as it determines in its sole discretion until December 31, 1977, or sooner as determined by Developer.

18.5) No animals or pets of any kind shall be kept in any unit or on any property of the Condominium except with written consent of and subject to the rules and regulations adopted by the Board of Directors.

18.6) In the event any owner of a time period in a unit committed to interval ownership fails to vacate his unit at the expiration of his period of ownership each year, or at such earlier time as may be fixed by the rules and regulations adopted by the Association from time to time, he shall be deemed a "holdover owner". It shall be the responsibility of the Association to take such steps as may be necessary to remove such holdover owner from the unit, and to assist the owner of any subsequent time period, who may be affected by the holdover owner's failure to vacate, to find alternate accommodations during such holdover period.

18.7) In addition to such other remedies as may be available to it, the Association shall secure, at its expense, alternate accommodations for any unit owner who may not occupy his unit due to the failure to vacate of any holdover owner. The

accommodations shall be as near in value to the owner's own unit as possible. The holdover owner shall be charged for the cost of such alternate accommodations, any other costs incurred due to his failure to vacate, and a penalty of Fifty Dollars (\$50) per day during his period of holding over. In the event it is necessary that the Association contract for a period greater than the actual period of holding over, in order to secure alternate accommodations as set forth above, the entire period shall be the responsibility of the holdover owner, although the Fifty Dollars (\$50) per day penalty shall cease upon actual vacating by the holdover owner.

18.8) The Association shall submit a bill to the holdover owner in accordance with this paragraph. In the event the holdover owner fails to pay same within ten (10) days of the date of same, a lien shall be filed against said holdover owner's unit weeks in accordance with the provisions of Article 10.

18.9) Parking of a unit owner's vehicle shall be permitted in the respective unit owner's space only, as shown on Exhibit 1. Guest parking shall be permitted where designated.

#### ARTICLE 19.

##### MANAGEMENT AGREEMENT AND MANAGER'S UNIT

19.1) The Board of Directors may contract with any firm, person or corporation, either individually or in cooperation with other condominium associations and entities for the purpose of securing maintenance and repair of the Condominium property, maintenance services, or other services deemed necessary for the proper operations of the Condominium. Any maintenance contract entered into by the Board of Directors shall require that the Management Firm perform at least the following services as the Board of Directors delegate:

1. To hire, compensate and supervise all persons necessary to be employed to properly maintain and operate the Condominium including a manager, who, in each instance, shall be the employee of the Association. The Management Firm shall have the authority and responsibility in its absolute discretion, on behalf of the Association, to determine and cause to be discharged all persons whose performance is unsatisfactory, unnecessary or undesirable.

2. To maintain and repair the Condominium property including the common elements, in the manner required of the Association as provided herein.

The expense incurred to repair, replace or refurbish the Condominium shall not exceed the sum of Two Thousand Five Hundred Dollars (\$2,500) per item unless specifically authorized by the Board of Directors. In the case of an emergency, however, the Management Firm may expend sums necessary to protect and preserve the Condominium property.

3. To take such action as may be necessary to comply with all laws, statutes, ordinances, rules and of all appropriate governmental authorities, and the rules and regulations of the National Board of Fire Underwriters, or in the event it shall terminate its present functions, those of any other body exercising similar functions.

4. To enter into contracts for garbage and trash removal, vermine extermination, and other services, and make all such contracts and purchases in either the Association's or Management Firm's name, as the Management Firm shall elect.

5. To procure or keep in force all insurance required or permitted in the Declaration of Condominium; to act as agent for the Association, each unit owner, and for each owner of any other insured interest; to adjust all claims arising under said insurance policies; to bring suit thereon and deliver releases upon payment of claims; to otherwise exercise all of the rights, powers and privileges of the insured parties; to receive on behalf of the insured parties, all insurance proceeds, subject to the provisions of the Declaration of Condominium.

6. To maintain the Association's financial record books, accounts and other records as provided by the Association's Bylaws and required by the Condominium Act and to issue certificates of account to members, their mortgagees and lienors. The records shall be kept at the office of the Management Firm and shall be available for inspection by the Association at any reasonable time. The Association may conduct or cause to be conducted, an external audit, to be paid for by the Association. As a standard procedure, the Management Firm shall render to the Association a Statement as is required herein in a form approved by the Board of Directors for each calendar year no later than April

1st in the following year. The Management Firm shall perform a continual internal audit of the Association's financial records for the purpose of verifying the same, but no independent or external audit shall be required of it. The consent of the Management Firm to an independent auditor shall not be unreasonably withheld.

7. To maintain records sufficient to describe its services and such financial books and records sufficient in accordance with generally accepted accounting principles consistently applied to identify the source of all funds collected by it in its capacity as Management Firm, and the disbursement thereof. The records shall be kept at the office of the Management Firm and shall be available for inspection by the Association. The Management Firm shall perform a continual internal audit of the Management Firm's financial records relative to its services as Manager for the purpose of verifying same, but no independent or external audit shall be required.

8. To submit annually to the Association a proposed operating budget for the ensuing year, setting forth the anticipated income and expenses of the Condominium for the year, including a statement of each unit owner's monthly share thereof. Should an increase in assessments or a special assessment be required during the year, they shall be determined and made by the Association. The Management Firm shall advise the Association thereof and as to the share payable by each of the Association's members. The Management Firm shall collect the assessments authorized. The assessments as to each member of the Association shall be made payable to the Association. Where the Management Firm does not submit a proposed operating budget for the ensuing year to the Association as herein set forth, the operating budget for the current year shall be deemed to apply to the ensuing year and each unit owner's monthly share shall continue in the same amount subject, however, to the right of the Association to increase assessments during the year or levy a special assessment where it determines that same is necessary and advisable.

9. To have authority and responsibility to maintain and replace the personal property within units committed to interval ownership, and in such capacity to:

(a) Recommend the maintenance fee, proration of taxes, and other common expenses applicable to those Condominium units committed to interval ownership, as defined in the Declaration of Condominium to the Association for determination Assessment. Subject to Article 8, section 18.1, paragraph 2, the Management Firm shall have sole discretion, while Manager, for making determinations as to replacements of personal property located within the units, decor, and all other judgments relating to units committed to interval ownership. All replacements shall maintain the standard of quality of the furniture, other personal property and decor, as originally contained in the unit at the time it is committed to interval ownership.

(b) A portion of the maintenance fee shall be set aside as a reserve for future replacements and repairs. The Management Firm shall recommend the amounts of the reserve and the application of the funds to the Association. The amount of reserve and application of funds shall be determined and made by the Association.

10. To deposit all funds collected from the Association's members or otherwise accruing to the Association in a special trust account or accounts of the Management Firm in a bank with suitable designation indicating their source. The funds shall be held separate from and not commingled with similar funds collected by the Management Firm on behalf of other condominiums or entities which the Management Firm manages.

11. To attend meetings of the unit owners and of the Board of Directors. The Minutes of all the Association's meetings, whether of unit owners or of the Board of Directors, shall be taken by the Association's secretary, and possession of the minute book shall be in the custody of the secretary, who shall be responsible for preparing and furnishing notices of all meetings to the required parties.

12. To promulgate, adopt and amend rules and regulations, subject to the approval of the Association, for the use and occupancy of the Condominium's common elements, limited elements and unit therein, and to enforce same.

13. To make required alterations and additions when authorized by the Board of Directors to the common elements or limited common elements of the Condominium property in accordance with the Declaration of Condominium and Exhibits appended thereto. The Management Firm shall be paid for the cost of its personnel and overhead, materials and equipment, including contractors, subcontractors or materialmen that are reasonably required.

14. To retain and employ professionals and other experts when authorized by the Board of Directors whose services may be reasonably required to effectively perform its duties and exercise its powers.

15. To enter into agreements upon reasonable terms and conditions to improve the common elements and the Condominium, and by agreement grant concessions and licenses to persons to provide facilities and services to and within the Condominium, cause coin vending machines and coin operated equipment and pay telephones to be installed within the Condominium, and to purchase or rent the equipment on behalf of and at the cost and expense of the Association; however, all income derived by the Management Firm from the foregoing shall inure to the benefit of the Association and all expenses incurred in their operation shall be borne by the Association. Agreements, concessions and licenses authorized to provide facilities and services shall be for nominal or no compensation. The Management Firm may enter into agreements of this nature upon reasonable terms and conditions.

16. The Management Firm shall have the right to recommend, subject to approval of the Association, a fiscal year and when it shall commence.

17. To exercise the powers and rights delegated to it, subject to the terms and provisions of the Declaration of Condominium and all Exhibits attached thereto.

18. To undertake to repair and restore the loss of the Condominium or any portion thereof, including any unit or the common elements, as is required due to an Act of God or other causes, other than normal wear and tear; provided the loss is less than "very substantial", as defined in the Declaration



of Condominium. The Association is authorized and empowered to ascertain and assess the costs of repairing and restoring the loss among the unit owners on a fair and equitable basis as it deems reasonable, notwithstanding the fact that said loss or damage was, or was not, covered by insurance. The Management Firm shall advise the Association as to such costs and the unit owners fair share thereof. The total assessment shall be equal to the cost of the repair which shall include the costs of the Management Firm's personnel, materials and equipment, and any and all other contractors, subcontractors, or materialmen that are required. Should the loss be covered by insurance, the proceeds thereof shall be applied as a credit against the total costs of the repair and restoration. It shall be presumed that the first monies disbursed in payment of costs of repair and restoration shall be from insurance proceeds, where the proceeds have been received, and then from assessments collected, and, should there be a surplus of such funds, the surplus shall be disbursed to or on behalf of the unit owners, as provided in the Declaration of Condominium.

19. Each unit owner, his heirs, successors and assigns shall be bound by the Management Agreement.

The Management contract shall otherwise be consistent with and subject to this Declaration, the Bylaws, and the Exhibits appended hereto.

19.2) The Management Firm shall occupy and use Condominium Unit B 115 as a management office and Manager's residence unit, and the Management Firm shall designate such parties who are to reside in, operate and run Unit B 115. Unit B 109 shall be operated as a Manager's office and a certain area therein may be used as a linen storage area and for mailboxes for the use and benefit of the unit owners. Condominium Unit B 109 shall be opened as a Manager's office, the business on a schedule determined by the Management Firm. Condominium Unit B 112 may also be used by the Developer as a sales office. The Developer and Management Firm shall not be required to pay any of the costs and expenses incurred or applicable to the Condominium unit, except those expenses as are personal to the Developer or Management Firm and not contemplated as being paid by the unit owners. The unit owners shall pay all of the costs and expenses applicable to Units B 109 and B 115 which are incurred as a result of the management and operation of the Condominium. It is

the intention of the Developer and the Association by virtue of the execution of this Declaration and the Exhibits appended hereto, and the unit owners of units in this Condominium, by virtue of their accepting a conveyance of a unit in the Condominium, hereby covenant and agree to the foregoing and confirm same. Upon the recording of this Declaration of Condominium and the Exhibits appended hereto, at such time seventy-five percent (75%) or sooner at its discretion, the Developer shall convey by Quit Claim Deed all of its rights, title and interest in Condominium Units B 109 and B 113 to the Association. The Developer further agrees to cause the Quit Claim Deed to be recorded in the Public Records of St. Johns County, Florida, at its cost and expense. It is understood and agreed that the Developer shall not be required or obligated to share any part of the costs and expenses of any type or nature as to Condominium Units B 109 and B 113 which may accrue and become due and payable up to December 31, 1979. The foregoing is meant to apply without limitations as to Condominium units or apartments owned by the Developer. However, where a unit or apartment is owned by the Developer and is occupied, the Developer shall be responsible for the payment of such sums as are due from the unit or apartment based upon the formula set forth herein.

ARTICLE 20.

MAINTENANCE AND ALTERATIONS

20.1) There shall be no alterations or additions to the common elements or limited common elements of this Condominium where the cost thereof is in excess of thirty percent (30%) of the annual budget of this Condominium for common expenses, except as authorized by the Board of Directors and approved by not less than a majority of the total vote of the unit owners. The cost of the foregoing shall be assessed as common expenses. Where any alteration or additions as to the common elements or limited common elements of this Condominium are exclusively or substantially exclusively for the benefit of the unit owner(s) requesting same, then the cost of the alteration or additions shall be assessed against and collected solely from the unit owner(s) exclusively or substantially exclusively benefiting, and the assessment shall be levied in such proportion as may be determined as fair and equitable by the Board of Directors. Where the alterations or additions exclusively or substantially exclusively benefit unit owners requesting same, the alterations or additions shall only be made when authorized by the Board of Directors, and approved by not less than a majority of the total vote of the unit owners exclusively or substantially exclusively benefiting therefrom. In

the case of a Condominium unit committed to interval ownership, approval by owners of at least twenty-five (25) unit weeks shall constitute approval "of the unit owner" of that unit for the purpose outlined above. Where the approval of unit owners for alterations to the common elements of this Condominium is required in this Declaration and Exhibits attached hereto, the approval of institutional first mortgagees whose mortgages encumber Condominium parcels in this Condominium representing not less than a majority of the total unpaid dollar indebtedness as to the principal on the parcels at the time shall also be required.

20.2) Each owner of a unit not committed to interval ownership shall:

(a) Maintain in good condition and repair his unit and all interior surfaces within his unit and the entire interior of his unit, and to maintain and repair the fixtures and equipment therein, which includes but is not limited to the following, where applicable: air-conditioning and heating unit, including condenser and all appurtenances thereto wherever situated, and hot-water heater, refrigerator, range and oven, and all other appliances, drains, plumbing fixtures and connections, sinks, all plumbing and waterlines within the unit, electric panels, electric wiring and electric outlets and fixtures within the unit; interior doors, windows, screening and glass, all exterior doors (except the painting of the exterior of exterior doors shall be a common expense of the Condominium); and pay for his electricity and telephone. Water, sewage and waste fees, if applicable, shall be a part of the common expenses if billed to the Condominium; however, if individual bills are sent to each unit by the party furnishing the service, each unit owner shall pay the bill for his unit individually. Where a unit is carpeted, the cost of maintaining and replacing the carpeting shall be borne by the owner of the unit. Each unit owner shall maintain, care for and preserve portions of the limited common elements. Where there is a light fixture or fixtures attached to the exterior wall or walls of a unit, the unit owner shall replace same by the same color and bulb wattage at his cost and expense unless the Association decides to replace same as common expense of unit which is responsible for replacing the light bulbs and, in such case, the electric cost for same shall be borne by the unit owner. The door(s) to the store room(s), which are a part of a Condominium parcel, shall be deemed an exterior door of a unit, except the painting of the exterior of the door(s) shall be deemed a common expense of the Condominium.

(b) Not make or cause to be made any structural addition or alteration to his unit or to the limited common elements or common elements. Alterations within a unit may be made only with the prior written consent of the Association, and any first mortgagee holding a mortgage on a unit.

(c) Make no alterations, decorations, repair, replacement or change of the common elements, limited common elements, or to any outside or exterior portion of the buildings whether within a unit or part of the limited common elements or common elements without the prior written consent of the Association. Unit owners may use contractors or subcontractors as are approved by the Association, subject to all rules and regulations adopted by the Board of Directors. The unit owner shall be liable for all damages to another unit, the common elements or the Condominium complex caused by the unit owner's contractor, subcontractor, or employee, whether the damages are caused by negligence, accident or otherwise.

20.3) Each owner of unit weeks in a unit committed to interval ownership shall:

(a) Pay his proportionate share of the cost of the maintenance and repair of all interior and exterior components of the unit, the cost of maintenance, repair and replacement of all appliances, furniture, carpeting, fixtures, equipment, utensils, and other personal property within the unit, and such other costs of repair, maintenance, upkeep and operation of the unit as may be necessary to the continued enjoyment of the unit by all owners of unit weeks therein.

(b) Not make, cause or allow to be made any repair, modifications, alterations or replacements to the common elements, limited common elements, outside or exterior portion of the buildings whether within a unit or a part of the limited common elements or common elements, exterior or interior of his unit, or of the furnishings, appliances, personal property or decor thereof, without the prior written consent of the Association and all other owners of unit weeks therein.

(c) Pay expenses of repairs or replacements to the unit or its components, furnishings, carpeting, appliances, or other property, real, personal, or mixed, occasioned by the specific use or abuse of any owner of unit weeks in any unit, or any license or tenant of the owner.

20.4) All owners of units, including owners of unit weeks in units committed to interval ownership shall:

- (a) Allow the Board of Directors or agents or employees of the Association to enter into any unit for the purpose of maintenance, inspection, repair, replacement of the improvements within the unit, limited common elements or the common elements, or to determine in case of emergency circumstances threatening units, limited common elements or the common elements, or to determine compliance with the provisions of this Declaration or the Bylaws of the Association.
- (b) Show no signs, advertisements or notices of any type on the common elements, limited common elements, or his unit, and to erect no exterior antenna or aerials, except as consented to by the Board of Directors.

20.5) In the event the owner of a unit, fails to maintain the unit and limited common elements, as required herein, or makes any alterations or additions without the required written consent, or otherwise violates or threatens to violate the provisions hereof, the Association shall have the right to seek an injunction to enforce compliance with the provisions hereof. The Association shall also have the right to levy an assessment against the owner of a unit, and the unit, for the cost of removing any unauthorized addition or alteration and to restore the property to good condition and repair. Where the failure, alteration, addition or other violation is attributable to an owner of unit weeks in a unit committed to interval ownership, any levy of an assessment shall be limited to the unit weeks owned by the owner of unit weeks and shall be of no force and effect as to any other owner of unit weeks in the unit.

The assessment shall have the same force and effect as all other special assessments. The Association shall have the further right to have its employees or agents or any subcontractors appointed by it enter a unit at all reasonable times to do such work as is deemed necessary by the Board of Directors or to enforce compliance with the provisions hereof.

20.6) The Association shall determine the exterior color scheme of the buildings and all exterior and interior color schemes of the common elements and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window, or any exterior surface, or replace anything thereon or affixed thereto, without the written consent of the Board of Directors.

20.7) The Association shall be responsible for the maintenance, repair and replacement of the common elements, including but not limited to all recreation facilities within the Condominium complex, and all portions of the Condominium complex not required to be maintained, repaired or replaced by the unit owner(s). The unit owners have the duty of maintenance, repair, replacement and the other responsibilities with respect to their unit. The Association may enter into an agreement with non-affiliated organizations to provide certain services and maintenance for and on behalf of the unit owners whereby maintenance and service are provided on a regularly scheduled basis for air-conditioning maintenance, including service, exterminating services and other types of maintenance and services as the Association deems advisable for the period of time and at the cost it determines. The agreements shall be on behalf of all unit owners and the monthly assessment due from each unit owner for common expenses shall be increased by the Association at a rate which is fair and equitable under the circumstances in relation to the monthly charge for the maintenance or service. Each unit owner shall be deemed a party to the agreement and it is understood and agreed that the Association shall execute the agreements as the agent for the unit owners. The assessment shall be made pursuant to Article 15 of this Declaration.

#### ARTICLE 21.

##### TERMINATION

21.1) This Condominium may be voluntarily terminated in the manner provided for in Section 1 of the Condominium Act at any time; provided, however, the written consent of the Association shall also be required. When there has been "very substantial" damage, as defined in Article 16 herein, this Condominium shall be subject to termination as provided in Article 16, and in this event, the consent of the Association shall not be required.

21.2) If a proposed voluntary termination shall be submitted to a meeting of the membership of the Association, pursuant to a notice, and is approved in writing within sixty (60) days of the meeting by a majority of the members of the Association, and by all institutional mortgagees, then the Association and the approving owners, if they desire, shall have any option to purchase all of the parcels of the other owners within a period expiring one hundred twenty (120) days from the date of the meeting. An approval shall be

irrevocable until the expiration of the option, and if the option is exercised, the approval shall be irrevocable until the expiration of the option, and if the option is exercised, the approval shall be irrevocable. The option shall be exercised upon the following terms:

(a) An agreement to purchase, executed by an authorized officer of the Association and/or the record owners of the Condominium parcels who will participate in the purchase, shall be delivered by personal delivery or mailed by certified or registered mail to each of the record owners of the Condominium parcel to be purchased, and the delivery shall be deemed the exercise of the option. The agreement shall indicate which Condominium parcels will be purchased by each participating owner and/or the Association, and shall require the purchase of all Condominium parcels owned by owners not approving the termination, but the agreement shall effect a separate contract between the seller and the purchaser.

(b) The sale price for each Condominium parcel shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of the agreement. In the absence of agreement as to price, it shall be determined by arbitration in accordance with the rules of the American Arbitration Association then obtaining, and the judgment upon the award rendered may be entered in any court having jurisdiction thereof.

21.3) In the case of a unit committed to interval ownership, the sale price of each unit week shall be a portion of the total purchase price for the unit equal to the remainder interest of the owner of the unit week as set forth in the original deed setting up the interval ownership.

21.4) The purchase price shall be paid in cash.

21.5) The sale shall be closed within thirty (30) days following the determination of the sale price.

21.6) In the year 2016 the purchaser of units committed to interval ownership shall become tenants in common. The Board of Directors shall, no less than thirty (30) days, nor more than sixty (60) days prior to the actual date of the conversion to tenancy in common, call a meeting of all owners of unit weeks in units committed to interval

ownership. At the meeting, a vote shall be taken to decide the disposition of the units committed to interval ownership. A quorum at the meeting shall be a majority of the total outstanding votes of all owners of unit weeks in units committed to interval ownership. At the meeting, a vote shall be taken to decide the disposition of the units committed to interval ownership.

21.7) At the meeting a majority of the owners may vote to continue their intervals, in which case the restrictive covenants set forth in Article 22 below will be adopted as covenants running with the land for a period of ten (10) years. This process shall be repeated as the end of each successive ten (10) year period approaches. Should less than a majority of the owners vote to continue the intervals at the meeting, then the Board of Directors shall file suit in a court of competent jurisdiction in the district wherein the property lies for partition of the property.

#### ARTICLE 22.

##### SPECIAL PROVISIONS FOR REMAINDER OVER

22.1) Each owner shall have the exclusive right to occupy the unit, and as between owners to use and enjoy the common areas of the Condominium complex and the rights and easements appurtenant to the Condominium complex, during the unit weeks as set forth in the original deed of the interest (and, in the case of Developer, during all unit weeks not included in any time interest theretofore conveyed) and to authorize others to exercise such rights together with the nonexclusive right of use in common with all other owners, but only when acting by prior reservation of time arranged by the Management Firm (or, if no Management Firm be appointed and acting, when acting with a majority in interest of owners), subject to the obligation provided herein to maintain and repair the unit during maintenance weeks. No owner shall occupy the unit, or exercise any other rights of ownership in respect to the Condominium other than the rights provided herein, during any other unit weeks unless expressly authorized by the owner entitled to occupy the unit during the unit weeks or during any maintenance week except when acting through the Management Firm (or, if no Management Firm is appointed and acting, when acting with a majority in interest of owners). Each owner shall keep the unit and all common furnishings in good condition and repair during his unit week or weeks, vacate the unit at the expiration of his unit week or weeks, remove all persons and property therefrom excluding only common furnishings, leave the unit in good and



sanitary condition and repair, and otherwise comply with reasonable checkout and other procedures as may from time to time be contained in rules and regulations promulgated by the Association.

22.2) No owner or other person or entity acquiring any right, title or interest in the Condominium shall seek or obtain through any legal procedures, judicial partition of the Condominium or sale of the Condominium in lieu of partition at any date prior to the expiration of each successive ten (10) year period voted by a majority of owners. If, however, any time interest shall be owned by two or more persons as tenants in common or as joint tenants, nothing herein contained shall prohibit a judicial sale of the time interest in lieu of partition as between such co-tenants or joint tenants.

# ARTICLE 23.

## USE OF COMMON ELEMENTS AND FACILITIES

23.1) The Association, its members, the Developer and its successors and assigns and all parties who own an interest in the facilities agree that they shall not have any right to bring any action for partition or division of the real property that constitutes the Condominium complex and the parties do hereby waive the rights of partition or division of the facilities.

23.2) The initial rules and regulations, and all amendments thereof and revisions thereof pertaining to use of the common elements and facilities shall be posted in conspicuous places on the common elements or facilities. The unit owners hereby covenant and agree to be bound by all of the rules and regulations and the parties shall obey same and be responsible for their being obeyed by the unit owners, their family, guests, invitees and servants. Should a unit owner fail to pay an assessment for common expenses, as required under the terms of this Declaration for the period of time specified herein whereby the assessment becomes delinquent, the Association may deny the unit owner or the authorized user of the facilities the use and enjoyment of the facilities until all assessments are paid. The Association shall further have the right in its sole discretion to suspend any unit owner or authorized user of the facilities from their use for a period not to exceed thirty (30) days for any infraction of the promulgated rules and regulations pertaining to the facilities. Should the right of unit owner or the authorized user of the facilities be suspended, there shall be no reduction in the assess-

ments due and payable by the unit owner or authorized user. In the case of a Condominium unit committed to interval ownership, all sanctions, as outlined above, for failure to pay an assessment, shall be limited to the delinquent unit week owner and shall be of no force and effect against nondelinquent owners of the unit weeks in the Condominium unit committed to interval ownership.

23.3) Any person who is the owner of a Condominium parcel in this Condominium, together with spouse and other members of the parcel owner's immediate family who are in residence in the Condominium parcel as provided herein, may use the facilities.

23.4) Where a corporation is a parcel owner, the use of the facilities shall be limited at any one time to the officer, director or employee of the corporation who is in actual residence and that individual shall be deemed to be the Condominium parcel owner for the purposes of this paragraph. All unit owner's children and children of guests or invitees must be accompanied by an adult as provided herein to the portions of the facilities as the Association determines. Guests and invitees of a unit owner, exclusive of the children of a parcel owner whether in temporary residence in the Condominium or not, may only be permitted to use the facilities area, if at all, with the permission of the Association and subject to the terms and conditions as the Association may determine in its sole discretion, including the payment of additional compensation therefor, it being understood and agreed that the facilities are primarily designed for the use and enjoyment of the unit owners and others within the real property described in Exhibit 1 and the use by others may be required to be limited or not permitted at all during certain times of a day, certain weeks or months of a year, and the Association shall determine the foregoing in its sole discretion, including the manner and method in which the facilities are to be used and under what circumstances.

23.5) Where a unit owner owns more than one unit, the family in residence in each unit shall be entitled to the use of the facilities, whether the family in residence be a lessee of the Condominium unit or otherwise. Where a party owns one Condominium parcel and leases same, the lessee shall be entitled to the use of the facilities and the lessee's rights thereto shall be the same as though the lessee were the unit owner and during the term of the lease, the unit owner and his family shall not be entitled to the

use of the facilities. Use of the facilities by owners of unit weeks in units committed to interval ownership, or any other person using the facilities through the owner, shall be limited to the period of ownership each year of the owner of unit weeks in the unit.

ARTICLE 24.

MISCELLANEOUS PROVISIONS

24.1) The unit owners shall not be deemed to own the undecorated or unfurnished surfaces of the perimeter walls, floors and ceilings surrounding their respective Condominium units, nor shall the unit owner be deemed to own pipes, wires, conduits, or other public utility lines running through the Condominium units which are utilized for or serve more than one Condominium unit, which items are hereby made a part of the common elements. The unit owner, however, shall be deemed to own the walls and partitions which are contained in the unit owner's Condominium unit, and shall also be deemed to own the inner decorated finished surfaces of the perimeter walls, floors, and ceilings, including plaster, paint and wallpaper; however, all load bearing walls and, where applicable, the floor between the first-ground floor and second floor located within a Condominium unit and, where applicable, the floor between any subsequent higher floors located within a Condominium unit, and the floor of the first-ground floor within a Condominium unit, are a part of the common elements to the unfinished surface of the walls and floors.

24.2) The unit owners agree that if any portion of a Condominium unit or common element or limited common element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event a Condominium building or buildings are partially or totally destroyed and then rebuilt, the owners of the Condominium parcels agree that encroachments on parts of the common elements or limited common elements or Condominium units due to construction, shall be permitted, and that a valid easement for the encroachments and the maintenance thereof shall exist.

24.3) No unit owner may exempt himself from liability for his contribution toward the common expenses, or, in the case of an owner of unit week in a Condominium unit committed to interval ownership, the maintenance fee, by waiver of the use and enjoyment of any of the common elements or the recreation facilities, or by the abandonment of his Condominium unit.

24.4) The owners of each and every Condominium parcel shall return the parcel for the purpose of ad valorem taxes with the tax assessor of the County of St. Johns or for such other future legally authorized governmental officer or authority having appropriate jurisdiction. Nothing herein shall be construed, however, as giving to any unit owner the right of contribution or any right of adjustment against any other unit owner on account of any deviation by the taxing authorities from the valuation herein prescribed, each unit owner to pay ad valorem taxes and special assessments as are separately assessed against his Condominium parcel on interest therein.

24.5) In the event the tax assessor refuses, or is otherwise unable to break down ad valorem taxes on a unit committed to interval ownership among the various owners of unit weeks therein, or it is determined by the Association that it is in the best interests of the owners to do so, the Association shall return the same and prorate the ad valorem taxes among the various owners of unit weeks in each particular unit on the same basis as the maintenance fee, collecting the taxes as part of the maintenance fee, and paying same to the tax assessor. Should any owner fail to pay his share of the ad valorem taxes through the maintenance fee, the Association shall have the right and the power to pay the ad valorem tax and to levy an assessment against the owner for the unit weeks owned by the owner, which assessment shall have the same effect as other special assessments.

24.6) For the purpose of ad valorem taxation, the interest of the owner of a Condominium parcel in his Condominium unit and in the common elements shall be considered a unit. The value of the unit shall be equal to the percentage of the value of the entire Condominium, including land and improvements, as has been assigned to the unit as set forth in this Declaration. The total of all percentages equals 100% of the value of the land and improvements thereon.

24.7) All provisions of this Declaration and Exhibits appended hereto, including Amendments thereof, shall be construed as covenants running with the land, and of every part thereof and interest therein, including but not limited to every unit and the appurtenances thereto and every unit owner and occupant of the property, or any part thereof, or of any interest therein, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of this Declaration and Exhibits appended hereto and any Amendments thereof.

24.8) If any of the provisions of this Declaration, the Bylaws, the Articles of Incorporation of the Association, the Management Agreement, the Condominium Act, or any section, clause, phrase, word, or the application thereof, in any circumstance, is held invalid, the validity of the remainder of this Declaration, the Bylaws, Articles of Incorporation and Management Agreement, the Condominium Act, and of the application of any such provision, action, sentence, clause, phrase, or word, in other circumstances, shall not be affected thereby.

24.9) Whenever notices are required to be sent hereunder, they may be delivered to unit owners either personally or by mail, addressed to the unit owners at their place of residence in the Condominium, unless the unit owner has, by written notice duly receipted for, specified a different address. Proof of such mailing or personal delivery by the Association or Management Firm shall be given by the Affidavit of the person mailing or personally delivering the notices. Notices to the Association shall be delivered by mail to the secretary of the Association, at the secretary's residence in the Condominium, or in case of the secretary's absence, then the president of the Association at his residence in the Condominium, and in his absence, any member of the Board of Directors of the Association. The change of the mailing address of any party as specified herein shall not require an amendment to this Declaration.

Notices to the Developer shall be delivered by mail at:

C & H Investments  
820 North Front Street  
Mankato, Minnesota 56001

Notices to the Management Firm shall be delivered by mail at:

Real Estate Advisory Group, Inc.  
66 West Granada Boulevard  
Ormond Beach, Florida 32074

24.10) All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice, duly receipted for. Notices required to be given to the personal representatives of a deceased owner or devisee, when there is no personal representative, may be delivered either personally or by mail to the party at his or its address appearing in the records of the court wherein the estate of the deceased owner is being administered. The change of the mailing address of any party,

as specified herein, shall not require an amendment to the Declaration.

24.11) For purposes of this paragraph, notices shall be sent to the owners of all unit weeks within a specific Condominium unit committed to interval ownership at each unit week owner's place of residence on file with the Condominium Association.

24.12) The Developer shall have the right to use a portion of the common elements of the Condominium property for the purpose of aiding in the sale of Condominium units including the right to use portions of the Condominium property for parking for prospective purchasers and such other parties as Developer determines. The foregoing right shall mean and include the right to display and erect signs, billboards and placards and store, keep and exhibit same and distribute audio and visual promotional materials upon the common elements of the Condominium property. Notwithstanding the provisions of Article 24 of this Declaration, the Developer shall have the paramount right in its sole discretion to use Condominium Unit B-112 as a sales office and Developer shall not be required to pay for the use of the unit or space therein.

24.13) In addition to the "Remedies for Violation" provided for by the Florida Condominium Act, should the Association or the Management Firm on behalf of the Association, or on its own behalf, find it necessary to bring about compliance with the law, this Declaration and Exhibits appended to this Declaration, upon a finding by the court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Management Firm and the Association for reasonable attorneys' fees incurred by it in bringing such action, as determined by the court.

24.14) Subsequent to the filing of this Declaration of Condominium, the Condominium Association, when authorized by a vote of the majority of the total vote of the members of the Association and approved by the owners and holders of institutional first mortgages encumbering Condominium units who represent a majority of the dollar institutionally mortgaged indebtedness against the Condominium may, together with other condominium associations, purchase, acquire or agree, to acquire leaseholds, memberships and other possessory or use interests in land or facilities, including, but not limited to, country clubs, golf courses, marinas, and other recreational facilities, whether or not contiguous to the lands of the Condominium intended to provide for the enjoyment, recreation and other use or benefit of the unit owners. The expense of ownership, rental membership fees,

operations, replacements and other undertakings in connection therewith shall be common expenses, together with all other expenses and costs herein or by law defined as common expenses. The provisions of this Article are paramount to and superior to Article 9 of this Declaration as to the matters set forth in this Article.

24.15) Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of the singular shall include the plural and the plural shall include the singular. The provisions of the Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a Condominium.

24.16) The captions used in this Declaration of Condominium and Exhibits appended hereto are inserted solely as a matter of convenience and shall not be relied upon or used in construing the effect or meaning of any of the rest of this Declaration or Exhibits appended hereto.

24.17) Where an institutional first mortgage, by some circumstance, fails to be a first Mortgage, but it is evident that it is intended to be a first mortgage, it shall, nevertheless, for the purposes of this Declaration and Exhibits, be deemed to be an institutional first mortgage.

24.19) If any term, covenant, provisions, phrase or other element of the Condominium Documents is held invalid or unenforceable for any reason whatsoever, such holding shall not be deemed to affect, alter, modify or impair in any manner whatsoever any other term, provisions, covenant or element of the Condominium Documents.

24.20) The Developer specifically disclaims any intent to have made any warranty or representation in connection with the property or the Condominium Documents, except as specifically set forth therein, and no person shall rely upon any warranty or representation not so specifically made therein. Maintenance fees, common expenses, taxes or other charges are estimates only and no warranty, guaranty or representation is made or intended, nor may one be relied upon. The Developer has constructed the buildings and

improvements substantially in accordance with the plans and specifications on file in the Building and Zoning Department of the applicable governmental authority, and as same have been modified, and this is the full extent of the Developer's liability and responsibility.

24.21) The Condominium Association, by its execution of this Declaration of Condominium approves the foregoing and all of the covenants, terms and conditions, duties and obligations of this Declaration of Condominium and Exhibits appended hereto. The unit owners by virtue of their acceptance of the Deed of Conveyance as to their Condominium unit, and other parties by virtue of their occupancy of units hereby approve the foregoing and all of the terms and conditions, duties and obligations of this Declaration of Condominium and Exhibits appended hereto.

24.22) No unit owner shall bring, or have any right to bring, any action for partition or division of the Condominium property, nor shall any owner of unit weeks within any Condominium unit committed to interval ownership have any right to bring any action with reference to other owners of unit weeks in the Condominium unit.

24.23) The real property submitted to Condominium ownership herewith is subject to conditions, limitations, restrictions, reservations, all matters of record and the rights of the United States of America, the State of Florida or any governmental authority or agency as to any submerged lands and as to any lands lying below the natural ordinary high-water line of the surrounding bodies of water, taxes, applicable zoning ordinances now existing or which may hereafter exist, easements for ingress and egress for pedestrian and vehicular purposes, easements for utility service and drainage now existing or hereafter granted by the Developer for the benefit of such persons as the Developer designates and the Developer shall have the right to grant easements and designate the beneficiaries thereof for such time as it determines in its sole discretion and thereafter the Association shall be empowered to grant easements on behalf of its members. During the period of time that the Developer has the right to grant the foregoing easements, the consent and approval of the Association and its members shall not be required. The right to grant the foregoing easements shall be subject to the easements not structurally weakening the buildings and improvements upon the Condominium property nor unreasonably interfering with the enjoyment of the Condominium property by the Association's members.



24.24) The Condominium Association and its members, the Developer, its successors and assigns and designees, by virtue of the execution of this Declaration and Exhibits appended hereto, are hereby granted an easement over, through and across the paved areas of the common elements and limited common elements, other than the parking spaces, for vehicular and pedestrian purposes. The aforesaid parties are further granted a pedestrian easement over and across the common elements and limited common elements of the Condominium other than a limited common element which may be a parking space, patio, deck or balcony in the Condominium. The easements shall also be for the benefit of all owners of a portion of the real property and persons resident upon the lands or portions of the land which are more fully described in Exhibit 1 appended hereto. The paved areas of the common elements which are subject to the easement herein granted may be designated on Exhibit 1 as a paved area, street, driveway, roadway, access easement or ingress easement; provided, however, all paved areas of the common elements and limited common elements of the Condominium other than parking spaces, patios and balconies, whether shown as such on Exhibit 1 are subject to the vehicular and pedestrian easement.

24.25) No right shall accrue to the public from the above-described easements and the easements shall endure to 2016, and thereafter for successive periods of ten (10) years unless sooner terminated by a recorded document duly executed and recorded by the persons required in the public records of St. Johns County, Florida. Easements may be terminated in whole or in part prior to 2016, and thereafter upon the joint consent of the Developer, its successors and assigns, and the owners of all the lands which are entitled to the use of the easements except where all or portions of the lands shall have been submitted to Condominium ownership, the Condominium Association responsible for the operation and management of the Condominium are irrevocably appointed and authorized by the Condominium parcel owners to execute this instrument and the execution of this instrument by the unit owners shall not be required. The foregoing shall be subject to such additional easements as the Developer may deem necessary and the Developer shall have the right in its sole discretion to grant additional easements over, upon and across the easement areas as it deems necessary and the consent of no other party shall be required.

24.26) The provisions of this Declaration and Exhibits appended hereto shall be paramount to the Condominium Act as to those provisions where permissive variances are

permitted; otherwise, the provisions of the Condominium Act shall prevail and shall be deemed incorporated therein.

IN WITNESS WHEREOF, C & H INVESTMENTS, a Minnesota General Partnership, has caused these presents to be signed in its name by its General Partners, this 2nd day of February, 1977.

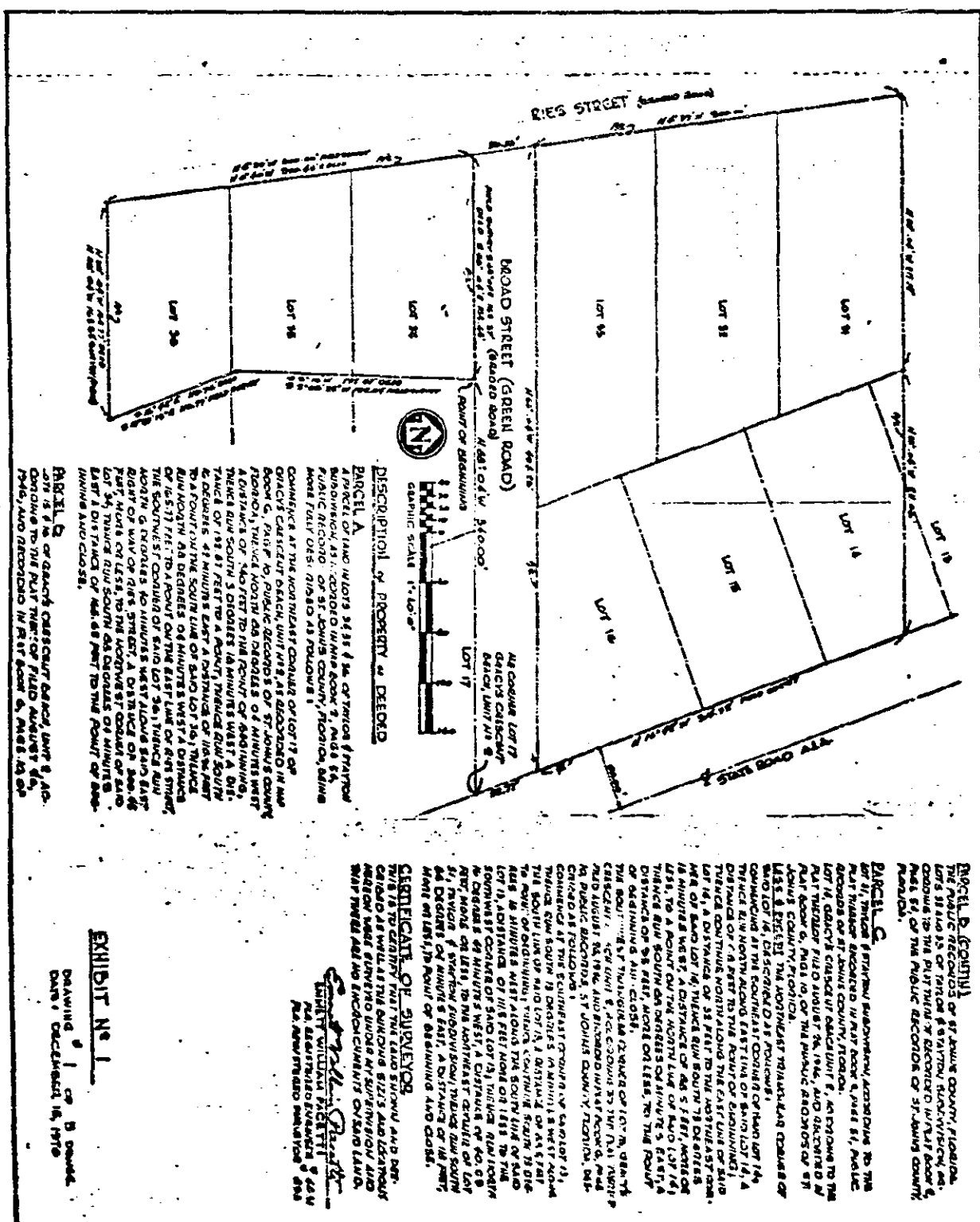
By: John J. Howard  
Its: General Partner

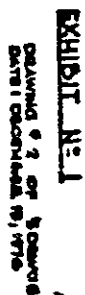
By: Thomas P. Coughlan  
Its: General Partner

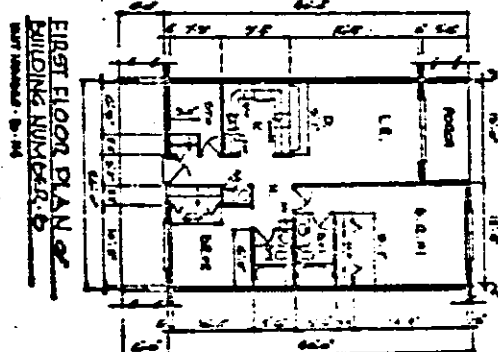
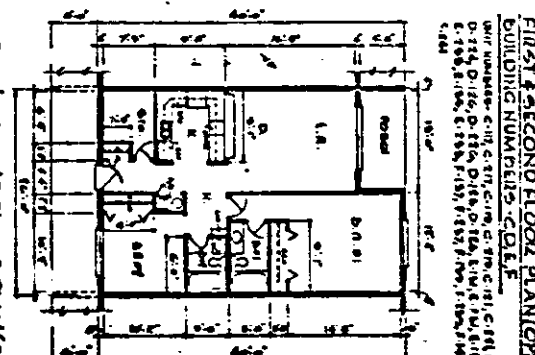
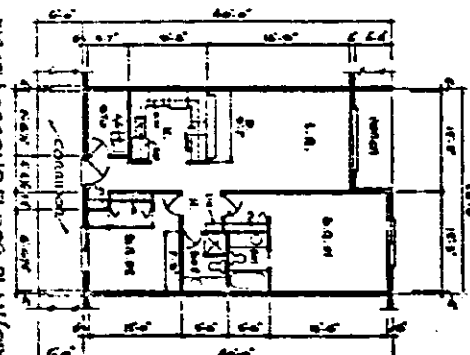
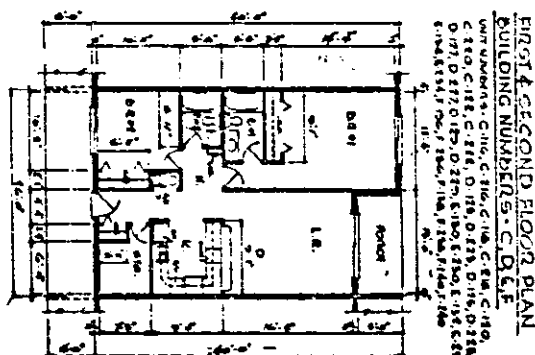
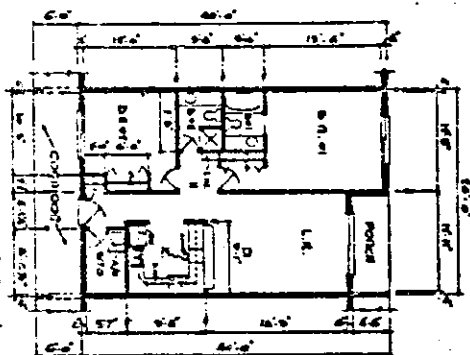
By: Daniel J. Coughlan  
Its: General Partner

The foregoing instrument was acknowledged before me by John J. Howard, Thomas P. Coughlan, and Daniel J. Coughlan, the General Partners of the C & H INVESTMENTS, a Minnesota General Partnership, this 2nd day of February, 1977.

Fredrick L. Price  
Notary Public  
NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES SEP. 20, 1977  
BOUGHT THRU GENERAL INSURANCE UNDERWRITERS

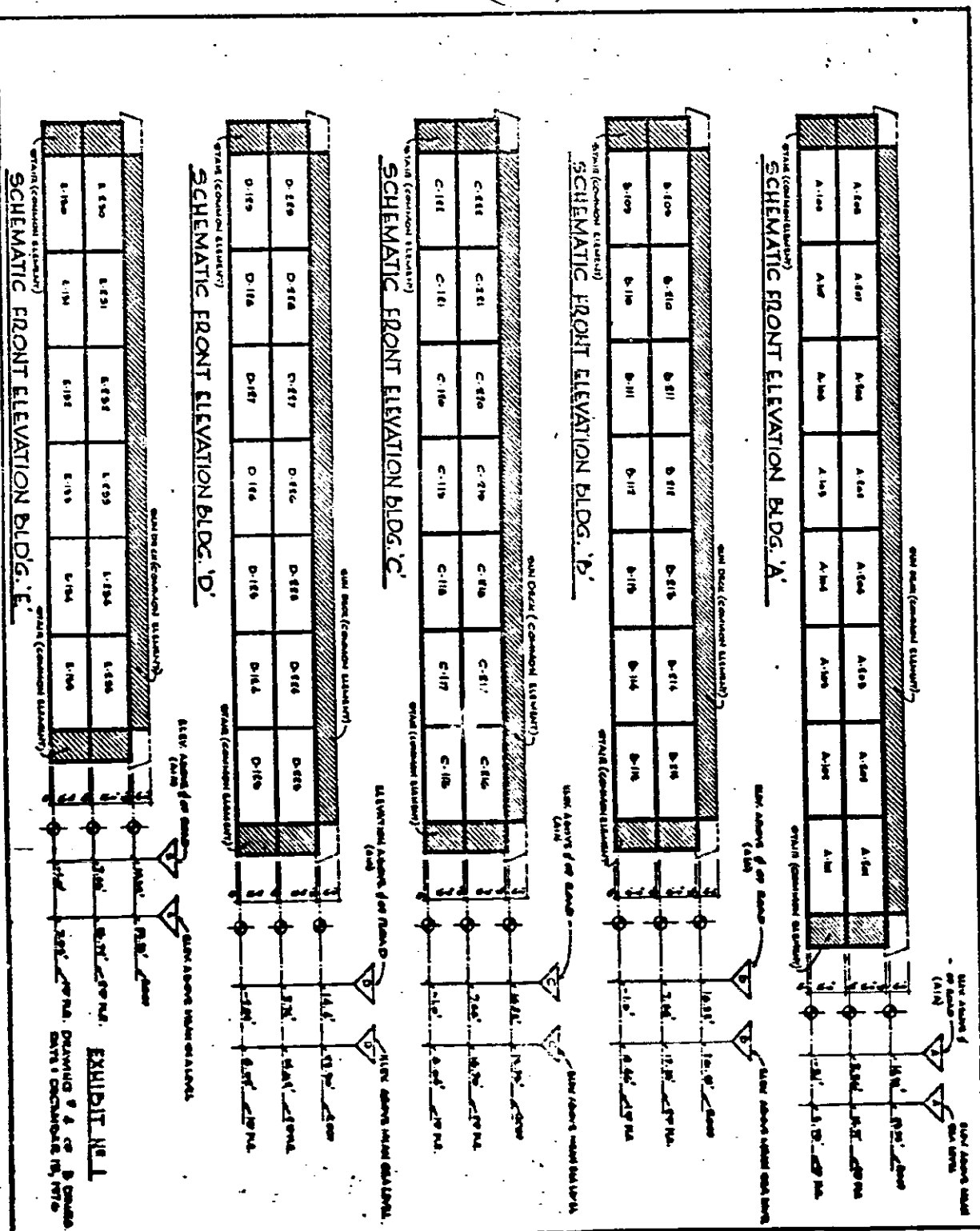






**EXHIBIT No. 1**

DRAWING 5 ON 5 DRAWING  
DATE: DECEMBER 19, 1976



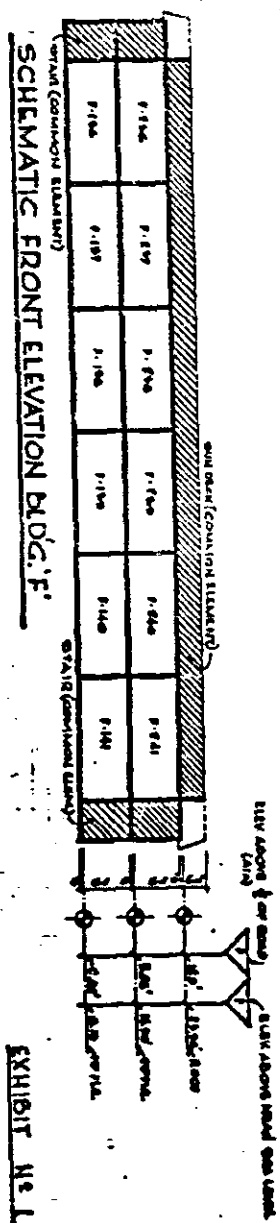


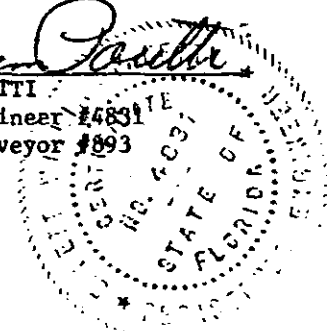
EXHIBIT No. 1.  
DRAWING NO. 5 OF 15 CANNON-  
DATA DECEMBER 10, 1970

C E R T I F I C A T E

I HEREBY CERTIFY that I prepared Exhibit No. 1 consisting of five (5) drawings, dated December 15, 1976, and that the construction of the improvements of Pelican Inlet Condominium as shown on Exhibit No. 1 is substantially complete. Exhibit No. 1 is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the common elements and of each unit can be determined from Exhibit No. 1.

DATED this 15th day of December, 1976.

*Emmett William Pacetti*  
 EMMETT WILLIAM PACETTI  
 Fla. Registered Engineer #4831  
 Fla. Registered Surveyor #893






PELICAN INLET CONDOMINIUM  
MANAGEMENT AGREEMENT

THIS AGREEMENT, made and entered into on this 1st day of February, 1977, by and between the REAL ESTATE ADVISORY GROUP, INC., a Florida corporation (the Management Firm), and PELICAN INLET CONDOMINIUM OWNERS ASSOCIATION, INC., a Florida nonprofit corporation (the Association), their legal representatives, successors and assigns of the parties hereto:

W I T N E S S E T H :

WHEREAS, the Association is responsible for the operation and management of that certain Condominium specified in the Declaration of Condominium to which this Management Agreement is attached as Exhibit 2, and the Association is desirous of entering into a Management Agreement for the management of said Condominium; and,

WHEREAS, the Management Firm is desirous of furnishing management services;

NOW, THEREFORE, in consideration of the mutual promises and premises, it is agreed by and between the parties as follows:

1.) That the terms used in this Management Agreement shall be defined as the terms are defined and used in the Condominium Act, or in the Declaration of Condominium to which this Management Agreement is attached as Exhibit 2.

2.) The Association does employ the Management Firm as the exclusive Manager of the Condominium property and the Management Firm accepts employment.

3.) The term of this Agreement shall commence on even date herewith through the 1st day of February, 1979. Thereafter, it shall be automatically renewed for successive one (1) year periods unless terminated by the Board of Directors of the Association upon thirty (30) days' written notice to the Management Firm. This Agreement may be terminated by either party, with or without cause, upon thirty (30) days' written notice.

4.) The Management Firm shall perform the following services (by way of illustration and not of limitation);

(01) To hire, compensate and supervise all persons necessary to be employed to properly maintain and operate the Condominium including a manager who, in each instance, shall be the employee of the Association. The Management Firm shall have the authority and responsibility in its absolute discretion, on behalf of the Association, to determine and cause to be discharged all persons whose performance is unsatisfactory, unnecessary or undesirable.

EXHIBIT 2

(02) To maintain and repair the Condominium property including the Common Elements, in the manner required of the Association (see the Condominium Declaration and the Exhibits appended thereto). The expense incurred to repair, replace, or refurbish the Condominium shall not exceed the sum of Two Thousand Five Hundred Dollars (\$2,500) per item, unless specifically authorized by the Board of Directors of the Association. In the case of an emergency, however, the Management Firm is authorized to expend sums necessary to protect and preserve the Condominium property.

(03) To take such action as may be necessary to comply with all laws, statutes, ordinances, rules and of all appropriate governmental authorities, and the rules and regulations of the National Board of Fire Underwriters, or in the event it shall terminate its present functions, those of any other body exercising similar functions.

(04) To enter into contracts for garbage and trash removal, vermin extermination, and other services, and make all such contracts and purchases in either the Association's or Management Firm's name, as the Management Firm shall elect.

(05) To procure or keep in force all insurance required or permitted in the Declaration of Condominium; to act as Agent for the Association, each Unit Owner, and for each owner of any other insured interest; to adjust all claims arising under said insurance policies; to bring suit thereon and deliver releases upon payment of claims; to otherwise exercise all of the rights, powers and privileges of the insured parties; to receive on behalf of the insured parties, all insurance proceeds, subject to the provisions of the Declaration of Condominium.

(06) To maintain the Association's financial record books, accounts and other records as provided by the Association's Bylaws and pursuant to the Condominium Act; issue Certificates of account to Members, their mortgagees and lienors. The records shall be kept at the office of the Management Firm and shall be available for inspection by the Association at any reasonable time. The Association may also conduct or cause to be conducted, an external audit, provided the cost for same is paid by the Association. As a standard procedure, the Management Firm shall render to the Association a statement in a form approved by the Board of Directors for each calendar year no later than April 1st in the following year. The Management Firm shall perform a continual internal audit of the Association's financial records for the purpose of verifying the same, but no independent or external audit shall be required of it. The consent of the Management Firm to an independent auditor shall not be unreasonably withheld.

(07) To maintain records sufficient to describe its services and such financial books and records sufficient in accordance with generally accepted accounting principles consistently applied to identify the source of all funds collected by it in its capacity as Management Firm, and the disbursement thereof. The records shall be kept at the office of the Management Firm and shall be available for inspection by the Association. The Management Firm shall perform a continual internal audit of the Management Firm's financial records relative to its services as Manager for the purpose of verifying same, but no independent or external audit shall be required of it.

(08) To submit annually to the Association a proposed operating budget for the ensuing year, setting forth the anticipated income and expenses of the Condominium for the year, including a statement of each Unit Owner's monthly share thereof. Should an increase in assessments or a special assessment be required during the year, it shall be determined and made by the Association. The Management Firm shall advise the Association thereof and as to the share payable by each of the Association's Members. The Management Firm shall collect the assessments authorized. The assessments as to each Member of the Association shall be made payable to the Association. Where the Management Firm does not submit a proposed operating budget for the ensuing year to the Association as herein set forth, the operating budget for the current year shall be deemed to apply to the ensuing year and each Unit Owner's monthly share shall continue in the same amount subject, however, to the right of the Association to increase assessments during the year or levy a special assessment where it determines that same is necessary and advisable.

(09) To have authority and responsibility to maintain and replace the personal property within Units committed to interval ownership, and in such capacity to:

- (a) Determine the maintenance fee, proration of taxes, and other Common Expenses applicable to those Condominium Units committed to interval ownership, as defined in the Declaration of Condominium. Subject to paragraph 4(02), the Management Firm shall have sole discretion, while this Agreement remains in effect, for making determinations as to replacements of personal property located within the Units, decor, and all other judgments relating to Units committed to interval ownership. All replacements shall maintain the standard of quality of the furniture, other personal property and decor, as originally contained in the Unit at the time it is committed to interval ownership.
- (b) It is understood by and between the parties that a portion of the maintenance fee will be set aside as a reserve for future replacements and repairs. The Management Firm, subject to the approval of the Board of Directors of the Association, shall determine the amounts of the reserves and the application of the funds.

(10) To deposit all funds collected from the Association's Members, or otherwise accruing to the Association in a special trust account or accounts of the Management Firm in a bank with suitable designation indicating their source. The funds shall be held separate from and not co-mingled with similar funds collected by the Management Firm on behalf of other Condominiums or entities which the Management Firm manages.

(11) To attend meetings of the Unit Owners and of the Board of Directors of the Association. It is understood and agreed that the Minutes of all the Association's meetings, whether of Unit Owners or of the Board of Directors, shall be taken by the Association's Secretary, and possession of the Minute Book shall be in the custody of the Secretary, who shall be responsible for preparing and furnishing notices of all meetings to the required parties. The Management Firm shall have the right to recommend, subject to approval of the Association, a fiscal year and when it shall commence.

(12) To promulgate, adopt and amend Rules and Regulations, subject to the approval of the Association, for the use and occupancy of the Condominium's Common Elements, Limited Elements, and Units therein, and to enforce same. The Management Firm shall occupy and use Condominium Unit B115 as a management office and Manager's residence unit, and the Management Firm shall designate such parties who are to reside in, operate, and run Unit B115. Unit B109 shall be operated as a Manager's office and a certain area therein may be used as a linen storage area and for mail boxes for the use and benefit of the Unit Owners. Condominium Unit B109 shall be open as a Manager's office for business on a schedule determined by the Management Firm. Condominium Unit B112 may also be used by the Developer as a sales office. The Developer and Management Firm shall not be required to pay any of the costs and expenses incurred or applicable to the Condominium Unit, except those expenses as are personal to the Developer or Management Firm and not contemplated as being paid by the Unit Owners. The Unit Owners shall pay all of the costs and expenses applicable to Units B109 and B115 which are incurred as a result of the management and operation of the Condominium.

(13) To make required alterations and additions when authorized by the Board of Directors of the Association or its Members to the Common Elements or Limited Common Elements of the Condominium property in accordance with the Declaration of Condominium and Exhibits appended thereto. The Management Firm shall be paid for the cost of its personnel and overhead, materials and equipment, including contractors, subcontractors or materialmen that are reasonably required.

(14) To retain and employ professionals and other experts when authorized by the Board of Directors whose services may be reasonably required to effectively perform its duties and exercise its powers.

(15) To enter into agreements upon reasonable terms and conditions to improve the Common Elements and the Condominium, and by agreement grant concessions and licenses to persons to provide facilities and services to and within the Condominium, cause coin vending machines and coin operated equipment and pay telephones to be installed within the Condominium, and to purchase or rent the equipment on behalf of and at the cost and expense of the Association; however, all income derived by the Management Firm from the foregoing shall inure to the benefit of the Association and all expenses incurred in their operation shall be borne by the Association. The parties recognize that agreements, concessions and licenses may be entered into to provide facilities and services as specified herein for very nominal or no compensation whatsoever. The Management Firm may enter into agreements of this nature upon reasonable terms and conditions.

(16) To make and collect special assessments for the above purposes, subject to the provisions of the Declaration of Condominium to which this Management Agreement is appended as Exhibit 2, and all Exhibits to the Declaration of Condominium.

(17) To exercise the powers and rights delegated to it under the terms and provisions of the Declaration of Condominium and all Exhibits attached thereto.

(18) To undertake to repair and restore the loss of the Condominium or any portion thereof, including any Unit or the Common Elements, as is required due to an Act of God or other causes, other than normal wear and tear; provided the loss is less than "very substantial", as defined in the Declaration of Condominium. The Management Firm shall be authorized and empowered to ascertain and assess the costs of repairing and restoring the loss among the Unit Owners on a fair and equitable basis as it deems reasonable, subject to the approval of the Board of Directors of the Association and pursuant to the Declaration of Condominium, notwithstanding the fact that said loss or damage was, or was not, covered by insurance. The total assessment shall be equal to the cost of the repair which shall include the costs of the Management Firm's personnel, materials and equipment, and any and all other contractors, subcontractors, or materialmen that are required. Should the loss be covered by insurance, the proceeds thereof shall be applied as a credit against the total costs of the repair and restoration. It shall be presumed that the first monies disbursed in payment of costs of repair and restoration shall be from insurance proceeds, where the proceeds have been received, and then from assessments collected, and, should there be a surplus of such funds, the surplus shall be disbursed to or on behalf of the Unit Owners, as provided in the Declaration of Condominium.

5.) Notwithstanding the delegation by the Association to the Management Firm of its power to collect assessments during the term of this Agreement, the Association retains the power to make those assessments as are specified in the Declaration of Condominium to which this Agreement is attached as Exhibit 2, and the Bylaws which are appended thereto.

6.) The Management Firm shall apply assessments collected as to those items specified in the Bylaws of the Association including the Management Firm's fee and its overhead and expenses, which shall be deemed Common Expenses. The Management Firm, during the term of this Agreement, may file a lien against a Unit Owner's Condominium Unit, should he fail to pay his assessments or maintenance fee as provided in the Declaration of Condominium and Exhibits attached thereto, and take other authorized actions in the name of or as agent of the Association. The Management Firm may compromise liens in such amount as it deems advisable, subject to the approval of the Board of Directors of the Association, and it may satisfy liens of record and render statements as to the current status of a Unit Owner's assessment. In the case of a unit committed to interval ownership, any lien against an Owner of a Unit Week shall be limited to the Unit Weeks owned by the defaulting Owner and shall not be filed in a manner which encumbers the Unit Weeks owned by any other Owner in the Unit.

7.) The Association shall aid and assist the Management Firm in any reasonable manner requested by the Management Firm as to the collection of assessments, and the Association shall further aid and assist the Management Firm in any reasonable manner requested by the Management Firm so as to simplify the method of collecting the monthly assessments of special assessments due from Unit Owners.

8.) The Management Firm shall not be obligated to pay Common Expenses from its own funds and shall only be required to perform its services and make disbursements to the extent that payment received from the assessments or other revenue, if any, of the Association are sufficient to pay the costs and expenses of such services and the amounts of such disbursements. If it shall appear to the Management Firm that the

assessments and other revenue, if any, of the Association and its Members are insufficient, the Management Firm shall forthwith determine such additional assessment as is required and advise the Association and its Members.

9.) The Management Firm shall receive as compensation for its services a net fee, free from all charges and expenses, of Five Hundred Dollars (\$500.00) per month for the first six (6) months of this Agreement which shall increase at the rate of One Dollar (\$1.00) per two (2) Unit Week interval sold until all Unit Weeks are sold when the fee shall be One Thousand Seventy Dollars (\$1,070.00) per month which shall be designated the "Management Fee". The Management Fee shall be taken into consideration in setting the Common Expense and Maintenance Fee assessments. The Management Fee shall be determined for successive one (1) year periods (if any) by negotiation between the Association and the Management Firm.

10.) The members of the Association shall not interfere with the Management Firm in the performance of its duties or the exercise of any of its powers hereunder.

11.) The Management Firm shall not be liable to the Association or its Members for any loss or damage not caused by the Management Firm's negligence or misconduct, and the Association and its Members will and do hereby agree to indemnify and save harmless the Management Firm from any and all liability for damages, costs and expenses arising from injury to any person or property in, about and in connection with the Condominium, unless the injury is caused by the Management Firm's negligence or misconduct.

12.) The Association, on behalf of its Members, may assign its right, title and interest in and to this Agreement to another Condominium Association operating and existing under the laws of Florida; however, an Assignment shall not be valid unless and until the Assignee thereunder expressly assumes and agrees, in writing, to perform each and every covenant and term of this Agreement. The Assignment shall be duly recorded in the Public Records of the County where the Condominium is located and an executed duplicate of the Assignment shall be delivered to the Management Firm by certified mail or its equivalent.

13.) The Management Firm shall be authorized to assess a Condominium Unit Owner for those items of special assessments as set forth in the Declaration of Condominium and in this Agreement - i.e., maintenance, repairs or replacements caused by the negligence or misuse by a Unit Owner, his family, servants, guests or invitees, or lessees; or failure of a Unit Owner to maintain those portions of his Condominium Unit and Limited Common Elements assigned to his Unit, as he is required to repair and maintain; or violation of the provisions of the Declaration of Condominium and Exhibits attached thereto which require the removal of the violation by the Management Firm or increases the costs of maintenance or repair upon the Management Firm, or increases insurance rates and premiums. The Management Firm is further authorized to assess a Unit Owner for special assessments for guests or invitees of the Unit Owner except minor children of the Unit Owner, whether in residence in the Condominium or not, as to their use of the facilities, or for services, purchases, rental of equipment or otherwise, as to the facilities and the Condominium, including allied services and for any other special services or charges agreed upon between the Unit Owner and the Management Firm, that is, providing special services on behalf of and at the request of the Unit Owner, such as putting up the Unit Owner's approved storm shutters, or providing personal services within the Unit Owner's Unit, or providing a service or reporting information on behalf of a Unit Owner as may be required by the Unit Owner's mortgagee. The Management Firm

shall be under no duty or obligation to perform personal services. Items of special assessments shall be a lien upon the appropriate Unit Owner's Unit and the lien shall be enforceable in the same manner as liens for Common Expenses are enforceable against Units. In the case of a Unit committed to interval ownership, the lien shall be limited to the Unit Weeks of the owner to whom the special assessment applies.

14.) All assessments made by the Management Firm under this Agreement, except special assessments assessed pursuant to Article 13 above, shall be deemed Common Expenses of the Condominium specified in the Declaration of Condominium. The Association and its Members further agree that during the term of this Agreement, the number of Condominium Units specified in the Declaration of Condominium to which this Agreement is attached, shall not be changed, and the monthly assessments for Common Expenses during the term of this Agreement shall be in an amount as is determined by the Management Firm.

15.) The Association hereby delegates to the Management Firm the power to regulate vehicular parking of all manner and type of vehicles and the power to assign parking spaces.

16.) Any controversy or claim arising out of, or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association then obtaining, and the judgment upon the award rendered may be entered in any court having jurisdiction thereof.

17.) No waiver of a breach of any of the covenants contained in this Agreement shall be construed to be a waiver of any succeeding breach of the same covenant.

18.) Time is of the essence where an obligation to pay money is involved.

19.) No modification, release, discharge or waiver of any provision hereof shall be of any force, effect or value, unless in writing, signed by the parties to this Agreement - i.e., the Management Firm and the Association, or their respective successors or assigns.

20.) All covenants, promises, conditions and obligations herein whether expressed herein or implied by law shall be binding upon the Management Firm, its successors and assigns, and the Association, its successors and assigns and the present and future owners of the aforesaid Condominium, and their heirs, personal representatives, successors and assigns.

21.) This instrument, together with the Declaration of Condominium and Exhibits appended thereto, constitutes the entire agreement between the parties hereto, as of the date of execution hereof, and neither has been induced by the other by representations, promises or understandings not expressed herein, and there are no collateral agreements, stipulations, promises or understandings whatsoever, in any way relating to the subject matter of this instrument, or the instruments referred to herein, which are not expressly contained herein.

22.) The invalidity in whole or in part of any covenant, promise or undertaking, or any section, subsection, sentence, clause, phrase or word, or any provision of this Agreement or the Exhibits appended hereto, and the Declaration of Condominium, and

Exhibits appended thereto, shall not affect the validity of the remaining portions. The provisions of this Agreement shall be paramount to the Condominium Act as to those provisions where permissive variances are permitted otherwise the provisions of the Condominium Act shall prevail and shall be deemed incorporated herein.

23.) The definitions of the words, terms, phrases, etc., as provided in Article 1 of the Declaration of Condominium are incorporated herein by reference and made a part hereof, and unless the context otherwise requires, said definitions shall prevail.

24.) The words "Condominium Association", "Member(s)", and "Unit Owner(s)", wherever and whenever used herein, shall include the singular and plural thereof, and the use of any gender shall include all genders, wherever the same shall be appropriate. The term "Condominium Unit", or "Unit", or "Unit Weeks", or "Unit committed to interval ownership", or "interval ownership", and the owners thereof shall be defined pursuant to the Declaration of Condominium to which this Agreement is attached, and same are Condominium Units of the Condominium as is created by the Declaration of Condominium, or ownership of part of the Units.

25.) When either party hereto, and the Association's Members, desire to or are required to give notice to the other, or others, in connection with and according to the terms of this Agreement, notice shall be given to the Association, its Members and the Management Firm, as provided in the Declaration of Condominium.

26.) If the Association, or its Members, should breach this Agreement or if the Association shall fail to promptly do any of the things required of it, then the Management Firm after having given written notice to the Association may declare this Agreement in default unless the default be cured by the Association within fifteen (15) days after notice. Upon default, the Management Firm may, in addition to any other remedy given it by agreement or in law or in equity, bring an action against the Association and its Members for damages, specific performance or other rights and remedies available at law or in equity. All of the rights of the Management Firm upon default shall be cumulative and the exercise of one or more remedies shall not be deemed to exclude or constitute a waiver of any additional remedies.

27.) Failure by the Management Firm to substantially perform its duties and obligations under this Agreement for a continuous period of fifteen (15) days after written notice of default from the Association specifying the default complained of, shall be grounds for the Association's immediate cancellation of this Agreement.

28.) The Management Firm shall have the right to suspend any Unit Owner or authorized user of the facilities from the use of the facilities for any infraction of the promulgated Rules and Regulations pertaining to the facilities for a period not to exceed thirty (30) days, for failure to abide by the rules and regulations promulgated from time to time for the use of the facilities, and during the period of suspension shall be limited to the Owner or authorized user committing the breach upon which the suspension is based.

29.) In the event a Unit Owner fails to pay an assessment within ten (10) days after its due date, the Management Firm may deny to the Unit Owner or the authorized user the use and enjoyment of the facilities until such time as all assessments are paid. In the case of a Unit committed to interval ownership, the denial shall be



limited to the Owner and authorized users of the particular Unit Weeks subject to the delinquency.

30.) Use of the facilities shall be limited to Condominium Units and Unit Weeks in the Unit during the term of their ownership, together with spouse and other Members of the Unit Owner's immediate family who are in residence in the Condominium Unit, and other persons under such terms and conditions as the Management Firm determines pursuant to the provision of the Declaration of Condominium. The lessee of a Condominium Unit or Unit Weeks in the Condominium Unit committed to interval ownership shall be entitled to the use of the facilities in the place of the Unit Owner. Owners of Unit Weeks in Units committed to interval ownership, and their lessees and licensees, shall be restricted in their use of the facilities, Common Elements, and Limited Common Elements, to their periods of legal occupancy of the Unit Weeks.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, and have caused these presents to be signed respectively by their proper Officer(s), and their respective corporate seals (if any) have been duly affixed, this 1st day of Feb., 1977.

In the presence of:

REAL ESTATE ADVISORY GROUP, INC.

Donald C. Hara

By: W. L. Brookfield Jr. Pres.  
Its:

Frederick L. Rice

PELICAN INLET CONDOMINIUM

By: John J. Howard  
Its:

PERCENTAGE OF COMMON ELEMENT OWNERSHIP

The undivided shares of ownership in the common elements and the common expenses to be borne by unit owners are stated in percentages as follows:

16 Units A101 through A208 @ 1.22% each	=	19.52%
14 Units B109 through B215 @ 1.22% each	=	17.08%
14 Units C116 through C222 @ 1.22% each	=	17.08%
14 Units D123 through D229 @ 1.22% each	=	17.08%
12 Units E130 through E235 @ 1.22% each	=	14.64%
11 Units F136 through F240 @ 1.22% each	=	13.42%
1 Unit F241 @ 1.18%	=	1.18%

TOTAL

100.00%

For units sold under interval ownership, unit owners of a unit week shall have a 1/50th of the 1.22% undivided ownership in the common elements for each unit week owned by a unit owner of Units A101 through F240; except for Unit F241, where the unit owners of a unit week shall have a 1/50th of the 1.18% undivided ownership in the common elements for each unit week owned by a unit owner.

ARTICLES OF INCORPORATION  
of  
PELICAN INLET CONDOMINIUM OWNERS ASSOCIATION, INC.  
(A Corporation Not for Profit)

1.) Name - The name of the association is PELICAN INLET CONDOMINIUM OWNERS ASSOCIATION, INC., an association not for profit.

2.) Purpose - The purpose for which the corporation is organized is to provide an entity responsible for the operation of Pelican Inlet Condominium, according to the Declaration of Condominium now or hereafter recorded in the public records of St. Johns County, Florida.

3.) Qualification of Members and Manner of Administration - The members of this association shall constitute all of the record owners of Condominium parcels or interval time unit weeks of Pelican Inlet Condominium. All owners of units or unit weeks in a unit committed to interval ownership shall notify the association of any transfer by sale within ten (10) days from the date of same. Change of membership in the association shall be established by recording in the public records of St. Johns County, Florida, a deed or other instrument establishing record title to a unit or unit weeks in a unit committed to interval ownership. The grantee designated by the instrument shall thereby become a member of the association. The membership of a grantor shall thereby terminate.

The persons signing the Articles of Incorporation as incorporators are exempt from the requirement of ownership of a unit or unit weeks in a unit committed to interval ownership. The privilege of membership for incorporators shall extend until seventy-five percent (75%) of the units or unit weeks in a unit committed to interval ownership, whichever is greater, or sold.

4.) Term - The existence of the corporation shall be perpetual unless the Condominium is terminated pursuant to the provisions of its Declaration, and, in the event of such termination, the association shall be dissolved in accordance with the law.

5.) Names and Residences of Incorporators - The names and residences of the incorporators to these Articles of Incorporation are:

Thomas P. Coughlan  
RFD 1, Box 79C  
St. Augustine, Florida 32084

Daniel J. Coughlan  
RFD 1, 79C  
St. Augustine, Florida 32084

John J. Howard  
RFD 1, Box 79C  
St. Augustine, Florida 32084

6.) Directors and Officers - The affairs of the association shall be managed by its Board of Directors.

Exhibit 4

7.) Names of Officers - The names of the officers who are to serve until the first election or appointment are as follows:

John J. Howard - President  
 Thomas R. Coughlan - Vice-President  
 Daniel J. Coughlan - Secretary  
 Daniel M. Coughlan - Treasurer

8.) Board of Directors - The Board of Directors shall consist of four (4) persons initially and the names and addresses of the persons who are to serve as such until the first election thereof are as follows:

Thomas P. Coughlan	RFD 1, Box 79C St. Augustine, Florida 32084
Daniel J. Coughlan	RFD 1, Box 79C St. Augustine, Florida 32084
John J. Howard	RFD 1, Box 79C St. Augustine, Florida 32084
Daniel M. Coughlan	RFD 1, Box 79C St. Augustine, Florida 32084

9.) Limit tion - Only members of the association may be officers or directors. Not more than one (1) owner per unit or interval time unit may be a director or officer. A director may also be an officer. The Board of Directors as designated in paragraph 8 hereof shall serve for a period of twelve (12) months or until the first annual meeting, whichever is later, and until their successors are elected.

10.) By-Laws - The original By-Laws shall be adopted by the Board of Directors. The By-Laws may be amended, altered or rescinded upon the approval of a majority of the association members' total votes.

11.) Amendment of Articles - These Articles of Incorporation may be amended, altered or rescinded only with the approval of not less than seventy-five percent (75%) of the members of the association.

12.) Powers - The association shall have all of the following powers:

- (a) All of the powers now or hereafter conferred upon an Association organized as a corporation not for profit under the laws of Florida and not repugnant to any of the provisions of the Florida Condominium Act or these Articles of Incorporation.
- (b) All of the powers of an Association, as set forth in the Florida Condominium Act.
- (c) To operate and manage the Condominium property in accordance with the Declaration into otherwise exercise the powers, privileges, rights and duties conferred upon it by the Declaration and By-Laws. Further, to contract with third parties for the management of the Condominium property, including delegating to the manager all powers and duties of the association except where specifically reserved to the Board of Directors of the association or the membership of the association.

13.) Personal Compensation

13.1) Pecuniary Gain - This association shall not afford pecuniary gain, incidentally or otherwise, to its members. No part of the net earnings of the association shall inure to the benefit of any member, director, officer of the association, or any private individual, except that reasonable compensation may be paid for services rendered to or for the association affecting one or more of its corporate purposes.

13.2) Dissolution - No member, director, officer of the association or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the association or otherwise.

14.) Certificates - This association shall have no capital stock. Membership in the association and the transfer of the membership, as well as the number of members, shall be established upon such terms and conditions as are provided for in the Declaration of Condominium and the By-Laws.

15.) Annual Meetings - The association shall hold an annual meeting, the date, time, location and notice of which will shall be determined in accordance with the Declaration of Condominium and the By-Laws.

IN WITNESS WHEREOF, the Incorporators hereto have hereunto set their hands and seals this 2nd day of January, 1977.

Signed, sealed and delivered

Fredrick E. Rice

Thomas P. Coughlan

Thomas P. Coughlan (SEAL)

Daniel J. Coughlan (SEAL)

John J. Howard (SEAL)

STATE OF FLORIDA  
ss.  
COUNTY OF DUVAL

BEFORE ME, the undersigned authority, personally appeared Thomas P. Coughlan, Daniel J. Coughlan, and John J. Howard, who after being by me first duly sworn, acknowledged that they executed the foregoing Articles of Incorporation of PELICAN INLET CONDOMINIUM OWNERS ASSOCIATION, INC., a Florida corporation not for profit, for the purposes therein expressed.

WITNESS my hand and official seal, at the State and County aforesaid, this 2nd day of January, 1977.

Thomas P. Coughlan (SEAL)  
Notary Public, State of Florida  
at Large

Notary Public, State of Florida at Large  
My commission expires Aug. 25, 1978

rcf:bw 12/20/76

BYLAWS  
of  
PELICAN INLET CONDOMINIUM OWNERS ASSOCIATION  
A FLORIDA NONPROFIT CORPORATION

ARTICLE 1.

IDENTITY

The following Bylaws shall govern the operation of Pelican Inlet Condominiums.

The Pelican Inlet Condominium Owners Association is a nonprofit corporation organized and existing under the laws of the State of Florida for the purpose of administering the Condominium created by the Declaration of Condominium.

1.1) The office of the Association shall be at the Condominium property, or at such other place as may be subsequently designated by the Board of Directors of the Association.

1.2) As used herein, the word, "Corporation", shall be the equivalent of "Association", as defined in the Declaration of Condominium. All other words, as used herein, shall have the same definitions as attributed to them in the Declaration of Condominium.

1.3) The term "unit owner" as used throughout this article shall be deemed to include owners of unit weeks in units committed to interval ownership.

ARTICLE 2.

MEMBERSHIP AND VOTING PROVISIONS

2.1) Membership - Membership in the Association shall be limited to owners of the Condominium units in the Condominium. Transfer of unit ownership, either voluntary or by operation of law, shall terminate membership in the Association, and the membership is to become vested in the transferee. If unit ownership is vested in more than one person, then all persons owning the unit shall be members eligible to hold office, attend meetings, and vote when authorized. If unit ownership is vested in a corporation, partnership or joint venture, the corporation may designate an individual officer or employee of the corporation as its voting member. Notwithstanding the foregoing, each owner of unit weeks in the Condominium unit committed to interval ownership shall be entitled to cast his share of the vote of the unit in which he owns his unit weeks.

Exhibit 5

2.2) Voting -

(01) The owner(s) of each Condominium unit shall be entitled to the number of votes equal to the total of the percentage of ownership in the common elements applicable to his unit ownership, as set forth in the Declaration of Condominium. If a Condominium unit owner owns more than one (1) unit, he shall be entitled to one (1) vote for each unit owned. The vote of a Condominium unit shall not be divisible. Notwithstanding the foregoing, each owner of unit weeks in a unit committed to interval ownership shall be entitled to one-fifty-first (1/51th) of the total vote assigned to the unit in which he owns his unit weeks for each unit week owned. The Association shall not have a vote for the maintenance week.

(02) A majority of the members' total votes shall decide any questions, unless the Declaration of Condominium, Bylaws, Articles of Incorporation of the Association or Management Agreement provide otherwise, in which event the voting percentage required in the Declaration of Condominium, Bylaws, Articles of Incorporation or Management Agreement shall control.

2.3) Quorum - Unless otherwise provided in these Bylaws, the presence in person or by proxy of a majority of the members' total votes shall constitute a quorum.

2.4) Proxies - Votes may be cast in person or by proxy. All proxies shall be in writing and signed by the person entitled to vote and shall be filed with the secretary not less than three (3) days prior to the meeting in which they are to be used and shall be valid only for the particular meeting designated therein. Where a unit is owned jointly by a husband and wife, and if they have not designated one of them as a voting member, a proxy must be signed by both husband and wife where a third person is designated.

2.5) Designation of Voting Member - If a Condominium unit is owned by one person, his right to vote shall be established by the recorded title to the unit. If a Condominium unit is owned by more than one (1) person, the person entitled to cast the vote for the unit shall be designated in a certificate signed by all of the recorded owners of the unit and filed with the secretary of the Association. If a Condominium unit is owned by a corporation, partnership or joint venture, the officer, employee or agent thereof entitled to cast the vote of the unit for the corporation shall be designated in a certificate for this purpose, signed by an authorized individual and filed with the secretary of the Association. The person designated in the certificate who is entitled to cast the vote for a unit shall be known as the "voting member". If the certificate is not on file with the secretary of the Association for a unit owned by more than one (1) person or by a corporation, partnership, or joint venture, the vote of the unit concerned shall not be considered in determining the requirement for a quorum, or for any purpose requiring the approval of a person entitled to cast the vote for the unit, except if the unit is owned by a husband and wife. Certificates shall be valid until revoked or until superseded by a subsequent certificate, or until a change in the ownership of the unit concerned occurs. If a Condominium unit is owned jointly by a husband and wife, the following three (3) provisions are applicable thereto:

(01) They may, but they shall not be required to, designate a voting member.

(02) If they do not designate a voting member and if both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting. The vote of a unit is not divisible.

(03) Where they do not designate a voting member, and only one (1) is present at a meeting, the person present may cast the unit vote, just as though he or she owned the unit individually, and without establishing the concurrence of the absent person.

2.6) Units Committed to Interval Ownership - Notwithstanding any other provisions in these Bylaws, each owner of unit weeks in a unit committed to interval ownership shall be entitled to cast the fractional vote attributable to his unit weeks owned. In the case of a unit committed to interval ownership, the provisions of Section 2.5, Designation of Voting Member, shall apply to each unit week owned.

### ARTICLE 3.

#### MEETING OF THE MEMBERSHIP

3.1) Place - All meetings of the Association membership shall be held at the Condominium property, or at such other place and at such time as shall be designated by the Board of Directors of the Association and stated in the notice of the meeting.

3.2) Notices - It shall be the duty of the secretary to mail or deliver a notice of each annual or special meeting, stating the time and place thereof, to each unit owner of record at least ten (10) but not more than thirty (30) days prior to such meeting. Notice of any meeting shall state the purposes thereof. All notices shall be mailed to or served at the address of the unit owner as it appears on the books of the Association.

3.3) Annual Meeting - The annual meeting shall be held within one hundred twenty (120) days of the close of the Corporation's fiscal year, the date, time and place to be established by the Board of Directors for the purpose of electing directors and transacting any other business authorized to be transacted by the members. At the annual meeting, the members shall elect a Board of Directors by plurality vote. (Cumulative voting is prohibited).

3.4) Special Meetings - Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the president, and shall be called by the president or secretary at the request, in writing, of a majority of the Board of Directors, or at the request, in writing, of voting members representing twenty-five percent (25%) of the members' total votes, which request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

3.5) Waiver and Consent - Whenever the vote of members at a meeting is required or permitted by any provision of these Bylaws to be taken in connection with any action of the Association, the meeting and vote of members may be dispensed with if not less than a majority of the members who would have been entitled to vote upon the action if the



meeting were held, shall consent in writing to such action being taken; provided, notice of the action shall be given to all members, unless all members approve the action.

3.6) Adjourned Meeting - If any meeting of members cannot be organized because a quorum of voting members is not present, either in person or by proxy, the meeting may be adjourned from time to time until a quorum is present.

3.7) Proviso - Provided, however, that until the first Wednesday in December of 1977 or until the Developer elects to terminate its control of the Condominium, whichever shall first occur, there shall be no meeting of the members of the Association unless a meeting is called by the Board of Directors of the Association, and should a meeting be called, the proceedings shall have no effect unless approved by the Board of Directors of the Association.

3.8) Approval or Disapproval - Approval or disapproval of a unit owner upon any matter, whether or not the subject of an Association meeting, shall be by the voting members provided, however, that where a unit is owned jointly by a husband and wife, and they have not designated one of them as a voting member, their joint approval or disapproval shall be required where they are both present, or in the event only one is present, the person present may cast the vote without establishing the concurrence of the absent person.

3.9) The Management Firm - As long as the Management Agreement remains in effect, the Management Firm shall be entitled to notice of all Association meetings, and shall be entitled to attend the Association's meetings, and it may designate such person as it desires to attend the meetings on its behalf.

#### ARTICLE 4.

##### DIRECTORS

4.1) Number, Term and Qualifications - The affairs of the Association shall be governed by a Board of Directors composed of not less than three (3) nor more than seven (7) persons, as is determined from time to time by the members. All directors shall be members of the Association provided, however, that until one of the events in Article 3, Section 7 of the Bylaws first occurs, all directors shall be designated by the Developer and need not be members. All officers of a corporate unit owner shall be deemed to be members of the Association so as to qualify as a director herein. The term of each director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified, or until he is removed in the manner provided in Section 4.3 below.

4.2) First Board of Directors -

(01) The first Board of Directors of the Association who shall hold office and serve until the first annual meeting of members, and until their successors have been elected and qualified, shall consist of the following:

John J. Howard  
Thomas P. Coughlan  
Daniel J. Coughlan  
Daniel M. Coughlan

(02) The organizational meeting of a newly elected Board of Directors of the Association shall be held within ten (10) days of their election, at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

4.3) Removal of Directors - At any time after the first annual meeting of the membership at any duly convened regular or special meeting, any one or more of the directors may be removed with or without cause, by the affirmative vote of the voting members casting a majority of the total votes present at said meeting, and a successor may then and there be elected to fill the vacancy thus created. Should the membership fail to elect a successor, the Board of Directors may fill the vacancy in the manner provided for in Section 4.4 below.

4.4) Vacancies on Directorate - If the office of any director or directors becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining directors, though less than a quorum, shall choose a successor or successors, who shall hold office for the balance of the unexpired term in respect to which the vacancy occurred. The election held for the purpose of filling the vacancy may be held at any regular or special meeting of the Board of Directors.

4.5) Disqualification and Resignation of Directors - Any director may resign at any time by sending a written notice of resignation to the office of the Corporation delivered to the secretary. Unless otherwise specified therein, the resignation shall take effect upon receipt thereof by the secretary. Commencing with the organizational meeting of the newly elected Board of Directors following the first annual meeting of the members of the Association, more than three (3) consecutive absences from regular meetings of the Board of Directors, unless excused by resolution of the Board of Directors, shall automatically constitute a resignation effective when the resignation is accepted by the Board of Directors. Commencing with the directors elected at the first annual meeting of the membership, the transfer of title of his unit by a director shall automatically constitute a resignation, effective when the resignation is accepted by the Board of Directors unless the director remains a unit owner by virtue of his owning other units in the Condominium. No member shall continue to serve on the Board should he be more than thirty (30) days delinquent in the payment of an assessment and the delinquency shall automatically constitute a resignation, effective when the resignation is accepted by the Board of Directors.

4.6) Regular Meetings - The Board of Directors may establish a schedule of regular meetings to be held at such time and place as the Board of Directors may designate. Notice of regular meetings shall nevertheless be given to each director personally or by mail, telephone or telegraph at least five (5) days prior to the day named for the meeting.

4.7) Special Meetings - Special meetings of the Board of Directors may be called by the president, and in his absence, by the vice-president, or by a majority of the members of the Board of Directors, by giving five (5) days' notice in writing to all of the members of the Board of Directors of the time and place of the meeting. All notices of special meetings shall state the purpose of the meeting.

4.8) Director's Waiver of Notice - Before or at any meeting of the Board of Directors, any director may waive notice of the meeting and waiver shall be deemed equivalent to the giving of notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at the meeting.

4.9) Written Action - Any action which might be taken at a meeting of the Board of Directors may be taken without a meeting if authorized by a writing or writings signed by all of the directors. The action taken by the writing or writings shall be effective on the date on which the last signature is placed on the writing or writings or on an earlier date if set forth in the writing or writings.

4.10) 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 meetings 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. At each 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 the director for the purpose of determining a quorum.

4.11) Compensation - The director's fees, if any, shall be determined by the voting members.

4.12) Proviso - Provided, however, that until the first Wednesday in December of 1977, or until the Developer elects to terminate its control of the Condominium, whichever shall first occur, all directors shall be designated by the Developer and need not be owners of units in the Condominium and may not be removed by members of the Association, as elsewhere provided herein; and where a vacancy occurs for any reason whatsoever, the vacancy shall be filled by the person designated by the Developer.

4.13) Management Firm - The Management Firm shall be entitled to notice of all directors' meetings and shall be entitled to attend the directors' meetings and it may designate such persons as it desires to attend the meetings on its behalf.

4.14) Powers and Duties - The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not by law or by the Declaration of Condominium, the Articles of Incorporation, or the Bylaws, directed to be exercised and done by unit owners. These powers shall specifically include, but shall not be limited to the following:

(01) To exercise all powers specifically set forth in the Declaration of Condominium, the Articles of Incorporation, the Bylaws and the Condominium Act, and any other power incidental thereto.

(02) To collect and use assessments to carry out the purposes and powers of the Association.

(03) To employ, dismiss and control the personnel necessary for the maintenance and operation of the project, and of the common areas and facilities, including the reasonable right to employ attorneys, accountants, contractors and other professionals as needed.

(04) To make and amend regulations respecting the operation and use of the common elements and Condominium property and facilities, and the use and maintenance of the Condominium units therein. The foregoing is subject to the delegation of the Management Agreement.

(05) To contract for the management of the Condominium and to delegate to the contractor those powers and duties of the Association necessary for the proper maintenance and operation of the Condominium, except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the Association. To contract for the management or operation of portions of the common elements or facilities susceptible to the separate management or operation thereof, including the lease or concession.

(06) To further improve the Condominium property, both real and personal, and to purchase realty and items of furniture, furnishings, fixtures and equipment.

(07) To designate one or more committees which, to the extent provided in the resolution designating the committee, shall have the powers of the Board of Directors in the management and affairs and business of the Association. The committee shall consist of at least three (3) members of the Association. The committee shall keep regular minutes of their proceedings and report to the Board of Directors.

#### ARTICLE 5.

##### OFFICERS

5.1) Elective Officers - The principal officers of the Association shall be a president, a vice-president, a secretary and a treasurer, all of whom shall be elected by the Board of Directors.

One person may not hold more than one of the aforementioned offices, except one person may be both secretary and treasurer. The president and vice-president shall be members of the Board of Directors. Notwithstanding the foregoing, the restriction as to one person holding only one of the aforementioned offices or the president and vice-president being members of the Board of Directors shall not apply until the time provided in Article 3, Section 3.7 as determined by the Developer.

5.2) Election - The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board following the meeting of the members.

5.3) Term - The officers of the Association shall hold office until their successors are duly elected and qualified. Any officers elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors, provided, however, that no officer shall be removed except by the affirmative vote for removal by a majority of the entire Board of Directors. If any office becomes vacant for any reason, the vacancy shall be filled by the Board of Directors at a meeting duly called for that purpose.

5.4) President - The president shall be the chief executive officer of the Association and shall preside at all meetings of the unit owners and of the Board of Directors. He shall have executive powers and general supervision over the affairs of the Association and other officers. He shall sign all written contracts to perform all of the duties incident to his office and which may be delegated to him from time to time by the Board of Directors. Provided, however, the Board of Directors may by written resolution designate another officer or officers to sign written contracts on behalf of the Association.

5.5) Vice-president - The vice-president shall perform all of the duties of the president in his absence, and such other duties as may be required of him from time to time by the Board of Directors of the Association.

5.6) Secretary - The secretary shall issue notices of all Board of Directors meetings and all meetings of the unit owners and shall attend and keep the minutes of same. The secretary shall have charge of all the Association's books, records and papers, except those kept by the treasurer. The assistant secretary shall perform the duties of the secretary when the secretary is absent.

5.7) Treasurer -

(01) The treasurer shall have custody of the Association's funds and securities except the funds payable to the Management Firm, as provided in the Management Agreement, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuables in the name of and to the credit of the Association, in depositories as may be designated by the Board of Directors. The books shall reflect an account for each unit in the manner required by the Condominium Act.

(02) The treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors in accordance with these Bylaws, making proper vouchers

for the disbursements, and shall render to the president and Board of Directors at the regular meetings of the Board of Directors, or whenever they may require it, an account of all transactions as the treasurer and of the financial condition of the Association.

(03) The treasurer shall collect the assessments and maintenance fees and shall promptly report the status of collections and of all delinquencies to the Board of Directors.

(04) The treasurer shall give status reports to potential transferees on which reports the transferees may rely.

(05) The duties of the treasurer may be fulfilled by the Management Firm employed by the Association. The Management Firm, as provided in the Management Agreement, may have custody of the books of the Association including any books required to be kept by the secretary of the Association.

#### ARTICLE 6.

##### FINANCES, ASSESSMENTS AND MAINTENANCE FEES

6.1) Depositories - The funds of the Association shall be deposited in a bank determined by the Board of Directors upon resolutions approved by the Board of Directors, and shall be withdrawn only upon checks and demands for money signed by an officer or officers of the Association designated by the Board of Directors. Obligations of the Association shall be signed by at least two (2) officers of the Association.

6.2) Fidelity Bonds - The treasurer and all officers who are authorized to sign checks, and all officers and employees of the Association, and any contractor handling or responsible for Association funds shall be bonded in an appropriate amount as may be determined by the Board of Directors. The premiums on the bonds shall be paid by the Association. The bond shall be in an amount sufficient to equal the monies an individual handles or has control of via a signatory or a bank account or other depository account.

6.3) Fiscal Year - The fiscal year for the Association shall be determined by the Board of Directors after consideration of a proposal by the Management Firm; provided, however, that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations prescribed by the Internal Revenue Code of the United States of America, at such time as the Board of Directors deems it advisable.

##### 6.4) Determination of Assessments -

(01) The Board of Directors shall fix and determine the sum or sums necessary and adequate for the common expenses of the Condominium. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common elements and the limited common elements, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating

thereto, including fire insurance and extended coverage, and any other expenses designated as common expenses, from time to time by the Board of Directors of the Association. The Board of Directors is specifically empowered, on behalf of the Association to make and collect assessments and to lease, maintain, repair and replace the common elements and limited common elements of the Condominium. Funds for the payment of common expenses shall be assessed against the unit owners in the proportions or percentages of sharing common expenses, as provided in the Declaration. Assessments shall be payable monthly in advance and shall be due on the first day of each month in advance, unless otherwise ordered by the Board of Directors. Special assessments, should they be required by the Board of Directors, shall be levied in the same manner as hereinbefore provided for regular assessments, and shall be payable in the manner determined by the Board of Directors.

(02) When the Board of Directors has determined the amount of any assessments, the treasurer of the Association shall mail or present to each unit owner a statement of the unit owner's assessment. All assessments shall be payable to the treasurer of the Association and, upon request, the treasurer shall give a receipt for each payment made to him.

(03) The Management Firm, as long as the Management Agreement remains in effect, shall propose an operating budget for each fiscal year to the Board of Directors.

6.5) Determination of Maintenance Fee -

(01) The Board of Directors of the Association shall fix and determine from time to time, the sums necessary and adequate for the maintenance fee on Condominium units committed to interval ownership. The maintenance fee on the units shall include the following:

- (a) The particular unit week owner's share of common expenses;
- (b) Repair and upkeep of units for normal wear and tear (example - repainting interior walls);
- (c) Repair and replacement of furniture, fixtures, appliances, carpeting and utensils;
- (d) Casualty or liability insurance on the unit;
- (e) Utilities for the subject unit;
- (f) Personal property, real estate, and any other applicable taxes; and
- (g) Any other expenses incurred in the normal operation and maintenance of the unit which cannot be attributed to a particular unit week owner.

The maintenance fee shall be prorated among all owners of unit weeks in a specific unit by applying a fraction, the numerator of which is the number of unit weeks owned by a specific owner, the denominator of which is fifty-one (51) of the total

of all expenses. The foregoing shall not apply to any unit week conveyed to the Association for maintenance purposes.

(02) When the Board of Directors has determined the amount of any maintenance fee, the treasurer of the Association shall mail or present to each owner of unit weeks within all units committed to interval ownership a statement of the maintenance fee. All maintenance fees shall be payable to the treasurer of the Association and, upon receipt, the treasurer shall give a receipt for each payment made to him, if requested by the unit owners.

6.6) Application of Payments and Co-Mingling of Funds - All sums collected by the Association from assessments and maintenance fees may be co-mingled in a single fund or divided into more than one fund, as determined by the Board of Directors of the Association. All assessment payments and maintenance fees by a unit owner shall be applied as to interest, delinquencies, costs and attorneys' fees, other charges, expenses and advances as provided herein and in the Declaration of Condominium and general or special assessments, in such manner and amount as the Board of Directors determines.

6.7) Acceleration of Assessment Installments Upon Default - If a unit owner shall be in default in the payment of an installment upon any assessment, the Management Firm or the Board of Directors may accelerate the remaining monthly installments for the fiscal year upon notice thereof to the unit owner and, thereupon, the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than fifteen (15) days after delivery of or the mailing of the notice to the unit owner.

6.8) Management Agreement - During the term of the Management Agreement, the Management Firm shall render to the Association a statement for each calendar year no later than April 1st next thereafter. The Management Firm shall perform a continued internal audit of the Association's financial records for the purpose of verifying the same, but no independent or external audit shall be required of it. During the term of the Management Agreement, the Association may conduct an external audit by an independent auditor acceptable to the Management Firm at such reasonable time as the Management Firm shall agree to, provided, however, said request for inspection is not made more than once in any calendar year and provided that the cost and expense of same is borne by the Association. Upon the termination of the Management Agreement, an audit of the accounts of the Association shall be made annually. The audit shall be prepared by an accountant selected by the Board of Directors and a copy of the auditor's report shall be available to the members of the Association in the office of the Association and with the treasurer of the Association. The auditor's report shall be available not later than three (3) months after the end of the year for which the report is made. The consent of the Management Firm as to an independent auditor who may be employed to conduct an external audit, as hereinabove set forth in this section, shall not be unreasonably withheld.

#### ARTICLE 7.

##### ADDITIONS OR ALTERATIONS

7.1) Common Elements and Limited Common Elements - There shall be no additions or



alterations to the common elements or limited common elements of the Condominium which this Association operates and maintains except as specifically provided for in the Declaration of Condominium.

ARTICLE 8.

COMPLIANCE AND DEFAULT

8.1) Violations - In the event of a violation (other than the nonpayment of an assessment) by the unit owner in any of the provisions of the Declaration of Condominium, these Bylaws, or of the applicable provisions of the Condominium Act, the Association, by direction of its Board of Directors, may notify the unit owner by written notice of the breach, transmitted by mail, and if the violation shall continue for a period of thirty (30) days from date of the notice, the Association, through its Board of Directors, shall have the right to treat the violation as an intentional and inexcusable and material breach of the Declaration, the Bylaws, or of the pertinent provisions of the Condominium Act, and the Association may then, at its option, have the following elections:

- (01) An action at law to recover for its damages, on behalf of the Association or on behalf of the other unit owners.
- (02) An action in equity to enforce performance on the part of the unit owner; or
- (03) An action in equity for equitable relief as may be necessary under the circumstances, including injunctive relief.

Upon a finding by the Court that the violation complained of is willful and deliberate, the unit owner so violating shall reimburse the Association for reasonable attorneys' fees incurred by it in bringing the action. Failure on the part of the Association to maintain the action at law or in equity within thirty (30) days from date of a written request, signed by a unit owner, sent to the Board of Directors, shall authorize any unit owner to bring an action in equity or suit at law on account of the violation, in the manner provided for in the Condominium Act. Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter by the Association and the cost thereof shall be charged to the unit owner as a specific item, which shall be a lien against the unit with the same force and effect as if the charge were a part of the common expense.

8.2) Negligence or Carelessness of Unit Owner - All unit owners 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 or lessees, but only to the extent that the expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of any unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance company of rights of subrogation. The expense for any maintenance, repair or replacement required, as provided in this section, shall

be charged to the unit owner as a specific item which shall be a lien against the unit with the same force and effect as if the charge were a part of the common expenses.

8.3) Costs and Attorneys' Fees - In any proceeding arising because of an alleged default by a unit owner, the prevailing party shall be entitled to recover the costs of the proceeding and reasonable attorneys' fees as may be determined by the Court.

8.4) No Waiver of Rights - The failure of the Association or of a unit owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or unit owner to enforce the right, provision, covenant or condition of the future.

8.5) Election of Remedies - All rights, remedies and privileges granted to the Association or unit owner, pursuant to any terms, provisions, covenants or conditions or the Condominium Documents, shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising other additional rights, remedies or privileges as may be granted to the other and additional rights, remedies or privileges as may be granted to the other party by Condominium Documents, or at law or in equity.

8.6) Units Committed to Interval Ownership - Any liens or sanctions against an owner of unit weeks in a unit committed to interval ownership for an alleged default as set forth in this Article 8 shall be limited to the unit weeks owned by the owner and shall be of no force and effect as to any other unit week or owner thereof.

#### ARTICLE 9.

##### ACQUISITION OF UNITS ON FORECLOSURE

9.1) Acquisition of Units on Foreclosure - At any foreclosure sale of a unit, the Board of Directors may, with the authorization and approval by the affirmative vote of the voting members casting not less than a majority of the total votes of the members present is voted upon, acquire in the name of the Association, or its designee, a Condominium parcel being foreclosed. The term "foreclosure", as used in this section, shall mean and include any foreclosure of any lien, excluding the Association's lien for assessment. The power of the Board of Directors to acquire a Condominium parcel at any foreclosure sale shall never be interpreted as any requirement or obligation on the part of the Board of Directors or of the Association to do so at any foreclosure sale, the provisions hereof being permissive in nature and for the purpose of setting forth the power in the Board of Directors to do so should the requisite approval of the voting members be obtained. The Board of Directors shall not be required to obtain the approval of unit owners at the foreclosure sale of a unit, because of the foreclosure of the Association's lien for assessment under the provisions of the Declaration of Condominium notwithstanding the sum the Board of Directors determines to bid at such foreclosure sale.

9.2) Transfer of Units - All owners of units or unit weeks in a unit committed to interval ownership shall notify the Association of any transfer, by sale or otherwise, of the unit or unit week within ten (10) days from the date of same. The notice shall

include sufficient information and be in the form prescribed by the Board of Directors upon advice of the Management Firm. The Association may send all necessary notices to the person shown as owner of the unit or unit weeks in its records, and the notice shall be binding as to any other owner of the unit or unit weeks where the Association has not been notified as provided herein.

ARTICLE 10.

AMENDMENT TO THE BYLAWS

10.1) Bylaws - The Bylaws may be altered, amended or added to at any duly called meeting of the unit owners, provided:

- (01) Notice of the meeting shall contain a statement of the proposed amendment.
- (02) If the amendment has received the unanimous approval of the full Board of Directors, then it shall be approved upon the affirmative vote of the voting members casting a majority of the total votes of the members of the Association.
- (03) If the amendment has not been approved by the unanimous vote of the Board of Directors, then the amendment shall be approved by the affirmative vote of the voting members casting not less than a majority of the total votes of the members of the Association; and
- (04) The amendment shall be recorded and certified as required by the Condominium Act.
- (05) Notwithstanding the foregoing, these Bylaws may only be amended with the written approval when required of the parties specified in the Declaration of Condominium.

ARTICLE 11.

NOTICES

11.1) Notices - Whatever notices are required to be sent herein shall be delivered or sent in accordance with the applicable provisions for notices as set forth in the Declaration of Condominium.

ARTICLE 12.

INDEMNIFICATION

12.1) Directors and Officers - The Association shall indemnify every director and officer, their heirs, executors and administrators against all loss, cost and expense reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Association, except as to matters wherein he shall be finally adjudged in the action, suit or proceeding, to be liable for or guilty of gross negligence or willful

misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which the director or officer may be entitled.

ARTICLE 13.

LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

13.1) Termination of Membership - The termination of membership in the condominium shall not relieve or release any former owner or member from any liability or obligations incurred under or in any way connected with the Condominium during the period of ownership and membership, or impair any rights or remedies which the Association may have against the former owner and member arising out of or in any way connected with ownership and membership, and the covenants and obligations incident thereto.

ARTICLE 14.

LIMITATION OF LIABILITY

14.1) Limitation - Notwithstanding the duty of the Management Firm and the Association to maintain and repair parts of the Condominium property, the Management Firm and Association shall not be liable for injury or damage caused by a latent condition in the property, nor for the injury or damage caused by the elements or by other owners or persons.

ARTICLE 15.

PARLIAMENTARY RULES

15.1) Rules - Roberts Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Condominium Act, the Declaration of Condominium or these Bylaws.

ARTICLE 16.

LIENS

16.1) Protection of Property - All liens against a Condominium unit, other than for mortgages, taxes or special assessments, shall be satisfied or otherwise removed within thirty (30) days of the date the lien is attached. All taxes and special assessments upon a Condominium unit shall be paid before becoming delinquent, as provided in the Condominium Documents or by law, whichever is sooner.

16.2) Notice of Lien - A unit owner shall give notice to the Association of every lien upon his unit, other than for mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

16.3) Notice of Suit - Unit owners shall give notice to the Association of every suit or other proceeding which will or may affect title to his unit or any part of the

property, such notice to be given within five (5) days after the unit owner receives notice thereof.

16.4) Failure to Comply - Failure to comply with this article concerning liens will not affect the validity of any judicial sale.

16.5) Units Committed to Interval Ownership - In the case of a unit committed to interval ownership, an owner of unit weeks in the unit shall be required to give notices under Section 2 and Section 3 of this Article 16 only as to liens, suits, and proceedings affecting title to the unit weeks which he owns. Any liens against an owner of unit weeks in a unit committed to interval ownership, or against the unit weeks owned by him, shall be limited to the unit weeks owned by him and shall not encumber the property, real or personal, of any other owner of unit weeks in the unit.

# ARTICLE 17.

## RULES AND REGULATIONS

17.1) Adoption - The Board of Directors may adopt or amend previously adopted administrative rules and regulations governing the details of the operation, use, maintenance, management and control of the common elements and limited common elements of the Condominium and any facilities or services made available to the unit owners. A copy of the rules and regulations adopted from time to time as herein provided shall be posted in a conspicuous place and/or copies of same shall be furnished each unit owner.

17.2) As to Condominium Units - The Board of Directors may adopt or amend previously adopted rules and regulations governing and restricting the use and maintenance of the Condominium units provided, however, that copies of the rules and regulations, prior to the time they become effective, shall be posted in a conspicuous place on the Condominium's property and/or copies of them shall be furnished to each unit owner.

17.3) Conflict - In the event of any conflict between the rules and regulations adopted or amended, and the Condominium Documents, or the Condominium Act, the latter shall prevail. If any unreconciled conflict should exist or hereafter arise with respect to the interpretation of these Bylaws and the Management Agreement, the provisions of the Management Agreement shall prevail, and as between these Bylaws and the Declaration of Condominium, the provisions of the Declaration shall prevail.

APPROVED AND DECLARED as the Bylaws of Pelican Inlet Condominium Owners Association.

Dated this 31<sup>st</sup> day of January, 1977.

FILED AND RECORDED IN  
PUBLIC RECORDS OF  
ST. JOHN'S COUNTY, FLA.

PELICAN INLET CONDOMINIUM OWNERS

ASSOCIATION

FEB 2 10 36 AM '77

By: [Signature]  
Its President

Attest: [Signature]  
Secretary