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SPYGLASS, A CONDOMINIUM

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 FOR
 SPYGLASS, A CONDOMINIUM

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DECLARATION OF CONDOMINIUM

FOR

SPYGLASS, A CONDOMINIUM

THIS DECLARATION is made this 3rd day of January, 1984, by STOKES-O'STEEN COMMUNITIES, INC., a Florida corporation, ("Developer") in and by which the Developer makes the following declarations.

1. INTRODUCTION AND SUBMISSION

1.1 Submission Statement.

Developer hereby submits to the condominium form of ownership and use the land described in Exhibit A hereof, the improvements now and hereafter situated thereon, and the easements and rights appurtenant thereto (the "Condominium Property"), pursuant to Chapter 718, Florida Statutes, 1984, as amended to the date hereof (the "Condominium Act").

1.2 Name.

The name by which this condominium is to be identified is SPYGLASS, A CONDOMINIUM, sometimes herein called the "Condominium." The street address is 8200 A1A South, St. Augustine, St. Johns County, Florida.

1.3 The Land.

The land submitted to Condominium is situated in St. Johns County, Florida, and is described in Exhibit "A" attached hereto and made a part hereof, and consists of a parcel of real property (the "Land") upon which will be situated residential improvements ("Condominium Buildings") and Common Elements which are submitted hereby to condominium ownership excluding therefrom all portions of the Land and pipes, lines or conduits installed thereupon reserved by Developer for itself, its successors or assigns for the installation of utilities and/or cable television. A survey and site plan of the Land is attached hereto and made a part hereof as Exhibit "C."

2. DEFINITIONS.

2.1 "Assessment" means a share of the funds required for the payment of Common Expenses which from time to time is assessed against the Unit Owner.

2.2. "Association" or "Condominium Association" means SPYGLASS AT CRESCENT BEACH CONDOMINIUM ASSOCIATION, INC., a not for profit Florida corporation, the entity responsible for the operation of the Condominium.

2.3. "Board" or "Board of Directors" means the Board of Directors of the Association pursuant to the Articles and Bylaws thereof.

2.4 "Building" means the structure or structures situate on the Condominium Property in which the Units are located, regardless of the number thereof. In connection with the insuring of the Condominium Property, the term "Building" has a more specific meaning more fully set forth in Section 10.2.

2.5 "Bylaws" mean the Bylaws of the Association.

2.6 "Common Elements" mean and include:

(a) The portions of the Condominium Property which are not included within the Units.

(b) Easements through Units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility and other services to Units and the Common Elements, unless the ownership thereof is specifically reserved to the Developer.

(c) An easement of support in every portion of a Unit which contributes to the support of the Building.

(d) The property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements not elsewhere reserved to the Developer.

(e) Any other parts of the Condominium Property designated as Common Elements in this Declaration, or any amendment hereto.

Common Elements shall not include improvements installed by Unit Owners.

2.7 "Common Expenses" mean all expenses properly incurred by the Association for the Condominium.

2.8 "Common Surplus" means the excess of all receipts of the Association collected on behalf of the Condominium, including, but not limited to, assessments, rents, profits and revenues on account of the Common Elements, over the amount of Common Expenses.

2.9 "Condominium Parcel" means a Unit together with the undivided share in the Common Elements or a designated portion of the Common Elements which are appurtenant to said Unit; and when the context permits, the term includes all other appurtenances to the Unit.

2.10 "Condominium Property" means the Land and personal property that are subjected to condominium ownership under this Declaration, all Improvements on the Land, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

2.11 "County" means the County of St. Johns, State of Florida.

2.12 "Declaration" or "Declaration of Condominium" means this instrument, as it may be amended from time to time.

2.13 "Improvements" mean all structures and artificial changes to the natural environment (exclusive of landscaping) located on the Condominium Property.

2.14 "Limited Common Elements" mean those Common Elements the use of which are reserved to a certain Unit or Units to the exclusion of other Units, as specified in this Declaration. Reference herein to Common Elements shall include also all Limited Common Elements unless the context would prohibit or it is otherwise expressly provided.

2.15 "Mortgagee" means a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension fund, an agency of the United States Government, Federal National Mortgage Association ("FNMA") Government National Mortgage Association ("GNMA"),

the Administrator of the Veterans Administration or Federal Housing Administration and other similar insurers and guarantors of mortgages, mortgage banker, or any other lender generally recognized as an institutional-type lender, or the Developer, holding a mortgage on a Unit or Units.

2.16 "Special Assessment" means any assessment levied against Unit Owners other than an assessment required by the budget adopted annually.

2.17 "Unit" means a part of the Condominium Property which is subject to exclusive ownership.

2.18 "Unit Owner" or "Owner of a Unit" or "Owner" means the record owner of a Condominium Parcel.

2.19 "Voting Interest" means the voting rights as distributed to the members in accordance with the Articles.

2.20 "Voting Certificate" means a document which designates one of the record title owners, or an entity representative of a corporation or partnership who is authorized to vote on behalf of a Unit owned by more than one owner or any entity.

3. DESCRIPTION OF CONDOMINIUM PROPERTY.

3.1 Number and Identification of Units.

Exhibit "D", attached hereto and made a part hereof includes a graphic description of the improvements comprising part of the Condominium Property. The Improvements consist of forty-eight (48) Units located in five (5) three-story Buildings. Each "Unit" is identified (as defined in the Condominium Act and herein) by number. A plot (site) plan of the improvements is annexed hereto and made a part hereof as Exhibit "C."

The construction of the improvements on the Land is not substantially complete; however, at the time the Improvements or a portion thereof are substantially completed, the Developer shall cause this Declaration to be amended to include a Certificate of Surveyor authorized to practice in this state which shall provide that the construction of the Improvements or certain Units to be conveyed are substantially complete so that the materials in Exhibits "A", "C" and "D," together with the provisions of the Declaration describing the Land and the Common Elements 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 to be conveyed can be determined from these materials.

3.2 Residential Buildings

The improvements shall include five (5) three-story Buildings containing forty-eight (48) Units and other appurtenant Common Elements and Limited Common Elements. The Buildings will contain the following number of Units:

Building 1	-	8 Units
Building 2	-	10 Units
Building 3	-	10 Units
Building 4	-	10 Units
Building 5	-	10 Units
Total	-	48 Units

3.3 Other Improvements.

In addition to the Condominium Buildings situated thereon, the Land also includes improvements, consisting of parking areas, walks, landscaping and all underground structures and improvements which are not part of or located within the Building, and which are not elsewhere herein reserved to and/or retained by Developer, such as wires, cables, drains, pipes, ducts, conduits, valves and fittings.

3.4 Units.

Each Unit shall include that part of the Building containing such Unit that lies within the boundaries of the Unit, which boundaries are as follows:

(a) Upper and Lower Boundaries.

The upper and lower boundaries of a Unit shall be the boundaries of the Unit extended to their planal intersections with the perimetrical boundaries as follows: (i) the upper boundaries shall be the horizontal plane of the unfinished lower surface of the structural ceiling (which will be deemed to be the ceiling of the top story if the Unit is a multi-story Unit) provided that in multi-story Units where the lower boundary extends beyond the upper boundary, the upper boundary shall include that portion of the ceiling(s) of the lower or middle floors for which there is no corresponding ceilings on the middle or upper floor(s), as appropriate, directly above such lower or middle floor ceilings(s), as appropriate; (ii) The lower boundaries shall be the horizontal plane of the unfinished plane of the upper surface of the concrete floor of the Unit (which will be deemed to be the concrete floor of the first story if the Unit is a multi-story Unit); (iii) Except as provided above, no part of the floor of the middle or upper floor(s), ceiling of the middle or lower floor(s), stairwell adjoining floors or non-structural interior walls shall be considered a boundary of the Unit.

(b) Perimetrical Boundary.

The perimetrical boundaries of each Unit shall be the vertical planes of the unfinished interior surfaces of the walls bounding the Unit extended to their planar intersections with each other and with the upper and lower boundaries.

(c) Exclusions.

The Unit Owner shall not be deemed to own any spaces or improvements lying beneath the unfinished inner surfaces of the perimeter walls and floors, and above the lowest horizontal plane of the uppermost structural elements of each Unit, nor any spaces or improvements lying beneath the undercoated and/or unfinished inner surface of all interior columns, bearing walls and/or bearing partitions, nor any pipes, ducts, vents, wires, conduits or other facilities, equipment and/or fixtures running through any interior wall or horizontal or vertical portion of a Unit, for the furnishing of utility services, heating and cooling and/or ventilation to Units, Common Elements and/or Limited Common Elements.

(d) Apertures.

All glass and other transparent and/or translucent material, insect screens and screening in windows and doors, the material covering other openings in the exterior or interior walls of Units, where applicable, shall be construed to be within the boundaries or limits and part of the Unit exclusively served by such windows, doors and other openings.

(e) Mechanical Equipment.

All air conditioning compressors, water heaters, heat pumps and other mechanical equipment serving only one Unit shall be deemed to be a part of the Unit.

3.5 Common Elements.

The term "Common Elements", as used herein, shall mean and comprise all of the real property and improvements of the Condominium except Units including, without limitation: (a) easements through Units for conduits, pipes, ducts, vents, plumbing, wiring and other facilities, equipment and/or fixtures for the furnishing of utility services, heating and cooling and/or ventilation to Units and Common Elements; and (b) easements of support in every portion of a Unit which contribute to the support of other Units and/or Common Elements; and (c) installations for the furnishing of utility services to more than one Unit or to the Common Elements or to a Unit other than the Unit containing the installation; and (d) the property and installations in connection therewith required for the furnishing of services to more than one Unit or to the Common Elements; and (e) fixtures owned or held for the common use, benefit and enjoyment of all owners of Units in the Condominium; (f) parking spaces other than those specifically reserved to individual units as Limited Common Elements; (g) easements for ingress and egress serving the Condominium Property; (h) all open areas contained within the Land; (i) all roadways, sidewalks, paths, fences and entrance areas located on the Land; (j) an unheated swimming pool with surrounding "kool deck"; (k) a wooden boardwalk; (l) a wooden gazebo with seating; (m) a lighted asphalt tennis court with a Hardcor surface; (n) an entrance sign located at the entrance to the Condominium; (o) a common mailbox station and delivery center serving all Units; (p) a management office to be used by the Management Firm (as hereinafter defined), containing approximately 500 square feet of heated space, a half bath and a service counter; and (q) all other improvements owned or held for common use, benefit and enjoyment of all Unit Owners.

3.6 Limited Common Elements.

"Limited Common Elements," as the term is used herein, shall mean and comprise the Common Elements which are reserved herein, or assigned, or granted separately herefrom, for the use of a certain Unit or Units to the exclusion of other Units consisting of the following:

(a) To each Unit a concrete patio and a balcony area as depicted on Exhibit D.

(b) To each two adjacent Units, a stairway from the garage level to the first floor of the Unit, as depicted on Exhibit D which shall constitute a Limited Common Element of both adjacent Units.

(c) To each Unit, an assigned parking space located in front of the garage serving the Unit.

(d) Each Unit Owner of a Unit in the Condominium shall have the right of exclusive use of the air space and ground space occupied by the air conditioning compressor, heat pump, air handler and equipment and fixtures appurtenant thereto, serving that Unit.

(e) Anything to the contrary in this Declaration notwithstanding, in the event a Unit Owner mortgages his Unit together with his Limited Common Elements (whether or not fully assignable apart from the Unit), such Limited Common Elements shall not be assignable apart from the Unit unless they are released from the lien of the mortgage.

4. APPURTENANCES TO UNITS.

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

4.1 Use of Common Elements.

(a) An undivided share in the Common Elements and in the Common Surplus. The undivided share in the Common Elements and the Common Surplus of the Condominium appurtenant to each Unit is that proportion of the total set forth, as a fraction, in the schedule which is annexed hereto and made a part hereof as Exhibit "B" which fractional share may be adjusted in accordance with the provisions therein; and

(b) The right to use exclusively, or in common with certain other Units where so specified, those portions of the Common Elements designated and/or reserved herein and/or granted elsewhere to a certain Unit or Units as Limited Common Elements; and

(c) The appurtenant share in the Common Elements and Common Surplus and the exclusive right to use all the Limited Common Elements appurtenant to a Unit, can not be conveyed or encumbered except together with the Unit. The respective shares in the Common Elements appurtenant to Units shall remain undivided and no action for partition of the Common Elements, the Condominium Property or any part thereof shall lie except as provided herein with respect to termination of the Condominium.

4.2 Easements

(a) An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time (as shown on Exhibit "D" hereto) and as it may lawfully be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is permanently vacated from time to time; and

(b) Non-exclusive easements, to be used and enjoyed in common with the owners of all Units in the Condominium, their guests, invitees, and lessees, for use of those Common Elements not designated elsewhere herein as Limited Common Elements, including, without limitation, easements for

(i) The furnishing and maintenance of private or public utility services to all parts of the real property of the Condominium over, across, in and through the Land, the Condominium Buildings and other improvements, as the fixtures and equipment therefor now exist and/or may be modified or relocated; and

(ii) Vehicular and pedestrian access over, across, upon, in and through the drives, sidewalks, entries, gates, walks grounds, and other portions, if any, of the Common Elements as are intended and/or provided for pedestrian and vehicular traffic through the Condominium and for access to the common roadways.

(c) An exclusive easement for the unintentional and non-negligent encroachment by any Unit upon any other Unit or Common Element, or vice versa, for any reason not caused by or resulting from the willful act of Developer or any Unit Owner or Owners, including without limitation, encroachments caused by or resulting from the original construction of improvements, which exclusive easement shall exist at all times during the continuance of such encroachment as an easement appurtenant to the encroaching Unit or other improvement, to the extent of such encroachment; and

(d) An exclusive easement for the use of the area of Land and air space occupied by the appurtenant mechanical equipment, e.g. air conditioning compressor, heat pump, air handler and the equipment and fixtures appurtenant thereto, situated in and/or on Common Elements of the Condominium but exclusively serving a particular Unit, as the same exist in and on the Land, which exclusive easement shall be terminated automatically in any air space which is permanently vacated by such air conditioning compressor, heat pump, air handler and the equipment and fixtures appurtenant thereto, provided, that the removal of the same for repair and/or replacement shall not be construed to be a permanent vacation of the air space which it occupies.

4.3 Membership

The right to membership in the Association with full voting rights appertaining thereto upon the terms and conditions set forth elsewhere herein.

4.4 Ingress and Egress.

Each Unit Owner and his guests, invitees, lessees and domestic help and all delivery, pickup and fire protection services, police and other authorities of the law, United States mail carriers, representatives of utilities authorized by the Developer or Grantor of the easement referenced therein ("Grantor") to serve the Condominium, holders of mortgage liens on the Condominium or any Unit and such other persons as the Developer may from time to time designate shall have the non-exclusive and perpetual right of ingress and egress over and across the real property constituting common roads within the Condominium Property as described in Exhibits A and C attached hereto and made a part hereof, or as they may be amended in related documents recorded in the public records of the County.

5 THE ASSOCIATION.

5.1 Name of Association.

The entity responsible for the operation of the Condominium shall be SPYGLASS AT CRESENT BEACH CONDOMINIUM ASSOCIATION, INC a Florida corporation not for profit (the "Association"), of which a copy of the Articles of Incorporation is attached hereto and made a part hereof as Exhibit "E". Subject to the rights reserved to Developer herein, and in the Condominium Act to administer and manage the Condominium Property the Association shall administer and manage the Condominium Property provided that the Association may, to the extent permitted by the Condominium Act, by contract, delegate its maintenance, management and operational duties and obligations

5.2 Bylaws of Association

A copy of the Bylaws of the Association is attached hereto and made a part hereof as Exhibit "F".

5.3 Voting Rights of Unit Owners

The Unit Owner(s) shall become a member or members of the Association automatically upon and simultaneously with delivery of a deed of conveyance of fee title thereto from Developer or in a conveyance by a grantee or a remote grantee of Developer a deed which has been approved by the Association and otherwise complies with the terms and conditions of this Declaration the Articles of Incorporation and Bylaws of the Association. There shall be appurtenant and pass with title to each Unit, one Voting Interest, which may be exercised by the Unit Owner(s), or the duly constituted proxy of the Unit Owner(s) from time to time, at all meetings of members and in connection with all matters upon which all members of the Association are entitled to vote. The qualification of members of and manner of admission to membership in the Association the termination of such membership and voting by members shall be as provided for in the Articles of Incorporation and Bylaws of the Association.

6. AMENDMENT OF DECLARATION

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

6.1 Notice

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

6.2 Proposal

Amendments to this Declaration may be proposed by the Board of the Association by resolution adopted by a majority vote of the Directors present at any regular or special meeting of the Board at which a quorum is present or in the alternative, by a written instrument signed by a majority of the Board, or by the owners of one-tenth (1/10) of the Voting Interests, whether by vote of such owners as members of the Association at a special or regular meeting of the members or by written instrument signed by them.

6.3 Adoption

Any amendment to this Declaration so proposed by the Board or members of the Association shall be transmitted to the President of the Association, or in the absence of the President to a Vice President or other acting chief executive officer, who shall thereupon call a special meeting of the Unit Owners in this Condominium to consider and vote upon such proposed amendment, provided that a proposed amendment may be considered and voted upon at an annual meeting of the members of the Association if the next such meeting is to be held within the time hereafter limited and if notice of the proposed amendment shall be included in the notice of such meeting. The special or annual meeting as

the case may be of the members shall be held not sooner than fourteen (14) days nor later than sixty (60) days from the date of receipt by the Association of the proposed amendment. Notice of the meeting shall be in the form and shall be delivered and the meeting shall be called and held as provided for in the Bylaws of the Association provided, that any member may in writing signed by such member, waive notice of any such meeting in the manner provided for in the Bylaws of the Association and such waiver, when delivered to the Secretary of the Association for filing in its records, whether before during or after such meeting shall be construed to be the equivalent of giving notice to such member.

No provision of this Declaration shall be revised or amended by reference to its title and number only. Proposals to amend existing provisions of this Declaration shall contain the full text of the provision to be amended; new words shall be inserted and underlined and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Declaration, see provision . . . for present text." Non-material errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment. For twenty years from the date of recording of this Declaration the proposed amendment may be adopted, and shall become effective, by and upon the affirmative vote at such meeting of not less than ninety percent (90%) of the Voting Interests provided, that any amendment proposed may be adopted, without a formal meeting of the members, by an instrument executed and acknowledged with the formalities of a deed by members owning not less than ninety percent (90%) of all Voting Interests. Thereafter, the requisite percentage of Voting Interests for approval shall be not less than seventy-five percent (75%).

6.4 Proviso

Except as elsewhere permitted herein, no amendment shall

(a) Change any "Condominium Parcel" (as defined in the Condominium Act) unless the record owner thereof and Mortgagees thereon shall join in the execution and acknowledgment of the amendment, or

(b) Discriminate against any Unit Owner or against any Unit or any class or group of Units comprising part of the Condominium Property, unless the record owners of all affected Units and Mortgagees thereon shall join in the execution and acknowledgment of the amendment, or

(c) Change the share of Common Elements appurtenant to any Unit or Units or the share of any Unit Owner in the Common Surplus, or increase the share of any Unit Owner(s) in the Common Expenses, unless the record owners of Units so affected and the Mortgagees thereon shall join in the execution and acknowledgment of such amendment, or

(d) Make any change in Article 10 hereof, entitled "Insurance," nor in Article 11 hereof, entitled "Reconstruction or Repair After Casualty," unless the Mortgagees on Units shall join in the execution and acknowledgment of the amendment or

(e) Adversely affect the lien or priority of any previously recorded Mortgage to an Institutional Mortgagee or

(f) Change the rights and privileges of the Developer without the Developer's written approval.

(g) So long as the Developer has title to any Condominium Unit, no amendment shall be made to this Declaration or any exhibits thereto unless the Developer shall consent in writing to the amendment, which consent may be withheld by the Developer for any reason.

(h) Change the use of any Unit or Common Element to commercial use without Developer's written consent.

(i) The right of the Developer to amend this Declaration of Condominium as elsewhere provided herein shall not be abridged in any manner by this Article or any other article of this Declaration or exhibits thereto.

(j) The condominium regime may not be merged with a successor condominium regime without prior written approval of Institutional Mortgagees.

6.5 Effective Date and Recording Evidence of Amendment.

An amendment other than amendments made by the Developer alone pursuant to the Act or this Declaration, shall be evidenced by a certificate of the Association which shall include recording data identifying the Declaration and shall be executed in the form required for the execution of a deed. Amendments effected by the Developer must be evidenced in writing and recorded, but a certificate of the Association is not required. An amendment of the Declaration is effective when it is recorded in the public records of the County.

6.6 Amendments by Developer.

Notwithstanding any provision to the contrary set forth in this Article or elsewhere in this Declaration or in the Articles of Incorporation or Bylaws of the Association, the Developer may amend this Declaration to add any surveyor's certificate(s), to amend the documents as required by an Institutional Mortgagee, or in accordance with §§ 8.1, 13.2 and 13.4 without the consent or joinder of any Unit Owner or mortgagee.

6.7 Amendment to Correct Omission or Error in Condominium Documents.

The Association, by the affirmative vote of not less than 51% of the Voting Interests, may amend the Declaration for the purpose of correcting a defect, error or omission in this Declaration.

7. MAINTENANCE, REPAIRS AND REPLACEMENTS.

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

7.1 Units.

Each Unit, and the personal property therein, fixtures equipment and appliances comprising a part thereof located therein, or exclusively serving the same shall be maintained, kept in good repair and replaced by and at the

expense of the Owner(s) thereof. All maintenance, repairs and/or replacements for which Unit Owners are responsible and obligated to perform, whether structural or nonstructural, ordinary or extraordinary, shall be performed promptly as the need arises. Notwithstanding the obligation of Unit Owners for maintenance, repair and replacement of and in Units, the proceeds of all insurance awards or payments under insurance carried by the Association for loss or damage to or within such Units shall be applied against repairs and replacements to the extent that such award or payments exceed the deductible provisions of such insurance.

7.2 Common Elements.

The Association shall be responsible for and shall assess against and collect from all Unit Owners, the costs of maintaining, repairing, replacing and keeping in clean and orderly condition, all of the Common Elements except certain of the Limited Common Elements specified below. The Association shall, at the expense of all Unit Owners, repair any and all incidental damage to Units resulting from maintenance repairs and/or replacements of or to Common Elements.

7.3 Limited Common Elements.

The responsibility for and the cost of keeping clean and in orderly condition the patios, balconies, stairways and parking spaces in front of garages forming a part of the Limited Common Elements which exclusively serve one or two Units to the exclusion of other Units, shall be borne by the owner(s) of the Unit(s) to which the same are appurtenant. The repair and maintenance of such patios, balconies, stairways and private parking spaces which exclusively serve one or two Units shall be done by the Association, but paid for by the Unit Owner(s) of the Unit(s) to which it is appurtenant.

Notwithstanding the Unit Owners' obligations with respect to certain Limited Common Elements, any proceeds of insurance awards or payments under insurance carried by the Association for loss or damage to such Limited Common Elements shall be applied against such repair or replacement to the extent that such award or payments exceed the deductible limits of such insurance.

7.4 Management.

The Board may enter into a contract with any firm, person, or corporation or may join with any other condominium associations and entities in contracting for the maintenance and repair or management of the Condominium Property. The Board may contract for and may delegate to the contractor or manager all the powers and duties of the Association, except such as are specifically required by this Declaration or by the Bylaws, to have the approval of the Board of Directors or the membership of the Association. The contractor or manager may be authorized to determine the budget, make assessments for Common Expenses and collect assessments as provided by this Declaration, Bylaws and exhibits to this Declaration.

7.5 Entry for Maintenance.

The Board, or the agents or employees of any management firm or the Association, shall be allowed entry into any Unit or Limited Common Elements for the purpose of maintenance, inspection, repair, replacement of the improvements

within the Units, Limited Common Elements, or the Common Elements or in case of emergency circumstances threatening Units, Limited Common Elements or the Common Elements, or to determine compliance with the provisions of this Declaration and the Bylaws of the Association. The liability for any damage done by the Board, agents or employees of any management firm or Association shall be assessed against the Unit Owner of the Unit being repaired, maintained or inspected unless such damage is created by the gross negligence or willful misconduct of the Board, agents or employees of any management firm or Association.

7.6 Failure to Maintain.

In the event a Unit Owner fails to maintain his Unit and Limited Common Elements, as required herein, or makes any alterations or additions without the required consent, or otherwise violates or threatens to violate the provisions of this Declaration relevant to maintenance, alteration and repair, the Association shall have the right collect the cost thereof from the Unit Owner and the Unit, for such necessary sums to remove any unauthorized addition or alteration and to restore the property to good condition and repair. The Association shall have the further right to have its employees or agents or any subcontractors appointed by them enter a Unit at all reasonable times to do such work as is deemed necessary by the Board of the Association to enforce compliance with the provisions hereof.

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

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

8.1 Developer's Right to Alter.

Until the Declaration is recorded, the Developer shall have the right, without the vote or consent of the Association or Unit Owners, to (i) make alterations, additions or improvements in, to and upon Units owned by the Developer, whether structural or non-structural, interior or exterior, ordinary or extraordinary; (ii) change the layout or number of rooms in any Developer-owned Units; (iii) change the size and/or number of Developer-owned Units by subdividing one or more Developer-owned Units into two or more separate Units, combining separate Developer-owned Units (including those resulting from such subdivision or otherwise) into one or more Units, or otherwise; and (iv) reapportion among the Developer-owned Units affected by such change in size or number pursuant to the preceding clause their appurtenant interest in the Common Elements and share of the Common Surplus and Common Expenses; provided, however, that the percentage interest in the Common Elements and share of the Common Surplus and Common Expenses of any Units (other than Developer-owned Units) shall not be changed by reason thereof unless the Owners of such Units shall consent thereto and, provided further, that Developer shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction in so doing including the rules and regulations of the Bureau of Condominiums. In making the above alterations, additions and improvements, the Developer may relocate and alter Common Elements adjacent to such Units, incorporate portions of such Common Elements into altered Units and/or create additional Common Elements from portions of altered Units, provided that such relocation and alteration does not materially or adversely affect the market value or ordinary

use of Units owned by Unit Owners other than the Developer. Any amendments to this Declaration required by actions taken pursuant to this Article may be effected by the Developer alone. Without limiting the generality of Section 6.4 hereof the provisions of this Section may not be added to, amended or deleted without the prior written consent of the Developer.

6.2 Unit Owner's Right to Alter

No Unit Owner shall make any addition, alteration or improvements in or to the Common Elements nor to his Unit or any Limited Common Element without the prior written consent of the Board. The Board shall have the obligation to answer any written request by a Unit Owner for approval of such an addition, alteration or improvement in such Unit Owner's Unit or Limited Common Element within 60 days after such request and all additional information requested is received, and the failure to do so within the stipulated time shall constitute the Board's consent. The proposed additions alterations and improvements by the Unit Owners shall be made in compliance with all laws rules ordinances and regulations of all governmental authorities having jurisdiction, and with any conditions imposed by the Association with respect to design, structural integrity, aesthetic appeal construction details lien protection or otherwise. A Unit Owner making or causing to be made any such additions, alterations or improvements agrees and shall be deemed to have agreed, for such Owner, and his heirs, personal representatives, successors and assigns, as appropriate, to hold the Association and all other Unit Owners harmless from any liability or damage to the Condominium Property and expenses arising therefrom, and shall be solely responsible for the maintenance, repair and insurance thereof from and after the date of installation or construction thereof as may be required by the Association, subject to the Board's right to perform appropriate maintenance upon the failure of the Unit Owner to do so as provided in Section 7.6.

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

9. MANAGEMENT AGREEMENT.

9.1 Management Firm.

The Association, through its Board of Directors, may enter into a management agreement with a professional management firm ("Management Firm").

The Association may delegate to the Management Firm certain powers of the Association, not reserved to the Board of Directors under the provisions of the Condominium Act.

9.2 Duties of Management Firm.

Each Unit Owner, his heirs, successors, and assigns, shall be bound by the Management Agreement for the purposes therein expressed, including but not limited to:

(a) Adopting, ratifying, confirming, and consenting to the execution of the Management Agreement by the Association.

(b) Covenanting and promising to perform each and every of the covenants, promises and undertakings to be performed by Unit Owners as provided in the Management Agreement.

(c) Ratifying, confirming, and approving each and every provision of the Management Agreement and acknowledging that all of the terms and provisions thereof are reasonable.

(d) Agreeing that the persons acting as directors and officers of the Association entering into such an Agreement have not breached any of their duties or obligations to the Association.

9.3 Interested Directors.

It is specifically recognized that some or all of the persons comprising the original Board are or may be stockholders, officers and Directors of the Management Firm, and that such circumstances shall not and cannot be construed or considered as a breach of their duties and obligations to the Association, nor as possible grounds to invalidate such Management Agreement in whole or in part.

10. INSURANCE

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

10.1 Duty and Authority to Obtain.

The Association shall obtain and keep in force at all times the insurance coverage which it is required hereby to carry and may obtain and keep in force all of such other or additional insurance coverage as it is authorized hereby to carry. All insurance obtained by the Association shall be purchased for the benefit of the Association and the Unit Owners and their Mortgagees, and all policies of such insurance shall be deposited with and held by the "Insurance Trustee" (as herein identified); provided that a certificate evidencing a mortgagee endorsement shall be issued to the Institutional Mortgagee of each Unit. The Unit Owners may, at their own expense obtain insurance coverage against damage to and loss of the contents of the Unit, including, without limitation, carpeting, wall and ceiling coverings, personal liability for injury to and death of persons and damage to and loss of personal property of others, and against additional living expenses. Provided, however, that each policy of such insurance purchased by a Unit Owner shall, where such provision is available, state that the insurer waives its right of subrogation as to any claim or claims against other Unit Owners, the Association, and their respective employees, agents, guests and invitees.

10.2 Required Coverage.

The Association shall purchase and carry casualty insurance covering all of the Buildings and other Improvements, including personal property of the Condominium. All hazard policies issued to protect Buildings whenever used in the policy shall include, but shall not necessarily be limited to fixtures, installations or additions comprising that part of the Building within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual Units initially installed or replacements thereof of like kind or quality in accordance with the original plans and specifications, or as existed at the time the Unit was initially conveyed if the original plans and specifications are not available, excluding therefrom the insuring of floor, wall and ceiling coverings (which may be jointly referred to as "Insured Property") in an amount equal to the maximum insurance replacement value thereof, exclusive of excavation and foundation costs, as determined annually by the Board of Directors of the Association in accordance with reasonably acceptable appraisal practice. Such insurance shall include or afford protection against:

(a) Loss or damage by fire or other hazards covered by the standard extended coverage and broad form and/or special form and

(b) Such other risks or perils of a similar or dissimilar nature as are or shall be customarily covered with respect to Buildings and other Improvements similar in construction, location and use to the Building and other Improvements of the Condominium, including without limitation, vandalism, malicious mischief, windstorm, and flood and perils covered by the standard "all risk" endorsement, if available.

(c) Comprehensive general liability insurance in the amount of \$1,000,000 for bodily injury including deaths of persons and property damage arising out of a single occurrence, insuring the Association, the Board of Directors, the Management Firm, at the discretion of the Board of Directors, and each Unit Owner for claims arising out of or in connection with the ownership, operation or maintenance of any of the Condominium Property including Common Elements and public ways of the Condominium. This coverage shall exclude Unit Owner liability coverage for claims arising in connection with that portion of the property used and occupied exclusively by a particular Unit Owner. Such comprehensive general liability insurance shall also cover cross liability claims of one insured against the other. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation and maintenance of the Common Elements and legal liability arising out of law suits related to contracts entered into by the Association. The Board of Directors shall review such limits once a year.

(d) Workmen's compensation insurance to meet the requirements of law.

(e) Loss or damage by flood, to the extent and limitations, if any, required or necessitated by law, including, without limitation, the Flood Disaster Protection Act of 1973, or any similar law or regulation.

(f) Director and officer liability coverage and fidelity bonds, and to the extent the duties and obligations of the Board are delegated, for such delegates. Such bonds shall comply with the requirements of Mortgagees.

10.3 Optional Coverage.

The Association may purchase and carry other insurance coverage or obtain other endorsements including without limitation, products liability, agreed amount and inflation guard endorsements, construction code endorsements and steam boiler coverage as the Board, in its sole discretion, may determine from time to time to be in the best interests of the Association and Unit Owners, or as a Mortgagee may reasonably require while it holds a mortgage encumbering any Unit. Any waiver of subrogation contained in policies shall include waivers as to the Management Firm.

10.4 Premiums.

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

10.5 Additional Provisions.

Any policy obtained by the Association must provide for the following, if available:

- (a) Recognition of any Insurance Trust Agreements.
- (b) Waiver of the right of subrogation against Unit Owners individually.
- (c) The insurance will not be prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Owners collectively.
- (d) The policy shall be primary in the event that the Unit Owner has other insurance covering the same loss.
- (e) The policy may not be cancelled or substantially modified without at least 60 days prior written notice to the Association and each Mortgagee which is listed as a scheduled holder of a first mortgage in the insurance policy.

10.6 Assured.

All policies of insurance obtained and purchased by the Association shall be for the benefit of the Association, the Unit Owners and their Mortgagees, as their interests may appear and shall provide that all proceeds covering casualty losses shall be paid to the "Insurance Trustee," as herein identified, or to its successor and the proceeds from insurance against any casualty loss shall be held for the use of the Association, Unit Owners and their respective Mortgagees, as their interests may appear, to be applied or distributed in the manner herein provided. Policies shall contain the standard Mortgage Clause or equivalent endorsement without contribution. The Association is hereby constituted and appointed agent for all Unit Owners, with authority to negotiate and settle the value and extent of any and all losses covered under any policy of casualty insurance and the Association is granted full right and authority to execute, in favor of any insurer, a release of liability arising out of any occurrence covered by any policy or policies of casualty insurance and resulting in loss of or damage to insured property.

10.7 Insurer.

All persons beneficially interested in the insurance coverage obtained, purchased and maintained by the Association, including without limitation Unit Owner(s) and Mortgagees shall be bound by the Association's selection of its insurer(s) and the amount of insurance coverage carried and kept in force by the Association.

10.8 Insurance Trustee.

The Association shall have the right but no obligation to designate the Insurance Trustee and all persons beneficially interested in such insurance coverage shall be bound by the Association's selection of the Insurance Trustee. If the Association fails or elects not to appoint such Insurance Trustee the Association will perform all obligations imposed upon such Trustee by this Declaration.

- (a) Qualifications. Rights and Duties.

The Insurance Trustee shall be either a bank with trust powers doing business in the State of Florida, the Board or an attorney who is a member of the Florida Bar. The Insurance Trustee, if a bank or attorney shall not be liable

for the payment of premiums the renewal of any policy or policies of casualty insurance the sufficiency of coverage the form or content of policies, nor for the failure to collect any insurance proceeds. The duties of the Insurance Trustee if a bank or attorney shall be to hold such insurance policies as may be placed with it pursuant to Section 10.1 and to receive such proceeds of casualty insurance as are paid and to hold the same in trust for the purposes herein stated, and for the benefit of the Association, Unit Owners and their respective Mortgagees to be disbursed as herein provided. The Association shall pay a reasonable fee to the Insurance Trustee if a bank or attorney, for services rendered hereunder and shall pay such costs and expenses as the Insurance Trustee may incur in the performance of its duties hereunder, such fees and costs to be assessed against and collected from Unit Owners as a Common Expense. The Insurance Trustee shall be liable only for its willful misconduct, bad faith or gross negligence and then only for such money as may come into the possession of the Insurance Trustee. If and when the Insurance Trustee is required to distribute insurance proceeds to Unit Owners and their Mortgagees, as their respective interests may appear, the Insurance Trustee if a bank or attorney, may rely upon a certificate of the President and Secretary of the Association, executed under oath and provided to the Insurance Trustee upon request to the Association, such certificate to certify the name or names of the owners of each Unit, the Mortgagee(s) thereof, and the respective percentages of any distribution which is to be made to the Unit Owner(s) and Mortgagee(s), as their respective interests may appear. If and when insurance proceeds are paid to the Insurance Trustee for any casualty loss, the holder(s) of any Mortgage or Mortgages encumbering a Unit shall not have the right to determine or participate in the determination of repair or replacement of any loss or damage and shall not have the right to elect to apply insurance proceeds to the reduction of indebtedness secured by such mortgage(s), unless the insurance proceeds represent a distribution to the Unit Owners and the Mortgagee(s) thereof, after such insurance proceeds have been first applied to repair, replacement or reconstruction of any loss or damage, or unless such casualty insurance proceeds are authorized to be distributed to the owner(s) of the Unit, and the Mortgagee(s) thereof by reason of loss of or damage to personal property constituting a part of the Common Elements and as to which a determination is made not to repair, replace or restore such personal property.

10.9 Application of Insurance Proceeds.

The proceeds of casualty insurance paid to the Insurance Trustee by an insurer for loss or damage to real and/or personal property upon which the Association carries insurance, shall be applied and paid as follows:

(a) Common Elements Only.

The proceeds paid to the Insurance Trustee for loss of or damage to real property constituting Common Elements only shall be applied to the repair, replacement or reconstruction of such loss or damage. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements, the excess shall be paid by the Insurance Trustee to the owners of all Units, and their respective Mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each Unit in the Common Elements. If the insurance proceeds shall be insufficient to pay the cost of the repair, replacement or reconstruction of such Common Elements, the Association shall deposit with the Insurance Trustee, from any Association Reserve Fund which may have been established, the

difference between the total cost of repairing, replacing or reconstructing such loss or damage and the amount of the insurance proceeds. If no such Association Reserve Fund has been established, or if any such Association Reserve Fund has been established and is insufficient to pay to the Insurance Trustee such difference, the Association shall assess the amount of the difference against, and collect it from, all Unit Owners, as a Common Expense.

(b) Units.

The proceeds paid to the Insurance Trustee for loss of or damage to any portion of the Condominium Buildings, constituting damage to Common Elements and one or more Units thereof, shall be first applied to the repair, replacement or reconstruction of Common Elements, then to the repair, replacement or reconstruction of any Unit or Units in the Building which have been destroyed or damaged. If such insurance proceeds exceed the cost of the repair, replacement or reconstruction of such Common Elements and Units, the excess shall be paid by the Insurance Trustee to the owners of the damaged or destroyed Units and their respective mortgagees, as their interests may appear, in shares or proportions equal to the undivided interest appurtenant to each such Unit in the Common Elements. If the insurance proceeds shall be sufficient to pay for the repair, replacement or reconstruction of the Common Elements but shall be insufficient to pay the cost of the repair, replacement or reconstruction of the damaged or destroyed Unit or Units in such Building, the Association shall assess the amount of the difference against, and collect the same from, the owner(s) of the Unit(s) damaged or destroyed, in proportion that the amount of damage sustained to each such Unit bears to the total deficit and deposit such sum with the Insurance Trustee to be applied by the Insurance Trustee toward the total cost of repairing, replacing or reconstructing all of such damaged or destroyed Common Elements and Units. If the insurance proceeds shall be insufficient to pay the cost of the repairs, replacements, or reconstruction of the Common Elements and the damaged or destroyed Unit or Units in such building the Association shall assess the amount of the difference against, and collect the same from all Unit Owners, the total cost of repairing or replacing the Common Elements as a common expense. The cost of repairing, replacing or reconstructing the Unit or Units destroyed or damaged shall be assessed by the Association against, and collected from the owner(s) of such damaged or destroyed Units.

(c) Proceeds of Optional Property Coverage

If any proceeds from any damage occasioned solely to Units and/or certain portions or all of the contents thereof not included in Insured Property, as determined by the Association in its sole discretion, (collectively "Optional Property"), are collected by reason of optional insurance which the Association elects to carry thereon such proceeds shall be held for the benefit of the Owners of the Units or other portions of the Optional Property damaged in proportion to the cost of repairing the damage suffered by each such affected Owner which cost and allocation shall be determined in the sole discretion of the Association.

10.10 Deposits to Insurance Trustee After Damage.

Within sixty (60) days after a loss of or damage to Condominium Property covered by casualty insurance, the Association shall obtain estimates of the cost of repairing, replacing or restoring the same including the cost of profes-

sional fees and any construction bond which the Board of Directors may require. If from such estimates, it shall appear that the insurance proceeds payable for such loss or damage will be insufficient to pay the total costs thereof, the additional money required to pay the total cost thereof, whether it is to be paid by one or more Unit owners, shall be deposited with the Insurance Trustee not later than thirty (30) days from (i) the day on which the Insurance Trustee receives the insurance proceeds or (ii) the date of receipt of cost estimates for repair or replacement, whichever last occurs.

11. RECONSTRUCTION OR REPAIR AFTER CASUALTY

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

11.1 Insured Property.

If the Insured Property shall be damaged or destroyed, repair or reconstruction thereof, or termination of the Condominium, shall be in accordance with the following:

(a) Total Destruction of the Insured Property.

If seventy-five (75%) or more of the Insured Property is destroyed or so damaged that no Units therein are habitable, the Buildings and none of the Improvements comprising Common Elements thereof shall be reconstructed, and the Condominium shall be terminated unless the Owners of Units to which seventy-five (75%) percent of the Common Elements are appurtenant agree in writing, within 60 days after the date of such destruction, to reconstruct the same and/or unless any policy or policies of casualty insurance covering the same shall require reconstruction thereunder, and in either case as long as the then applicable zoning and other regulatory laws and ordinances shall allow the same to be reconstructed.

(b) Partial Damage to the Insured Property.

If less than seventy-five percent (75%) of the Insured Property is damaged and some Units therein are habitable, the damaged or destroyed Common Elements and/or Units shall be repaired or reconstructed so that the Units and Common Elements shall be restored to substantially the same condition as existed prior to such damage or destruction, unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere herein provided that the Condominium shall be terminated.

(c) Damage to Common Elements.

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

(d) Responsibility for Damage to Units Only.

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

11.2 Certificate.

The Insurance Trustee may rely upon a certificate executed by the President and Secretary of the Association to determine whether or not damaged or destroyed Condominium Property shall be repaired or reconstructed.

11.3 Plans and Specifications.

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

11.4 Construction Funds.

All funds for the payment of repair and reconstruction costs, consisting of insurance proceeds and/or funds collected by the Association from Unit Owners, ("Construction Funds") shall be disbursed toward payment of such costs in the following manner:

(a) Association.

If the Construction Funds are more than \$100,000.00, then all such Funds shall be deposited by the Association with and disbursed by the Insurance Trustee. In all other cases the Association shall hold such sums so assessed and collected and shall disburse the same in payment of the costs of reconstruction and repair.

(b) Disbursement.

If Construction Funds deposited are with the Insurance Trustee the Insurance Trustee shall disburse the Funds in payment of the costs of repair and reconstruction in the following manner:

(1) Unit Owner.

The portion of Construction Funds represented payment for damage for which the responsibility of repair and reconstruction is upon one or more but less than all Unit Owners. it shall be paid by the Insurance Trustee to the affected Unit Owners and, if any of such Units are mortgaged, to the affected Unit Owners and their Mortgagees jointly.

(2) Association - Lesser Damage.

The portion of the Construction Fund representing payment for damages to the Common Elements which is less than \$100,000.00 shall be disbursed in payment of such costs upon the order of the Association: provided, however, that upon request to the Insurance Trustee by a Mortgagee which is a beneficiary of an insurance policy the proceeds of which are included in the Construction Fund, such Fund shall be disbursed in the manner hereafter provided for the reconstruction and repair of major damage.

(3) Insurance Trustee - Major Damage.

If the damage to the Common Elements is more than \$100,000.00, then the Construction Fund shall be disbursed by the Insurance Trustee in payment of such costs in the manner required by the Board and upon approval of an architect registered to practice in Florida and employed by the Association to supervise the work.

(4) Surplus.

It shall be presumed that the first moneys disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in the construction fund after payment of all costs of the reconstruction and repair for which the Construction Fund is established, such balance shall be distributed to the beneficial owners of the Construction Fund in the manner elsewhere herein stated: except, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by such owner into the Construction Fund shall not be made payable to any Mortgagee

(5) Certificate.

Notwithstanding the provisions herein, the Insurance Trustee, if a bank or attorney, shall not be required to determine whether or not sums paid by Unit Owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements from the Construction Fund are to be upon the order of the Association or upon approval of an architect or otherwise, nor whether a disbursement is to be made from the Construction Fund nor to determine whether surplus funds to be distributed are less than the assessments paid by Owners. Instead, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided that when a Mortgagee is herein required to be named as payee the Insurance Trustee shall also name the Mortgagee as payee; and further provided that when the Association, or a mortgagee which is the beneficiary of an insurance policy the proceeds of which are included in the Construction Fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association.

12. USE RESTRICTIONS.

In order to provide for congenial occupancy of the Condominium Property and for the protection of the value of the Units, the use of the Condominium Property shall be in accordance with the following provisions so long as the Condominium exists:

12.1 Units.

Each Unit shall be used for a single household and for residential non-commercial purposes only. Nothing herein shall be construed to prohibit leasing of the Units, provided that such leases are in compliance with paragraph 12.9 hereof.

12.2 Insurance.

No use shall be made of any Unit or of the Common Elements or Limited Common Elements which will increase the rate of insurance upon the Condominium Property without the prior consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in cancellation of insurance on any Unit or any part of the Common Elements, or which will be in violation of any law.

12.3 Signs.

No sign of any kind shall be displayed to public view on or from any Unit or the Common Elements without the prior written consent of the Board.

12.4 Pets.

No animals of any kind other than one dog and/or one cat, aquarium fish or small birds such as canaries and parakeets shall be kept in a Unit or allowed upon the Condominium Property except by prior written consent of the Board. Such consent, if given, shall be revocable by the Board at any time, and shall automatically expire upon the death or other disposition of the pet. Pets shall be leashed and restrained at all times when on or about the Condominium Property. No guest, lessee, or invitee shall bring any animal upon the Condominium Property. Unit Owners maintaining pets on the Condominium Property, or whose guests, lessees, or invitees bring any animal upon the Condominium Property, shall be responsible for, and bear the expense of, any damage to person or property resulting therefrom. Any such damage shall be determined by the Board and collection by the Association.

12.5 Encroachments.

None of the rights and obligations of the Unit Owners created herein or by the deed conveying the Condominium shall be altered in any way by encroachment due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of any such encroachments so long as they shall exist provided, however, that in no event shall a valid easement for encroachment be created in favor a Unit Owner(s), if encroachment occurred due to the willful conduct of the Unit Owner(s).

12.6 Common Elements.

The Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Units. There shall be no obstruction or alteration of, nor shall anything be stored, altered or constructed in, or removed from, the Common Elements or Limited Common Elements without the prior written consent of the Association.

12.7 Nuisances

No noxious or offensive activity shall be allowed upon the Condominium Property, nor any use or practice which is the source of annoyance or nuisance to Unit Owners or guests or which interferes with the peaceful possession and proper use of the Condominium Property by residents. All parts of the Condominium Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate nor shall any fire hazard be allowed to exist. No waste shall be committed in the Common Elements.

12.8 Lawful Use.

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

12.9 Leasing.

All leases of the Units must provide that the lessee shall be bound by the provisions of this Declaration and any noncompliance by such lessee shall be the responsibility of the Unit Owner.

12.10 Exterior Improvements- Landscaping.

No Unit Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, doors or windows of the Buildings (including, but not limited to, awnings, signs, storm shutters, screens, furniture, fixtures and equipment), nor to plant or grow any type of shrubbery, flower, tree, vine, grass or other plant life outside his Unit, without the prior written consent of the Association, subject always to the provisions hereof.

12.11 Regulations.

Reasonable regulations and rules concerning the use of the Condominium Property may be promulgated, modified or amended from time to time by the Board.

12.12 Enforcement.

The Association shall have the right to enforce all the restrictions set forth in this Article and the Declaration in any manner it deems necessary including without limitation, injunction, suit for damages, or fines.

13. RESERVED RIGHTS OF DEVELOPER.

In addition to various rights reserved by the Developer elsewhere provided in this Declaration, the Developer reserves the following rights:

13.1 Developer's Use of Units.

Until Developer has completed and conveyed all of the Units, neither Unit Owners nor the Association shall interfere with the completion of the proposed improvements and the sale of the Units. Developer may make such use of the unsold Units and Common Elements, including the manager's unit, as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, the showing of the Unit and the display of signs.

13.2 Changes to Boundaries and Unit Dimensions.

Until such time as the Declaration is recorded, the Developer reserves the right to change the interior design and arrangement of all Units, to alter the boundaries between Units so long as Developer owns the Units so altered and to change the boundaries of Common Elements. Provided, however, if a Unit to be changed abuts the Common Elements where the boundaries are to be changed, the Developer shall own such Unit. The Developer reserves the right to further subdivide the Units owned by the Developer into more than one Unit. If more than one Unit is altered, the Developer shall apportion between the Units, the shares in the Common Elements and Common Expenses appurtenant to the Units altered. An amendment of this Declaration reflecting such authorized alteration of the Unit or Common Elements by Developer need be signed and acknowledged only by the Developer, and need not be approved by the Association, Unit Owners, lienors or mortgagees of any Units or interests therein. In each event, all assessments, voting rights and a share of the Common Elements shall be calculated as if such Units were as originally designated on the Exhibits attached to this Declaration, notwithstanding the fact that several Units are used as one.

13.3 Easement Rights of Developer.**(a) Roads.**

Developer hereby reserves for itself and its designees, an easement over the Condominium Property as it may deem necessary for preserving, maintaining or improving the common roadways.

(b) Developer's Easement to Correct Drainage

For a period of five years from the date of conveyance of the first Unit, the Developer reserves for itself and its designees an easement and right on, over and under the ground within the Condominium Property to maintain and to correct drainage of surface water and other erosion controls in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary, following which the Developer shall restore the affected Condominium Property to its original condition as nearly as practicable. The Developer shall give reasonable notice of intent to take such action to all affected owners, unless in the opinion of the Developer an emergency exists which precludes such notice. The rights granted hereunder may be exercised at the sole option of Developer and shall not be construed to obligate Developer to take any affirmative action in connection therewith.

(c) Construction Easement

Developer reserves for itself, its nominees, designees, successors and assignees, an easement over and across the Condominium Property as may be reasonably necessary in connection with the construction of improvements within the Condominium Property. Such easement shall include, but not be limited to, an easement for the use of necessary and usual equipment in connection with such construction activity, together with the usual and common noise level created by such construction activity.

13.4 Right to Amend.

Without limiting the right of the Developer to amend as otherwise set forth herein, the Developer, so long as it owns Units to which more than twenty-five (25%) percent of the Common Elements are appurtenant, reserves the right at any time to amend the Declaration, as may be required by any lending institution or public body or title insurance company without further consent of the Unit Owners or other Mortgagees.

13.5 Rights of Developer to Sell or Lease Units.

So long as Developer, or any mortgagee succeeding Developer in title, shall own any Unit, it shall have the absolute right to lease or sell any such Unit to any person, firm or corporation, upon any terms and conditions as it shall deem to be in its own best interests.

13.6 Additional Easements Reserved.

The real property submitted to condominium ownership herewith is subject to conditions, limitations, restrictions, reservation, all matters of record, 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. The developer shall have the right to grant such easements over and upon the Condominium Property and designate the beneficiary

thereof until five years after the recording of the Declaration or until such time as Developer transfers control of the Association to the Unit Owners, whichever shall first occur. Thereafter the Association shall be empowered to grant such easements on behalf of its members. During the period of time that 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 requirement that the easements not structurally weaken the Condominium building(s) and improvements upon the Condominium Property nor unreasonably interfere with the enjoyment of the Condominium Property by Unit owners.

14. COMPLIANCE AND DEFAULT.

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

14.1 Negligence.

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

14.2 Compliance.

In the event a Unit Owner or occupant fails to maintain a Unit or the Limited Common Elements appurtenant to the Unit, or fails to cause such Unit or Limited Common Elements to be maintained, or fails to observe and perform all applicable provisions of the Declaration, the Bylaws, the Articles of Incorporation of the Association, applicable rules and regulations, or any other agreement, document or instrument affecting the Condominium Property or administered by the Association, in the manner required, the Association shall have the right to proceed in a court of equity to require performance and/or compliance, to sue in a court of law for damages, to suspend voting rights in Association matters or use rights in recreational facilities, to assess the Unit Owner and the Unit for the sums necessary to do whatever work is required to put the Unit Owner or Unit in compliance and to collect such sums as Assessments and have a lien therefor as elsewhere provided. In addition, the Association shall have the right, for itself and its employees and agents, to enter the Unit and perform the necessary work to enforce compliance with the above provisions (by force, if necessary), without having committed a trespass or incurred any other liability to the Unit Owner.

In addition to or instead of the above the Association shall have the right to levy fines against Unit Owners for any violation of the Declaration and/or any rules or

regulations established by the Association. No fine shall become a lien against a Unit; no fine shall exceed \$25.00 per occurrence nor shall any fine be levied except after giving reasonable notice and opportunity for a hearing to Unit Owner and if applicable his licensee or invitee. Any reference to a fine contained in this Declaration shall not be construed as a limitation, fines may be assessed for the violation of any provision herein.

14.3 Costs and Attorney's Fees.

In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Declaration, the Articles of Incorporation and Bylaws of the Association, or any and all regulations applicable to such owner as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court, at trial or on appeal.

14.4 No Waiver of Rights.

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

15. ASSESSMENTS: LIABILITY AND DETERMINATION.

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

15.1 Liability for Assessments.

Assessments by the Association against each Unit Owner and his Unit shall be computed by dividing the total budget for the Condominium by each Unit's fractional share of the total assessments as is set forth in the Schedule annexed hereto and made a part hereof as Exhibit "B."

Should the Association become the owner of any Unit(s), the assessment which would otherwise be due and payable to the Association by the owner(s) of such Unit(s), reduced by an amount of income which may be derived from the leasing of such Unit(s) by the Association, shall be apportioned and the assessment therefor levied ratably among the owners of all Units which are not owned by the Association, based upon their proportionate interests in the Common Elements exclusive of the interests therein appurtenant to any Unit or Units owned by the Association.

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

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

15.2 Time for Payment.

The assessment levied against the Unit Owner and his Unit shall be payable monthly on the first day thereof unless changed by the Board. The commencement of the assessments against each Unit and Non-Developer Unit Owner shall be the date of conveyance to the Non-Developer Unit Owner.

15.3 Annual Budget.

The Board shall establish an Annual Budget in advance for each fiscal year which shall estimate all expenses for the forthcoming fiscal year required for the proper operation, management and maintenance of the Condominium, including, a reasonable allowance for contingencies and reserves.

15.4 Reserve Fund.

The Board, in establishing each Annual Budget, shall include therein a sum to be collected and maintained as a reserve fund for the capital expenditures, deferred maintenance and replacement of Common Elements and personal property held for the joint use and benefit of the Unit Owners. The amount to be reserved shall be determined by the Board or Directors or as may be required under the provisions of the Condominium Act and may be deleted by a vote of the statutory requisite percentage of Unit Owners. Provided however, if a meeting of the Unit Owners has been called to determine to provide no reserves or reserves less adequate than required, and such result is not attained or a quorum is not attained, the reserves as included in the budget shall go into effect.

15.5 General Operating Reserve.

The Board, when establishing each Annual Budget, may, when deemed necessary or desirable, include therein a sum to be collected and maintained as a general operating reserve to provide a measure of financial stability during periods of special stress when such sums may be used to meet deficiencies from time to time existing as a result of delinquent payment of assessments by owners of Units, as a result of emergencies or for other reason placing financial stress upon the Association. The annual amount allocated to such operating reserve and collected therefor shall not exceed five percent (5%) of the current annual assessment levied against the owners of all Units. Upon accrual in the operating reserve of an amount equal to but not exceeding twenty-five percent (25%) of the current annual assessment, no further payments shall be collected from the Unit Owners as a contribution to such operating reserve, unless it shall be reduced below the twenty-five percent (25%) level in which event the annual assessment against each Unit Owner and/or Unit shall be increased to restore the operating reserve to an amount which will equal but not exceed twenty-five percent (25%) of the current annual amount of said assessment.

15.6 Use of Association Funds.

All moneys and assessments collected by the Association shall be treated as the separate property of the Association, and such moneys may be applied by the Association to the payment of any expense of operating and managing the

Condominium, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles, and Bylaws. As the moneys for Assessments are paid to the Association by any Unit Owner, the same may be commingled with moneys paid to the Association by the other owners of Units. Although all funds and other assets of the Association, and any increments thereto or profits derived therefrom, or from the leasing or use of Common Elements, including, without limitation, Common Surplus, shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein except as an appurtenance to his Unit.

15.7 Special Assessments.

Special Assessments (i) those which are assessed equally against all Units for the purpose of funding any services or acquisitions permitted under the Articles of Incorporation or Bylaws which are not part of the annual budget.

The specific purpose or purposes of any Special Assessment above, shall be set forth in a written notice of the meeting at which such Special Assessment shall be considered. The funds collected pursuant to such approved Special Assessment shall be used only for the specific purpose or purposes set forth in such notice or returned to Unit Owners. However upon completion of such specific purpose or purposes any excess funds shall be considered Common Surplus.

15.8 Delinquency or Default.

The payment of any assessment or installment thereof due to the Association shall be in default if not paid to the Association on or before the due date thereof. If any assessment or installment is not paid by the due date, the Owner and the Unit shall be assessed an automatic late penalty of fifteen dollars (\$15) if not paid within 10 days of the due date or a late penalty of twenty-five dollars (\$25) if not paid within 30 days of the due date. In addition to those sums, assessments and installments thereof not paid within thirty (30) days from the date they are due shall bear interest at the highest lawful rate from the 30th day from due date until paid.

15.9 Developer's Liability for Assessment.

The Developer shall be excused from the payment of the share of the Common Expenses relating to Units it owns for a period of time beginning with the recording of this Declaration and ending no later than the first day of the twelfth calendar month following the month in which the closing of the purchase of the first condominium unit occurs ("Guaranty Period). During the Guaranty Period the Developer shall guaranty that the monthly assessment shall not be greater than \$112.00 per month. In addition, the Developer shall pay the portion of Common Expenses incurred during that period which exceeds the total amount collected from other

Unit Owners at the guaranteed level. No working capital contribution funds shall be used during the Guaranty Period for any of the items set forth in the original operating budget.

16. ASSESSMENTS: LIEN AND ENFORCEMENT.

16.1 Lien for Assessment.

The Association is hereby granted a lien upon each Unit and its appurtenant undivided interest in Common Elements or Limited Common Elements subordinate to prior bona fide liens of record, which lien shall and does secure the moneys due for all: (1) assessments levied against the owner(s) of and each Unit, including maintenance fees, and approved special assessments, and (2) costs and expenses, including a reasonable attorney's fee, filing fees and court costs which may be incurred by the Association in collecting and enforcing its lien upon the Unit and its appurtenances. The lien granted to the Association may be established and foreclosed in the Circuit Court in and for the County. Any such enforcement shall be in accordance with the requirements of the Condominium Act. No such lien shall continue for a longer period than one (1) year after the claim of lien has been recorded, unless within that time action to enforce the lien is commenced in a court of competent jurisdiction. The claim of lien shall secure all unpaid assessments, interest, costs and attorney's fees which are due and which may accrue subsequent to recording the claim of lien and prior to entry of a final judgment of foreclosure.

In any suit for the foreclosure of the lien, the Association shall be entitled to rental from the Owner of any Unit from the date on which the payment of any assessment or installment thereof became delinquent and shall be entitled to the appointment of a Receiver for the Unit. The rental required to be paid shall be equal to the rental charged on comparable types of Units in the County.

16.2 Recording and Priority of Lien

The lien of the Association shall be effective from and after recording, in the public records of the County, a claim of lien stating the description of the Unit encumbered thereby, the name of the record owner, the amount and the date when due, and shall continue in effect until all sums secured thereby shall have been fully paid. Such claims of lien shall include all costs as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record at the expense of the Unit Owner. The lien of the Association shall be subordinate to the lien of any mortgage or any other lien recorded prior to the time of recording the Association's claim of lien.

16.3 Effect of Foreclosure or Judicial Sale.

In the event that any person, firm or corporation shall acquire title by a purchase at the public sale resulting from the first Mortgagee's foreclosure judgment or foreclosure suit in which the Association has been properly named as a defendant junior lienholder or as a result of deed given in lieu of foreclosure, such person, firm or corporation so acquiring title shall only be liable and obligated for assessments as shall accrue and become due and payable for the Unit and its appurtenant undivided interest in Common Elements subsequent to the date of acquisition of such title, and shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title. In the event of the acquisition of title to a Unit by foreclosure, deed in lieu of foreclosure, or judicial sale, any assessment or assessments as to which the party so acquiring title shall not be liable shall be absorbed and paid by all owners of all Units as a part of the Common Expense, although nothing herein contained shall be construed as releasing the party personally liable for such delinquent assessment from the payment thereof or the enforcement of collection of such payment by means other than foreclosure.

16.4 Effect of Voluntary Transfer.

When the owner of any Unit proposes to sell or mortgage the same in compliance with other provisions of this Declaration, the Association, upon written request of the Unit Owner, shall within fifteen days thereof furnish to the Unit Owner, proposed purchaser or mortgagee, a certificate stating all assessments and other moneys owed to the Association by the Unit Owner with respect to the Condominium Parcel. Such certificate shall be executed by any officer of the Association and any Unit Owner. purchaser or mortgagee may rely upon such statement in concluding the proposed purchase or mortgage transaction, and the Association shall be bound by such statement.

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

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

16.5 No Election of Remedies.

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

16.6 Possession of Unit.

Any person who acquires an interest in a Unit, (except Mortgagees) through foreclosure of a first mortgage of record (or deed in lieu thereof) including, without limitation, persons acquiring title by operation of law, shall not be entitled to occupancy of the Unit nor enjoyment of the Common Elements, until such time as all unpaid assessments and other charges due and owing by the former Owner if any, have been paid.

17. TERMINATION.

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

17.1 Destruction.

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

17.2 Agreement.

The Condominium may be terminated at any time by the approval in writing of all of the Unit Owners and by all Mortgagees. If the proposed termination is submitted to a meeting of the members of the Association, the notice of which meeting gives notice of the proposed termination, and if the written approval of not less than seventy-five percent (75%) of the Voting Interests and of Mortgagees are obtained at the meeting or by written consent not later than thirty (30) days from the date of such meeting, then the approving Owners shall have an option to buy all of the Units of the other Owners for the period ending on the sixtieth (60th) day from the date of such meeting. Such option shall be upon the following terms:

(a) Exercise of Option.

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

(b) Price

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

the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(c) Payment.

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

(d) Closing.

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

17.3 Certificate.

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

17.4 Shares of Owners After Termination.

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

17.5 Amendment.

This Article cannot be amended without consent of all Unit Owners and of all Mortgagees.

18. CONDEMNATION.

18.1 General.

Whenever all or any part of the Condominium Property shall be taken by any authority having the power of condemnation or eminent domain, each Unit Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association if such award amounts to less than One Hundred Thousand Dollars (\$100,000.00) and to the Insurance Trustee if such award amounts to One Hundred Thousand Dollars (\$100,000.00) or more. Unless otherwise provided by law at the time of such taking any award made therefor shall be disbursed by the Association or the Insurance Trustee, as the case may be, as hereinafter provided in this Article.

18.2 Distribution of Funds.

If the taking includes one or more Units, or any part or parts thereof whether or not there is included in the taking any part of the Common Elements, then the award shall be disbursed as provided by law. All related matters, including without limitation alternation of the percentages of undivided interest of the Owners in the Common Elements, shall be handled pursuant to and in accordance with the consent of Owners as required by this Declaration (or such lesser number of Owners as may then be described by the

Condominium Act for the purpose of altering the percentages of undivided interest of the Owners in the Common Elements) expressed in a duly recorded amendment to this Declaration. In the event that such an amendment shall not be recorded within 90 days after such taking then such taking shall be deemed to be and shall be treated as damage or destruction which shall not be repaired or reconstructed as provided for in Article 11, whereupon the Condominium may be terminated in the manner herein prescribed.

19. RIGHTS OF MORTGAGEES

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

19.1 To be furnished with at least one (1) copy of the Annual Financial Statement and Report of the Association.

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

19.3 To be given notice of default (if such default remains uncured for 30 or more days) by any member owning any Unit encumbered by a mortgage held by such Mortgagee, such notice to be given in writing and to be sent to the principal office of such Mortgagee or to the place which it or they may designate in writing to the Association.

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

19.5 To examine the books and records of the Association upon reasonable notice during ordinary working hours.

19.6 To obtain current copies of the Declaration, Bylaws and other rules concerning the Condominium.

19.7 To obtain written notice of any condemnation loss, eminent domain proceedings or any casualty loss which affects a material portion of the Condominium or any Unit upon which such Mortgagee has a first mortgage.

19.8 To obtain notice of any lapse, cancellation or material modification of any fidelity bond maintained by the Association.

19.9 Except as shall be elsewhere provided herein, unless Mortgagees having loans secured by Units to which 75% of the Common Elements are appurtenant have given their prior written approval, the Association shall not be entitled to:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer real estate or improvements thereon owned directly or indirectly by the Association. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Condominium Property shall not be deemed a transfer within the meaning of this clause

(b) change the method of determining the obligations, assessments, dues or other charges which may be assessed against any Unit or Unit Owner by the Association;

(c) by act or omission change waive or abandon the regulations or enforcement thereof contained in this Declaration pertaining to the architectural design or the exterior appearance of Units, the maintenance of party walls or common fences and driveways, or the upkeep of walls and planting on the properties.

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

20. REGISTRY OF OWNERS AND MORTGAGEES.

The Association shall at all times maintain a register of the names of the Owners and Mortgagees of all Units. Upon the transfer of title to any Unit, the transferee shall notify the Association in writing of his interest in such Unit together with recording information identifying the instrument by which such transferee acquired his interest in the Unit. The Owner of each Unit encumbered by a mortgage shall notify the Association of the name and address of the Mortgagee, the amount of such mortgage, or mortgages, and the recording information identifying the same. The holder of any mortgage encumbering a Unit may notify the Association of any such mortgage(s), and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to the same.

21. MISCELLANEOUS.

21.1 Severability.

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

21.2 Applicability of Declaration of Condominium.

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

21.3 Construction.

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

21 4 Parties Bound.

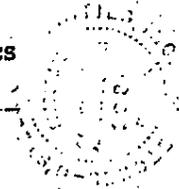
The restrictions and burdens imposed by this Declaration of Condominium are intended to and shall constitute covenants running with the land, and shall constitute an equitable servitude upon each Unit and its appurtenant undivided interest in Common Elements and this Declaration shall be binding upon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

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

Signed, sealed and delivered in the presence of:

[Handwritten signature]

STOKES-O'STEEN COMMUNITIES
By *[Handwritten signature]*
Its President
VICE
"DEVELOPER"



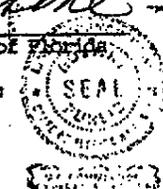
STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 3rd day of January, 1986, by *[Handwritten signature]*, Vice President of Stokes-O'Steen Communities, Inc., a Florida corporation on behalf of the corporation.

[Handwritten signature]
-35- Notary Public, State of Florida

My Commission Expires:

(LCK/201, 201.1, 201.2)



CONSENT AND JOINDER OF MORTGAGEE

THE CITIZENS AND SOUTHERN NATIONAL BANK, ("Mortgagee") is the mortgagee under mortgage ("Mortgage") recorded in the public records of St. Johns County, Florida in Official Records Book 672, at Page 1142. Mortgagee joins in this Declaration of Condominium of Spyglass, A Condominium dated January 3, 1985, to evidence its consent and joinder to the provisions hereof and its intent that its security interests be subordinated hereto. Mortgagee hereby agrees that such security interests are subordinate and inferior to this Declaration of Condominium.

Signed, sealed and delivered in the presence of:

THE CITIZENS AND SOUTHERN NATIONAL BANK

Dante M. Brown
Marian K. Alexander

By Spina H. Bort
Its Vice President

STATE OF Georgia

COUNTY OF

The foregoing instrument was acknowledged before me this 7th day of January, 1985, by Spina H. Bort, the Vice President of Citizens and Southern National Bank, a national banking association, on behalf of the Bank.

Spina H. Bort
Notary Public, State of

My Commission Expires:

Notary Public, State of Georgia
My Commission Expires: _____



EXHIBIT A

LEGAL DESCRIPTION

III 698 PAGE 820

A portion of Government Lot 1, Section 12, Township 9 South, Range 30 East, St. Johns County, Florida, being more particularly described as follows: COMMENCE at the intersection of the South line of said Government Lot 1, Section 12, with the Easterly right of way line of State Road No. A-1-A (a 100 foot right of way as now established); thence North $18^{\circ}58'52''$ West along said Easterly right of way line, 105.19 feet to the POINT OF BEGINNING; thence continue North $18^{\circ}58'52''$ West along said Easterly right of way line of State Road No. A-1-A, a distance of 365.55 feet to the Southerly line of those lands described and recorded in Official Records Volume 261, Page 46 of the Public Records of said County; thence North $85^{\circ}27'32''$ East along last said line, 730 feet, more or less, to the Mean High Water line of the Atlantic Ocean; thence Southerly and Southeasterly along the Mean High Water line of the Atlantic Ocean, 405 feet, more or less, to an intersection with a line bearing North $89^{\circ}05'18''$ East, (and being parallel to the South line of said Government Lot 1) from said Point of Beginning; thence South $89^{\circ}05'18''$ West along last said line, 760 feet, more or less, to the POINT OF BEGINNING.

LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL OF LAND

LIET STATION SITE:

A portion of Government Lot 1, Section 12, Township 9 South, Range 30 East, St. Johns County, Florida, being more particularly described as follows: COMMENCE at the intersection of the South line of said Government Lot 1, Section 12, with the Easterly right of way line of State Road No. A-1-A (a 100 foot right of way as now established); thence North $18^{\circ}58'52''$ West along said Easterly right of way line, 105.19 feet to the POINT OF BEGINNING; thence continue North $18^{\circ}58'52''$ West along said Easterly right of way line of State Road No. A-1-A, a distance of 32.0 feet; thence North $71^{\circ}01'06''$ East, 30.0 feet; thence South $18^{\circ}58'52''$ East, 41.79 feet; thence South $89^{\circ}05'18''$ West, 31.56 feet to the POINT OF BEGINNING.

Containing 0.025 acres, more or less.

SUBJECT TO:

1. Riparian rights
2. The right or interest of the public, if any, to use any part of the land seaward and/or lakeward of the most inland of either the natural line of vegetation or the most extreme high water line.
3. Coastal setback lines as established and shown on the recorded plat in Map Book 13-A.
4. Any adverse claim to the portion of land which has been created by artificial means or base.
5. Covenants, conditions, easements and restrictions of record.

Spyglass

A CONDOMINIUM

ST. JOHNS COUNTY

SPYGLASS, A CONDOMINIUM

EXHIBIT B

REC-698 PAGE 821

FRACTIONAL SHARES OF
COMMON EXPENSES
AND COMMON ELEMENTS

Ownership of the Common Elements and Common Surplus and obligations to pay the Common Expenses are equally divided between all Units in the Condominium. Accordingly, upon completion, the fractional shares designated for each Unit shall be as follows:

Units 1 - 8	1/48th
Units 9 - 18	1/48th
Units 19 - 28	1/48th
Units 29 - 38	1/48th
Units 39 - 48	1/48th

EXHIBIT C
SITE PLAN AND SURVEY

711698 PAGE 822

A portion of Government Lot 1, Section 12, Township 9 South, Range 30 East, St. Johns County, Florida, being more particularly described as follows: COMMENCE at the intersection of the South line of said Government Lot 1, Section 12, with the Easterly right of way line of State Road No. A-1-A (a 100 foot right of way as now established); thence North 18°58'52" West along said Easterly right of way line, 105.19 feet to the POINT OF BEGINNING; thence continue North 18°58'52" West along said Easterly right of way line of State Road No. A-1-A, a distance of 365.55 feet to the Southerly line of those lands described and recorded in Official Records Volume 261, Page 46 of the Public Records of said County; thence North 86°27'32" East along last said line, 730 feet, more or less, to the Mean High Water line of the Atlantic Ocean; thence southerly and southeasterly along the Mean High Water line of the Atlantic Ocean, 405 feet, more or less, to an intersection with a line bearing North 89°05'18" East, (and being parallel to the South line of said Government Lot 1) from said Point of Beginning; thence South 89°05'18" West along last said line, 760 feet, more or less, to the POINT OF BEGINNING.

Containing 6.24 acres, more or less.

LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL OF LAND
LIFT STATION SITE:

A portion of Government Lot 1, Section 12, Township 9 South, Range 30 East, St. Johns County, Florida, being more particularly described as follows: COMMENCE at the intersection of the South line of said Government Lot 1, Section 12, with the Easterly right of way line of State Road No. A-1-A (a 100 foot right of way as now established); thence North 18°58'52" West along said Easterly right of way line, 105.19 feet to the POINT OF BEGINNING; thence continue North 18°58'52" West along said Easterly right of way line of State Road No. A-1-A, a distance of 32.0 feet; thence North 71°01'08" East, 30.0 feet; thence South 18°58'52" East, 41.79 feet; thence South 89°05'18" West, 31.58 feet to the POINT OF BEGINNING.

Containing 0.025 acres, more or less.

Spyglass

A CONDOMINIUM

ST. JOHNS COUNTY, FLORIDA

INGRAMARD DIV,
CLAY, MILLER & ASSOC., INC.
4041 SW 11TH AVE
JACKSONVILLE, FLA 32217
ROAD 751-8175

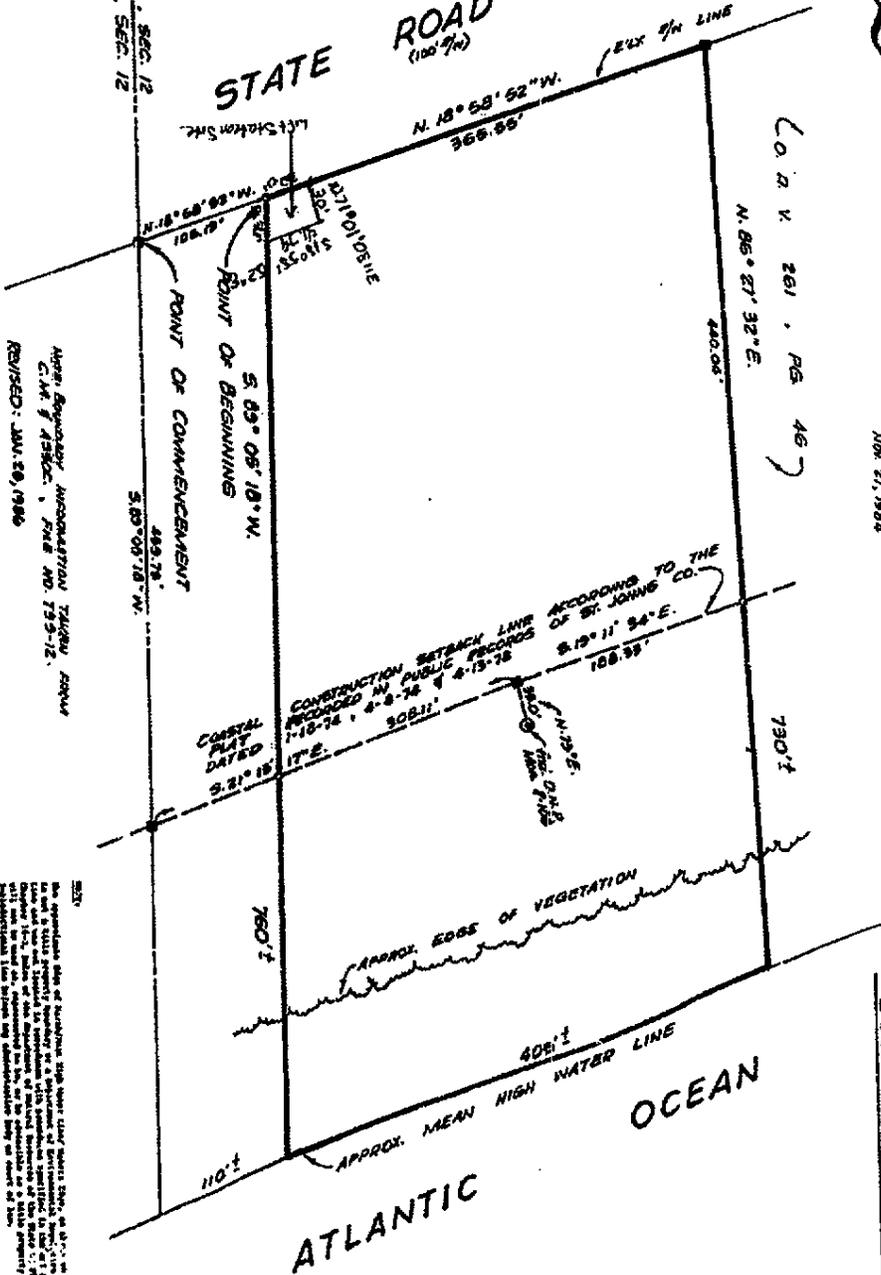
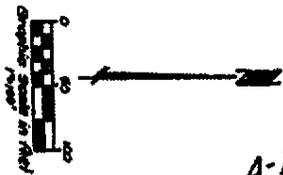
ALPHA BOUNDARY RECONSTRUCTION TABLE, 50004
C.I.N. # 4750C, P.M. # 751-12
REVISED: JAN. 26, 1986

NOTES:
1. THE BOUNDARY LINES OF THIS MAP, WITH THE EXCEPTED AREAS, ARE BASED ON THE DATA AND INFORMATION PROVIDED BY THE CLIENT AND THE SURVEYOR'S FIELD NOTES AND RECORDS. THE SURVEYOR HAS CONDUCTED A VISUAL INSPECTION OF THE PROPERTY AND HAS FOUND NO EVIDENCE OF ANY ENCROACHMENTS OR OTHER INTERFERENCES WITH THE BOUNDARY LINES. THE SURVEYOR HAS ALSO CONDUCTED A VISUAL INSPECTION OF THE ADJACENT PROPERTY AND HAS FOUND NO EVIDENCE OF ANY ENCROACHMENTS OR OTHER INTERFERENCES WITH THE BOUNDARY LINES. THE SURVEYOR HAS ALSO CONDUCTED A VISUAL INSPECTION OF THE ADJACENT PROPERTY AND HAS FOUND NO EVIDENCE OF ANY ENCROACHMENTS OR OTHER INTERFERENCES WITH THE BOUNDARY LINES.

EXHIBIT SHEET

60X LOT 1, SEC. 12
60X LOT 2, SEC. 12

STATE ROAD NO. A-1-A
(100' W)



Spuyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

JUN 21, 1984

BOUNDARY MAP

Spuyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

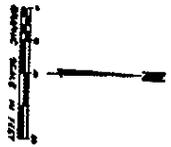
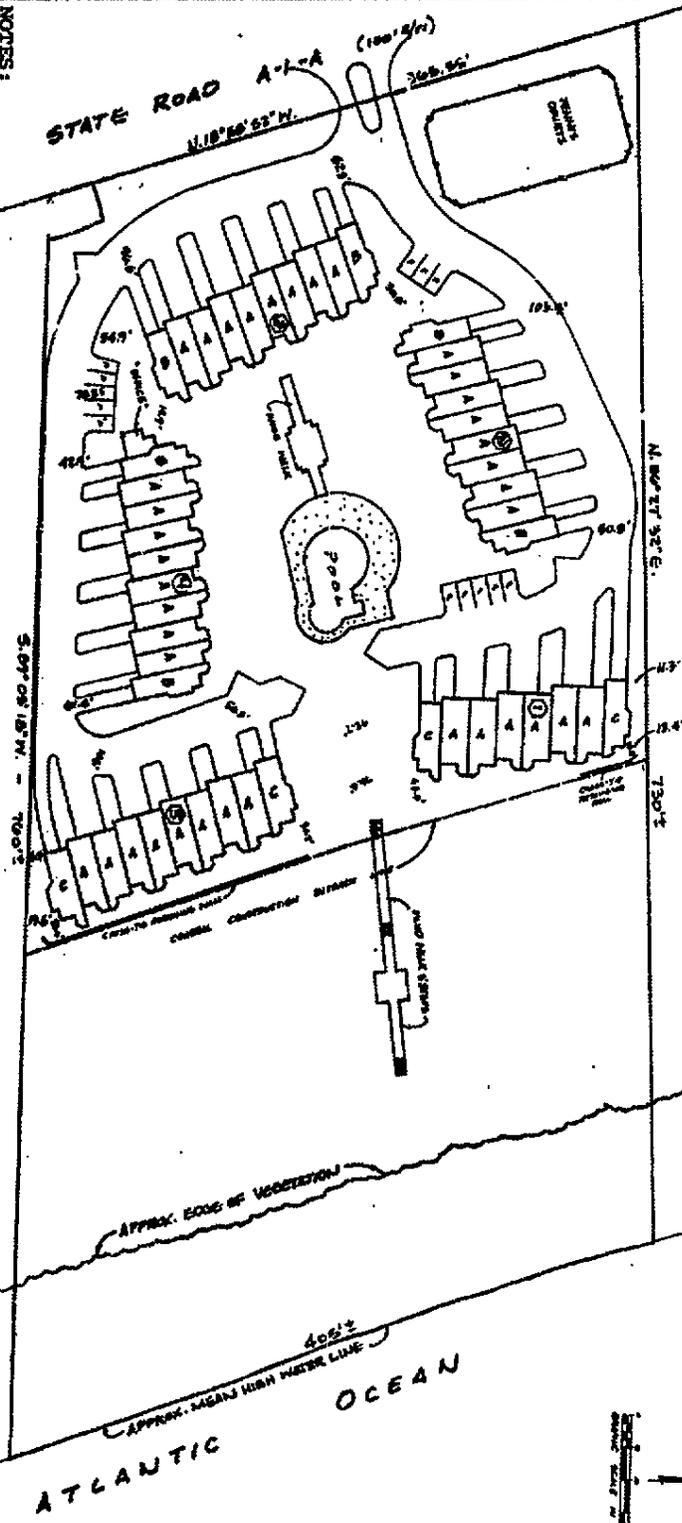
- NOTES:
1. The improvements shown hereon are complete.
 2. Numbered units are for residential purposes, remaining land and improvements constitute common or limited common elements as more clearly depicted on Exhibit D.
 3. Elevations are shown on Exhibit D.

SEE "RECORDED MAP" SHEET
 FOR "CONDOMINIUM" IMPROVEMENTS

SITE PLAN

NO REPRESENTATION IS MADE BY THIS PLAN AS TO THE EXISTENCE OR NON-EXISTENCE OF ANY ENCUMBRANCES, EASEMENTS, RIGHTS OF WAY, OR OTHER INTERESTS IN THE LAND OR IN ANY PART THEREOF. THE BUYER OF ANY UNIT IN THIS CONDOMINIUM SHALL BE DEEMED TO HAVE ACCEPTED THE PLAN AND THE IMPROVEMENTS THEREON AS SHOWN AND TO HAVE AGREED TO BE BOUND BY THE SAME. THE BUYER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES AND FOR OBTAINING TITLE INSURANCE TO PROTECT HIS INTEREST IN THE UNIT PURCHASED. THE BUYER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES AND FOR OBTAINING TITLE INSURANCE TO PROTECT HIS INTEREST IN THE UNIT PURCHASED.

EXHIBIT - SURVEY



Spyglass A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

CERTIFICATION:

This is to certify, that in accordance with the provisions of Section 718.104 (4)(e) Florida Statutes, that the construction of the improvements described is substantially complete so that the material, together with the provisions of the Declaration of Condominium of Spyglass, A Condominium, describing the condominium property is an accurate representation of the location and dimensions of the improvements and further that the identification, location and dimensions of the improvements of each unit can be determined from these materials.

Signed this 11 day of FEBRUARY, 1986.

Gregory B. Clary
Gregory B. Clary
Registered Land Surveyor No. 3377
State of Florida



PREPARED BY:
CLARY, Miller & Associates, Inc.
4041 Sunbeam Road
Jacksonville, FL 32217
904/733-8119

EXHIBIT D
GRAPHIC DEPICTIONS OF UNITS AND BUILDINGS

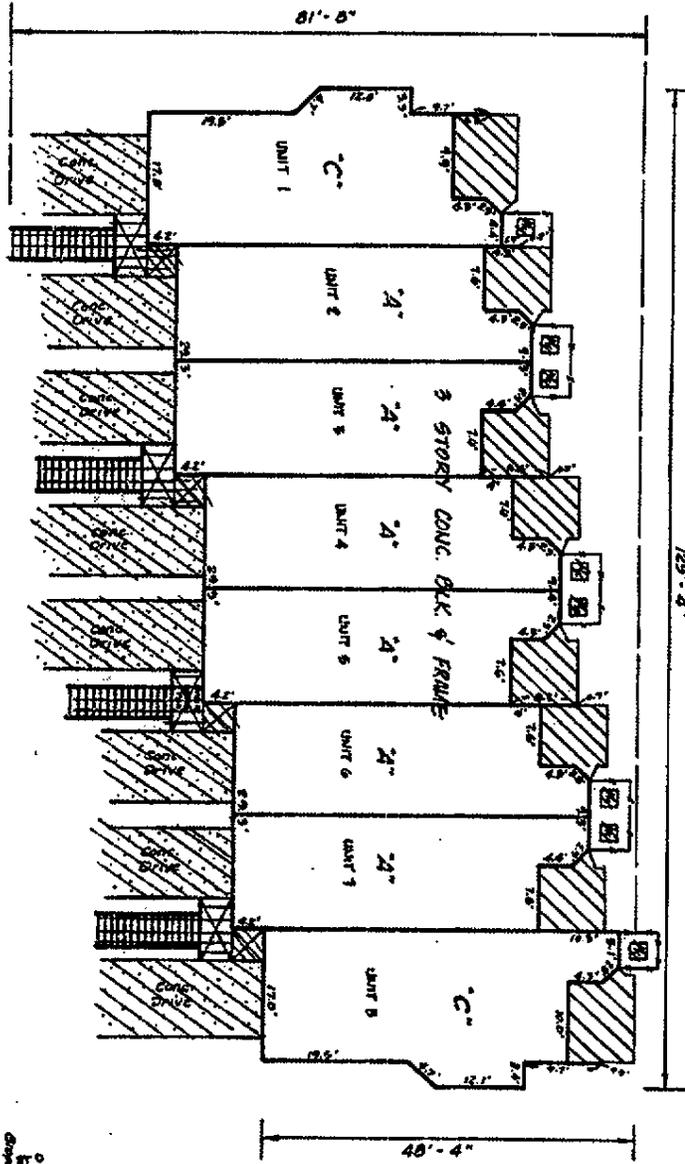
Spyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

GENERAL NOTES

1. Improvements shown are as-built.
2. P Denotes unassigned parking.
3. EZZZZ Denotes limited common elements
4. ■■■■■ Denotes common elements not part of the unit.
5. 25 Denotes unit number.
6. 7" Denotes unit type.
7. ⊙ Denotes building number.
8. Those ceiling elevations referred to hereon are the elevations of a horizontal plane projected across the condominium unit; however, those units having cathedral type ceilings, the space above this horizontal plane and below the underside of the finish surface of the vaulted ceiling is a part of the condominium unit.
9. Interior room dimensions subject to normal construction variances and tolerances.
10. ■■■■ Limited Common Element for two adjacent units.

Spyglass A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA



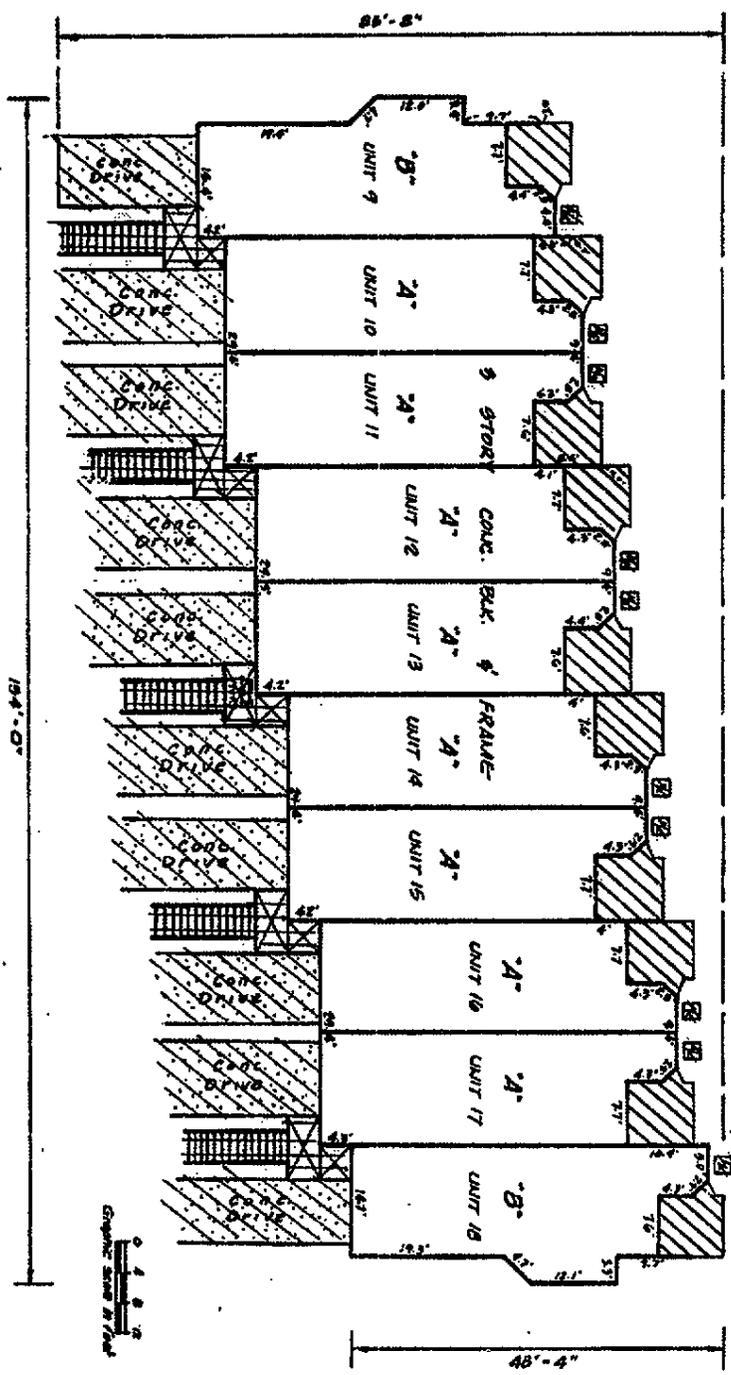
BUILDING NO 1

REVISED: JAN. 28, 1984 TO SHOW AS-BUILT

EXHIBIT SHEET

Spyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA



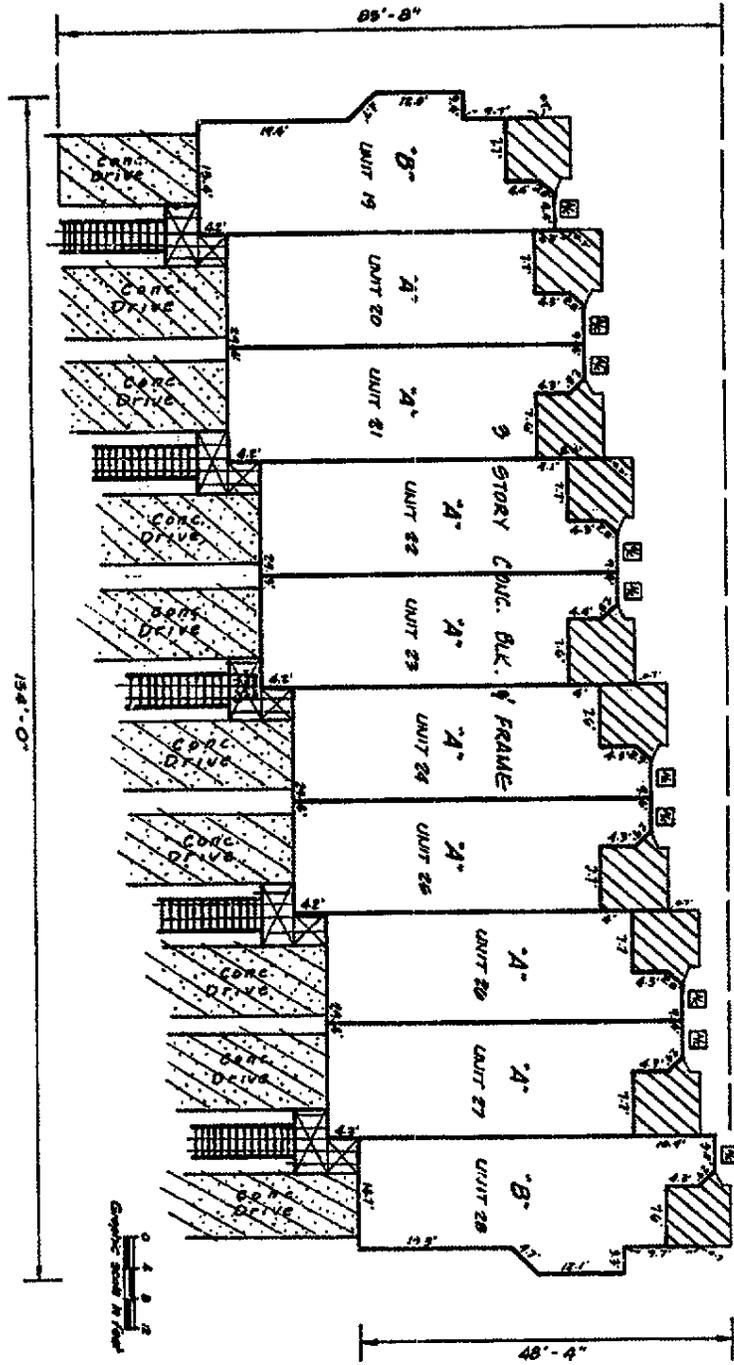
BUILDING NO 2

REVISED: JULY 28, 1966 TO SHOW AS SHOWN.

EXHIBIT D SHEET 3

Spiglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA



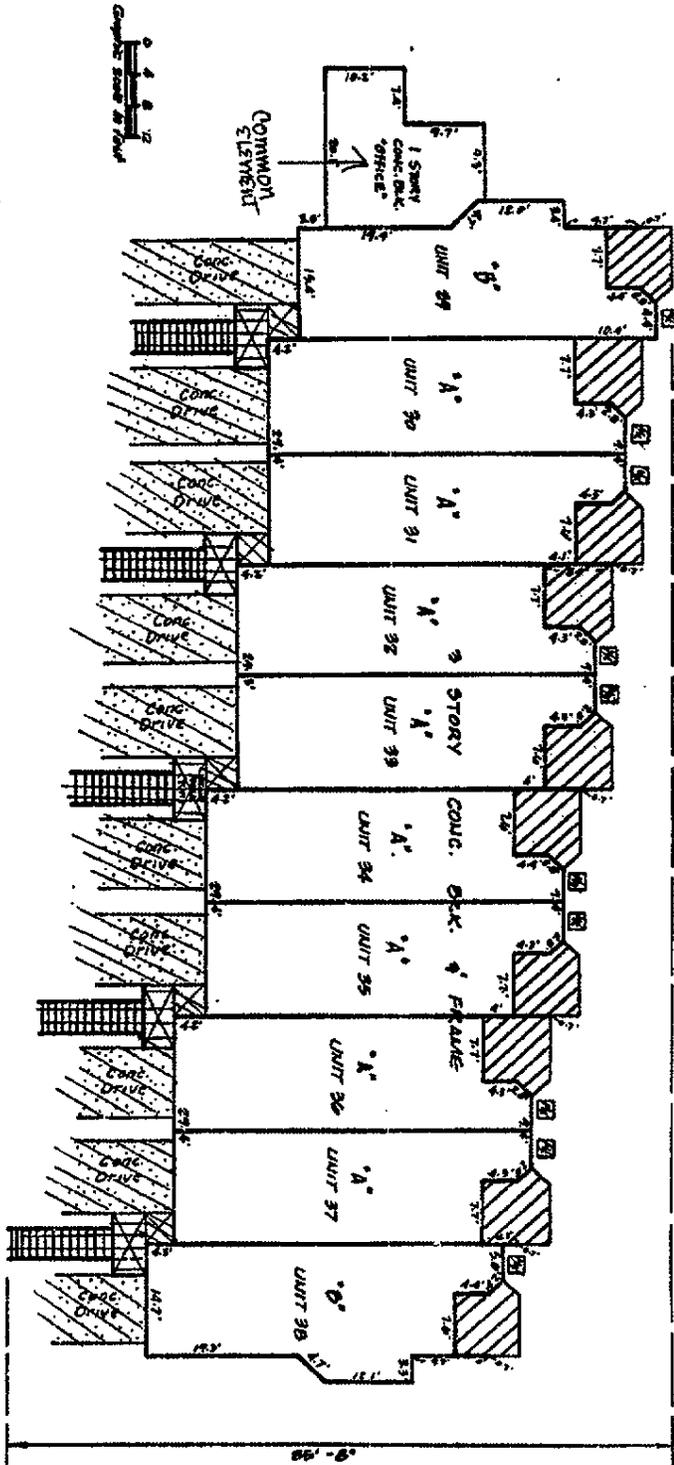
BUILDING NO 3

REVISED: JULY 23, 1986 TO SHOW AS SHOWN.

EXHIBIT D SHEET 4

Spanglas

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA



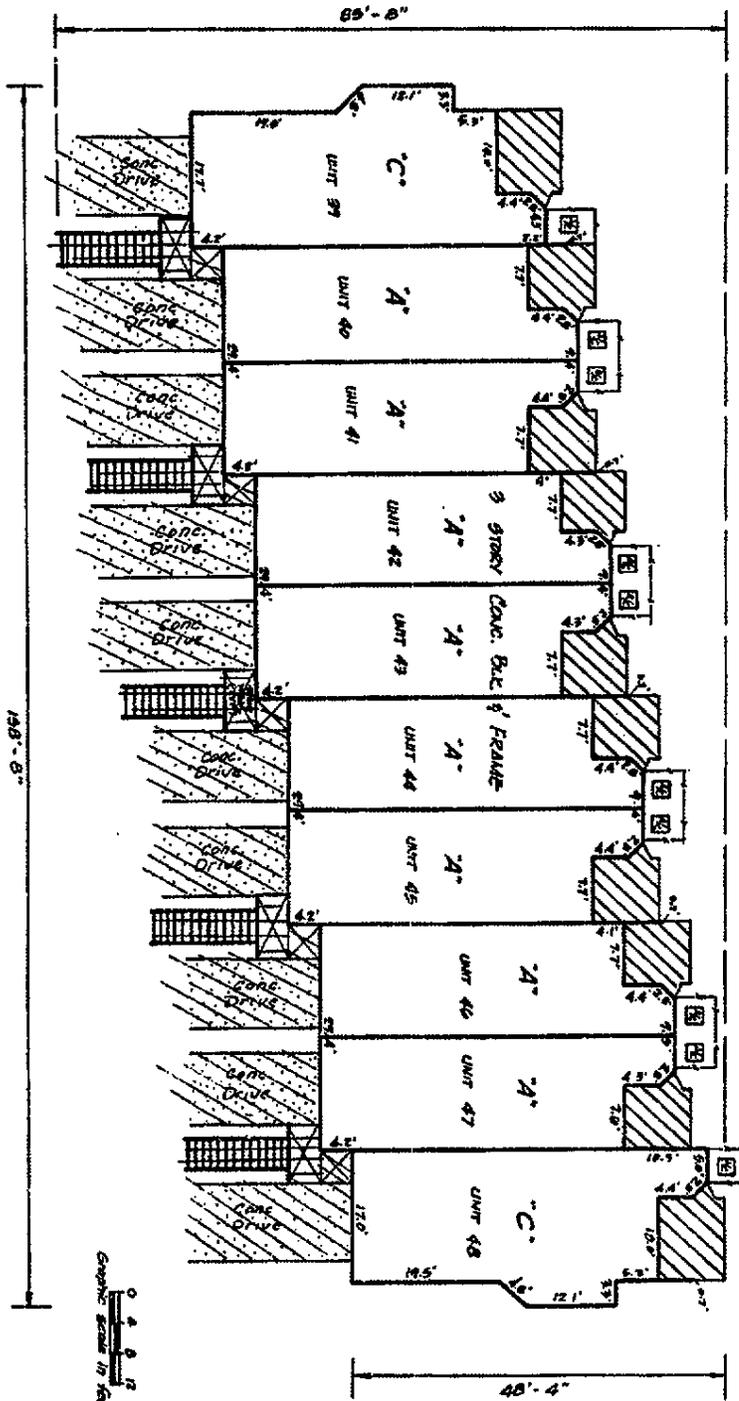
BUILDING No 4

REVISED: JAN. 85, 1986 TO SHOW AS-BUILT

ENGINEER D. SWEET

Spynlass

A CONDOMINIUM, ST. JOHN'S COUNTY, FLORIDA



BUILDING NO. 5

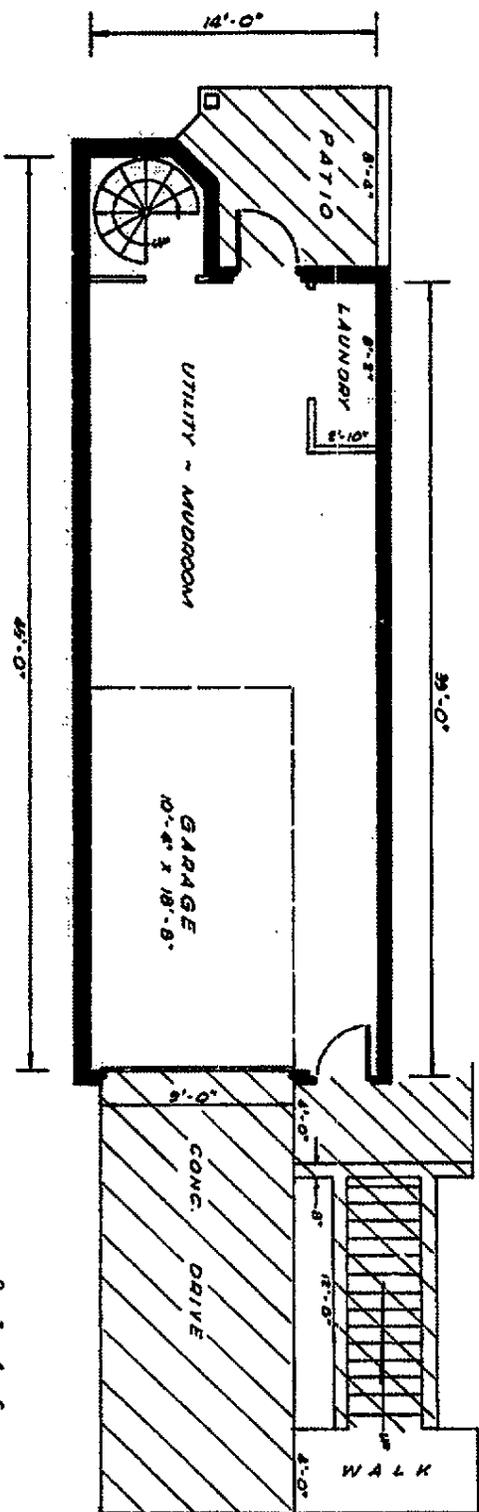
REVISED: JULY 23, 1980 TO SHOW 15-BUILD.

EXHIBIT D SHEET 6

Spyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

UNIT 'A' - FIRST FLOOR



D-7

EXHIBIT SHEET

Spynglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

UNIT 'A' ~ SECOND FLOOR

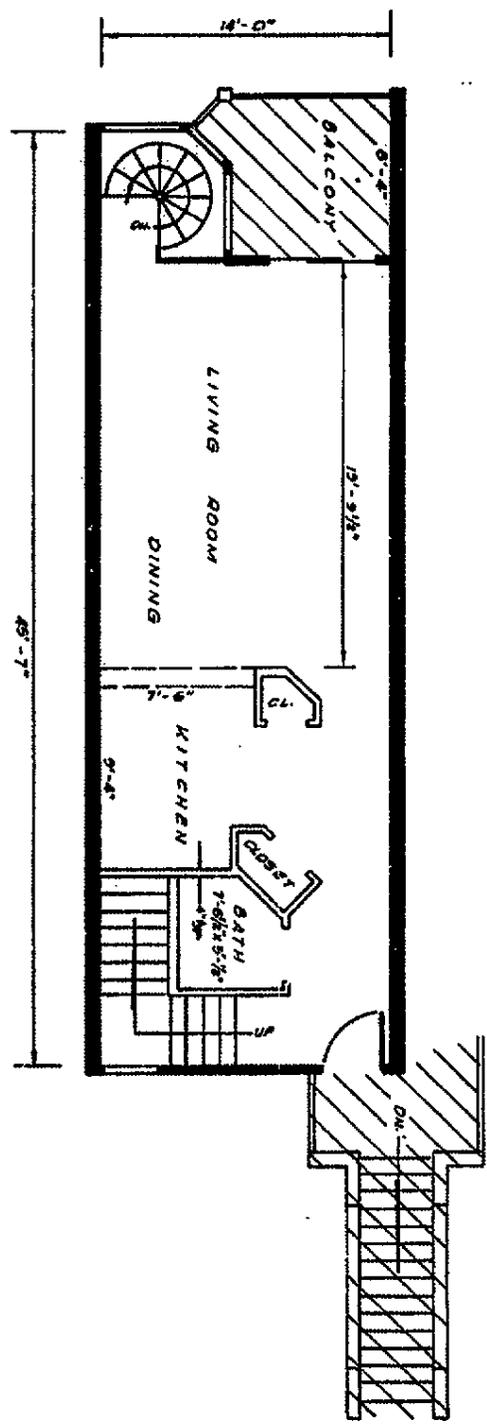


EXHIBIT SHEET

Spynlass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

UNIT 'A' - THIRD FLOOR

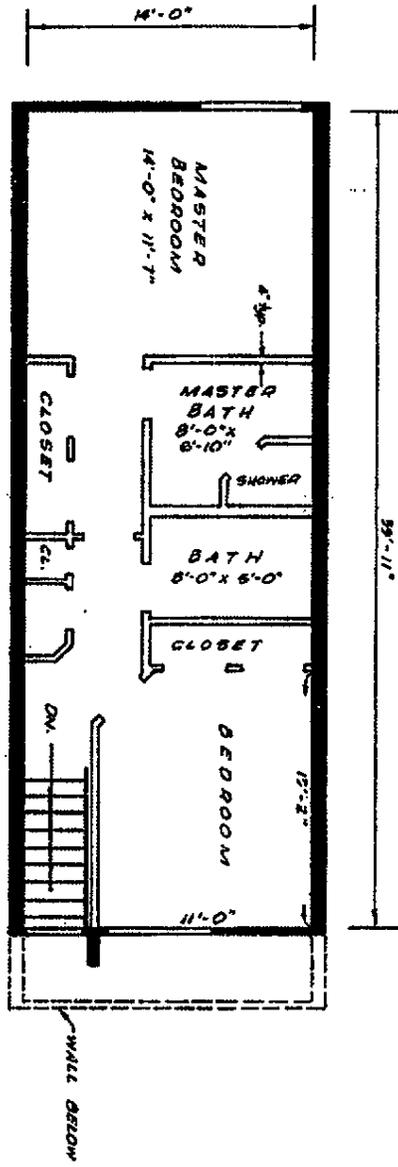


EXHIBIT SHEET

Spyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

UNIT 'B' - FIRST FLOOR

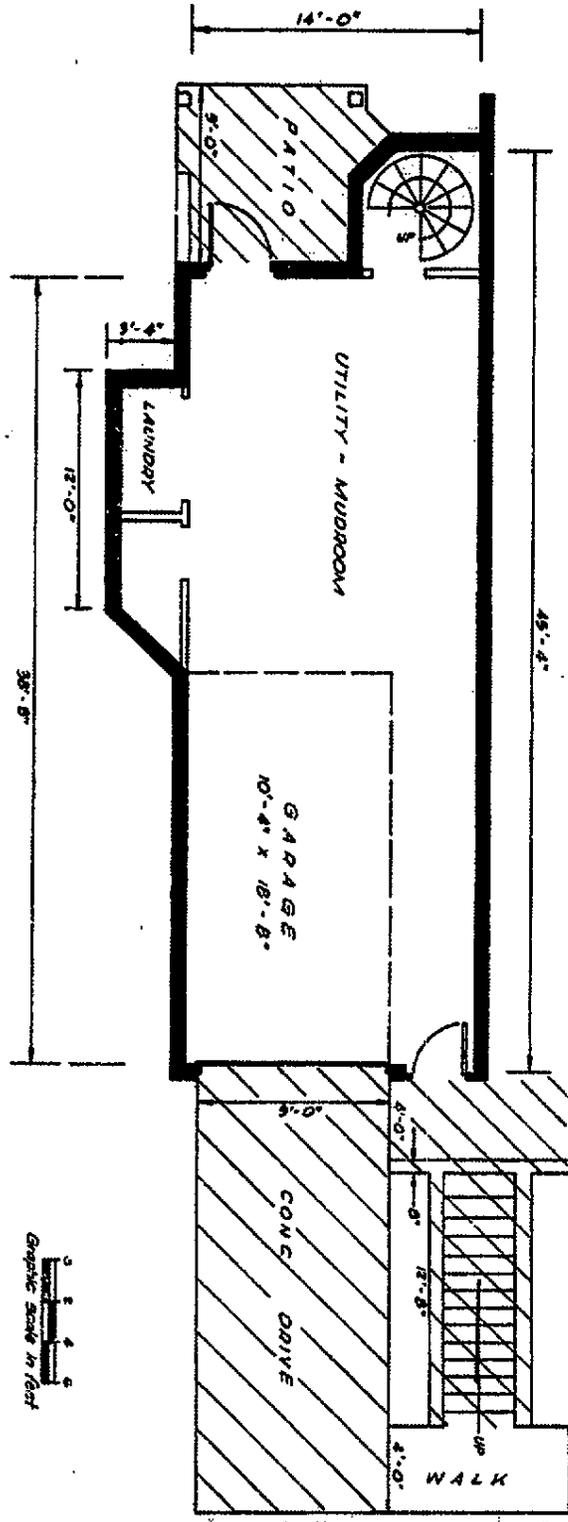
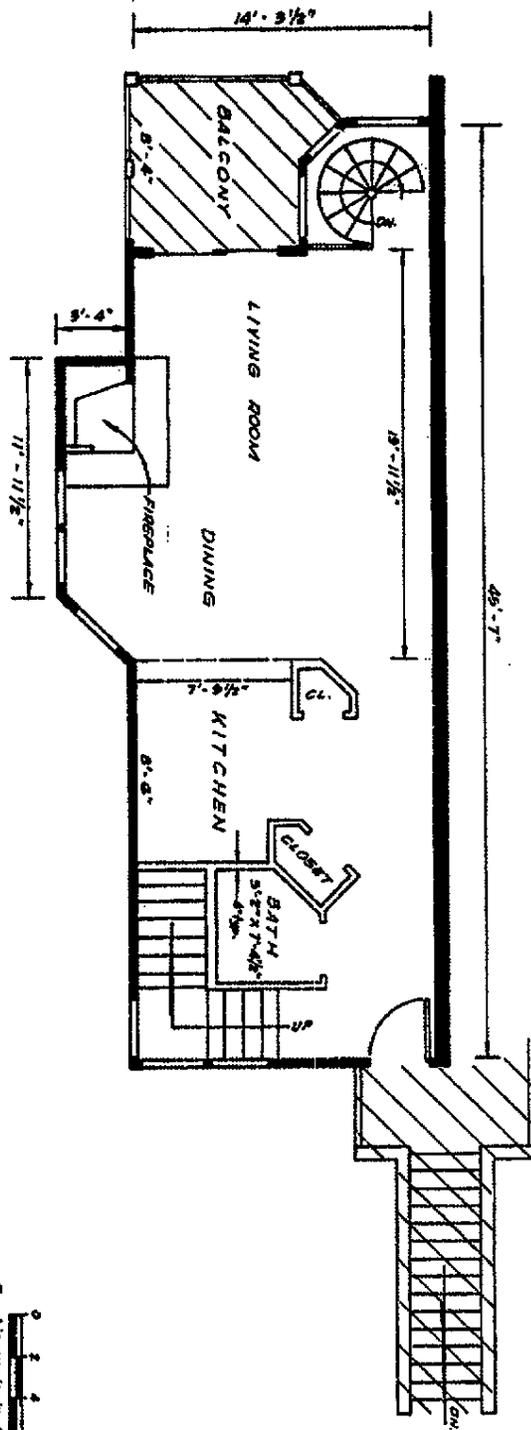


EXHIBIT SHEET

Spynlass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

UNIT 'B' - SECOND FLOOR



ENCLD SHEET

Spuydass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

UNIT 'B' - THIRD FLOOR

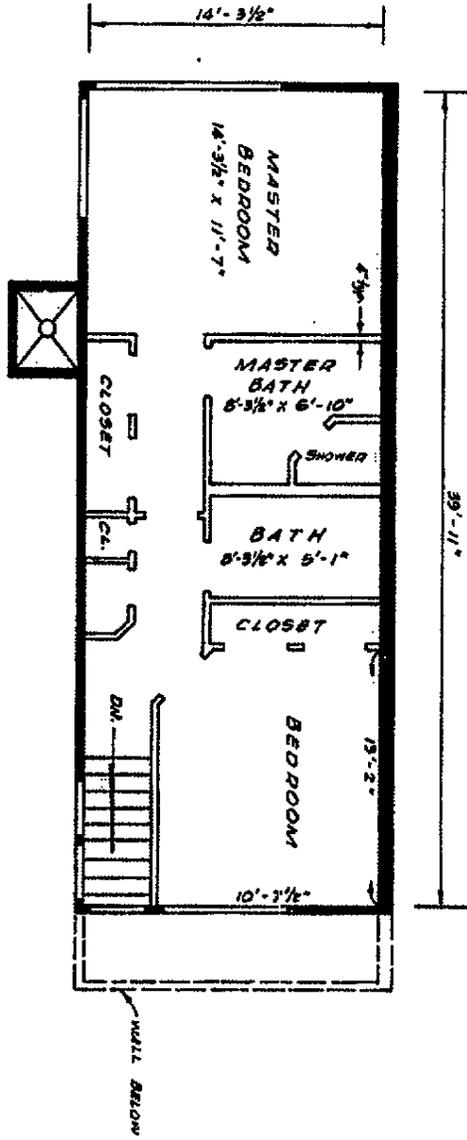
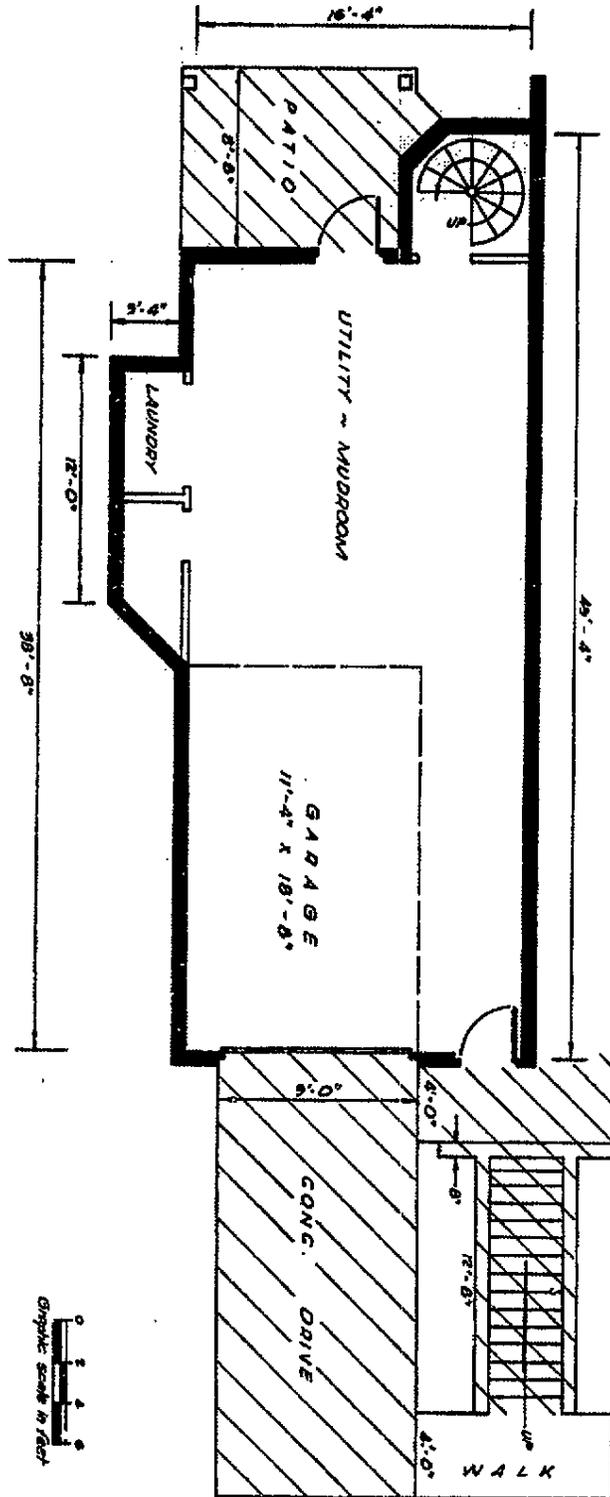


EXHIBIT SHEET

Spuyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA



UNIT 'C' ~ FIRST FLOOR



EXHIBIT SHEET

Spyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

UNIT "C" - SECOND FLOOR

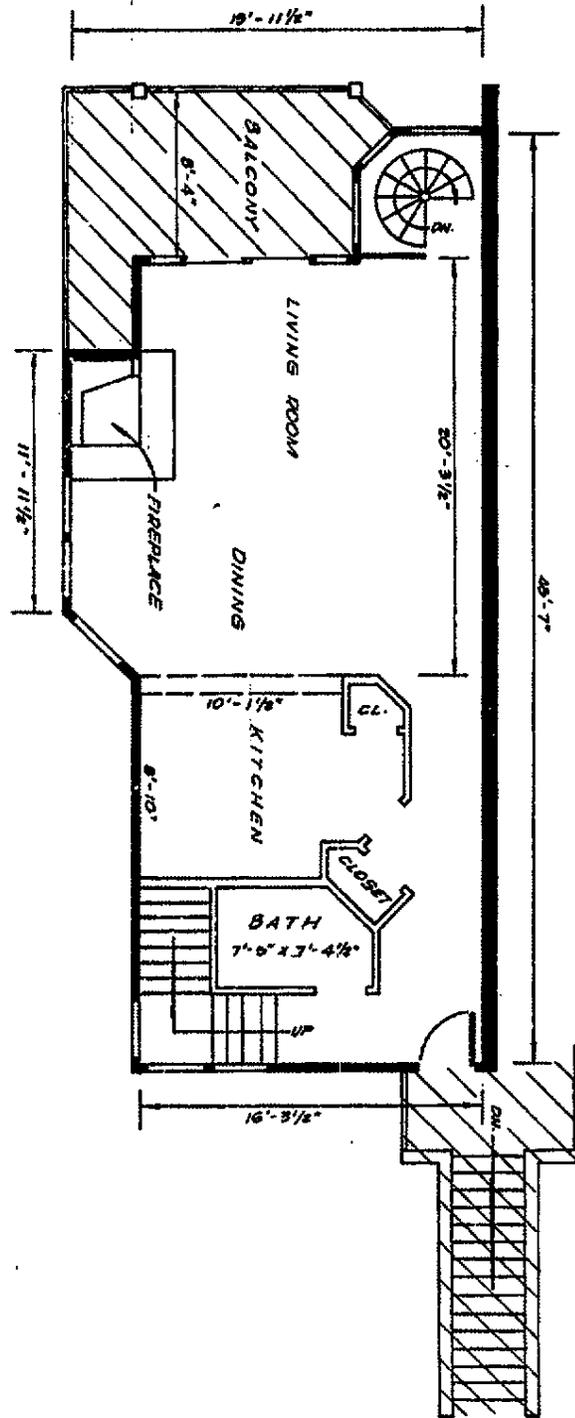
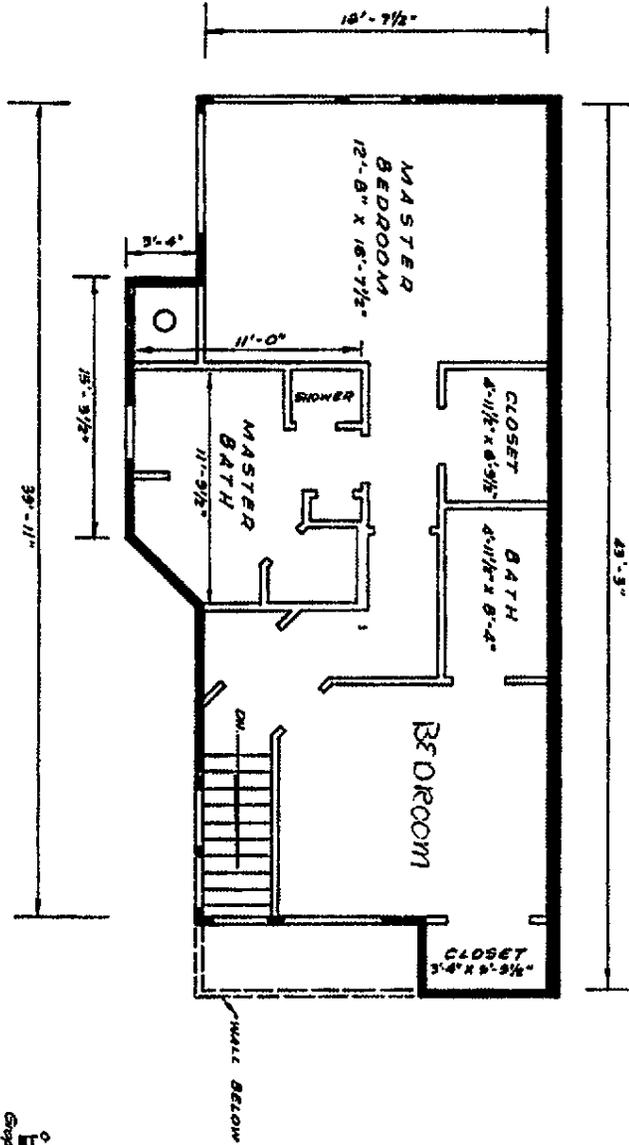


EXHIBIT SHEET

Spyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

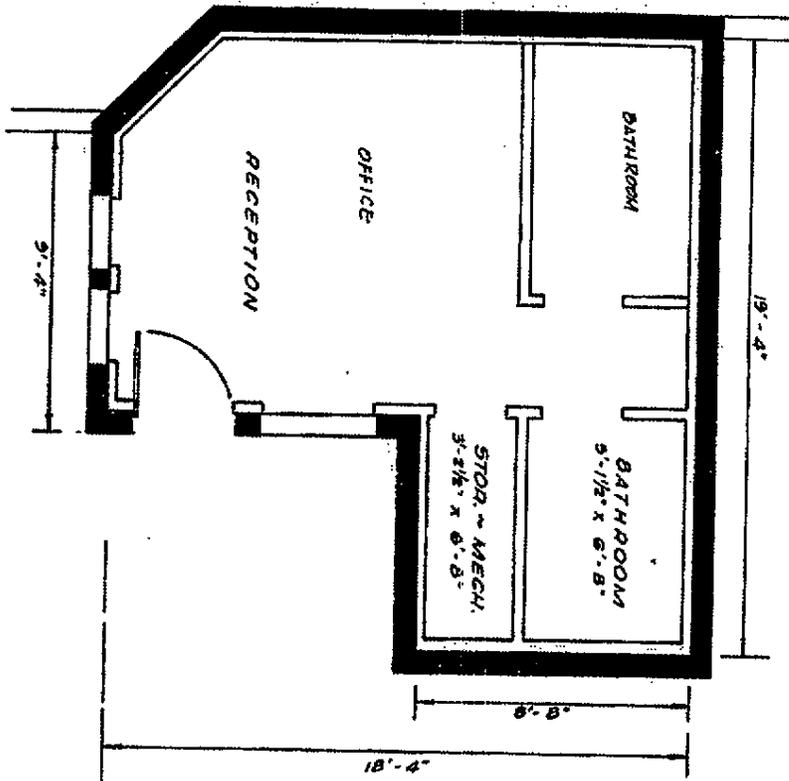
UNIT 'C' - THIRD FLOOR



SMITH SWETT

Spyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA



OFFICE FLOOR PLAN



EXHIBIT D SHEET 16

Spuyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

ELEVATIONAL VIEW
(TYPICAL FOR ALL BUILDINGS - A.T. 5)

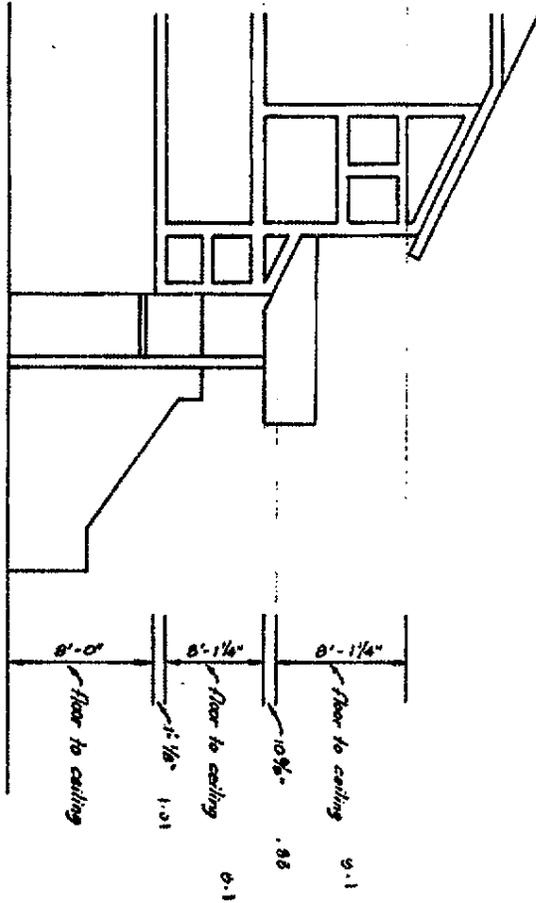


EXHIBIT D SHEET 7

Spyglass A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

EXEMPTIONS

Building	Unit	1st Floor	Ceiling	2nd Floor	Ceiling	3rd Floor	Ceiling
1	1	19.68	27.68	28.69	36.79	37.67	45.77
	2	19.68	27.68	28.69	36.79	37.67	45.77
	3	19.68	27.68	28.69	36.79	37.67	45.77
	4	19.68	27.68	28.69	36.79	37.67	45.77
	5	19.68	27.68	28.69	36.79	37.67	45.77
	6	19.68	27.68	28.69	36.79	37.67	45.77
	7	19.68	27.68	28.69	36.79	37.67	45.77
	8	19.68	27.68	28.69	36.79	37.67	45.77
2	9	11.36	19.36	20.37	28.47	29.35	37.45
	10	11.36	19.36	20.37	28.47	29.35	37.45
	11	11.36	19.36	20.37	28.47	29.35	37.45
	12	11.36	19.36	20.37	28.47	29.35	37.45
	13	11.36	19.36	20.37	28.47	29.35	37.45
	14	11.36	19.36	20.37	28.47	29.35	37.45
	15	11.36	19.36	20.37	28.47	29.35	37.45
	16	11.36	19.36	20.37	28.47	29.35	37.45
	17	11.36	19.36	20.37	28.47	29.35	37.45
18	11.36	19.36	20.37	28.47	29.35	37.45	

Spyglass A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

ELEVATIONS

Building	Unit	1st Floor	Ceiling	2nd Floor	Ceiling	3rd Floor	Ceiling
3	19	13.99	21.99	23.00	31.10	31.98	40.08
	20	13.99	21.99	23.00	31.10	31.98	40.08
	21	13.99	21.99	23.00	31.10	31.98	40.08
	22	13.99	21.99	23.00	31.10	31.98	40.08
	23	13.99	21.99	23.00	31.10	31.98	40.08
	24	13.99	21.99	23.00	31.10	31.98	40.08
	25	13.99	21.99	23.00	31.10	31.98	40.08
	26	13.99	21.99	23.00	31.10	31.98	40.08
	27	13.99	21.99	23.00	31.10	31.98	40.08
	28	13.99	21.99	23.00	31.10	31.98	40.08
4	29	14.14	22.14	23.15	31.25	32.13	40.23
	30	14.14	22.14	23.15	31.25	32.13	40.23
	31	14.14	22.14	23.15	31.25	32.13	40.23
	32	14.14	22.14	23.15	31.25	32.13	40.23
	33	14.14	22.14	23.15	31.25	32.13	40.23
	34	14.14	22.14	23.15	31.25	32.13	40.23
	35	14.14	22.14	23.15	31.25	32.13	40.23
	36	14.14	22.14	23.15	31.25	32.13	40.23
	37	14.14	22.14	23.15	31.25	32.13	40.23
	38	14.14	22.14	23.15	31.25	32.13	40.23

D-19

Spyglass

A CONDOMINIUM, ST. JOHNS COUNTY, FLORIDA

ELEVATIONS

Building	Unit	1st Floor	Ceiling	2nd Floor	Ceiling	3rd Floor	Ceiling
S	39	19.64	27.64	28.65	36.75	37.63	45.73
	40	19.64	27.64	28.65	36.75	37.63	45.73
	41	19.64	27.64	28.65	36.75	37.63	45.73
	42	19.64	27.64	28.65	36.75	37.63	45.73
	43	19.64	27.64	28.65	36.75	37.63	45.73
	44	19.64	27.64	28.65	36.75	37.63	45.73
	45	19.64	27.64	28.65	36.75	37.63	45.73
	46	19.64	27.64	28.65	36.75	37.63	45.73
47	19.64	27.64	28.65	36.75	37.63	45.73	
48	19.64	27.64	28.65	36.75	37.63	45.73	

D2C

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of **SPYGLASS AT CRESCENT BEACH CONDOMINIUM ASSOCIATION, INC.**, a corporation organized under the Laws of the State of Florida, filed on June 14, 1985, as shown by the records of this office.

The charter number of this corporation is N09758.

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the 14th day of June, 1985.



CEN-101

A handwritten signature in ink, appearing to read "George Firestone".

George Firestone
Secretary of State

ARTICLES OF INCORPORATION

FILED 698 PAGE 847

OF

SPYGLASS AT CRESCENT BEACH
CONDOMINIUM ASSOCIATION, INC.

a Corporation Not For Profit

In order to form a corporation under the laws of Florida for the formation of corporations not for profit, the undersigned, hereby incorporates the corporation on the following terms and conditions:

I. NAME

The name of the corporation shall be SPYGLASS AT CRESCENT BEACH CONDOMINIUM ASSOCIATION, INC., ("Association").

II. PURPOSE

The purposes and objects of the Association shall be to administer the operation and management of the SPYGLASS, A CONDOMINIUM ("Condominium") which may be established by recordation of the Declaration of Condominium, in accordance with the Florida Condominium Act, Chapter 718 Florida Statutes ("Act") upon that certain real property situated in St. Johns County, Florida ("County") more fully described in Exhibit A to the Declaration as such may be amended. The Association shall perform the acts and duties incident to the operation and management of the Condominium in accordance with the provisions of these Articles of Incorporation, the Bylaws of the Association which will be adopted ("Bylaws") pursuant hereto and the Declaration of Condominium ("Declaration") which will be recorded in the public records of the County, as and when the property described in the Declaration as amended together with the improvements situated thereon are submitted to the condominium form of ownership; and to own, operate, encumber, lease, manage, sell, convey, exchange and otherwise deal with the said lands submitted to the condominium form of ownership; the improvements thereon and such other property, real and/or personal, as may be or become part of the Condominium ("Condominium Property") to the extent necessary or convenient in the administration of the Condominium as provided for in the Declaration. The Association shall be conducted as a nonprofit organization for the benefit of its members. The powers of the Association to operate and administer the property shall not be effective as to any portion of real property unless and until such property has been submitted to the condominium form of ownership by the Declaration or Amendment thereto. All terms used herein are defined as such definitions are set forth in the Declaration.

III. POWERS

The Association shall have the following powers:

A. All of the powers and privileges granted to corporations not for profit under the law pursuant to which this corporation is chartered the provisions of Chapter 718 and the provisions of Chapter 607 to the extent Chapter 607 is not inconsistent with the provisions herein.

B. All of the powers reasonably necessary to implement and effectuate the maintenance, management, and operation of the Condominium Property including, without limitation, the power, authority and right to:

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

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

3. Maintain, repair, replace, operate and manage the Condominium Property, including the right to reconstruct improvements after casualty and to further improve and add to the Condominium Property.

4. Contract for the management of the Condominium and, in connection therewith, to delegate any and/or all of the powers and duties of the Association to the extent and in the manner permitted by the Declaration and the Bylaws.

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

6. Enforce the provisions of these Articles of Incorporation, the Declaration, the Bylaws, and all rules and regulations governing use of the Condominium which may hereafter be established.

7. To buy, own, operate, lease, sell, trade and mortgage both real and personal property.

8. To purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and Unit Owners.

9. Exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association in the Declaration and the Act.

10. To grant permits, licenses and easements over the Common Elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium.

11. To enter each Unit during reasonable hours, when necessary for the maintenance, repair or replacement of any Common Elements or for making emergency repairs necessary to prevent damage to the Common Elements or another unit or units.

12. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and the Declaration, Bylaws and the Act.

13. After the control of the Association has been transferred to the Unit Owners, the Association may institute, maintain, settle or appeal actions or hearings in its name on behalf of all Units Owners concerning matters of common interest, including, but not limited to the Common Elements, the roof and structural components of a building or other improvements; mechanical, electrical and plumbing elements serving an improvement.

IV. MEMBERS

The qualifications of members, manner of their admission to and termination of membership and voting by members shall be as follows:

A. The owners of all Units in the Condominium shall be members of the Association, and no other persons or entities shall be entitled to membership, except as provided for in Paragraph E, Article IV, hereof.

B. Membership shall be established by the acquisition of a fee title to a Unit in the Condominium, or by acquisition of a fee ownership interest therein, by voluntary conveyance or operation of law, and the membership of any person or entity shall be automatically terminated when such person or entity is divested of all title or his entire fee ownership in such Unit; provided, that nothing herein contained shall be construed as terminating the membership of any person or entity owning fee title to or a fee ownership interest in two or more Units at any time while such person or entity shall retain fee title to or a fee ownership interest in any Unit.

C. The interest of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the Unit(s) owned by such member. The funds and assets of the Association shall be expended, held or used only for the benefit of the membership and for the purposes authorized herein, in the Declaration, and in the Bylaws.

D. On all matters upon which the membership be entitled to vote, as hereinafter provided, there shall be one, and only one, Voting Interest for each Unit in the Condominium, which Voting Interest may be exercised or cast by the owner(s) of each Unit as provided for in the Bylaws. Should any member own more than one Unit such member shall be entitled to exercise or cast one Voting Interest for each such Unit, in the manner provided for in the Bylaws. The number of Voting Interests shall always equal exactly the number of Units in the Condominium.

E. The membership of the Association shall initially be comprised of the directors as set forth in Article X each of whom shall be entitled to cast a Voting Interest on all matters upon which the membership would be entitled to vote.

V. EXISTENCE

The Association shall have perpetual existence.

VI. PRINCIPAL OFFICE

The principal office of the Association shall be located in Florida, but the Association may maintain offices and transact business in such places, within or without the state of Florida, as may from time to time be designated by the Board of Directors.

VII. MANAGEMENT

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

Officers of the Association may be compensated in the manner to be provided in the Bylaws. The Board of Directors, or the President with the approval of the Board of Directors, may employ a managing agent, agency, and/or other

managerial and supervisory personnel or entity to administer or assist in the administration of the operation and management of the Condominium and the affairs of the Association, and any and all such persons and/or entity or entities may be so employed without regard to whether any such person or entity is a member of the Association or a Director or officer of the Association, as the case may be.

VIII. BOARD OF DIRECTORS

The number of members of the first Board of Directors shall be three (3). The number of members of succeeding Boards of Directors shall be as provided in the Bylaws. When Members other than STOKES - O'STEEN COMMUNITIES, INC., ("Developer") own fifteen percent (15%) or more of the Units that ultimately will be operated by the Association, the Members other than the Developer shall be entitled to elect, in a manner to be provided in the Bylaws, not less than one-third (1/3) of the members of the Board of Directors of the Association. Members other than the Developer shall be entitled to elect, in a manner to be provided in the Bylaws, not less than a majority of the members of the Board of Directors: (a) three (3) years after fifty percent (50%), but less than ninety percent (90%), of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or (b) three (3) months after ninety percent (90%) of the Units that ultimately will be operated by the Association have been conveyed to purchasers; or (c) when all of the Units that ultimately will be operated by the Association have been completed, and some of the units have been conveyed to purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business; or (d) when some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (e) 120 days after the date by which 75 percent of the units have been conveyed to Members; or (f) three years after recording of the Declaration of Condominium whichever shall first occur. The Developer shall be entitled to elect not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Units in the Condominium. Notwithstanding the foregoing, Developer shall be entitled at any time to waive in writing its rights hereunder, and thereafter to vote in elections for members of the Board of Directors in the same manner as any other Member of the Association. After Members other than the Developer elect a majority of the members of the Board of Directors, the Developer shall, within a reasonable time and in a manner to be provided in the Bylaws, relinquish control of the Association and shall deliver to the Association all property of the Unit owners and the Association held or controlled by the Developer.

IX. OFFICERS

The Board of Directors shall elect at the annual meeting of members each year, a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall deem advisable from time to time. The President shall be elected from the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person.

X. FIRST BOARD OF DIRECTORS

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The name and addresses of the members of the first Board of Directors who, subject to the provisions of the laws of Florida, these Articles of Incorporation and the Bylaws, shall hold office for the first year of the Association's corporate existence, and thereafter until their successors are selected and have qualified, are as follows:

Susan Wood
9000 Cypress Green Drive
Jacksonville, Florida 32216

Roger M. O'Steen
9000 Cypress Green Drive
Jacksonville, Florida 32216

William Burtchaell
9000 Cypress Green Drive
Jacksonville, Florida 32216

XI. SUBSCRIBER

The name and address of the Subscriber is Susan Wood, 9000 Cypress Green Drive, Jacksonville, Florida 32216.

XII. FIRST OFFICERS

The officers of the Corporation, who shall hold office until their successors are elected pursuant to these Articles of Incorporation and the Bylaws, and have qualified, shall be the following:

President - William Burtchaell

Vice President - Roger M. O'Steen

Secretary/Treasurer - Susan Wood

XIII. BYLAWS

The original Bylaws of the Association shall be adopted by approval of the majority of the the Directors at a meeting, which a majority of the Directors are present, and, thereafter, the Bylaws may be altered or rescinded only by affirmative vote of fifty-one percent (51%) of the Voting Interests entitled to be cast by members of the Association voting at a meeting in person or by proxy or by written consent and as further provided in the Bylaws.

XIV. INDEMNIFICATION

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

An amendment or amendments to these Articles of Incorporation may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by the members of the Association owning ten percent (10%) of the Voting Interests, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to these Articles of Incorporation being proposed by the Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association or the acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than fourteen (14) days or later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written notice of such meeting stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each member not less than ten (10) days nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, addressed to the member at his Post Office address as it appears on the records of the Association, with postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association, whether before, during or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting or by written approval the amendment or amendments proposed must be approved by an affirmative vote of not less than two thirds (2/3) of all the Voting Interests in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of these Articles of Incorporation shall be transcribed and certified in such form as may be necessary to file the same in the office of the Secretary of State of the State of Florida. A certified copy of each such amendment of these Articles of Incorporation shall be recorded in the public records of the County within thirty (30) days from the date on which the same is filed in the office of the Secretary of State. Notwithstanding the foregoing provisions of this Article XV, no amendment to these Articles of Incorporation which shall abridge, amend or alter the right of Developer to designate and select members of the Board of Directors of the Association, as provided in Article VIII hereof, may be adopted or become effective without the prior written consent of Developer.

ARTICLE XVI

FIDELITY BONDING

In addition to the indemnification provisions hereof, the Association shall obtain and maintain blanket fidelity bonds on each director, officer and employee of the Association and of any management firm. The total amount of fidelity bond coverage shall be based upon the best business judgment of the Board of Directors and shall not be less than the estimated maximum funds including reserve funds, in the custody of the Association or management firm, as the case may be, at any given time during the term of each bond, and shall not be less than \$10,000 for each officer or director who controls or disburses funds of the Association.

The fidelity bond shall name the Association as an obligee and shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The premiums on all bonds shall be paid by the Association as a common expense (except for the premiums on fidelity bonds maintained by the management firm, if any). The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least 10 days' prior written notice to the Association.

IN WITNESS WHEREOF, the Subscriber hereto has hereunto set her hand and seal this 4th day of June, 1985.

Susan Wood
Susan Wood

STATE OF FLORIDA

COUNTY OF DUVAL

I HEREBY CERTIFY that on this 4th day of June, 1985, before me, the undersigned authority, personally appeared Susan Wood to me known to be the person who executed the foregoing Articles of Incorporation, and acknowledged the execution of such instrument for the uses and purposes therein expressed.

Virginia A. Kirby
NOTARY PUBLIC, State of
Florida at Large

My commission expires:

NOTARY PUBLIC, STATE OF FLORIDA
My commission expires Dec. 8, 1985

LCK/204

CERTIFICATE OF DESIGNATING PLACE OF BUSINESS OR DOMICILE
FOR THE SERVICE OF PROCESS WITHIN FLORIDA, NAMING AGENT
UPON WHOM PROCESS MAY BE SERVED

!!! 698 PAGE 854

IN COMPLIANCE WITH SECTION 49.091, FLORIDA STAT-
UTES, THE FOLLOWING IS SUBMITTED:

SPYGLASS AT CRESCENT BEACH CONDOMINIUM ASSOCIATION,
INC., DESIRING TO ORGANIZE OR QUALIFY UNDER THE LAWS OF THE
STATE OF FLORIDA WITH ITS PRINCIPAL PLACE OF BUSINESS AT CITY
OF JACKSONVILLE, COUNTY OF DUVAL, FLORIDA, HAS NAMED ROGER M.
O'STEEN, LOCATED AT 9000 CYPRESS GREEN DRIVE, JACKSONVILLE,
FLORIDA 32216, DUVAL COUNTY, AS ITS AGENT TO ACCEPT SERVICE
OF PROCESS WITHIN FLORIDA.

SPYGLASS CONDOMINIUM AT
CRESCENT BEACH ASSOCIATION,
INC.

By *Quinn Wood*
Its Secretary

Dated: *June 4, 1985*

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR
THE ABOVE STATED CORPORATION, AT THE PLACE DESIGNATED IN THIS
CERTIFICATE, I HEREBY AGREE TO ACT IN THIS CAPACITY, AND I
FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES
RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY
DUTIES.

Roger M. O'Steen
Roger M. O'Steen

Dated: *June 4, 1985*

BYLAWS

OF

SPYGLASS AT CRESCENT BEACH
CONDOMINIUM ASSOCIATION, INC.

a Florida Corporation Not for Profit

I. IDENTITY.

A. Applicability. These are the Bylaws of SPYGLASS AT CRESCENT BEACH CONDOMINIUM ASSOCIATION, INC. (the "Association"), a Florida corporation not for profit organized pursuant to the provisions of Chapters 617 and 718, Florida Statutes, 1983, as amended to the date of filing of the Articles of Incorporation. The purpose and object of the Association shall be to administer the operation and management of Spyglass, A Condominium which shall be established in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes, 1984 ("Act"), upon certain real property in St. Johns County, Florida ("County").

B. Office. The office of the Association shall be at 9000 Cypress Green Drive, Jacksonville, Florida 32216, or at such other place as may be established by resolution of the Board of Directors.

C. Fiscal Year. The fiscal year of the Association shall be the calendar year.

D. Seal. The seal of the Association shall bear the name of Spyglass at Crescent Beach Condominium Association, Inc., the word "Florida", the words "Corporation Not For Profit", and the year of incorporation. An impression of the seal is as follows:

II. MEMBERSHIP, VOTING, QUORUM, PROXIES.

A. Membership. The qualification of members of the Association (the "Members"), the manner of their admission to membership and termination of such membership, and voting by Members, shall be as set forth in Article IV of the Articles, the provisions of which are incorporated herein by reference.

B. Quorum. A quorum at meetings of Members shall consist of persons entitled to cast a majority of the Voting Interests whether in person or by proxy. Decisions shall be made by the owners of a majority of the Voting Interests represented at a meeting at which a quorum is present. The joinder of a Member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

C. Voting. The Voting Interest of the owner(s) of a Unit in the Condominium owned by more than one natural person, as tenants in common, joint tenants (except a husband and wife as tenants by the entirety), a partnership, or any other association of natural persons, or by a corporation, a

trust, or any other entity shall be cast or otherwise exercised, at all meetings at which Members of the Association are entitled to vote or otherwise act, by one natural person designated by the owner(s) of such Unit in a Voting Certificate as the holder of the Voting Interest. In each instance where title to a Unit is proposed to be conveyed or is otherwise to become vested in more than one natural person, a partnership, or any association of natural persons, or a corporation, a trust, or any other entity, the prospective owner(s) shall, by Voting Certificate acceptable to the Association, designate one natural person as the holder of the Voting Interest. The Voting Certificate shall be filed with the Association, and the person so designated shall be and remain the holder of the Voting Interest of the Unit until such designation has been revoked by written instrument executed by the owner(s) of the Unit or by lawful conveyance of the Unit. The holder of the Voting Interest of the Unit shall be the only person entitled to cast or exercise, in person or by proxy, the Voting Interest of the Unit at any meeting of Members or in connection with any action concerning which Members of the Association shall be required or allowed to vote or otherwise act.

D. Approval. Evidence of the approval or disapproval of the holder of the Voting Interest upon any matter, whether or not the subject of an Association meeting, shall be given to the Association by the same person who would cast the Voting Interest if in an Association meeting.

E. Vote Required. Except as otherwise required under the provisions of the Articles, these Bylaws or the Declaration, or where the same otherwise may be required by law, at any meeting of the general membership of the Association, if any, duly called and at which a quorum is present, the acts approved by the affirmative vote of the majority of the Voting Interests in person or by proxy and entitled to vote upon any question shall be binding upon the Members.

F. Proxies. At any meeting of the Members every holder of a Voting Interest having the right to vote shall be entitled to vote in person or by proxy, provided that, no person shall be designated to hold more than ten (10) proxies. Any proxy given shall contain the date, time and place of the meeting for which the proxy is given and if a limited proxy shall set forth those items for which the holder of the proxy may vote and the manner in which the vote is to be cast and shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. The proxy shall set forth the name of the person voting by proxy and the name of the person authorized to vote the proxy for him. All such proxies shall be filed with the Secretary prior to or during the roll call of such meeting. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the holder of the Voting Interest executing it.

G. Consent to Action. To the extent permitted by law, any action on any matter to be taken by the Association may be taken by written consent without meetings, setting forth the action so taken, approved by Members holding not less than the minimum number of Voting Interests necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voting.

III. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

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A. Annual Meeting. The annual meeting of the Members shall be held at the office of the Association or such other place in Florida and at such time as may be specified in the notice of the meeting, on the last Monday in September of each year for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding Monday.

B. Special Meetings. Special meetings of the entire membership of the Association shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from Members entitled to cast ten (10%) percent of the Voting Interest.

C. Notice of Meetings.

1. Generally. Written notice of all meetings of Members shall be given by the Secretary or, in the absence of the Secretary, another officer of the Association, to each Member unless waived in writing. Each notice shall state the time and place of and purpose for which the meeting is called and shall be posted at a conspicuous place on the Condominium Property at least fourteen (14) days prior to the meeting.

2. Annual. Notice of the Annual Meeting shall be given to each Member not less than fourteen (14) days nor more than sixty (60) days prior to the date set for the meeting, and shall be mailed to each Member unless the right is waived in writing. Such notice shall be deemed properly given when deposited in the United States Mail addressed to the Member at his Post Office address as it appears on the records of the Association, with postage thereon prepaid. An officer of the Association shall provide an affidavit to be included in the Official Records of the Association affirming that the notices of the Association meeting were mailed or hand delivered in accordance with the requirements of this section. If a Member waives, in writing, the right to receive notice of the Annual Meeting by mail, such notice may be delivered personally to such Member. If delivered personally, receipt of notice shall be signed by the Member, indicating the date received. Each notice shall, in addition, be posted at a conspicuous place in the Condominium at least fourteen (14) days prior to the meeting.

3. Special. Notice of Special Meetings shall be given to each Member not less than fourteen (14) days prior to the date set for the meeting and shall be mailed by regular mail or delivered personally to the Member.

4. Waiver. Any Member may waive notice of any meeting if allowed by the applicable bylaws or Declaration.

5. Adjourned Meetings. If any meeting of Members cannot be held because a quorum is not present, or because a greater percentage of the membership required to constitute a quorum for a particular purpose is not present, wherever the required by the applicable provisions of the Articles, the Bylaws or the Declaration, the Members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present.

D. Presiding Officer and Minutes. At meetings of Members, the President, or in his absence, the Vice President, shall preside, or in the absence of both, the Members

present shall select a chairman of the meeting. Minutes shall be kept in a businesslike manner and available for inspection by Directors, Members and their authorized representatives.

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

- (1) Calling of the roll and certifying of proxies
- (2) Proof of notice of meeting or waiver of notice
- (3) Reading or waiver of reading of minutes of previous meeting of Members
- (4) Reports of officers
- (5) Reports of committees
- (6) Appointment by Chairman of inspectors of election
- (7) Election of Directors
- (8) Unfinished business
- (9) New business
- (10) Adjournment

IV. BOARD OF DIRECTORS

A. Members of Board. The first Board of Directors shall consist of not less than three (3) persons as designated in the Articles of Incorporation. The number of directors may be increased by a vote of the Members in the same manner as any other amendment to these Bylaws. Pursuant to the Declaration of Condominium, Stokes - O'Steen Communities, Inc., ("Developer") reserves the right to appoint Directors to the Board as set forth herein.

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

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

(2) For so long as the Developer shall retain the right to appoint at least one member of the Board of Directors, all members of the Board of Directors whom Developer shall not be entitled to appoint under these Bylaws shall be elected at large, by a plurality of the Voting Interests cast at the annual meeting of the general membership, immediately following designation of the members of the Board whom Developer shall be entitled to appoint. Commencing with the first annual election of Directors after the Developer shall have lost or relinquished the right to appoint at least one Director, the Members shall elect all the Directors, by a plurality of the Voting Interests cast at the annual meeting of the general membership.

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

(4) Until such time as the Members are entitled to elect all of the Directors, each Director shall serve for one year until the next annual meeting or such other time as his successor is elected. At the first annual meeting at which the Members are entitled to elect all of the members of the Board of Directors, at least one directorship shall be designated as a two-year term director and the others shall be for one year. The intent hereof is to stagger the terms of the directorships so that there shall be some Members of the Board with prior experience.

(5) In the election of Directors, there shall be appurtenant to each Unit one (1) Voting Interest for each Director to be elected. Provided, however, that no Member may cast more than one Voting Interest for any person nominated as a Director, it being the intent hereof that voting for Directors shall be non-cumulative.

(6) Within sixty (60) days after Members other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall, in accordance with the provisions of these Bylaws, call in a manner as elsewhere provided in these Bylaws, and give not less than thirty (30) days nor more than forty (40) days notice of a meeting of the Members for this purpose. Such meeting may be called and the notice given by any Member if the Association fails to do so within the time prescribed herein. Election of such Directors shall be conducted in the manner provided in these Bylaws.

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

C. Organizational Board Meeting. The organizational meeting of a newly elected or designated Board shall be held within fifteen (15) days of their election or designation, at such time and place as shall be fixed at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary; provided, that a quorum shall be present.

D. Regular Board Meeting. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least seven (7) days prior to the day named for such meeting, unless notice is waived.

E. Special Meeting. Special meetings of the Board may be called by the President, and must be called by the Secretary at the written request of one-third of the directors. Not less than three (3) days' notice of a special meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting, unless notice is waived. Notice of any meeting where assessments against Members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

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

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

H. Quorum. A quorum at meetings of the Board shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as may be specifically otherwise provided in the Articles, these Bylaws or the Declaration. If any meeting of the Board cannot be held because a quorum is not present, or because the greater percentage of the Directors required to constitute of quorum for particular purposes is not present, wherever the latter percentage of attendance may be required as set forth in the Articles, these Bylaws or the Declaration, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

A director who is present at a meeting of the Board at which action or any corporate matter is taken, shall be presumed to have assented to the action taken, unless he votes against such action or abstains from voting in respect thereto because of an asserted conflict of interest.

I. Notice to Members. Meetings of the Board of Directors shall be open to all Members and notices of meetings shall be posted conspicuously in the Condominium forty-eight (48) hours in advance for the attention of Members, except in an emergency. Notice of any meeting where assessments against Members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

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

K. Removal and Recall. Directors may be removed from office in the manner provided by law for the removal of Directors of Florida corporations not for profit. In addition, a Director may be recalled in accordance with the provisions of the Condominium Act.

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

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

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

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

(3) Repair and reconstruct improvements after casualty;

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

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

(6) Contract for the management and maintenance of the Condominium Property and authorize a management agent to assist the Association in carrying out its powers and duties, including but not limited to the performance of such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times and powers and duties granted by the condominium documents and the Condominium Act, including but not limited to the making of assessments, and the promulgation of rules.

(7) Enforce by legal means the provisions of the Articles, these Bylaws, the Declaration and all regulations governing use of property of and in the Condominium now existing or hereafter adopted.

(8) Pay all taxes and assessments which are liens against any part of the Condominium other than Units and the appurtenances thereto, and assess the same against the Members and their respective Units subject to such liens.

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

(10) Pay all costs of power, water, sewer and other utility services rendered to the Condominium and not billed to the Members or individually.

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

(12) Obtain such fidelity or other bonds as the Directors may deem necessary and convenient in the handling of daily affairs of the Association.

V. OFFICERS.

A. Generally. The Board shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall deem advisable from time to time. The President shall be elected from the membership of the Board, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President shall not be held by the same person, nor shall the office of President and Secretary or Assistant Secretary be held by the same person. The Board may from time to time elect such other officers, and designate their powers and duties, as the Board may deem necessary to properly manage the affairs of the Association. Officers may be removed from office by the Board.

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

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

D. Secretary. The Secretary shall keep the minutes of all proceedings of the Board and the Members. He shall attend to the affairs of the Association. He shall have such additional powers as the Board may designate. He shall attend to the giving and serving of all notices to the Members and the Board, and such other notices as may be required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a corporation not for profit and as may be required by the Board and the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

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

F. Compensation. No compensation shall be paid to any officer of the Association except with the approval of a majority of the Voting Interests. No officer who is appointed by the Developer shall receive any compensation for his services as an officer. Nothing herein shall be construed so

as to prohibit or prevent the Board of Directors from employing any director or officer as an employee of the Association at such compensation as the Board shall determine, nor shall anything herein be construed so as to preclude the Board from contracting with a director or officer or with any corporation in which a director or officer of the Association may be stockholder, officer, director or employee, for the management of the Condominium for such compensation as shall be mutually agreed between the Board and such officer, director or corporation, or from contracting with a director or officer of the corporation may be a stockholder, officer, director or employee for the purpose of making available to the owners of condominium units such services as are contemplated by the provisions of Article IV of these Bylaws. It is expressly contemplated that the first Board of Directors may enter into such contracts with persons who are initial officers or directors of the Association, or with corporations having officers, directors or employees who are also members of the first Board of Directors of the Association.

VI. FISCAL MANAGEMENT.

The provisions for fiscal management of the Association set forth in the Declaration and Articles shall be supplemented by the following provisions.

A. Assessment Roll. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Member and his respective Unit. Such account shall designate the name and mailing address of the Member owning each Unit, the amount of each assessment against the Member, the amount of each assessment and due date thereof, and all amounts paid, and the balance due upon each assessment.

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

C. Increased Budget(s). If a budget is adopted by the Board which requires assessment of the Members in any budget year exceeding 115% of such assessments for the preceding budget year, upon written application of ten percent (10%) of the Voting Interests, a special meeting of the Members shall be held upon not less than ten (10) days written notice to each Member, but within thirty (30) days of the delivery of such application to the Board or any member thereof. At the special meeting, Members may consider and enact only a revision of the budget, or recall any and all members of the Board and elect their successors subject, however, to the right of Developer to elect Directors as provided in Article IV. Any such revision of the budget or recall of any and all members of the Board shall require a vote of not less than fifty-one percent (51%) of all the Voting Interests. The Board may in any event first propose a budget to the Members at any such meeting of Members or by writing, and if such budget or proposed budget be approved by a majority of all the Voting Interests, either at such meeting or by writing, such budget shall not thereafter be reexamined by the Members in the manner hereinabove set forth nor shall any and all members of the Board be recalled under the terms hereof. If a meeting of the Unit Owners has been called and a quorum is not attained or a substitute budget is not adopted by the Unit Owners, the budget adopted by the Board shall go into effect as scheduled.

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

E. Notice of Adopted Budgets. Upon adoption of budgets, the Board shall cause a written copy thereof to be delivered to all Members. Assessments shall be made against Members pursuant to procedures established by the Board, and in accordance with the terms of the Declaration and Articles. Provided, however, that the lien or lien rights of the Association shall not be impaired by failure to comply with procedures established pursuant to these Bylaws.

F. Assessments. Unless otherwise determined by the Board of Directors, assessments shall be payable monthly on the first day of each month, but in no event shall amounts be payable less often than quarterly. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and installments on such assessment shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the fiscal year for which an amended assessment is made shall be payable in equal installments through the end of the fiscal year; provided, nothing herein shall serve to prohibit or prevent the Board of Directors from imposing a lump sum assessment in case of any immediate need or emergency.

G. Special Assessments. Special assessments shall be levied and paid in the same manner as heretofore provided for regular assessments. Special assessments can be of two kinds: (i) those chargeable to all Members of a Condominium in the same proportions as regular assessments to meet shortages or emergencies, to construct, reconstruct, repair or replace all or any part of the Common Elements (including fixtures and personal property related thereto) and for such other purposes and in such amounts as shall have been approved by the Members; or (ii) those assessed against one Member alone to cover repairs or maintenance for which such Member is responsible and which he has failed to make, which failure impairs the value of or endangers the Common Elements or the Condominium, or which are for expenses incident to the abatement of a nuisance within his Unit which may be assessed when approved by the Board.

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

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

J. Fidelity Bonds. Fidelity bonds shall be required for the Board and any persons handling or responsible for Association funds as the Board of Directors shall direct in an amount not less than \$10,000 for each officer or director. The premiums of said bonds shall be paid by the Association.

VII. PARLIAMENTARY RULES.

Robert's Rules of Order (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation or these Bylaws.

VIII. ARBITRATION.

In the event that disputes or disagreements arise among Members, this Association or their agents and assigns in connection with the operation of the Condominium, the parties may submit such disputes or disagreements to voluntary binding arbitration. The Division of Florida Land Sales and Condominium of the Department of Business Regulation shall employ full-time arbitrators to conduct the binding arbitration hearings. The arbitration shall be conducted in accordance with the rules of procedure promulgated by the Division. The decision of such arbitrator shall be final. However, such decision shall not be deemed final agency action. Nothing in this provision shall be construed to foreclose the parties from proceeding in a trial de novo, and if such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence. Any party may seek enforcement of the final decision of the arbitrator in a court of competent jurisdiction.

IX. ASSOCIATION RECORDS.

A. From the inception of the Association, the Association shall maintain a copy of each of the following, where applicable, which shall constitute the official records of the Association, which records shall be maintained in the County and shall be open to inspection by any Member or the authorized representative of such Member at all reasonable times who shall have the right to make such copies as may be required:

- (1) The plans, permits, warranties, and other items provided by the Developer;
- (2) A photocopy of the recorded declaration of each condominium operated by the Association and all amendments thereto;
- (3) A photocopy of the recorded bylaws of the association and all amendments thereto;
- (4) A certified copy of the articles of incorporation of the Association or other documents creating the Association and all amendments thereto;
- (5) A copy of the current rules of the Association;
- (6) A book or books containing the minutes of all meetings of the Association, of the Board, and of Unit Owners, which minutes shall be retained for a period of not less than 7 years;
- (7) A current roster of all Unit Owners, their mailing addresses, Unit identifications, voting certifications, and if known, telephone numbers;
- (8) All current insurance policies of the Association and condominiums operated by the Association;
- (9) A current copy of any management agreement, lease, or other contract to which the Association is a party or under which the Association or the Unit Owners have an obligation or responsibility;
- (10) Bills of sale or transfer for all property owned by the Association;
- (11) Accounting records for the Association and separate accounting records for each condominium it operates, according to good accounting practices. All accounting records shall be maintained for a period of not less than 7 years. The accounting records shall include, but are not limited to:
 - a. Accurate, itemized, and detailed records of all receipts and expenditures.
 - b. A current account and a monthly, bimonthly, or quarterly statement of the account for each Unit designating the name of the Unit Owner, the due date and amount of each assessment, the amount paid upon the account, and the balance due.
 - c. All audits, reviews, accounting statements, and financial reports of the Association or condominiums.
 - d. All contracts for work to be performed. Bids for work to be performed shall also be considered official records and shall be maintained for a period of 1 year;
- (12) Voting proxies, which shall be maintained for a period of 1 year from the date of the meeting for which the proxy was given.

X. AMENDMENTS TO BYLAWS.

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

A. Proposal. Amendments to these Bylaws may be proposed by the Board, acting upon vote of a majority of the Directors, or by Members holding one tenth of the Voting Interests, whether meeting as Members or by instrument in writing signed by them.

B. Notice. Upon any amendment or amendments to these Bylaws being proposed by the Board or Members, such proposed amendment or amendments shall be transmitted to the President of the Association or acting chief executive officer in the absence of the President, who shall thereupon call a special meeting of the Members for a date not sooner than fourteen (14) days or later than sixty (60) days from receipt by such officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each Member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a special meeting of the Members is required as herein set forth; provided, that proposed amendments to the Bylaws may be considered and voted upon at annual meetings of the Members if proper notice is given or may be voted upon by written consent.

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

D. Voting. In order for such amendment or amendments to become effective, the same must be approved by an affirmative vote of not less than fifty-one percent (51%) of the Voting Interests cast in person or by proxy at a meeting or by written consent. Thereupon, such amendment or amendments to these Bylaws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the public records of the County as an amendment to the Declaration of Condominium within thirty (30) days from the date on which any amendment or amendments have been affirmatively approved by the Members.

E. Written Vote. At any meeting held to consider such amendment or amendments to these Bylaws, the written vote of any Member shall be recognized if such Member is not present at such meeting in person or by proxy, provided such written vote is delivered to the Secretary at or prior to such meeting.

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

G. Proviso. Provided, however, that no amendment shall discriminate against any Member or group of Units unless the Members so affected shall consent. No amendments shall be made that is in conflict with the Condominium Act, the Declaration of Condominium, or the Articles of Incorporation.

H. Proviso. Anything herein to the contrary notwithstanding, until the first regular election of Directors by the membership, and so long as the Developer shall have the right to fill vacancies on the Board of Directors, an amendment shall require only the unanimous consent of the Board of Directors, and no meeting of the condominium unit owners nor any approval thereof need be had.

The foregoing were adopted as the Bylaws of SPYGLASS AT CRESCENT BEACH CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on the ___ day of _____, 198__.

Dated:

/s/ Susan Wood
Secretary

APPROVED:

/s/ William Burtchaell
President

FILED AND RECORDED IN
PUBLIC RECORDS OF
CLERK OF CIRCUIT COURT, FLA.

1983 MAR -4 PM 2 44

Paul "Bunk" Munkel
CLERK OF CIRCUIT COURT

1 Dec
5+1

AMENDMENT TO SPYGLASS AT CRESCENT BEACH CONDOMINIUM ASSOCIATION, INC. BYLAWS. Bylaws originally recorded in the Office of the Clerk of the Court in and for the County of St. Johns, State of Florida in Official Records Book 698 at Page 855

This change was approved during the Annual Owners Meeting conducted on September 24, 1994 by a majority of all the voting interest in the Association.

The change is to be made on page 3 paragraph III. A.

A. Annual Meeting. The annual meeting of the Members shall be held at the office of the Association or such other place in Florida and at such date and time during the months of September or October as may be specified in the notice of the meeting, ~~on the last Saturday of September of~~ for the purpose of electing Directors and of transacting any other business authorized to be transacted by the Members; ~~provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next succeeding Monday.~~

Spyglass at Crescent Beach Condominium Association, Inc.

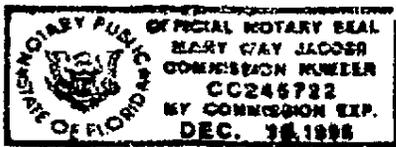
By: James Howard
James Howard
Its Treasurer

The foregoing instrument was sworn to and subscribed before me this 8 day of oct, 1994 by James Howard, Treasurer of Spyglass at Crescent Beach Condominium Association, Inc., a Florida Not-for-Profit corporation, on behalf of the corporation. He is personally know to me.

Maryway Jacobs

My Commission expires: Dec 10, 1996

Sworn to and subscribed before me this 8 day of oct, 1994
Maryway Jacobs
Maryway Jacobs
Notary Public in and for the State of Florida
Produced identification
Type of identification



Recorded in Public Records St. Johns County, FL
Clerk # 94035080 O.R. 1078 PG 1857 01:40PM 10-25-94
Recording 5.00 Surcharge 1.00

J. - Oct: Jacobs, Jacobs & Assoc. Inc.
1093 919 Beach Blvd.
St. Augustine, FL 32084

Amendment to Spyglass at Crescent Beach Condominium Association, Inc. Bylaws. Bylaws originally recorded in the office of the clerk of court in and for the county of St. Johns. state of Florida in the official records book 698 on page 181.

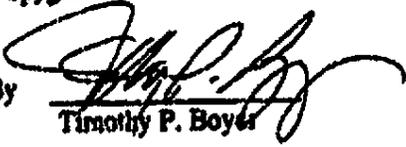
This change was approved during the annual meeting of owners conducted on September 23, 2000 by a majority of all the voting interests in the association.

The change is to be made on page 28 paragraph 15.8.

Delinquency or Default- the payment of any assessment or installment thereof due the association shall be in default if not paid to the association on or before the due date thereof. If any assessment or installment is not paid by the due date the owner and the unit shall be assessed an automatic late penalty of ~~fifteen dollars (\$15.00)~~ **twenty-five (\$25.00)** if not paid within 10 days of the due date ~~or a late penalty of (\$25.00) twenty-five dollars if not paid within 30 days of the due date~~ in addition to those sums, assessments, and installments thereof not paid within 30 days shall bear interest at the highest lawful rate from the 30th day from due date until paid.

Spyglass at Crescent Beach Condominium Association, Inc.

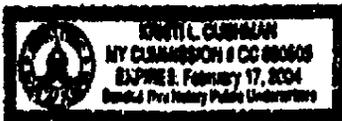
By


Timothy P. Boyer

Title: Treasurer

Date: November 8, 2000

Public Records of
St. Johns County, FL.
Clerk# 00-049008
O.R. 1542 PG 895
08:38AM 11/13/2000
R&C \$5.00 SUR \$1.00



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SPYGLASS CONDOMINIUMS

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