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DECLARATION OF CONDOMINIUM  
OF ST. AUGUSTINE BEACH AND TENNIS  
CLUB CONDOMINIUM  
OCEAN TRACE ROAD  
ST. AUGUSTINE BEACH, FLORIDA 32084

MADE this 30<sup>th</sup> day of April, 1976, by MIDLAND ADVISORY CO. OF FLORIDA, INC., a Florida corporation, for itself, its successors, grantees and assigns.

WHEREIN Midland Advisory Co. of Florida, Inc., a Florida corporation, makes the following declarations:

1. Purpose. The purpose of this Declaration of Condominium is to submit the lands described herein and the improvements on those lands to the condominium form of ownership and use in the manner provided by Chapter 711, Florida Statutes.

1.1 Name and Address. The name by which this condominium is to be identified is St. Augustine Beach and Tennis Club Condominium, and its address is Ocean Trace Road, St. Augustine Beach, Florida 32084.

1.2 The Land. The lands owned by Midland Advisory Co. of Florida, Inc., a Florida corporation, which by this Declaration of Condominium are hereby submitted to the condominium form of ownership, are more particularly described in Exhibit A-1 which is attached hereto and by this reference made a part hereof.

2. Definitions. The terms used in this Declaration of Condominium and in its Exhibits shall have the meanings stated in Chapter 711, Florida Statutes, and as follows, unless otherwise set forth herein or unless the context otherwise requires.

2.1 Act. Chapter 711, Florida Statutes, as amended from time to time.

2.2 Association. St. Augustine Beach and Tennis Club Condominium Association, Inc., a Florida nonprofit corporation, and its successors.

2.3 Assessment. That portion of the cost of managing, maintaining, and repairing the Property as is charged to and borne by each Unit Owner and as is more particularly set forth in Exhibit A-3 which is attached hereto and by this reference made a part hereof.

2.4 Buildings. The three structures designed and utilized for residential dwelling units and which have been constructed on the Land.

2.5 By-Laws. The By-Laws of the Association and of this Condominium.

2.6 Common Elements. Common Elements shall include:

(a) All tangible personal property (including that owned by the Association) required for the maintenance and operation of the Condominium.

(b) Any land or other property which may be acquired, in any fashion, by the Association for the Condominium, even though owned by the Association.

This instrument was prepared by:  
WILLIAM J. DEAS  
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(c) All of the Property which is not included within the Units.

(d) Easements as may be necessary through Units for conduits, ducts, plumbing, wiring, and other facilities for the furnishing of Utility Services to other Units or Common Elements.

(e) Installations for furnishing of Utility Services to more than one Unit or to the Common Elements or to a Unit other than the Unit containing installations.

(f) The property and installations in connection therewith acquired for the furnishing of services to more than one Unit or to the Common Elements.

(g) Easements for maintenance of Common Elements.

(h) Any other items as set forth in the Act.

2.7 Common Expenses. Common Expenses shall include:

(a) Expenses of management and administration of the Condominium.

(b) Expenses of insurance, maintenance, operation, repair, rental, replacement, and betterment of the Common Elements and of any portion or portions of any Unit which are required to be maintained by the Association.

(c) Expenditures by the Association for payment of costs that are the responsibility of a Unit Owner, including but not limited to, the costs of repair of damage to a Unit in excess of insurance proceeds, and the costs of insurance upon a Unit. It is specifically understood and agreed, however, that the Association shall not be required to make such expenditures, that the making of such expenditures shall be purely a matter of discretion on the part of the Association, and that the inclusion of this provision is intended solely to grant the Association certain enforcement rights under the Act insofar as the ultimate recovery of such expenditures by the Association from the responsible Unit Owner is concerned.

(d) Expenses declared Common Expenses by provisions of this Declaration or the By-Laws.

(e) Any valid charge against the Property as a whole.

2.8 Common Surplus. The excess of all receipts of the Association over the amount of Common Expenses.

2.9 Condominium. The Condominium shall consist of all the Property as a whole when the context so permits or requires, as well as the meaning set forth in the Act and may be used interchangeably with or in conjunction with the term Property.

2.10 Condominium Documents. The Declaration of Condominium and the Exhibits which are attached hereto, all as the same may from time to time be amended, together with any and all other documents pertaining to the Condominium which are referred to herein or contemplated or allowed hereby. The attached Exhibits are as follows:

- |                |                   |
|----------------|-------------------|
| 1. Exhibit A-1 | Legal Description |
| 2. Exhibit A-2 | Condominium Plat  |

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|----------------|--|
| 3. Exhibit A-3 | Percentage of Ownership in Common Elements and Common Surplus and Share of Common Expenses |
| 4. Exhibit B   | Articles of Incorporation  |
| 5. Exhibit C   | By-Laws  |

2.11 Condominium Parcel. A Unit, together with the undivided interest in the Common Elements that is appurtenant to the Unit; and, when the context permits, the term shall include all of the appurtenances to the Unit.

2.12 Declaration. This Declaration of Condominium and the Exhibits which are attached hereto, all as the same may from time to time be amended.

2.13 Developer. Midland Advisory Co. of Florida, Inc., a Florida corporation, together with its successors, assigns, or grantees.

2.14 Institutional Lender. Any bank, savings and loan association, real estate investment trust, union pension fund, properly authorized agency of the United States of America, mortgage banking firm, mortgage company, or insurance company.

2.15 Land. The realty described in Exhibit A-1 attached hereto.

2.16 Plans and Specifications. The plans and specifications prepared by Forrest A. Junck, entitled Ocean Villas High Rise Condominium, and dated March 8, 1973.

2.17 Plat. Exhibit A-2 which is attached hereto and by this reference made a part hereof.

2.18 Property. The Land, any and all improvements thereon, including any tangible personal property required for the maintenance and operation of the Condominium, and also including all easements and rights appurtenant thereto and intended for use in connection with the Condominium.

2.19 Regulations. Any rules or regulations respecting the use of the Property that have been adopted by the Association from time to time in accordance with its Articles of Incorporation and By-Laws.

2.20 Share. The percentage of undivided interest in and to the Common Elements and Common Surplus which is appurtenant to each Unit and which is set forth in Exhibit A-3 attached hereto.

2.21 Unit. The individual residence described in §3.5, infra, and shown on the Plat.

2.22 Unit Owner. Any owner of a Unit.

2.23 Utility Services. As used in the Act, as construed with reference to this Condominium, and as used in the Declaration and By-Laws, Utility Services shall include, but not be limited to, electric power, gas, hot and cold water, heating, telephone, refrigeration, airconditioning, cable television, security systems, and garbage and sewage disposal.

3. Development Plan. The Condominium is described and established as follows:

3.1 Survey. A survey of the Land showing the improvements, including the Buildings thereon, is included in the

Plat.

3.2 Plat. The improvements upon the Land are constructed substantially in accordance with the Plans and Specifications as is set forth in the Plat which reflects the location and dimension of each and every Unit.

3.3 Amendment of Plans and Specifications.

(a) Alteration of Unit Plans. The interior plan of a Unit may be changed by its owner but the size or boundaries of a Unit may not be changed. No Units may be subdivided. No change shall be made in balconies, except the limited rights granted in §5.1(b)(3), infra. Any change that is made within a Unit, shall also comply with the requirements of §5, infra. Developer reserves the right to make changes within Units during the construction of the Buildings as long as those changes do not change the size and dimensions of Units for which a Purchase And Sale Agreement has been signed, unless such changes are approved by the purchaser affected by the change.

3.4 Easements. Easements are reserved through the Property as may be required for Utility Services in order to serve the Condominium adequately; provided, however, these easements through a Unit shall be only according to the Plans and Specifications for the appropriate Building, or as the Building is constructed, unless approved in writing by the Unit Owner. The easements shall include, but not be limited to, the chases that run vertically through each Unit as shown upon the Plans and Specifications. A Unit Owner shall do nothing within or outside his Unit that interferes with or impairs the Utility Services using the easements.

3.5 Unit Boundaries. Each Unit shall include that part of the Building containing the Unit that lies within the boundaries of the Unit as set forth in the Plat and which lie within the following boundaries (excluding, however, all spaces and improvements lying beneath the undecorated finished surfaces of any interior bearing walls or partitions, and further excluding all installations, pipes, ducts, wires, conduits, and other facilities running through any interior wall or partition for the furnishing of Utility Services to Units or Common Elements):

(a) Upper and Lower Boundaries. The upper and lower boundaries of a Unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

(1) Upper Boundaries. The upper boundary of all Units, except Units 2 and 3, shall be the horizontal plane of the undecorated finished ceiling, including and if applicable, the slab over a patio or balcony. The upper boundaries of Units 2 and 3 shall be an artificial horizontal plane at the elevation shown in the Plat.

(2) Lower Boundaries. The lower boundary shall be the horizontal plane of the undecorated finished floor, including and if applicable, the floor slab of a patio or balcony.

(b) Perimetrical Boundaries. The perimetrical boundaries of the Unit shall be the vertical planes of the undecorated finished interior of the walls bounding the Unit extended to intersections with each other and with the upper and lower boundaries and extended to and including the patio or balcony, all as set forth in the Plat.

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3.6 Common Elements. The Common Elements include all of the Property except the Units.

(a) Use; Charges. All Common Elements, except as otherwise provided herein, shall be available for use by all Unit Owners without discrimination. That use will be without charge unless a charge is specifically authorized by the Declaration, except that the Association, when authorized by the Regulations, may charge for the exclusive use of certain facilities from time to time, provided that such exclusive use thereof is made available to all Unit Owners. All revenue from those charges shall be treated as proceeds from Assessments for Common Expenses and shall be applied to the payment of Common Expenses or added to Common Surplus. Anything herein to the contrary notwithstanding, it is specifically understood and agreed that nonexclusive easements for the purpose of affording ingress, egress, and access for public travel for the benefit of residents of the Condominium or any other Condominiums which may be constructed in the future on land adjacent to the Property are hereby created in those portions of the Common Elements which are or will be utilized for roadways and sidewalks. This shall not be construed as to give or create any right to park vehicles upon any portion of the Property other than as may be otherwise specifically provided for in this Declaration or by the Regulations.

4. The Units. The Units of the Condominium are individual residences and are described more particularly, and the rights and obligations of Unit Owners are established as follows:

4.1 Unit Numbers.

(a) Buildings Numbers 1 and 2. There are 4 Units in Building Number 1, which are consecutively numbered from South to North, as Numbers 1, 2, 3, and 4, beginning with Number 1 on the South side of the Building. There are 3 Units in Building Number 2, which also are consecutively numbered from South to North as Numbers 5, 6, and 7, beginning with Number 5 on the South side of the Building.

(b) Building Number 3. There are 96 Units in Building Number 3, and there are 24 Units on each of the 4 floors of Building Number 3. The Units are consecutively numbered from 1 to 24, inclusive, on each floor, beginning with the Unit immediately to the North of the main entrance to the Condominium, all as is more particularly set forth in the Plat.

The Units on each floor are distinguished from Units on other floors by adding to the number of each Unit on a floor the product of the number of the floor times 100, for example, the ground floor Unit on the Northeast side of the Building being Unit 112. It should be noted that the letter prefixes (and in some instances, suffixes) shown in the Plat are solely for purposes of information and do not constitute the Unit Number which consists solely of the three digit number as set forth, supra.

Similarly, the Buildings numbers shown on the Plat and referred to herein from time to time are utilized solely for illustrative purposes and do not constitute a portion of the Unit description which consists solely of either a one digit or a three digit number.

4.2 Typical Unit Plans.

(a) Buildings Numbers 1 and 2. The plans for all Units in Buildings Number 1 and 2 are different as are the floor plans of each Unit, all as is more particularly set forth in the Plat.

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(b) Building Number 3. Insofar as the Units are concerned, the plans for the first floor of Building Number 3 are different from the plans for each of the other 3 floors of Building Number 3 which are identical. There are 6 typical floor plans of Units in Building Number 3, namely, A, B, C-S, C-N, D, and E, all of which are more particularly set forth in the Plat.

4.3 Appurtenances to Units. The owner of each Unit shall own a share and certain interests in the Property, which share and interests are appurtenant to his Unit, including but not limited to, the following items that are appurtenant to the several Units as indicated:

(a) Ownership of Common Elements and Common Surplus. The undivided share in the Common Elements and in the Common Surplus that is appurtenant to each Unit is as set forth in Exhibit A-3 attached hereto.

(b) Use of Common Elements. Use of the Common Elements in common with other Unit Owners. This use is in addition to and not in lieu of the various easement rights granted elsewhere herein.

(c) Association Membership and Voting. The membership of each Unit Owner in the Association and the interest of each Unit Owner in the funds and assets held by the Association. Each Unit shall be entitled to one vote at meetings of the Association in accordance with the provisions of the By-Laws.

4.4 Liability for Common Expenses. Each Unit Owner shall be liable for a proportionate share of the Common Expenses, that share being the same as the undivided share in the Common Elements appurtenant to his Unit, again as set forth in Exhibit A-3 attached hereto, but subject, however, to the limitation of §4.5 infra.

4.5 Guaranteed Maximum Assessments. Developer hereby guarantees all of the owners of Units other than the Developer that the Assessment levied for Common Expenses with respect to Units will not exceed the dollar amounts set forth in Exhibit A-3 attached hereto for the period of time set forth in Exhibit A-3 attached hereto. Developer hereby obligates itself to pay to the Association any amount of Common Expenses incurred prior to January 1, 1978, and not produced by Assessments at the guaranteed levels as set forth in Exhibit A-3 attached hereto which are receivable from other owners of Units. In consideration of Developer's obligations pursuant hereto, it is understood and agreed that notwithstanding anything in the Declaration to the contrary, Developer shall be excused from the payment of its share of the Common Expenses with respect to those Units owned by Developer prior to January 1, 1978, and Developer and the Units owned by Developer shall not be subject to Assessment as provided for in this Declaration prior to January 1, 1978. The terms and provisions of this §4.5 shall cease and terminate and automatically become null and void on January 1, 1978.

5. Maintenance, Alteration, and Improvement. Responsibility for the maintenance of the Property, and restrictions upon its alteration and improvement, shall be as follows:

5.1 Units.

(a) By the Association. The Association shall maintain, repair, and replace at the Association's expense:

(1) All portions of a Unit (except interior

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surfaces), if any, which contribute to the support of the Building.

(2) Balconies (except the painting of floors) and patios.

(3) All incidental damage caused to a Unit by work performed by the Association under this §5.1(a) shall be repaired promptly at the expense of the Association.

(4) Provided, however, that the Association shall have the authority to require Unit Owners, at their expense, to maintain, repair, and replace awnings, screens, and glass for windows and glass doors within their respective Units except in the case of damage for which insurance proceeds are paid under policies purchased by the Association.

(5) The roofs for Units Numbers 2 and 3.

(b) By the Unit Owner. The responsibility of the Unit Owner shall be as follows:

(1) To maintain, repair, and replace at his expense all portions of his Unit except the portions thereof to be maintained, repaired and replaced by the Association. This shall be done without disturbing the rights of other Unit Owners.

(2) The portions of a Unit to be maintained, repaired and replaced by the Unit Owner at his expense shall include, but not be limited to the following items: air handling equipment for cooling and heating; service equipment, such as dishwasher, garbage disposal, washer, dryer, refrigerator, oven, stove, and water heater, whether or not these items are built-in equipment; interior fixtures such as electrical and plumbing fixtures; floor coverings except the floor slab; and inside paint and other inside wall finishes. Mechanical equipment and the installation of that equipment shall be such that its operation will not cause annoyance to the occupants of other Units.

(3) Not to paint or otherwise decorate or change the appearance of any portion of the exterior of the Building. Balconies and patios that are not closed against the weather shall be included in this restriction, as well as the roofs for Units Numbers 2 and 3. Provided, however, balconies and patios may be screened or enclosed, provided that such is constructed in accordance with plans and specifications approved in advance by the Association.

(4) To report promptly to the Association any defect or need for repairs for which the Association is responsible.

(c) Alteration and Improvement. Except as elsewhere provided, neither a Unit Owner nor the Association shall make any alteration in the portions of a Unit that are to be maintained by the Association, or remove any portion of them, or make any additions to them, or do anything that would jeopardize the safety or soundness of the Building, or impair any easement, without first obtaining approval in writing of owners of all Units in which the work is to be done and the approval of the board of directors of the Association. If the alteration of or improvement to the Unit will change the appearance of any portion of the exterior of the Building (but excluding, however, the right to screen and enclose balconies and patios granted in §5.1(b)(3), *supra*), the change in appearance must be approved by the owners of 75% of the Units at a meeting of Unit Owners called

for that purpose. A copy of plans for all of the proposed work, prepared by an architect licensed to practice in the State of Florida shall be filed with the Association prior to the start of the work.

5.2 Common Elements.

(a) By the Association. The maintenance and operation of the Common Elements shall be the responsibility of the Association and the cost shall be a Common Expense. The Association also shall maintain all areas leased to it for recreational or other purposes whether they are Units or are contiguous to the Property or not, and regardless of whether the Association retains the lease in its own name or there are subleases of undivided shares to the Unit Owners.

(b) By the Unit Owners. Each Unit Owner shall be solely and exclusively responsible for the maintenance and repair of the individual air compressor unit and attendant piping, valves, wiring, and other facilities which provide air conditioning to the respective individual Unit, despite the fact that the same are a portion of the Common Elements.

(c) Alteration and Improvement. After the completion of the improvements included in the Common Elements contemplated by this Declaration, there shall be no alteration nor further improvement of the Common Elements or acquisition of additional Common Elements without prior approval in writing by the owners of not less than 75% of the Units, except as provided by the By-Laws. Any such alteration or improvement shall not interfere with the rights of any Unit Owners without their consent. The cost of the alteration, improvement, or acquisition shall not be assessed against any Institutional Lender that acquires its title to a Unit as the result of owning and holding a mortgage upon the Unit owned, unless that owner shall approve the alteration, improvement, or acquisition, and this shall be so whether title to the Unit is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any such cost not so assessed shall be assessed to the other Unit Owners in the shares that their shares in the Common Elements bear to each other. There shall be no change in the shares and rights of a Unit Owner in the Common Elements nor in his share of Common Expenses, whether or not the Unit Owner contributes to the cost of such alteration, improvement, or acquisition.

(d) Submission of Land to Condominium. Land acquired by the Association may be added to the Land. This may be done by an amendment to the Declaration that includes the description of the acquired land, submits that land to condominium under the terms of the Declaration, and states that the amendment conveys the land by the Association to the Unit Owners but without naming them. The amendment shall be executed by the Association and adopted by the Unit Owners in the manner elsewhere required for an amendment of the Declaration. Such an amendment, when recorded in the current public records of St. Johns County, Florida, shall divest the Association of title to the land and shall vest the title in the Unit Owners, without further conveyance, in the same respective undivided shares as the undivided shares in the Common Elements appurtenant to the Units owned by them.

(e) Disposition of Land. Any land acquired by the Association that is not submitted to condominium by amendment of the Declaration may be sold, mortgaged, or otherwise disposed of by the Association after approval

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in writing by the owners of not less than 75% of the Units. This approval shall be evidenced by a certificate stating that the approval was duly given, which certificate shall be executed by the officers of the Association with the same formalities required for a deed and delivered to a purchaser or mortgagee of the land.

(f) Disposition of Personal Property. Any personal property acquired by the Association may be sold, mortgaged, or otherwise disposed of by the Association.

6. Assessments. The making and collection of Assessments against Unit Owners for Common Expenses shall be pursuant to the By-Laws and subject to the following provisions, in addition to the limitations of \$4.5, supra.

6.1 Share of Common Expense. Each Unit Owner shall be liable for a proportionate share of the Common Expenses, and shall share in the Common Surplus, those shares being the same as the undivided share in the Common Elements appurtenant to the Unit owned by him, all as provided for in Exhibit A-3 attached hereto.

6.2 Interest; Application of Payments. The portions of Assessments and installments on Assessments that are not paid when due shall bear interest at the rate of ten percent per annum from the date when due until paid. All payments upon account shall be applied first to interest and then to the Assessment payment first due, and each and every Assessment payment due thereafter in chronological order.

6.3 Lien for Assessments. The lien for unpaid Assessments shall secure reasonable attorneys' fees, including but not limited to, appellate fees, incurred by the Association incident to the collection of an Assessment or enforcement of the lien.

6.4 Rental Pending Foreclosure. In any foreclosure of a lien for Assessments, the owner of the Unit subject to the lien shall be required to pay a reasonable rental for the Unit, and the Association shall be entitled to the appointment of a receiver to collect the rent therefrom.

7. Association. The operation of the Condominium shall be by the Association, which shall fulfill its duties and functions pursuant to the following provisions:

7.1 Articles of Incorporation. The provisions of the Articles of Incorporation of the Association, a copy of which is attached hereto as Exhibit B and by this reference made a part hereof.

7.2 By-Laws. The provisions of the By-Laws of the Association and the Condominium, a copy of which is attached hereto as Exhibit C and by this reference made a part hereof.

7.3 Limitation upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Property, the Association shall not be liable to Unit Owners for injury or damage (other than the cost of such maintenance and repair) caused by any latent condition of the Property to be maintained and repaired by the Association, or caused by the elements or other Unit Owners or persons.

7.4 Roster of Unit Owners and Mortgagees.

(a) Owners of Units. The Association shall maintain a roster of names and mailing addresses of Unit

Owners. The roster shall be maintained from evidence of ownership furnished to the Association from time to time and from changes of mailing addresses furnished from time to time. Each Unit Owner shall furnish to the Association a certified copy of the record evidence of his title, which evidence shall entitle the Unit Owner to be included in the roster if his ownership has been approved by the Association in the manner elsewhere required.

(b) Mortgagees. The Association shall maintain a roster that shall contain the name and address of each owner and holder of a mortgage upon a Unit in the Condominium of which notice is given to the Association. This notice shall consist of a certified copy of the recorded instrument evidencing the interest of the mortgagee, which term, when used in the Declaration, shall include any owner and holder of a mortgage. The mortgagee shall be stricken from the roster upon receipt by the Association of a request from the mortgagee or of a certified copy of a recorded release or satisfaction of the mortgage. Notice of the removal shall be given to the mortgagee unless the removal is requested by the mortgagee, in which case, no such notice shall be required or given.

7.5 Restraint upon Assignment of Shares in Assets. The share of a Unit Owner in the funds and assets of the Association cannot be assigned, hypothecated, have a security interest granted therein, or be transferred in any manner except as an appurtenance to his Unit.

7.6 Approval or Disapproval of Matters. Whenever the decision of a Unit Owner is required upon any matter, whether or not the subject of an Association meeting, that decision shall be expressed by the same person who would be authorized to cast the vote of that owner if in an Association meeting, unless the joinder of record owners is specifically required by the Declaration.

8. Insurance. The insurance, other than title insurance, that shall be carried upon the Property and the property of the Unit Owners shall be governed by the following provisions:

8.1 Purchase; Named Insured; Custody and Payment of Policies.

(a) Purchase. All insurance policies upon the Condominium shall be purchased by the Association and shall be issued by an insurance company authorized to do business in Florida.

(b) Approval. Each insurance policy and the agency and company issuing the policy shall be subject to approval by the Institutional Lender exercising the rights thereto granted by the terms and conditions of §16, infra. The approval may be obtained by directing to the Institutional Lender having the right of approval a request in writing for approval or disapproval within 10 days after the receipt of the request; and if a response from the Institutional Lender is not received within that 10 day period, the request shall be deemed to be approved. An approval shall not be unreasonably withheld or denied.

(c) Named Insured. The named insured shall be the Association individually and as agent for the owners of Units covered by the policy without naming them, and shall include mortgagees listed in the roster of mortgagees who hold mortgages upon Units covered by the policy whether or not the mortgagees are named. Unit Owners may obtain insurance coverage at their own expense upon their personal

property and for their personal liability and living expense.

(d) Custody of Policies and Payment of Proceeds. Subject to the limitation imposed by §8.8, infra, all policies shall provide that payments for losses made by the insurer shall be paid to the insurance trustee designated by the board of directors of the Association and approved by the Institutional Lender exercising the rights thereto granted by the terms and conditions of §16, infra, and all policies and endorsements to them shall be deposited with the insurance trustee.

(e) Copies to Mortgagees. One copy of each insurance policy and of all endorsements to it shall be furnished by the Association to each mortgagee included in the mortgage roster who holds mortgages upon Units covered by the policy. The copies shall be furnished not less than 10 days prior to the beginning of the term of the policy or not less than 10 days prior to the expiration of each preceding policy that is being renewed or replaced, whichever date shall first occur.

## 8.2 Coverage.

(a) Casualty. All Buildings and improvements upon the Land shall be insured in such amounts that the insured will not be a co-insurer except under deductible clauses required to obtain coverage at a reasonable cost. The coverage shall exclude foundation and excavation costs, that part of the value of each Unit occasioned by special improvements made by Unit Owners and not common to Units otherwise comparable in construction and finish, and all increase in value of Units occasioned by alterations, betterments, and further improvement by Unit Owners. All personal property included in the Common Elements shall be insured. Values of insured property shall be determined annually by the board of directors of the Association. Insurance coverage shall afford protection against:

(1) Hazard. Loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and

(2) Other Risks. Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location, and use as the Buildings on the Land, including, but not limited to, insurance covering flooding, vandalism, and malicious mischief to the extent that such is available. The bailee liability, if any, of the Association to Unit Owners shall be insured.

The policies shall state whether the following items are included within the coverage in order that Unit Owners may insure themselves if the items are not insured by the Association: air handling equipment for cooling and heating; service equipment, such as dishwasher, garbage disposal, washer, dryer, refrigerator, oven, stove, and water heater, whether or not those items are built-in equipment; interior fixtures such as electrical and plumbing fixtures; floor coverings except the floor slab; and inside paint and other inside wall finishes.

When appropriate and possible, the policies shall waive the insurer's right to

(i) subrogation against the Association —  
and against the Unit Owners individually and as a group;

(ii) the pro rata clause that reserves

to the insurer, the right to pay only a fraction of any loss if other insurance carriers have issued coverage upon the same risk; and

(iii) avoid liability for a loss that is caused by an act of the board of directors of the Association, or by a member of the board of directors of the Association, or by one or more Unit Owners.

(b) Public Liability. Public liability insurance in such amounts and with such coverage as shall be required by the board of directors of the Association from time to time, including but not limited to, hired automobile and nonowned automobile coverages, and with a cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner.

(c) Workmen's Compensation Policy. Adequate coverage to meet the requirements of law.

(d) Other Insurance. Such other insurance as the board of directors of the Association shall determine from time to time to be desirable.

(e) Excess Liability. In any legal action in which the Association, or its insurance carrier, may be exposed to liability in excess of the insurance coverage protecting it and the Unit Owners, the Association shall give notice of the potential exposure, within a reasonable time, to all Unit Owners who may be so exposed, together with any holders of mortgages on the Units, and they shall have the right to intervene and defend in such action.

8.3 Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the amount of increase in the premium occasioned by or attributable to permissible use of a Unit for other than a residence, or misuse, occupancy, or abandonment of a Unit or its appurtenances or of the Common Elements by a Unit Owner shall be assessed against and paid by that Unit Owner. Not less than 10 days prior to the date when a premium is due, evidence of the payment shall be furnished by the Association to each mortgagee listed in the roster of mortgagees.

8.4 Insurance Trustee; Shares of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association, the Unit Owners, and their respective mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to such bank in Florida with trust powers as may be designated as insurance trustee by the board of directors of the Association and as may be approved by the Institutional Lender exercising the rights thereto granted by the terms and provisions of §16, infra; which trustee is sometimes referred to in this Declaration as the Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums nor for the renewal or the sufficiency of policies, nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive and hold the insurance proceeds and other funds that are paid to it in trust for the purposes elsewhere stated in this Declaration and for the benefit of the Unit Owners and their mortgagees in the following shares, but which shares need not be set forth on the records of the Insurance Trustee:

(a) Unit Owners - An undivided share for each Unit Owner, that share being the same as the undivided share

in the Common Elements appurtenant to his Unit.

(b) Mortgages. In the event a mortgagee endorsement to an insurance policy has been issued as to a Unit and this is deposited with the Insurance Trustee, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged Property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of proceeds made to the Unit Owner and mortgagee; but subject, however, to the controlling rights of Midland Mortgage Co., under the provisions of §8.8, infra.

8.5 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners in the manner hereafter provided in §9, infra; but subject, however, to the controlling rights of Midland Mortgage Co., under the provisions of §8.8, infra.

8.6 Association as Agent. The Association is irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Property, to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon the payment of claims.

8.7 Benefit of Mortgagee. Certain provisions in this §8 are for the benefit of mortgagees of Units. All of these provisions are covenants for the benefit of any mortgagee of a Unit and may be enforced by that mortgagee.

8.8 Rights of Midland Mortgage Co. Anything herein to the contrary notwithstanding, it is specifically understood and agreed that so long as Midland Mortgage Co. (hereinafter sometimes referred to as MMC), or its successors, grantees, or assigns, shall hold any mortgage upon a Unit or Units, or shall be the owner of any Unit or Units, then MMC shall have the right, at its sole option, to require that it be named as an additional insured on the aforesaid casualty insurance policy and, further, that it be granted the right and privilege to have any proceeds of said policy paid to it as its interests may appear, free and clear of any rights therein of the Insurance Trustee, with said proceeds being applied as it may determine, in accordance with the terms and conditions of any mortgage which it may hold upon a Unit or Units.

## 9. Reconstruction and Repair after Casualty.

9.1 Determination Whether to Reconstruct and Repair. Whether or not Property damaged by casualty shall be reconstructed and repaired shall be determined in the following manner:

(a) Lesser Damage. If 50% or more of the Units are found by the board of directors of the Association to be tenantable after the casualty, the damaged Property shall be reconstructed and repaired.

(b) Major Damage. If 50% or more of the Units are found by the board of directors of the Association not to be tenantable after the casualty, whether the damaged Property will be reconstructed and repaired or the Condominium terminated shall be determined in the following manner:

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(1) Immediately after the determination of the amount of insurance proceeds, the Association shall give notice to all Unit Owners and mortgagees of the casualty, the extent of the damage, the estimated cost to rebuild and repair, the amount of insurance proceeds available, and the estimated amount of Assessments required to pay the excess of the cost of reconstruction and repair over the amount of insurance proceeds available.

(2) The notice shall call a meeting of Unit Owners to be held within 30 days from the mailing of the notice.

(3) If the reconstruction and repair is approved at the meeting by the owners of 75% of the Units, the damaged Property will be reconstructed and repaired; but, if not so approved, the Condominium shall be terminated without agreement as elsewhere provided.

(4) The approval of a Unit Owner may be expressed by vote or in writing filed with the Association at or prior to the meeting.

(5) The expense of this determination shall be assessed against all Unit Owners as a Common Expense.

(c) Certificate. The Insurance Trustee may rely upon a certificate of the Association made by its president and secretary to determine whether or not the damaged Property is to be reconstructed and repaired.

9.2 Report of Damage. If any part of the Property shall be damaged and insurance proceeds or other funds are paid to the Insurance Trustee on account of the damage, a report of the damage shall be submitted by the Association to the Insurance Trustee. The report shall include the following information:

(a) Date and cause of damage.

(b) Whether the damaged Property will be reconstructed and repaired or the Condominium terminated.

(c) If applicable, the name and address of all mortgagees holding mortgages on any of the damaged Property, together with sufficient data to identify the mortgagees' interest in such damaged Property.

If the damaged Property shall be reconstructed and repaired, the report shall include the following additional information:

(a) Schedule of damage for which the Association has the responsibility for reconstruction and repair, and the estimated costs of such reconstruction and repair.

(b) Whether any damaged Property for which the Association has the responsibility for reconstruction and repair includes any structural parts of a Building.

(c) Schedule of damage for which Unit Owners have the responsibility for reconstruction and repair and the estimated costs of each Unit Owner for such reconstruction and repair.

9.3 Responsibility for Reconstruction and Repair. The responsibility for reconstruction and repair after casualty shall be the same as for maintenance and repair of the Property as provided in §5, supra.

9.4 Plans and Specifications. Any reconstruction and repair must be substantially in accordance with the Plans and Specifications; or, if not, then according to plans and specifications approved by the board of directors of the Association, and, if the damaged Property is a Building, by the owners of not less than 75% of the Units in the Building and their respective mortgagees, including the owners of all Units the Plans and Specifications for which are to be altered.

9.5 Assessments; Determination of Sufficiency of Funds.

(a) Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair for which the Association is responsible, or if at any time during that work or upon completion of the work the funds available for the payment of the costs are insufficient, Assessments shall be made by the Association against all Unit Owners in sufficient amounts to provide funds for the payment of those costs. The Assessments shall be made as for a Common Expense, except that the cost of construction, reconstruction, and repair occasioned by special improvement made at the request of the owner and not common to other Units shall be assessed to the owner of the responsible Unit.

(b) Determination of Sufficiency of Funds. If the estimated costs of reconstruction and repair for which the Association is responsible do not exceed \$10,000, the sufficiency of funds to pay the costs shall be determined by the board of directors of the Association and the sums paid upon the Assessments shall be held by the Association. If the estimated costs exceed \$10,000, the sufficiency of funds to pay the costs shall be determined by an architect qualified to practice in the State of Florida and employed by the Association to supervise the work, and the sums paid upon the Assessments shall be deposited by the Association with the Insurance Trustee.

9.6 Disbursement of Funds. The funds held by the Association or by the Insurance Trustee after a casualty, which will consist of the proceeds of insurance and possibly the sums collected from Assessments against Unit Owners on account of the casualty, shall be disbursed in the following manner and order:

(a) Expense of the Trust. All expenses of the Insurance Trustee shall be first paid or appropriate provision made for payment.

(b) Termination of the Condominium. If the Condominium is terminated, either by agreement after lesser damage or by failure of the Unit Owners to approve reconstruction and repair after major damage, the remaining funds shall be deemed to be a portion of the Property and shall be owned by the Unit Owners as tenants in common in the undivided shares in which they own the Common Elements prior to the termination. The balance of the funds shall be distributed to the beneficial owners upon demand of the Association in the amounts certified by the Association, remittances to Unit Owners and their mortgagees being made payable jointly to them.

(c) Reconstruction and Repair of Damage. If the damaged Property is reconstructed and repaired, the funds shall be disbursed in the following manner:

(1) By Association - Damages of \$10,000 or Less. If the estimated costs of reconstruction and repair that is the responsibility of the Association do not exceed \$10,000, the funds shall be disbursed in payment of these costs upon the order of the Association; provided, however, the funds shall be disbursed in the manner hereafter provided for the reconstruction and repair of damage of more than \$10,000 if the damaged Property includes structural parts of a Building, or if requested by a mortgagee that is a beneficiary of an insurance policy, the proceeds of which are included in the funds.

(2) By Association - Damages of More Than \$10,000. If the estimated costs of reconstruction and repair that is the responsibility of the Association exceed \$10,000, the funds shall be disbursed in payment of these costs in the manner required by the board of directors of the Association; provided, however, that an architect qualified to practice in the State of Florida and employed by the Association to supervise the work shall approve all disbursements as being due and properly payable.

(3) By Unit Owners. If there is a balance of insurance proceeds after payment of costs of reconstruction and repair that is the responsibility of the Association, this balance shall be distributed to owners of damaged Units who have responsibility for reconstruction and repair of their Units. The distribution shall be in the shares that the estimated cost of reconstruction and repair of this damage in each damaged Unit bears to the total of these costs in all damaged Units; provided, however, that no Unit Owner shall be paid an amount in excess of the estimated costs for reconstruction and repair for his Unit. If there is a mortgage upon a Unit, the distribution to which the Unit Owner is entitled shall be paid to the Unit Owner and the mortgagee jointly.

(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 remaining after payment of the costs for which the funds are collected, the balance shall be distributed to the beneficial owners of the funds, remittances to Unit Owners and their mortgagees being made payable jointly to them; provided, however, that the part of a distribution to a Unit Owner that is not in excess of Assessments paid by that owner into the funds shall not be made payable to any mortgagee.

(d) Reliance upon Certificates. Notwithstanding the provisions of the Declaration, the Insurance Trustee shall not be required to make a determination as to the existence of certain facts upon which the distribution of funds is conditioned. Instead, the Insurance Trustee may rely solely and without liability upon the certificate of the Association made by its president and secretary stating:

(1) Whether the damaged Property will be reconstructed and repaired or the Condominium terminated.

(2) Whether or not payments upon Assessments against Unit Owners shall be deposited with the Insurance Trustee.

(3) That sums to be paid are due and properly



payable, the name of the payee, and the amount to be paid.

(4) The names of Unit Owners to receive distribution of funds and the amounts to be distributed to them; provided, however, that when a mortgagee is required by the Declaration to be named as payee of a distribution to a Unit Owner, the Insurance Trustee also shall name the mortgagee as payee of any distribution of insurance proceeds to a Unit Owner, provided that the name of the appropriate mortgagee is also included in the certificate furnished by the Association.

(e) Proviso. Provided, however, that under the following circumstances the approval of the architect elsewhere required shall be first obtained by the Association prior to disbursements in payment of costs of reconstruction and repair,

(1) When the report of damage shows that the damaged Property includes structural parts of a Building.

(2) When the report of damage shows that the estimated costs of reconstruction and repair that is the responsibility of the Association exceed \$10,000.

(3) If required by the Association or by a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the funds to be disbursed.

9.7 Benefit of Mortgagees. - Certain provisions in this §9 are for the benefit of mortgagees of Units. All of these provisions are covenants for the benefit of any mortgagee of a Unit and may be enforced by the mortgagee.

9.8 Adjustment of Amount. The amount of \$10,000 stated in this section shall be adjusted on July 1, 1980, so that the adjusted amount will have the same purchasing power in the months of January, February, and March, 1980, as the amount applicable in the preceding year has in the months of January, February, and March, 1976; and this adjusted amount shall be further adjusted on July 1, 1990, and on July 1 of each 10th year thereafter so that the adjusted amount will have the same purchasing power in the months of January, February, and March in the year of the adjustment as the amount applicable in the preceding year has in the months of January, February, and March of the latest prior year, the number of which is divisible by 10. The purchasing power of the amount shall be measured by the average of the index numbers of retail commodity prices for the months indicated. The adjusted amount shall be computed by multiplying the amount applicable in the preceding year by the designated average of index numbers for the year of adjustment, and by dividing the result by the designated average of index numbers for the latest prior year, the number of which is divisible by 10, except that in the adjustment on July 1, 1980, the divisor shall be the designated average of index numbers for 1976. The index numbers to be employed are the index numbers of retail commodity prices designated "CONSUMER PRICE INDEX - U.S. CITY AVERAGE, ALL ITEMS" prepared by the Bureau of Labor Statistics of the U.S. Department of Labor, provided that the index in the controlling year and the index in the year of adjustment shall be constructed upon the same base. Any publication by either the U.S. Department of Labor or the U.S. Department of Commerce in which those index numbers are published shall be admissible in evidence in any legal or judicial proceeding involving the adjustment without further proof of authenticity. In the event the U.S. Department of Labor ceases to prepare and to publish those retail commodity index numbers, the

adjustment of amounts thereafter shall be according to the most closely comparable commodity index designated by the U.S. Department of Labor; and if it is not designated by that department, then the most closely comparable index as determined by the board of directors of the Association.

10. Condemnation.

10.1 Deposit of Awards with Insurance Trustee. The taking of Property by condemnation shall be deemed to be a casualty, and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Insurance Trustee. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Insurance Trustee, and in the event of failure to do so, in the discretion of the board of directors of the Association, a special Assessment shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against the sums hereafter made payable to that owner.

10.2 Determination of Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged Property will be reconstructed and repaired after a casualty. For this purpose, the taking by condemnation shall be deemed to be a casualty.

10.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of the awards and special Assessments will be deemed to be Property and shall be owned and distributed in the manner provided for insurance proceeds if the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, the size of the Condominium will be reduced, the owners of condemned Units will be made whole and the Property damaged by the taking will be made useable in the manner provided, infra. The proceeds of the awards and special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursement of funds by the Insurance Trustee after a casualty.

10.4 Unit Reduced but Tenatable. If the taking reduces the size of a Unit and the remaining portion of the Unit can be made tenatable, the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be effected in the Condominium:

(a) Restoration of Unit. The Unit shall be made tenatable. If the cost of the restoration exceeds the amount of the award, the additional funds required shall be assessed against the owner of the Unit.

(b) Distribution of Surplus. The balance of the award, if any, shall be distributed to the owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the owner and mortgagees.

(c) Adjustment of Shares and Liability for Common Expenses. If the floor area of the Unit is reduced by the taking, the number representing the Share and the liability for Common Expenses appurtenant to the Unit shall be reduced in the proportion by which the floor area of the Unit is reduced by the taking, and then the Shares and liability for Common Expenses of all Unit Owners shall be restated as percentages of the total of the numbers representing their original Shares as reduced by the taking so as

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to reflect the necessary adjustment.

10.5 Unit Made Untenantable. If the taking is of the entire Unit or so reduces the size of a Unit that it cannot be made tenantable, the award for the taking of the Unit shall be used for the following purposes in the indicated order and the following changes shall be effected in the Condominium:

(a) Payment of Award. The market value of the Unit immediately prior to the taking shall be paid to the owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the owner and mortgagees.

(b) Addition to Common Elements. The remaining portion of the Unit, if any, shall become a part of the Common Elements and shall be placed in condition for use by all of the Unit Owners in the manner approved by the board of directors of the Association; provided that if the cost of the work shall exceed the balance of the fund from the award for the taking, the work shall be approved in the manner elsewhere required for further improvement of the Common Elements.

(c) Adjustment of Shares and Liability for Common Expenses. The Shares and liability for Common Expenses appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements, Common Surplus, and the liability for the Common Expenses among the reduced number of Unit Owners. This shall be done by restating the Shares and liability for Common Expenses of continuing Unit Owners as percentages of the total of the numbers representing the Shares of these owners as they exist prior to the adjustment so as to reflect the necessary adjustment.

(d) Assessments. If the amount of the award for the taking is not sufficient to pay the market value of the condemned Unit to the owner and to recondition the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for those purposes shall be raised by Assessments against all of the Unit Owners who will continue as owners of Units after the changes in the Condominium effected by the taking. The Assessments shall be made in proportion to the Shares of those owners after the changes effected by the taking.

(e) Arbitration. If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and mortgagees of the Unit and the Association within 30 days after notice by either party, the value 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 upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The cost of arbitration proceedings shall be assessed against all Unit Owners as a Common Expense in proportion to the Shares of the owners as they exist prior to the changes effected by the taking.

10.6 Taking of Common Elements. Awards for the taking of Common Elements shall be used to make the remaining portion of the Common Elements usable in the manner approved by the board of directors of the Association; provided, that if the cost of the work shall exceed the balance of

the funds from the awards for the taking, the work shall be approved in the manner elsewhere required for further improvement of the Common Elements. The balance of the awards for the taking of Common Elements, if any, shall be distributed to the Unit Owners in the Shares after adjustment of these Shares on account of the condemnation, if any such adjustment is required pursuant to §10.4 and §10.5, supra. If there is a mortgagee of a Unit, the distribution shall be paid jointly to the owner and mortgagees of the Unit.

10.7 Amendment of Declaration. The changes in Units, in the Common Elements and in the ownership of the Common Elements that are effected by condemnation shall be evidenced by an amendment of the Declaration that need be approved only by a majority of all of the directors of the Association.

11 Use Restrictions. The use of the Property shall be in accordance with the following provisions as long as the Condominium exists and the Buildings in useful condition exist upon the Land.

11.1 Units. Each of the Units shall be occupied only by one family, its servants, permitted lessees, and guests, as a private residence and for no other purpose. No two-bedroom Unit may be occupied by more than 6 persons. No three-bedroom Unit may be occupied by more than 8 persons.

11.2 Common Elements. The 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 by their residents.

11.3 Nuisances. No nuisances shall be allowed upon the Property, nor any use or practice that is the source of annoyance to residents of the Condominium or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the Condominium shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage shall be allowed to accumulate, nor any fire hazard be allowed to exist. No Unit Owner shall permit any use of his Unit or make any use of the Common Elements that will increase the cost of insurance upon the Property above that required when the Unit is used for the approved purposes, or that will cause any such insurance to be cancelled or threatened to be cancelled, except with the prior written consent of the Association.

11.4 Lawful Use. No immoral, improper, offensive, or unlawful use shall be made of the Property, nor any part of it; and all valid laws, zoning ordinances, requirements, rules, and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies for maintenance, modification, or repair of the Property shall be the same as the responsibility for the maintenance and repair of the Property concerned.

11.5 Uniform Design. All Units shall be and remain of like exterior design, shape, color, and appearance as other Units of the same class or type, except, however, for the right to screen and enclose balconies and patios granted in §5.1(b)(3), supra.

11.6 Pets. Pets shall not be permitted, except that small household pets may be permitted subject to the Regulations.

11.7 Corporate Ownership of Units. Corporate owners, other than Developer, shall only permit the use of their

Unit by its principal officers or directors or other guests, provided, however, that such corporate owner shall sign and deliver to the Association a written statement designating the name of the party or parties entitled to use such Unit, and including provisions in favor of the Association, whereby such party or parties agree to comply with the terms and provisions of the Declaration and of the Regulations, and acknowledge that the party's or parties' right to use such Unit shall be existent only so long as the corporation shall continue to be a member of the Association. Upon demand by the Association to any corporate owner to remove any party given permission to use a Unit owned by such corporate owner for failure of such user to comply with the terms and provisions of the Declaration and/or of the Regulations, or for any other reason, the corporate owner shall forthwith cause such user to be removed, failing which, the Association, as agent of the owner, may take such action as it may deem appropriate to accomplish the removal of such user, and all such action by the Association shall be at the cost and expense of the owner who shall reimburse the Association therefor upon demand, together with such attorneys' fees as the Association may have incurred incident thereto.

11.8 Maintenance. Each Unit Owner, lessee, or occupant shall, at all times, maintain the Unit pursuant to the Declaration and the Regulations.

11.9 Antennas, etc. Without the prior permission of the Association, no wires, TV antennas, air conditioners, aerials, or structures of any sort shall be erected, constructed, or maintained on the exterior of the Unit, or of the Building, except for those structures that form a part of the original Unit or the original Building.

11.10 Clothes Lines, etc. No clothes lines, hangers, or drying facilities shall be permitted or maintained on the exterior of any Unit or in or on any part of the Common Elements, except by the Association, and no clothes, rugs, draperies, spreads, or household articles or goods of any sort shall be dried, aired, beaten, cleaned, or dusted by hanging or extending the same from any window or door.

11.11 Electrical Interference. No electric machine or apparatus of any sort shall be used or maintained in any Unit which causes interference with the television or radio reception in other Units.

11.12 Signs. No signs of any type shall be maintained, kept, or permitted on any part of the Common Elements or in or on any Unit where the same may be viewed from the Common Elements, except for signs of Developer.

11.13 Vehicular Restrictions. Parking shall be limited to passenger vehicles which shall only be parked in the areas of the Common Elements so designated for parking. Specifically prohibited from parking in such areas are any and all trailers, any and all trucks, buses, boats, or other type vehicles or equipment which shall be parked only in those areas of the Common Elements as shall be specifically designated by the Association. In no event shall any commercial vehicles be allowed to so park in the Common Elements, except on a temporary basis while delivering goods to the Units or providing temporary service to or for the Unit at the request of a Unit Owner.

11.14 Leasing. After approval by the Association, as provided for herein, entire Units may be leased, provided the occupancy is by only one family. No transient tenants may be accommodated in any Unit. Transient tenants shall

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be deemed to be those occupying a Unit for 5 days or less.

11.15 Occupancy. Occupancy of Units shall be in accordance with the terms and conditions of the Declaration, including, but not limited to, the terms and provisions of §11.7 and §12, supra.

11.16 Regulations. Reasonable rules and regulations concerning the appearance and use of the Condominium may be made and amended from time to time by the Association in the manner provided by its Articles of Incorporation and By-Laws. Copies of the Regulations and amendments thereto shall be furnished by the Association to all Unit Owners and residents of the Condominium upon request.

11.17 Proviso. Provided, however, that until Developer has completed all of the contemplated improvements and closed the sales of all of the Units, neither the Unit Owners nor the Association nor the use of the Condominium shall interfere with the completion of the contemplated improvements and the sale of the Units. Developer may make such use of the unsold Units and Common Elements without charge as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, the showing of the Property, and the display of signs.

12. Maintenance of Community Interests. In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the Units, the transfer of Units by any owner other than the Developer, shall be subject to the following provisions as long as the Condominium exists and the Buildings in useful condition exist upon the Land, which provisions each Unit Owner covenants and agrees to observe:

12.1 Transfers Subject to Approval.

(a) Sale. No Unit Owner or lessee of a Unit may dispose of a Unit or any interest in a Unit by sale or assignment without approval of the Association, except to the owner of another Unit.

(b) Lease. No Unit Owner or lessee of a Unit may dispose of a Unit or any interest in a Unit by a Lease for a period of time or term in excess of 4 months, without approval of the Association, except to the owner of another Unit.

(c) Gift. If any Unit Owner shall acquire his title by gift, the continuance of his ownership of his Unit shall be subject to the approval of the Association.

(d) Devise or Inheritance. If any Unit Owner shall acquire his title by devise or inheritance, the continuance of his ownership of his Unit shall be subject to the approval of the Association.

(e) Other Transfers. If any Unit Owner shall acquire his title by any manner not considered in the foregoing subsections, the continuance of his ownership of his Unit shall be subject to the approval of the Association.

12.2 Approval by Association. The approval of the Association that is required for the transfer of ownership of Units shall be obtained in the following manner:

(a) Notice to Association.

(1) Sale. A Unit Owner intending to make

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

(2) Lease. A Unit Owner intending to make a bona fide lease of a Unit or any interest in it shall give to the Association notice of that intention, the name and address of the intended lessee, such other information concerning the intended lessee as the Association may reasonably require, and an executed copy of the proposed lease. The notice, at the Unit Owner's option, may include a demand by the Unit Owner that the Association furnish a lessee of the Unit if the proposed lease is not approved.

(3) Gift, Devise or Inheritance; Other Transfers. A Unit Owner intending to make a gift of a Unit or any interest in a Unit, and a Unit Owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously approved by the Association, shall give to the Association notice of the proposed gift or of the acquiring of title, together with such information concerning the transferee as the Association may reasonably require, and a certified copy of the instrument evidencing the transferee's title.

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

(5) Costs. A Unit Owner who is required to give notice to the Association of a transfer of ownership shall pay a reasonable fee to the Association in an amount determined by the Regulations, but not to exceed \$50.00, to cover the costs incident to the determination by the Association. The fee shall be paid with the giving of the notice and the notice shall not be complete unless the fee is paid. If the notice is not given, the fee shall be assessed against the party owning the Unit at the time of the assessment.

(b) Certificate of Approval.

(1) Sale. If the proposed transaction is a sale, then within 30 days after receipt of the notice and other required information, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the president and secretary of the Association in recordable form. The certificate shall be recorded in the public records of St. Johns County, Florida, at the expense of the purchaser.

(2) Lease. If the proposed transaction is a lease, then within 30 days after receipt of the notice and other required information, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the president and secretary of the Association in recordable

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form, which, at the election of the Association, shall be delivered to the lessee or shall be recorded in the public records of St. Johns County, Florida, at the expense of the lessee. Any such approved lease must be in writing, must provide that the Unit may not be sublet or the lessee's interest therein assigned without the prior approval of the Association, shall provide that the lessee thereunder shall comply with all of the applicable terms and conditions of the Declaration and the Regulations, and shall expressly provide that should the lessee fail to comply with such covenants (which covenants expressly shall state that they are for the benefit of the Association), then the Association shall have the right to cancel and terminate such lease without any obligation by the Association to the Unit Owner, and in such action, the Association shall be deemed to be the agent and attorney-in-fact for the Unit Owner, fully authorized and empowered to take any and all steps as may be reasonably necessary in order to effect the cancellation and termination of such lease.

(3) Gift, Devise or Inheritance; Other Transfers.

If the notice is of an intended gift or the Unit Owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner not previously approved by the Association, then within 30 days after receipt of the notice and other required information, the Association must either approve or disapprove the donee or the continuance of the transferee's ownership of his Unit. If approved, the approval shall be stated in a certificate executed by the president and secretary of the Association in recordable form. The certificate shall be recorded in the public records of St. Johns County, Florida, at the expense of the Unit Owner.

12.3 Disapproval by the Association. If the Association shall disapprove a transfer or ownership of a Unit, the matter shall be treated in the following manner:

(a) Sale. If the proposed transaction is a sale and if the notice of sale given by the Unit Owner shall so demand, then within 30 days after receipt of the notice and other required information, the Association shall deliver or mail by certified mail to the Unit Owner an agreement signed by a purchaser approved by the Association or by the Association itself and obligating the purchaser thereunder to buy the Unit upon the terms hereafter stated. The seller shall be obligated to sell the Unit to the purchaser upon the following terms:

(1) At the option of the purchaser to be stated in the agreement, the price to be paid for the Unit shall be that stated in the disapproved contract to sell or shall be the fair market value determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(2) The purchase price shall be paid in cash or upon terms approved by the seller.

(3) The sale shall be closed within 30 days after the delivery or mailing of the agreement to purchase, or within 10 days after the determination of the sales price if it is by arbitration, whichever is the later.



(4) A certificate of the Association executed by its president and secretary and approving the purchaser shall be recorded in the public records of St. Johns County, Florida, at the expense of the purchaser.

(5) If the Association shall fail to provide a purchaser upon the demand of the Unit Owner in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided. The certificate shall be recorded in the public records of St. Johns County, Florida, at the expense of the purchaser.

(b) Lease. If the proposed transaction is a lease for a period of time or term in excess of 4 months, and if the notice of lease given by the Unit Owner shall so demand, then within 30 days after receipt of the notice and other required information, the Association shall deliver or mail by certified mail to the Unit Owner an agreement signed by a lessee approved by the Association or by the Association itself and obligating the lessee thereunder to lease the Unit upon the terms hereafter stated. The Unit Owner shall be obligated to lease the Unit to the lessee upon the following terms:

(1) At the option of the lessee to be stated in the agreement to lease, the rent to be paid for the Unit shall be that stated in the disapproved lease or shall be the fair rental value 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 fair rental value of the Unit; and a judgment of specific performance of the lease upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the lessee.

(2) At the option of the lessee to be stated in the agreement to lease, the terms and conditions (other than the rent) of the lease shall be those stated in the disapproved lease or shall be those (not otherwise agreed upon by the Unit Owner and the lessee) determined as being fair and equitable by arbitrators in accordance with the terms and provisions of §12.3(b)(1), supra, which decision may be enforced in the same fashion and the expense of which arbitration shall be paid by the lessee.

(3) The lease shall be executed within 30 days after the delivery or mailing of the agreement to lease or within 10 days after the determination of rent, if it is by arbitration, whichever is the later.

(4) A certificate of the Association executed by its president and secretary and approving the lessee shall be recorded in the public records of St. Johns County, Florida, at the expense of the lessee.

(5) If the Association shall fail to provide a lessee upon the demand of the Unit Owner in the manner provided, or if a lessee furnished by the Association shall default in his agreement to lease, then notwithstanding the disapproval, the proposed transaction shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided. The certificate shall be recorded in the public records of St. Johns County,

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Florida, at the expense of the lessee.

(c) Gift, Devise or Inheritance; Other Transfers.

If the notice is of a proposed gift, the Unit Owner shall be advised in writing of the disapproval and the gift shall not be made. Any attempted gift to a party who is not approved by the Association shall be void. If the Unit Owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within 30 days after receipt from the Unit Owner of the notice and information required to be furnished, the Association shall deliver or mail by certified mail to the Unit Owner an agreement signed by a purchaser approved by the Association and obligating the purchaser to buy the Unit upon the terms hereafter stated. The seller shall be obligated to sell the Unit to the purchaser upon the following terms:

(1) The sale price shall be the fair market value determined by agreement between the seller and purchaser within 30 days from the delivery or mailing of the agreement. In the absence of agreement as to price, the price 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. A judgment of specific performance of the sale upon the decision rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.

(2) The purchase price shall be paid in cash or upon terms approved by the seller.

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

(4) A certificate of the Association executed by its president and secretary and approving the purchaser shall be recorded in the public records of St. Johns County, Florida, at the expense of the purchaser.

(5) If the Association shall fail to provide a purchaser in the manner provided, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, the ownership shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere provided. The certificate shall be recorded in the public records of St. Johns County, Florida, at the expense of the Unit Owner.

12.4 Mortgage. No Unit Owner may mortgage a Unit nor any interest in it without the approval of the Association, except to an Institutional Lender or to a vendor, to secure a portion or all of the purchase price. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld.

12.5 Exceptions. The foregoing provisions of this §12 shall not apply to:

(a) a transfer to or purchase by an Institutional Lender that acquires its title as the result of owning a mortgage upon the Unit concerned, whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings;

(b) a transfer, sale, or lease by an Institutional

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Lender that so acquires its title;

(c) a transfer to a purchaser who acquires the title to a Unit at a duly advertised public sale with open bidding that is provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale, or tax sale;

(d) a mortgage or transfer to or a purchase or other acquisition by Developer;

(e) a sale, lease, mortgage, or other transfer by Developer.

12.6 Unauthorized Transactions. Any sale, mortgage, lease, or assignment of lease that is not authorized pursuant to the terms of this Declaration shall be void unless subsequently approved by the Association.

13. Compliance and Default. Each Unit Owner and the Association shall be governed by and shall comply with the terms of the Declaration, the Articles of Incorporation of the Association, the By-Laws, and the Regulations, all as may be amended from time to time. The Association and Unit Owners shall be entitled to the following relief in addition to the remedies provided by the Act:

13.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair, or replacement made necessary by his negligence or by that of any member of his family or his or their guests, employees, agents, or lessees, but only to the extent that that expense is not met by the proceeds of insurance carried by the Association.

13.2 Costs and Attorneys' Fees. In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the requirements of the Act, the Declaration, the Articles of Incorporation of the Association, the By-Laws, or the Regulations, all as may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the court, including appellate attorneys' fees.

13.3 No Waiver of Rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction, or other provision of the Act, the Declaration, the Articles of Incorporation of the Association, the By-Laws, or the Regulations shall not constitute a waiver of the right to do so thereafter.

14. Amendments. Except as elsewhere provided, the Declaration may be amended in the following manner:

14.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

14.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed by either the board of directors of the Association or by the members at a meeting called for this purpose. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing that the approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, the approvals must be either by

(a) Not less than 75% of the entire membership

of the board of directors of the Association and by not less than 75% of the votes of the entire membership of the Association; or

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

(c) Not less than 50% of the entire membership of the board of directors of the Association in the case of amendments that are only for one or more of the following purposes:

(1) To correct misstatements of fact in the Declaration and its exhibits, including, but not limited to, the correction of errors in the legal description of Land or in the Plat. If the amendment is to correct the Declaration so that the total of the undivided shares of Unit Owners in either the Common Elements, Common Surplus, or Common Expenses shall equal 100%, or that a Unit has not been assigned an appropriate undivided share in the Common Elements, the owners of the Units and the owners of mortgages on the Units for which modifications in the shares are being made also shall approve the amendment.

(2) To change the boundaries between Units in the manner elsewhere stated, provided that the amendment is signed and acknowledged by the owners and mortgagees of the Units concerned.

(3) To adopt amendments of §8, *supra*, that are reasonably required by insurers or mortgagees of the Property; or

(d) Until the members are entitled to elect a majority of the directors, by the entire membership of the board of directors of the Association; provided the amendment does not increase the number of Units allowed by the Declaration nor encroach upon the boundaries of the Common Elements.

14.3 Proviso. Provided, however, that no amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Units, unless the Unit Owners so affected shall consent; and no amendment shall change any Unit nor decrease the share in the Common Elements appurtenant to it, nor increase the owner's share of the Common Expenses, unless the record owner of the Unit concerned and all record owners of mortgages on that Unit shall join in the execution of the amendment. Provided further, however, that neither shall an amendment make any changes to §8, 9, and 10, *supra*, and to §16, *infra*, unless the record owners of all mortgages upon the Condominium shall join in the execution of the amendment and provided further, that no amendment shall affect the various rights of Developer reserved herein without Developer's consent.

14.4 Execution and Recording. An amendment adopted in any manner shall be evidenced by attaching a copy of the amendment to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the officers of the Association with the formalities required of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of St. Johns County, Florida. If the amendment is to correct the Declaration so that the total of the undivided shares of Unit Owners in either the Common Elements, Common Surplus, or Common Expenses shall equal 100%, or so as to assign an appropriate undivided share in the Common Elements to a Unit, the owners of the Units and the owners of mortgages

on the Units for which modifications in the shares are being made also shall execute the certificate.

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

15.1 Destruction. If it is determined in the manner elsewhere provided that the Buildings shall not be reconstructed because of major damage, the Condominium plan of ownership will be terminated thereby automatically and without agreement.

15.2 Agreement. The Condominium may be terminated by approval in writing by all record owners of Units and all record owners of mortgages on Units.

15.3 Approval and Options to Purchase. If the proposed termination is submitted to a meeting of the members of the Association and the notice of the meeting gives notice of the proposed termination, and if approvals by owners of not less than 75% of the Units and by the record owners of all mortgages upon the approving Units are obtained in writing not later than 30 days after the date of that meeting, then the approving Unit Owners shall have an option to buy all of the Units of the other Unit Owners for the period ending on the 60th day after the date of that meeting. Approvals of the termination shall be irrevocable until the expiration of the option and if the option is exercised, the approvals shall be irrevocable. The option shall be upon the following terms:

(a) Exercise of Option. The option granted herein shall be exercised in the following manner:

(1) A party desiring to exercise the option granted herein shall execute and deliver to the Association two counterparts of an agreement in a form supplied by the Association, agreeing to purchase the Units desired by him upon the terms hereafter stated. Any such agreement accepted and signed by the seller may be conditioned upon the termination of the Condominium. If the agreement is not signed by the seller, it shall be deemed to be and remain an offer to purchase. If more than one offer is made for the purchase of the same Unit, the Unit will be sold under the first offer received by the Association, which offer shall be irrevocable and shall constitute an agreement to purchase conditioned upon the exercise of the option to purchase all of the Units, and the termination of the Condominium.

(2) The option granted herein shall be deemed to be exercised if the Association receives within the time stated contracts or offers for the purchase of all of the Units owned by the Unit Owners who do not approve the termination.

(3) The exercise of the option granted herein shall be evidenced by the certificate of the Association executed by its president and secretary stating that all of the Units owned by the Unit Owners who do not approve the termination have been purchased and identifying the purchasers and the Units purchased by them. A copy of the certificate shall be delivered or mailed by certified mail, return receipt requested, to each record owner of the Units being purchased, together with an executed counterpart of the agreement or offer to purchase each Unit owned by the person receiving the certificate.

(b) Price. The sale price of a Unit sold under an agreement signed by the seller shall be the price stated

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in the agreement. The sale price of a Unit sold under an offer to purchase shall be the fair market value determined by agreement between the seller and purchaser within 30 days from the delivery or mailing of the agreement to the seller. In the absence of agreement as to price, the price 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. A judgment of specific performance of the sale upon the decision 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 cash or upon terms approved by the seller and the Association.

(d) Closing. The sale shall be closed within 10 days following the determination of the sale price or within 60 days after the exercise of the option, whichever shall last occur.

(e) Termination. The closing of the purchase of all of the Units subject to the option granted herein shall effect a termination of the Condominium without further act, except the filing of the certificate hereafter required.

(f) Failure to Purchase. If the option to purchase all of the Units owned by Unit Owners who do not approve the termination of the Condominium is not exercised, and if all of the sales under the option are not closed within a reasonable time after the closing date provided above, the proposed termination of the Condominium shall fail. The failure shall be evidenced by a certificate of the Association and thereafter, the offers and agreements to purchase under this provision that have not resulted in closed sales shall be deemed to be null and void.

15.4 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 the facts effecting the termination, which certificate shall become effective upon being recorded in the public records of St. Johns County, Florida.

15.5 Shares of Owners after Termination. After termination of the Condominium, Unit Owners shall own the 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. The respective undivided shares of the Unit Owners shall be the same as the undivided shares of the Common Elements appurtenant to the owners' Units prior to the termination.

15.6 Amendment. This section concerning termination cannot be amended without consent of all Unit Owners and of all record owners of mortgages upon the Units.

16. Additional Rights of Institutional Lenders. In addition to the various other rights herein set forth, so long as any Institutional Lender or Institutional Lenders shall hold any mortgage upon any Unit or Units, or shall be the owner of any Unit or Units, such Institutional Lender or Institutional Lenders shall have the following additional rights, to-wit:

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16.1 Approval of Insurance Coverage. To grant the approvals of insurance policies, agents, and companies granted by §8.1(b), supra.

16.2 Approval of Insurance Trustee. To approve the Insurance Trustee.

16.3 Copies of Written Summary. To be furnished with a copy of the written summary of the accounts of the Association, as required by the By-Laws.

16.4 Notice of Meetings. To be given notice by the Association of the call of any meeting of the membership to be held for the purpose of considering any proposed amendment to the Declaration, or the Articles of Incorporation and By-Laws of the Association, which notice shall state the nature of the amendment being proposed.

16.5 Notice of Default. To be given notice of default by any Unit Owner owning any Unit encumbered by a mortgage held by any Institutional Lender or Institutional Lenders.

16.6 Requiring Escrow. At their option, to cause the Association to create and maintain an escrow account for the purpose of assuring the availability of funds with which to pay the premium or premiums due from time to time on the insurance policy or policies which the Association is required to keep in existence, it being understood that the Association shall deposit in an escrow depository satisfactory to such Institutional Lender or Institutional Lenders a monthly sum equal to one-twelfth (1/12th) of the annual amount of such insurance expense, and to contribute such other sum as may be required therefor to the end that there shall be on deposit in said escrow account at least one month prior to the due date for payment of such premium or premiums, a sum which will be sufficient to make full payment therefor. The Insurance Trustee shall be the escrow depository for purposes hereof or the board of directors of the Association may designate any Institutional Lender interested in the Condominium to act in such capacity.

Whenever any Institutional Lender or Institutional Lenders desire the provisions of this section to be applicable to it, it shall serve written notice of such fact upon the Association by certified mail addressed to the Association, identifying the Unit or Units upon which any such Institutional Lender or Institutional Lenders hold any mortgage or mortgages, or identifying any Units owned by them, or any of them, together with sufficient pertinent facts to identify any mortgage or mortgages which may be held by it or them and which notice shall designate the place to which notices are to be given by the Association to such Institutional Lender or Institutional Lenders.

In the event that Midland Mortgage Co., a corporation, hereinafter sometimes referred to as "MTC", shall hold any mortgage upon a Unit or Units or shall be the owner of any Unit or Units, then MTC shall exercise the rights reserved in §16 unto Institutional Lenders. At such time as MTC does not hold a mortgage on any Unit and is not the owner of any Unit, then the Association shall have the right to designate the Institutional Lender who shall exercise the rights above described or manner of exercising said rights; provided that said Institutional Lender so designated shall be an Institutional Lender who holds a mortgage on any Unit or is the owner of any Unit, so long as any Institutional Lender is the holder of any such mortgage or owner of any Unit. Whenever there does not exist an Institutional Lender who holds a mortgage on any Unit or is the owner of any

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Unit, then, until any Institutional Lender shall acquire any said mortgage on or ownership of any Unit, the rights reserved unto Institutional Lenders shall be exercised solely by the board of directors of the Association. The exercise of rights reserved unto Institutional Lenders by the Institutional Lender designated to act for all others shall be controlling and binding upon all Institutional Lenders. Within 10 days after request of any Institutional Lender to the Association for the name of the Institutional Lender who is exercising the rights hereunder reserved to all Institutional Lenders, the Association shall provide such inquiring Institutional Lender with the name and address of the Institutional Lender exercising said rights.

17. Liens.

17.1 Protection of Property. All liens against any Unit, other than permitted mortgages, taxes, or special assessments, will be satisfied or otherwise removed within 30 days from the date the lien attaches. All taxes and special assessments upon a Unit shall be paid before becoming delinquent.

17.2 Notice of Lien. A Unit Owner shall give notice to the Association of every lien upon his Unit, other than permitted mortgages, taxes, and special assessments, within 5 days after the attaching of the lien.

17.3 Notice of Suit. A Unit Owner shall give notice to the Association of every suit or other proceeding which will or may affect the title to his Unit or any other part of the Property, such notice to be given within 5 days after the Unit Owner receives notice thereof.

18. Miscellaneous. The following miscellaneous provisions shall be applicable:

18.1 Covenants Running with the Land. All provisions of the Condominium Documents shall be construed to be covenants running with the Property and with every part thereof and interest therein, including, but not limited to, every Unit and the appurtenances thereto, and every Unit Owner and claimant of the Property or any part thereof or interest therein, and his heirs, executors, administrators, personal representatives, successors, and assigns shall be bound by all of the provisions of the Condominium Documents.

18.2 Rights of Developer Assignable. All rights in favor of Developer reserved in the Condominium Documents are freely transferable and assignable, in whole or in part, by Developer and may be freely exercised or enforced by the assignee, transferee, or successor in interest of Developer, including, but not limited to, the purchaser of Developer's interest at a foreclosure sale, or the entity into which Developer may be merged.

18.3 Disqualification. Developer, as a member of the Association, shall not be required to disqualify itself in any vote which may come before the membership of the Association upon any contract or other agreement between the Association and any other entity in which Developer may have a pecuniary or other interest.

18.4 Severability. The invalidity, in whole or in part, of any covenant or restriction, or any section, subsection, sentence, clause, phrase, or word, or other provision of the Declaration, the Articles of Incorporation of the Association, the By-Laws, and the Regulations of the Association shall not affect the validity of the remaining



portions.

18.5 Notice. Unless otherwise specifically provided, for herein, all notices referred to or required herein must be given in writing by certified mail. Such notices shall be deemed given for purposes hereof when postmarked and when addressed as follows:

(a) As to Unit Owners and Holders of Mortgages on Units (Including Institutional Lenders). To the address reflected on the rosters and other records maintained by the Association.

(b) As to the Association. To the office maintained at the Condominium.

18.6 Paragraph Headings. The paragraph headings contained in the Declaration are for reference purposes only and shall not in any way affect the meaning, content, or interpretation hereof.

18.7 Time of Essence. Time is of the essence of the Declaration.

18.8 Construction.

(a) The provisions of the Declaration shall be liberally construed so as to effectuate its purpose of creating a uniform plan of Condominium ownership.

(b) The Declaration shall be construed under the laws of the State of Florida, regardless of where it may have been executed or delivered.

(c) Whenever the context requires or permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.

IN WITNESS WHEREOF, Midland Advisory Co. of Florida, Inc., has caused this instrument to be executed in its name by its President and caused its corporate seal, attested by its Secretary, to be hereto affixed the day and year first above written.

Signed, sealed and delivered in the presence of:

MIDLAND ADVISORY CO. OF FLORIDA, INC.  
a Florida corporation

By: Frank X. Olney  
As its President

Betty L. Rodgers Attest: Betty L. Rodgers  
As its Secretary

STATE OF OKLAHOMA  
COUNTY OF OKLAHOMA

(Corporate Seal)

The foregoing instrument was acknowledged before me this 30th day of April, 1976, by Frank X. Olney and Betty L. Rodgers, as President and Secretary, respectively, of Midland Advisory Co. of Florida, Inc., a Florida corporation, on behalf of the corporation.

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Shirley Wallace  
Notary Public, State and County as  
aforesaid, My Commission Expires:  
April 9, 1979

CONSENT AND JOINDER OF MORTGAGEE

MIDLAND MORTGAGE CO., a corporation, being the owner and holder of a certain mortgage dated December 27, 1972, made by Ocean Villas North, Inc., a Florida corporation, and recorded in Official Records Book 222, Page 867, of the Public Records of St. Johns County, Florida, securing an original indebtedness of \$3,050,000.00, together with the future advance in the amount of \$915,000.00 made thereunder and secured thereby, as evidenced by that certain Receipt for Future Advances dated December 29, 1973, and recorded in Official Records Book 247, Page 572, of the Public Records of St. Johns County, Florida, and which mortgage encumbers the real property and improvements identified in the foregoing Declaration of Condominium and which are being submitted to the Condominium Regime known as St. Augustine Beach and Tennis Club Condominium, does hereby consent to and join in the submission of said real property and improvements to the Condominium Regime known as St. Augustine Beach and Tennis Club Condominium, in accordance with the terms, provisions, and conditions of the foregoing Declaration of Condominium establishing same, all to the end that said mortgage will henceforth encumber each and every of said Units in the Condominium.

IN WITNESS WHEREOF, Midland Mortgage Co., has caused this instrument to be executed in its name and on its behalf this 30th day of April, 1976.

Signed, sealed and delivered in the presence of:

MIDLAND MORTGAGE CO.,  
a corporation

By: Paul C. Shields  
As its VICE-PRESIDENT

Attest: Maria Duggan  
As its Asst. Secy.  
(Corporate Seal)

STATE OF OKLAHOMA  
COUNTY OF OKLAHOMA

The foregoing instrument was acknowledged before me this 30th day of April, 1976, by Paul C. Shields and Maria Duggan, as Vice-President and Asst. Secy., respectively, of Midland Mortgage Co., a corporation, on behalf of the corporation.

Notary Public, State and County as aforesaid, My Commission Expires:

4-9-79

EXHIBIT A-1

A parcel of land lying, situated, and being in St. Johns County, Florida, and being more particularly described as follows:

A portion of Government Lots 4 and 5, Section 10, Township 8 South, Range 30 East, St. Johns County, Florida, and being more particularly described as follows:

Commencing at the southwest corner of Linda Mar, a recorded subdivision as shown in Map Book 8, Page 85 of the Public Records of said St. Johns County, said Southwest corner being on the Easterly right-of-way line of State Road "A-1-A"; thence North 89°15'00" East and along the South boundary of said Linda Mar Subdivision, 1596.81 feet, to the Point of Beginning; thence South 00°39'38" East, 370.95 feet; thence North 89°20'22" East, 534.58 feet; thence North 00°39'38" West, 371.78 feet; thence South 89°15'00" West, and along the aforementioned South boundary of Linda Mar Subdivision, 534.58 feet to the Point of Beginning. (Parcel "A")

And together with

A portion of Government Lots 4 and 5, Section 10, Township 8 South, Range 30 East, St. Johns County, Florida, and being more particularly described as follows:

Commencing at the Southwest corner of Linda Mar, a recorded subdivision as shown in Map Book 8, Page 85 of the Public Records of said St. Johns County, said Southwest corner being on the Easterly right-of-way line of State Road "A-1-A"; thence North 89°15'00" East and along the South boundary of said Linda Mar Subdivision, 1596.81 feet; thence South 00°39'38" East, 311.90 feet; thence South 89°20'22" West, 120.52 feet to the Point of Beginning; thence South 00°39'38" East, 287.59 feet to the North right-of-way line of a 60 foot County road; thence South 89°18'25" West and along said North right-of-way line, 108.54 feet; thence North 00°01'15" East, 173.59 feet; thence South 89°58'45" East, 18.60 feet; thence North 00°01'15" East, 10.00 feet; thence North, 89°58'45" West, 18.60 feet; thence North 00°01'15" East, 119.00 feet; thence South 88°25'36" East, 41.54 feet; thence South 78°49'02" East, 64.81 feet to the Point of Beginning. (Parcel "B")

And together with

A non-exclusive Easement for vehicular, pedestrian, and utility ingress, egress, and access, over, under, through, and across the following described property:

A portion of Government Lot 5, Section 10, Township 8 South, Range 30 East, St. Johns County, Florida, and being more particularly described as follows:

Commencing at the Southwest corner of Linda Mar, a recorded subdivision as shown in Map Book 8, Page 85 of the Public Records of said St. Johns County, said Southwest corner being on the Easterly right-of-way line of State Road "A-1-A"; thence North 89°15'00" East and along the South boundary of said Linda Mar Subdivision, 1596.81 feet; thence South 00°39'38" East, 311.90 feet to the Point of Beginning; thence continue South 00°39'38" East, 27.07 feet; thence South 89°20'22" West, 84.08 feet; thence South 37°00'06" West, 24.42 feet; thence South 00°39'38" East, 241.18 feet to the North right-of-way line of a 60 foot County road; thence South 89°18'25" West and along said North right-of-way line, 21.52 feet; thence North 00°39'38" West, 287.59 feet; thence North 89°20'22" East, 120.52 feet to the Point of Beginning.

(Access Easement)

And together with

A non-exclusive easement for pedestrian ingress, egress, and access, over, across, and through the following described property:

- A portion of Government Lot 4, Section 10, Township 8 South, Range 30 East, St. Johns County, Florida, and being more particularly described as follows:

Commencing at the Southwest corner of Linda Mar, a recorded subdivision as shown in Map Book 8, Page 85 of the Public Records of said St. Johns County, said Southwest corner being on the Easterly right-of-way line of State Road "A-1-A"; thence North 89°15'00" East and along the South boundary of said Linda Mar Subdivision, 1596.81 feet; thence South 00°39'38" East, 370.95 feet; thence North 89°20'22" East, 534.58 feet; thence North 00°39'38" West, 189.20 feet to the Point of Beginning; thence continue North 00°39'38" West, 10.00 feet; thence North 88°43'00" East, 211 feet, more or less, to the approximate mean high water line of the Atlantic Ocean; thence South and along said mean high water line, 10.0 feet to a line bearing North 88°43'00" East from the Point of Beginning; thence South 88°43'00" West, 211 feet more or less, to the Point of Beginning. (Beach Access Easement)

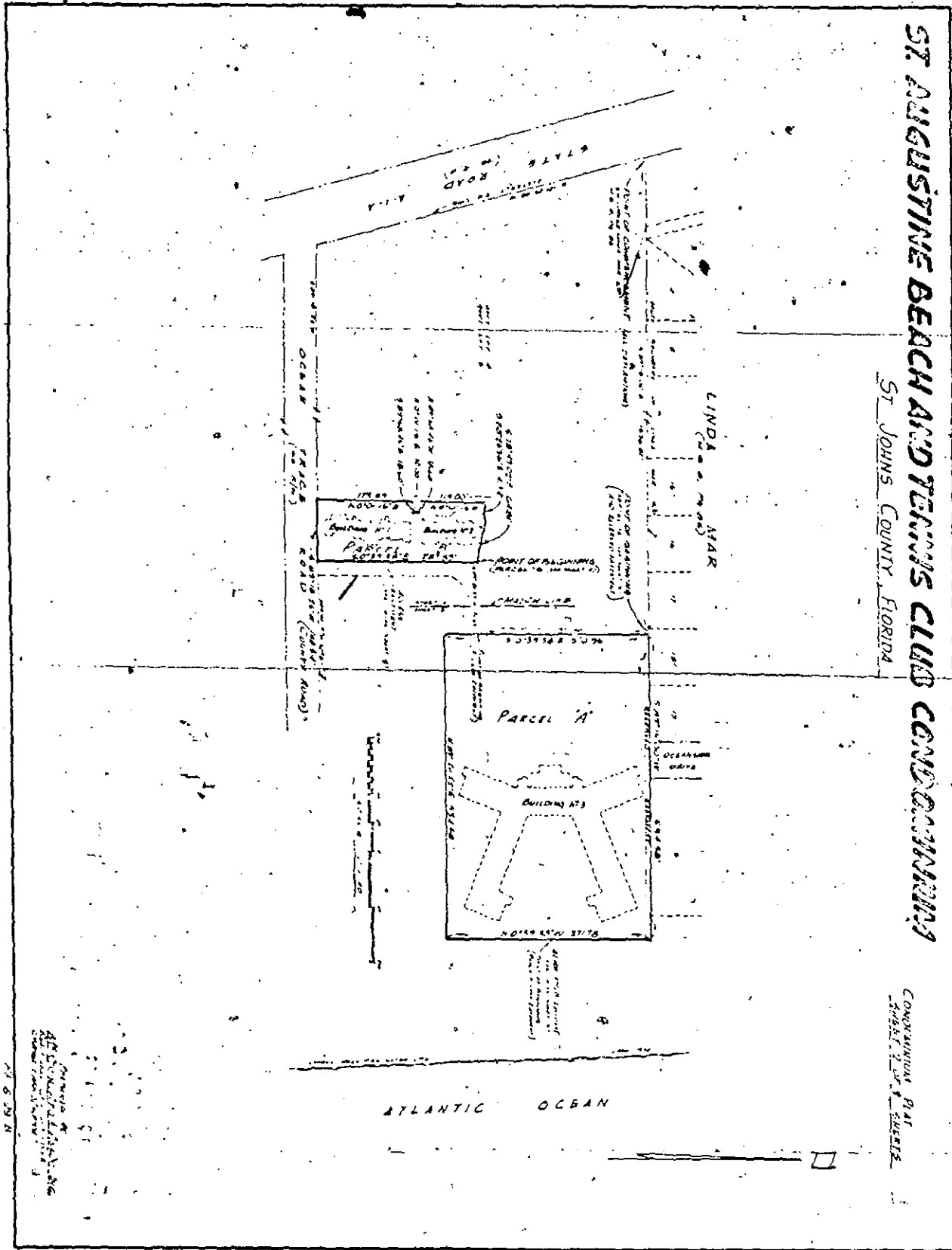
Reserving, however, unto Midland Advisory Co. of Florida, Inc., a Florida corporation, and its grantees, successors, assigns, and lessees, a non-exclusive easement for vehicular, pedestrian, and utility ingress, egress, and access, over, under, through, and across the following described property:

- A portion of Government Lot 4, Section 10, Township 8 South, Range 30 East, St. Johns County, Florida, and being more particularly described as follows:

Commencing at the aforementioned Southwest corner of Linda Mar, a recorded subdivision as shown in Map Book 8, Page

85 of the Public Records of said St. Johns County, said Southwest corner being on the Easterly right-of-way line of State Road "A-1-A"; thence North 89°15'00" East and along the South boundary of said Linda Mar Subdivision, 1596.81 feet to the Point of Beginning; thence South 00°39'38" East, 10.0 feet; thence North 89°15'00" East and parallel with the said South boundary of Linda Mar Subdivision, 534.58 feet; thence North 00°39'38" West, 10.0 feet to the said South boundary of Linda Mar Subdivision; thence South 89°15'00" West and along said South boundary, 534.58 feet to the Point of Beginning. (Reserved Easement)

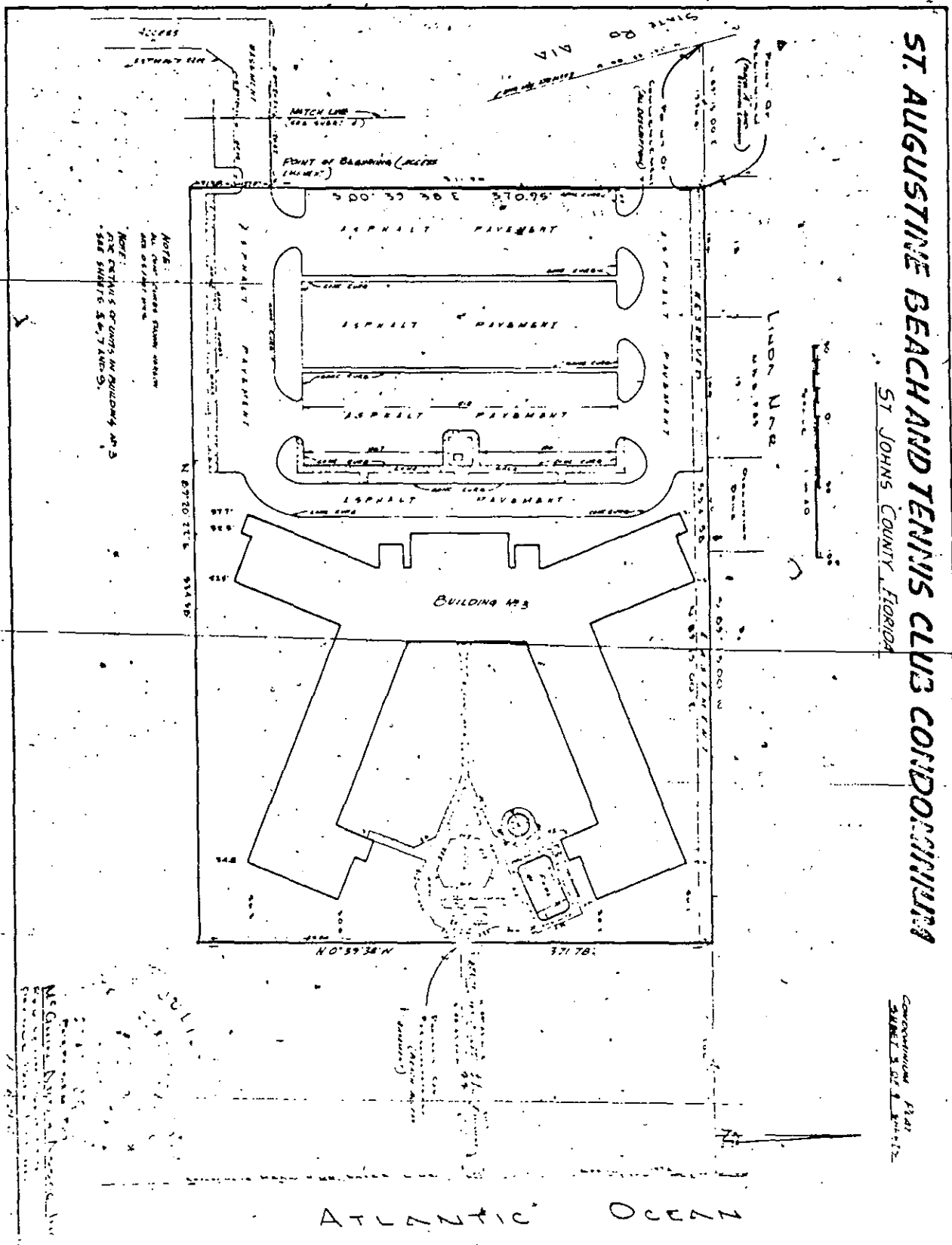




**ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM**

ST JOHNS COUNTY, FLORIDA

CONFIDENTIAL FILE  
JANET S. JOE, Jr. et al.





**ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM**  
ST. JOHNS COUNTY, FLORIDA

ST. JOHN'S COUNTY, FLORIDA

CONCERNING ASAT  
KILLER of 8/29 - 7/11/65 -

WILLIAM J. HILL

LINDA MAR  
(W.O.E. 45 85)

-Part of Commission  
the interest is used in other ways  
(including a part of)

STATE ROAD (No. 40)  
A-1-A

This is a detailed site plan of a property. The plan includes the following features and labels:

- Parcel B:** A large rectangular area containing two buildings.
  - Building No. 1:** Located on the left side of Parcel B.
  - Building No. 2:** Located on the right side of Parcel B.
  - Dimensions:** The top boundary of Parcel B is labeled "N 0° 00' 00" W 179.57'". The right boundary is labeled "S 88° 16' 30" E 484'". The bottom boundary is labeled "S 88° 16' 30" E 484'". The left boundary is labeled "N 0° 00' 00" W 179.57'".
- Parcel A:** A smaller rectangular area located below Parcel B.
  - Dimensions:** The top boundary is labeled "N 0° 00' 00" W 179.57'". The right boundary is labeled "S 88° 16' 30" E 484'". The bottom boundary is labeled "S 88° 16' 30" E 484'". The left boundary is labeled "N 0° 00' 00" W 179.57'".
- Access Easement:** A narrow strip of land between Parcel B and Parcel A, labeled "ACCESS EASEMENT".
- State Road A-1-A:** A road running horizontally across the top of the plan, labeled "STATE ROAD A-1-A".
- Ocean Trace Road (County Road):** A road running vertically along the left side of the plan, labeled "OCEAN TRACE ROAD (COUNTY ROAD)".
- North Arrow:** A north arrow pointing towards the top right of the plan.
- Other Labels:**
  - "POINT OF COMMENCEMENT" with a note "(see survey of 1964 and 1965)".
  - "MATCH LINE" with a note "NO. 1000000".
  - "POINT OF BEGINNING (ACCESS EASEMENT)".
  - "POINT OF BEGINNING (PARCEL B)".
  - "PARCEL A (see surveys 2(1) & 2(2))".

# UNIT 6: RECOGNITION

A hand-drawn floor plan of a building. The plan is divided into three main sections labeled 'UNIT 5', 'UNIT 6', and 'UNIT 7'. Unit 5 is on the left, Unit 6 is in the center, and Unit 7 is on the right. Each unit has a door and a window. There are also some smaller rooms or storage areas labeled 'ST' and 'ST'.

BULL DOGS NO. 2  
BULL

BUILDING DETAILS  
SCALE 1"=20'

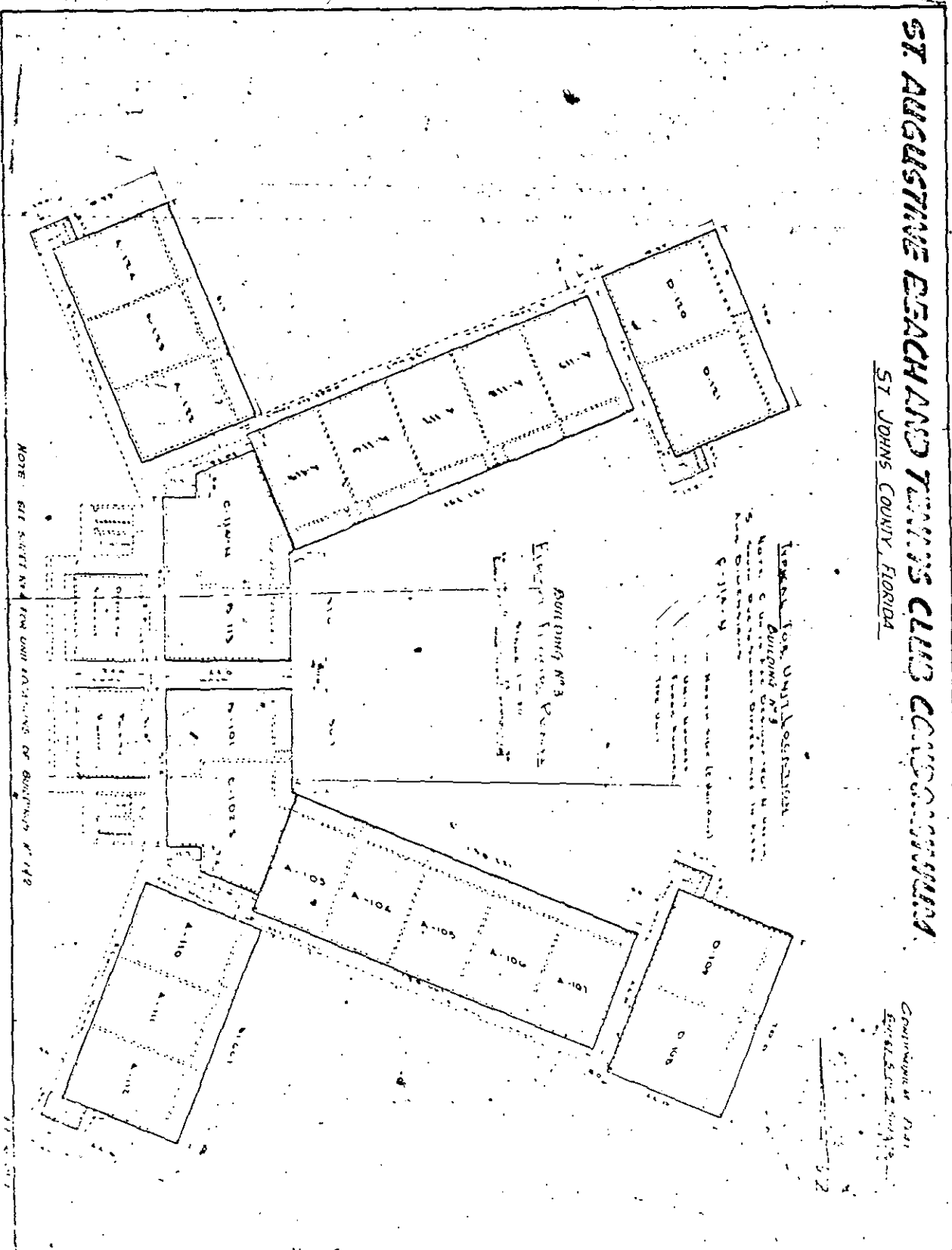
LEADING DE LAIS  
SCALA 1"=20'

[illegible]

**ST AUGUSTINE BEACH AND TOWN'S CLUB CONDOMINIUM**

ST. JOHNS COUNTY, FLORIDA

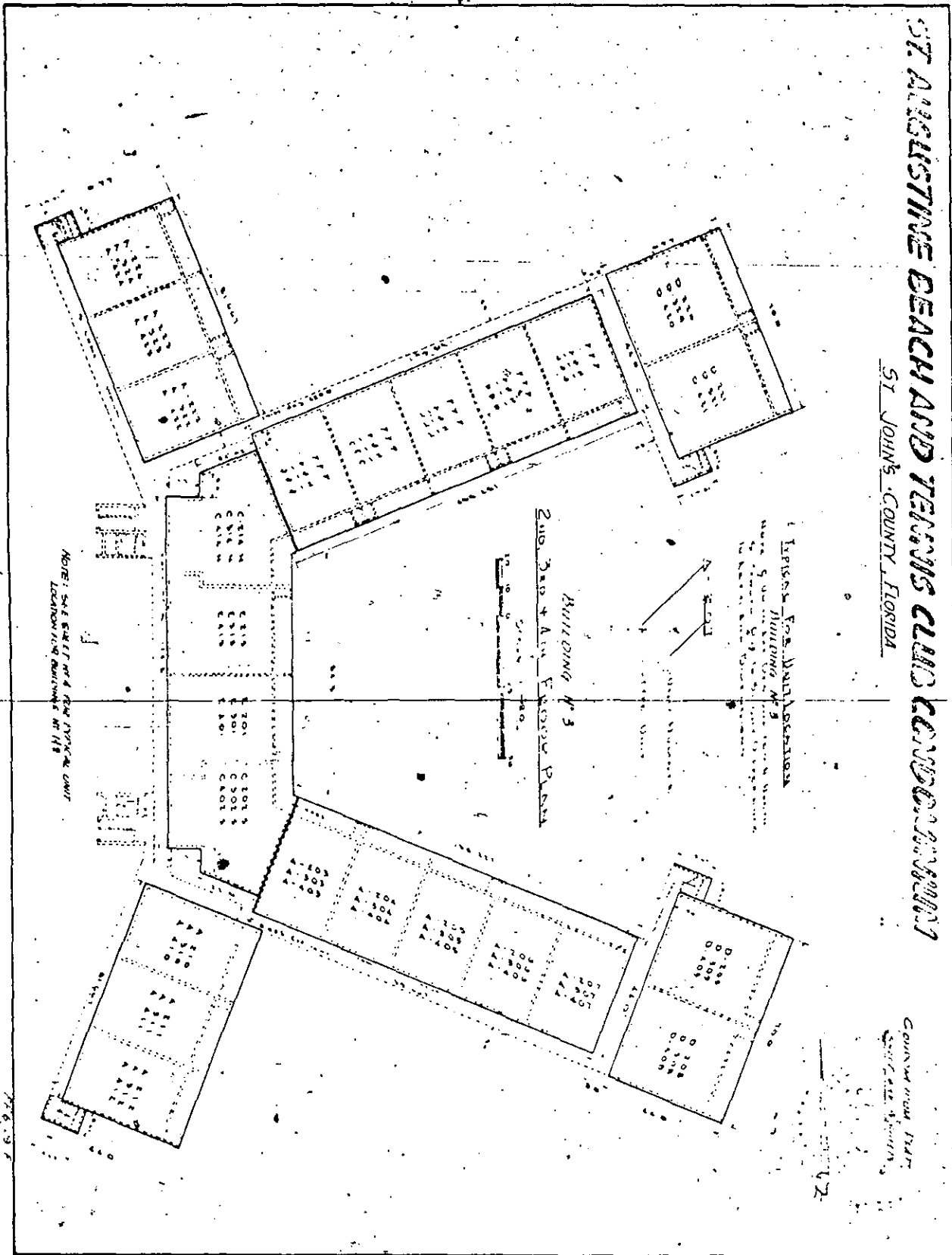
Continuation of Plat  
Established 1983



ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM

ST. JOHN'S COUNTY, FLORIDA

CONDOMINIUM UNIT  
SCHEDULE NUMBER



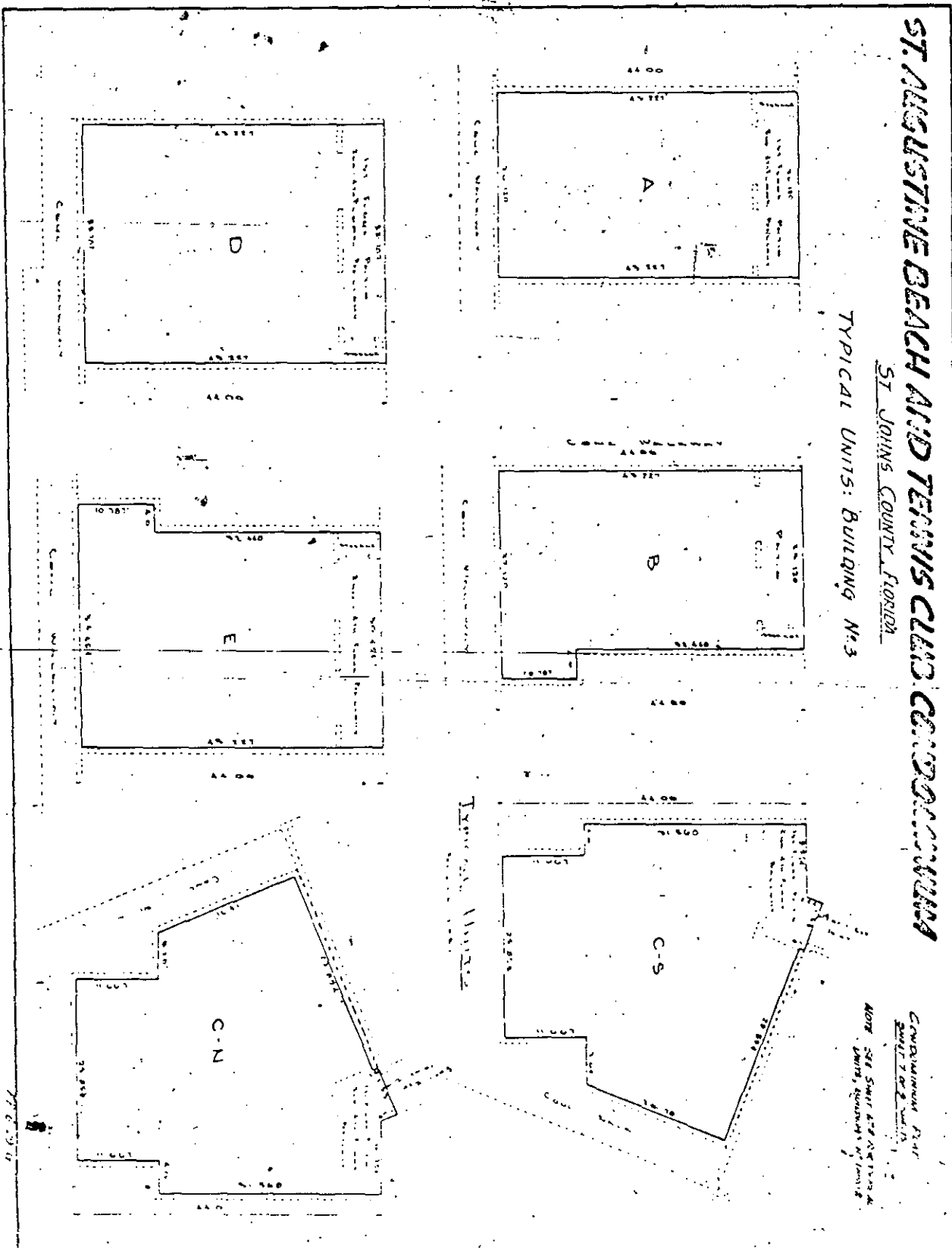
# ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM

ST. JOHNS COUNTY, FLORIDA

TYPICAL UNITS: Building No. 3

CONDOMINIUM PLAN  
2001.07.02.001

NOTE: SEE SHEET 600 FOR TYPICAL  
UNIT, EQUIPMENT & FINISHES

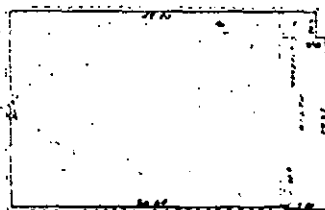
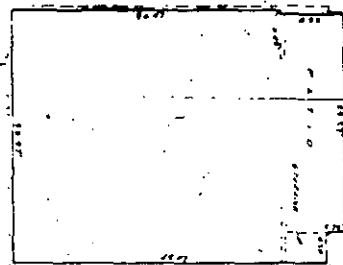


ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM

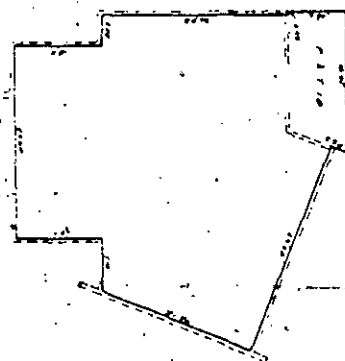
ST. JOHNS COUNTY, FLORIDA:

Continuation 18.17  
-54261 00000 01111111

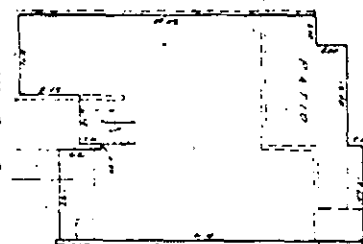
TYPICAL UNITS: BUILDINGS N°1 AND N°2

UNIT 5

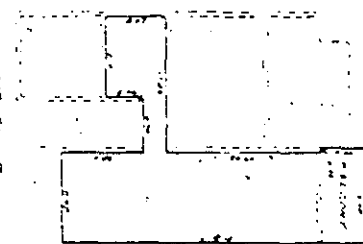
UNIT No. 6



UNIT No. 1



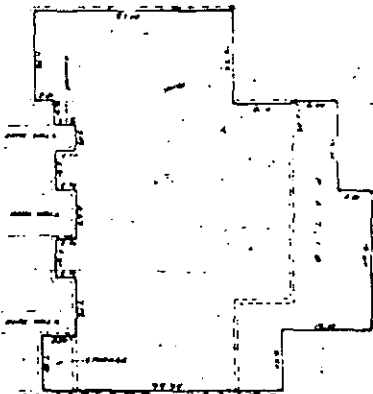
111 FLOOR



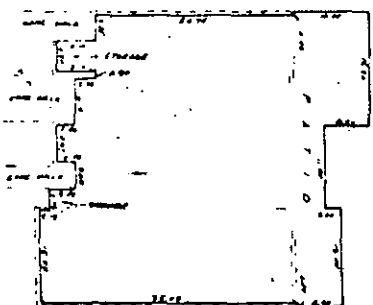
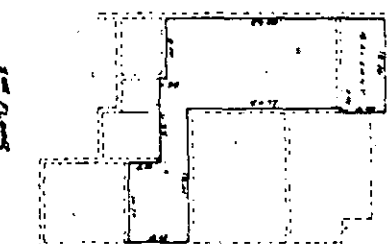
Yup Flock

—UNCL. No. 3—  
—BUKING No. 1—

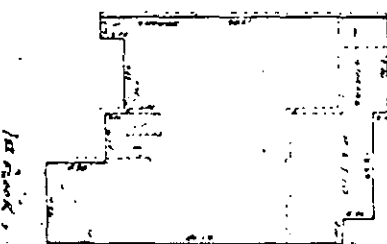
BUILDING No 2



WILL KAT

WELL No.

12-00000



1875

1. The first part of the document is a list of names and addresses, which appears to be a directory or a list of contacts. The names are written in a cursive script, and the addresses are listed below them.

NOTE: SEE SHEET NO 7 FOR TYPICAL UNITS, BUILDING NO 5

BUILDING No. 1

N. 229 9. 1. 1

ST AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM

ST. JOHNS COUNTY, FLORIDA

CONDOMINIUM ACT  
SECTION 719.05

BUILDING No 3

Unit Number, Name, and Address

Unit Number	Name	Address	Unit Number	Name	Address
101	...	...	101	...	...
102	...	...	102	...	...
103	...	...	103	...	...
104	...	...	104	...	...
105	...	...	105	...	...
106	...	...	106	...	...
107	...	...	107	...	...
108	...	...	108	...	...
109	...	...	109	...	...
110	...	...	110	...	...
111	...	...	111	...	...
112	...	...	112	...	...
113	...	...	113	...	...
114	...	...	114	...	...
115	...	...	115	...	...
116	...	...	116	...	...
117	...	...	117	...	...
118	...	...	118	...	...
119	...	...	119	...	...
120	...	...	120	...	...
121	...	...	121	...	...
122	...	...	122	...	...
123	...	...	123	...	...
124	...	...	124	...	...
125	...	...	125	...	...
126	...	...	126	...	...
127	...	...	127	...	...
128	...	...	128	...	...
129	...	...	129	...	...
130	...	...	130	...	...
131	...	...	131	...	...
132	...	...	132	...	...
133	...	...	133	...	...
134	...	...	134	...	...
135	...	...	135	...	...
136	...	...	136	...	...
137	...	...	137	...	...
138	...	...	138	...	...
139	...	...	139	...	...
140	...	...	140	...	...
141	...	...	141	...	...
142	...	...	142	...	...
143	...	...	143	...	...
144	...	...	144	...	...
145	...	...	145	...	...
146	...	...	146	...	...
147	...	...	147	...	...
148	...	...	148	...	...
149	...	...	149	...	...
150	...	...	150	...	...
151	...	...	151	...	...
152	...	...	152	...	...
153	...	...	153	...	...
154	...	...	154	...	...
155	...	...	155	...	...
156	...	...	156	...	...
157	...	...	157	...	...
158	...	...	158	...	...
159	...	...	159	...	...
160	...	...	160	...	...
161	...	...	161	...	...
162	...	...	162	...	...
163	...	...	163	...	...
164	...	...	164	...	...
165	...	...	165	...	...
166	...	...	166	...	...
167	...	...	167	...	...
168	...	...	168	...	...
169	...	...	169	...	...
170	...	...	170	...	...
171	...	...	171	...	...
172	...	...	172	...	...
173	...	...	173	...	...
174	...	...	174	...	...
175	...	...	175	...	...
176	...	...	176	...	...
177	...	...	177	...	...
178	...	...	178	...	...
179	...	...	179	...	...
180	...	...	180	...	...
181	...	...	181	...	...
182	...	...	182	...	...
183	...	...	183	...	...
184	...	...	184	...	...
185	...	...	185	...	...
186	...	...	186	...	...
187	...	...	187	...	...
188	...	...	188	...	...
189	...	...	189	...	...
190	...	...	190	...	...
191	...	...	191	...	...
192	...	...	192	...	...
193	...	...	193	...	...
194	...	...	194	...	...
195	...	...	195	...	...
196	...	...	196	...	...
197	...	...	197	...	...
198	...	...	198	...	...
199	...	...	199	...	...
200	...	...	200	...	...

UNIT NO. 101

UNIT NO. 102

UNIT NO. 103

UNIT NO. 104

UNIT NO. 105

UNIT NO. 106

UNIT NO. 107

UNIT NO. 108

UNIT NO. 109

UNIT NO. 110

UNIT NO. 111

UNIT NO. 112

UNIT NO. 113

UNIT NO. 114

UNIT NO. 115

UNIT NO. 116

UNIT NO. 117

UNIT NO. 118

UNIT NO. 119

UNIT NO. 120

UNIT NO. 121

UNIT NO. 122

UNIT NO. 123

UNIT NO. 124

UNIT NO. 125

UNIT NO. 126

UNIT NO. 127

UNIT NO. 128

UNIT NO. 129

UNIT NO. 130

UNIT NO. 131

UNIT NO. 132

UNIT NO. 133

UNIT NO. 134

UNIT NO. 135

UNIT NO. 136

## EXHIBIT A-3

The percentage of undivided interest in the Common Elements appurtenant to the respective Unit in St. Augustine Beach and Tennis Club Condominium, shall be as set forth below:

Common Expenses of St. Augustine Beach and Tennis Club Condominium shall be borne and divided, and Common Surplus of St. Augustine Beach and Tennis Club Condominium shall be owned and apportioned as is also set forth below:

Building Number	Unit Number	Type Unit	Percentage of Undivided Interest in Common Elements and Common Surplus and Share of Common Expenses
1	1	N/A	1.3917
1	2	N/A	1.2660
1	3	N/A	1.4169
1	4	N/A	1.1603
2	5	N/A	0.8936
2	6	N/A	1.1707
2	7	N/A	1.1528
3	101	B	0.8774
3	102	C-S	1.1465
3	103	A	0.8775
3	104	A	0.8775
3	105	A	0.8775
3	106	A	0.8775
3	107	A	0.8775
3	108	D	1.1351
3	109	D	1.1351
3	110	A	0.8775
3	111	A	0.8775
3	112	A	0.8775
3	113	B	0.8774
3	114	C-N	1.1365
3	115	A	0.8775
3	116	A	0.8775
3	117	A	0.8775
3	118	A	0.8775
3	119	A	0.8775
3	120	D	1.1351
3	121	D	1.1351
3	122	A	0.8775
3	123	A	0.8775
3	124	A	0.8775
3	201	E	1.0566
3	202	C-S	1.1465
3	203	A	0.8775
3	204	A	0.8775
3	205	A	0.8775
3	206	A	0.8775
3	207	A	0.8775
3	208	D	1.1351
3	209	D	1.1351
3	210	A	0.8775
3	211	A	0.8775
3	212	A	0.8775
3	213	E	1.0566
3	214	C-N	1.1365

303 751

3	215	A	0.8775
3	216	A	0.8775
3	217	A	0.8775
3	218	A	0.8775
3	219	A	0.8775
3	220	D	1.1351
3	221	D	1.1351
3	222	A	0.8775
3	223	A	0.8775
3	224	A	0.8775
3	301	E	1.0566
3	302	C-S	1.1465
3	303	A	0.8775
3	304	A	0.8775
3	305	A	0.8775
3	306	A	0.8775
3	307	A	0.8775
3	308	D	1.1351
3	309	D	1.1351
3	310	A	0.8775
3	311	A	0.8775
3	312	A	0.8775
3	313	E	1.0566
3	314	C-N	1.1365
3	315	A	0.8775
3	316	A	0.8775
3	317	A	0.8775
3	318	A	0.8775
3	319	A	0.8775
3	320	D	1.1351
3	321	D	1.1351
3	322	A	0.8775
3	323	A	0.8775
3	324	A	0.8775
3	401	E	1.0566
3	402	C-S	1.1465
3	403	A	0.8775
3	404	A	0.8775
3	405	A	0.8775
3	406	A	0.8775
3	407	A	0.8775
3	408	D	1.1351
3	409	D	1.1351
3	410	A	0.8775
3	411	A	0.8775
3	412	A	0.8775
3	413	E	1.0566
3	414	C-N	1.1365
3	415	A	0.8775
3	416	A	0.8775
3	417	A	0.8775
3	418	A	0.8775
3	419	A	0.8775
3	420	D	1.1351
3	421	D	1.1351
3	422	A	0.8775
3	423	A	0.8775
3	424	A	0.8775

LAW OFF CES  
HOWELL & DEAS, P.A.  
606 FLETCHER BUILDING  
JACKSONVILLE, FLA  
32204

NOTE:

The guaranteed maximum Assessments levied for



Common Expenses prior to January 1, 1978 with respect to Units as provided for in §4.5 of the Declaration of Condominium are as follows:

Buildings 1 and 2Guaranteed Monthly AssessmentsUnit Number

1	\$ 83.15
2	75.64
3	84.66
4	69.33
5	53.39
6	69.95
7	68.88

Building 3Unit Type

A	\$ 52.42
B	52.42
C-S	68.50
C-N	67.90
D	67.81
E	63.12

# STATE OF FLORIDA

DEPARTMENT OF STATE



I certify that the following is a true and correct copy of

## CERTIFICATE OF INCORPORATION

OF

ST. AUGUSTINE BEACH AND TENNIS CLUB  
CONDOMINIUM ASSOCIATION, INC.

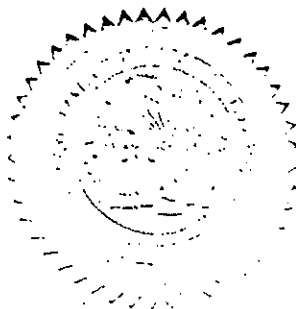
filed in this office on the 22nd day of April,  
1976

Charter Number: 7-35642

GIVEN under my hand and the Great  
Seal of the State of Florida, at  
Tallahassee, the Capital, this the  
22nd day of April,  
1976.

*Don A. Swarth*

SECRETARY OF STATE



Form 114  
Revised 1-20-75

EXHIBIT B

THE 303 FILE 754

FILED  
MAR 22 12 34 PM '19  
TALLAHASSEE, FLA.

ARTICLES OF INCORPORATION  
of

ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM  
ASSOCIATION, INC.

The undersigned, by these Articles (hereinafter sometimes referred to as the "Articles"), associate themselves for the purpose of forming a nonprofit corporation under Chapter 617, Florida Statutes, and certify as follows:

ARTICLE 1 - NAME

The name of the corporation shall be ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM ASSOCIATION, INC. (hereinafter sometimes referred to as the "Association").

ARTICLE 2 - PURPOSE

The purpose for which the Association is organized is to provide an entity as required by and pursuant to Chapter 711, Florida Statutes (hereinafter sometimes referred to as the "Act"), for the operation of a Condominium known as ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM (hereinafter sometimes referred to as the "Condominium"), located on the property described in the Declaration of Condominium which has established or will establish the Condominium (hereinafter sometimes referred to as the "Property") as well as other condominiums which may be established in the future on land located near the Property. Recognizing this possibility, it is specifically understood and agreed that the usage of the terms, Property, Declaration, and Condominium, herein shall be expanded as and when required by the establishment of said additional condominiums to embrace and include said additional condominiums and their establishing and implementing documents and instruments, so that all references herein shall refer to and include all such condominiums.

ARTICLE 3 - POWERS

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

3.1 General. The Association shall have all of the common law and statutory powers of a nonprofit corporation under the laws of Florida that are not in conflict with the terms of these Articles or the Act.

3.2 Enumeration. The Association shall have all of the powers and duties set forth in the Act, except as limited by these Articles and the Declaration of Condominium of the Condominium (hereinafter sometimes referred to as the "Declaration"), and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration, as it may be amended from time to time, including, but not limited to, the following:

(a) To make and collect assessments against members as Unit Owners to defray the cost, expenses, and losses of the Condominium.

(b) To use the proceeds of assessments and charges in the exercise of its powers and duties.

(c) To buy or lease both real and personal property for Condominium use and to sell or otherwise dispose of property so acquired.

(d) To maintain, repair, replace, and operate the Property and property acquired or leased by the Association for use by Unit Owners, and to establish reserves for such maintenance, repair, and replacement.

(e) To purchase insurance upon the Property and insurance for the protection of the Association and its members as Unit Owners.

(f) To reconstruct and repair improvements after casualty and to construct additional improvements of the Property.

(g) To make and amend reasonable regulations respecting the use and appearance of the Property in the Condominium (hereinafter sometimes referred to as the "Regulations"); provided, however, that the Regulations and their amendments shall be approved by not less than 75% of the votes of the entire membership of the Association before they shall become effective.

(h) To approve or disapprove the leasing, transfer, mortgaging, ownership, and possession of Units as may be provided by the Declaration and the By-Laws of the Association (hereinafter sometimes referred to as the "By-Laws").

(i) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the Regulations for the use of the Property in the Condominium.

(j) To contract for the management of the Condominium and to delegate to the contractor all powers and duties of the Association, except those that are specifically required by the Declaration to have approval of the board of directors or the membership of the Association.

(k) To contract for the management or operation of portions of the Common Elements susceptible to separate management or operation and to grant leases of those portions for this purpose.

(l) To employ personnel to perform the services required for proper operation of the Condominium.

(m) To contract for the services of an Insurance Trustee.

(n) To exercise any and all rights granted to the Association in the Declaration.

(o) To acquire, own, operate, and promulgate rules and regulations pertaining to the operation of recreational facilities for the use and benefit of the Condominium and of any additional sections of St. Augustine Beach and Tennis Club Condominium.

LAW OFFICES  
OWELL & DEAS, P.A.  
610 FLETCHER BUILDING  
JACKSONVILLE, FLA.  
32204

3.3 Ownership of Units. The Association shall have the power to purchase, hold, lease, mortgage, and convey Units as set forth in the Declaration and any Unit so purchased, held, leased, mortgaged, or conveyed shall be held, leased, mortgaged, or conveyed in the name of the Association.

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

3.5 Distribution of Income. The Association shall make no distribution of income to its members, directors, or officers.

3.6 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and the By-Laws.

#### ARTICLE 4 - MEMBERS

4.1 Membership. The members of the Association shall consist of all of the record owners of Units in the Condominium and after termination of the Condominium, shall consist of those who are members at the time of the termination and their successors and assigns.

4.2 Evidence. After approval of the transfer or of the ownership of a Unit in the manner required by the Declaration change of membership in the Association shall be established by (a) recording in the public records of St. Johns County, Florida, a certificate of the Association stating the approval required by the Declaration, (b) recording in the public records of St. Johns County, Florida, a deed or other instrument establishing a public record of the transfer of the title substantiating the membership, and (c) delivery to the Association of a certified copy of the recorded instruments. The owner receiving title of the Unit by those instruments will be a member of the Association and the membership of the prior owner will be automatically terminated.

4.3 Assignment. The share of a member in the funds and assets of the Association cannot be assigned, encumbered, hypothecated, subjected to a security interest, or transferred in any manner, except as an appurtenance to the Unit for which that share is held.

4.4 Voting. A member of the Association shall be entitled to cast one vote for each Unit owned by him. The manner of exercising voting rights shall be determined by the By-Laws.

#### ARTICLE 5 - DIRECTORS

5.1 Number and Qualification. The affairs of the Association shall be managed by a board consisting of the number of directors determined by the By-Laws, but not less than 3 directors, nor more than 9 directors, and in the absence of such determination, shall consist of 3 directors. Directors need not be members of the Association.

5.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles, and the By-Laws shall be exercised exclusively by the board of directors, its agents, contractors, or employees, subject only to approval by Unit Owners when that is specifically required.

5.3 Election; Removal. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the By-Laws. Directors may be removed and vacancies on the board of directors shall be filled in the manner provided by the By-Laws.

5.4 Term of First Directors. Except as may be provided by the Act, the directors named in these Articles shall serve until their successors are elected by the members, and any vacancies in their number occurring before the time for the election of their successors by the members shall be filled by the remaining first directors.

5.5 First Directors. The names and resident addresses of the members of the first board of directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Frank X. Olney	1123 Glenwood Oklahoma City, Okla. 73116
Michael W. Hogan	6741 Lancaster, Apartment #117 Oklahoma City, Okla. 73132
Randall E. Gentry	6902 Shady Place Tampa, Fla. 33614

#### ARTICLE 6 - OFFICERS

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

President:	Randall E. Gentry 6902 Shady Place Tampa, Fla. 33614
Vice-President:	Michael W. Hogan 6741 Lancaster, Apartment #117 Oklahoma City, Okla. 73132
Secretary:	Keith H. Kuhlman 3310 Lacewood Road Tampa, Fla. 33618
Assistant Secretary:	Frank X. Olney 1123 Glenwood Oklahoma City, Okla. 73116
Treasurer:	Keith H. Kuhlman 3310 Lacewood Road Tampa, Fla. 33618

#### ARTICLE 7 - INDEMNIFICATION

Every director and officer of the Association and every member of the Association serving the Association at its request shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees and appellate attorneys'

fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association or by reason of his serving or having served the Association at its request, whether or not he is a director or officer or is serving at the time the expenses or liabilities are incurred; provided that in the event of a settlement before entry of judgment, and also when the person concerned is adjudged guilty of gross negligence or willful misconduct in the performance of his duties, the indemnification shall apply only when the board of directors approves the settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not in lieu of any and all other rights to which that person may be entitled.

ARTICLE 8 - BY-LAWS

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

ARTICLE 9 - AMENDMENTS

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

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

9.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by the board of directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing the approval is delivered to the secretary at or prior to the meeting. The approvals must be either--

(a) by not less than 75% of the entire membership of the board of directors and by not less than 75% of the votes of the entire membership of the Association; or

(b) by not less than 80% of the votes of the entire membership of the Association.

9.3 Limitation. Provided, however, that no amendment shall make any changes in the qualifications for membership nor in the voting rights or property rights of members, nor any change in §§3.3 to 3.6 of Article 3, *supra*, without approval in writing by all members and the joinder of all record owners of mortgages upon Units. Additionally, no amendment shall be made that is in conflict with the Act or the Declaration.

9.4 Recording. A copy of each amendment shall be accepted and certified by the Secretary of State and shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and the Articles, which certificate shall be executed by the officers of the Association with the formalities required of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of St. Johns County, Florida.

ARTICLE 10 - CONTRACTUAL POWERS

In the absence of fraud, no contract or other transaction between the Association and any other person, firm, corporation, or partnership shall be affected or invalidated by the fact that any director or officer is pecuniarily or otherwise interested therein. Any director may be counted in determining the existence of a quorum at any meeting of the board of directors of the Association for the purpose of authorizing such contract or transaction with like force and effect as if he were not so interested or were not a director, member, or officer of such firm, association, corporation, or partnership. It is possible that officers of this Association may also be officers in or have interest in the corporation with which a long term management contract is to be entered into with respect to the Condominium.

ARTICLE 11 - TERM

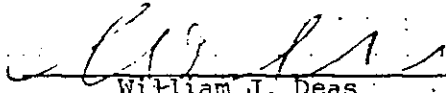
The term of the Association shall be perpetual.

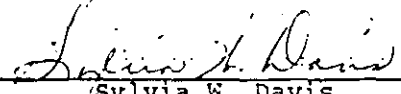
ARTICLE 12 - SUBSCRIBERS

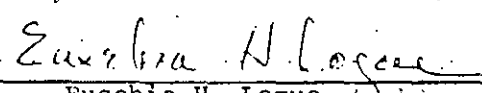
The names and resident addresses of the subscribers to these Articles are as follows:

William J. Deas	1824 McIntosh Place Jacksonville, Fla. 32210
Sylvia W. Davis	45 Swimming Pen Drive Doctors Inlet, Fla. 32030
Eusebia H. Logue	2522 Herschel Street Jacksonville, Fla. 32204

IN WITNESS WHEREOF, the subscribers have affixed their signatures this 21st day of April, 1976.

  
William J. Deas

  
Sylvia W. Davis

  
Eusebia H. Logue

STATE OF FLORIDA  
COUNTY OF DUVAL

BEFORE ME, a notary public authorized to take acknowledgments in the state and county set forth above, personally appeared William J. Deas, Sylvia W. Davis, and Eusebia H. Logue, known to me and known by me to be the persons who executed the foregoing Articles of Incorporation, and they acknowledged before me that they executed those Articles of Incorporation.

LAW OFFICES  
OWELL & DEAS, P.A.  
604 FLETCHER BUILDING  
JACKSONVILLE, FLA.  
32204



IN WITNESS WHEREOF, I have hereunto set my hand and affixed  
my official seal in the state and county aforesaid, this  
24th day of April, 1976.

Sharon L. White  
Notary Public, State and County as  
aforesaid, My Commission Expires:

8-1-77

LAW OFFICES  
HOWELL & DEAS, P.A.  
625 FLETCHER BUILDING  
JACKSONVILLE, FLA.  
32204

BY-LAWS

of

ST. AUGUSTINE BEACH AND TENNIS CLUB CONDOMINIUM  
ASSOCIATION, INC.

1. Identity. These are the By-Laws of St. Augustine Beach and Tennis Club Condominium Association, Inc. (hereinafter sometimes referred to as the "Association"), a Florida nonprofit corporation. The Articles of Incorporation of the Association (hereinafter sometimes referred to as the "Articles") were filed in the office of the Secretary of State of the State of Florida on April 22, 1976. The Association has been organized for the purpose of administering a condominium pursuant to Chapter 711, Florida Statutes (hereinafter sometimes referred to as the "Act"), which condominium is identified by the name, St. Augustine Beach And Tennis Club Condominium (hereinafter sometimes referred to as the "Condominium"), and is located on the property described in the Declaration of Condominium which has established or will establish the Condominium (hereinafter sometimes referred to as the "Property"), as well as other condominiums which may be established in the future on land located near the Property. Recognizing this possibility, it is specifically understood and agreed that the usage of the terms, Property, Declaration, and Condominium, herein shall be expanded as and when required by the establishment of said additional condominiums to embrace and include said additional condominiums and their establishing and implementing documents and instruments, so that all references herein shall refer to and include all such condominiums.

1.1 Office. The office of the Association shall be at Ocean Trace Road, St. Augustine Beach, Florida 32084.

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

1.3 Seal. The seal of the Association shall bear the name of the Association, the word "Florida", the words "Nonprofit Corporation", and the year of incorporation, an impression of which is as follows:



2. Members.

2.1 Roster of Members. The Association shall maintain a roster of the names and mailing addresses of the owners (hereinafter sometimes referred to as "Unit Owners") of condominium units (hereinafter sometimes referred to as "Units")

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JACKSONVILLE, FLA.  
32204

in the Condominium, which shall constitute a roster of members. The roster shall be maintained from evidence of ownership furnished to the Association from time to time by Unit Owners to substantiate the holding of a membership and from changes of mailing addresses furnished from time to time by Unit Owners. Each member shall furnish to the Association a certified copy of the record evidence of his title substantiating his membership in the manner required by the Articles and the Declaration of Condominium of the Condominium (hereinafter sometimes referred to as the "Declaration").

2.2 Annual Meeting. The annual members' meeting shall be held at least once in each calendar year on the second Tuesday in the month of November in each year at 7:30 o'clock P.M., local time, in the recreation hall or other appropriate location within the Condominium or at such other place in St. Augustine Beach, Florida, as the president or a majority of the board of directors shall determine; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day which is not a holiday. The purpose of the meeting shall be to elect directors and to transact any other business authorized to be transacted by the members.

2.3 Special Members' Meetings. Special members' meetings shall be held at such places as provided for annual meetings, whenever called by the president or by a majority of the board of directors and must be called by those officers upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

2.4 Notice. Notice of a meeting of members stating the time and place and the objects for which the meeting is called shall be given by the officer calling the meeting. A copy of the notice shall be posted at a conspicuous place in the Condominium and a copy shall be personally delivered or mailed by regular mail to each member entitled to attend the meeting, except members who waive the notice in writing. The delivery or mailing shall be to the address of the member as it appears on the roster of members. The posting, delivery or mailing of the notice shall be effected not less than 14 days nor more than 60 days prior to the date of the meeting. If mailed, the notice shall be deemed given when deposited in the United States mail, with the proper postage thereon prepaid. Proof of posting, delivery or mailing of the notice shall be given by the affidavit of the person serving the notice. Notice of a meeting may be waived before or after the meeting.

2.5 Quorum. A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership of the Association. The acts approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration, the Articles, or these By-Laws.

• 2.6 Voting.

(a) In any meeting of members, the owners of Units shall be entitled to cast one vote for each Unit owned.

(b) If a Unit is owned by one person, his right to vote shall be established by the roster of members. If a Unit is owned by more than one person, or is under lease, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of members and filed with the secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the president or vice-president of the corporation and attested by the secretary or assistant secretary of the corporation and filed with the secretary of the Association. The certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any owner of a share in the Unit. If a certificate designating the person entitled to cast the vote for a Unit is not on file, the vote of the owner of the Unit shall not be considered in determining whether a quorum is present nor for any other purpose.

2.7 Proxies. Votes may be cast in person or by proxy. A proxy may be executed by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and in no event shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in the proxy. Unless otherwise specifically provided, every proxy shall be revocable at the option of the member executing it. A proxy must be filed with the secretary before the appointed time of the meeting or before the time to which the meeting is adjourned. One person may hold no more than 5 proxies, unless the Condominium has been registered with the Securities and Exchange Commission.

2.8 Adjourned Meetings. If any meeting of members cannot be organized because a quorum is not present, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the adjourned meeting is given in the manner required for notice of a meeting.

2.9 Chairman and Secretary. At all members' meetings, the president of the Association, or in his absence, the vice-president, shall preside as chairman of the meeting or in the absence of both, the members shall elect a chairman. Similarly, at all members' meetings, the secretary of the Association, or in his absence, the assistant secretary, shall serve as secretary of the meeting, or in the absence of both, the chairman shall appoint a member to so serve as secretary of the meeting.

2.10 Order of Business. The order of business at annual members' meetings and as far as practical, at other members' meetings, shall be as follows:

- (a) Call to order by president.
- (b) Election of chairman of the meeting (if required).
- (c) Calling of the roll and certifying of proxies.
- (d) Proof of notice of meeting or waiver of notice.
- (e) Reading and disposal of any unapproved minutes.

- (f) Reports of officers.
- (g) Reports of committees.
- (h) Election of inspectors of election.
- (i) Determination of number of directors.
- (j) Election of directors.
- (k) Unfinished business.
- (l) New Business.
- (m) Adjournment.

2.11 Informal Action by Members. Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

### 3. Directors.

3.1 Membership. The affairs of the Association shall be managed by a board of not less than 3 nor more than 9 directors, the exact number to be determined at the time of election.

3.2 Election of Directors. Election of directors shall be conducted in the following manner:

(a) Election of directors shall be held at the annual members' meeting.

(b) A nominating committee of 5 members shall be appointed by the board of directors not less than 30 days prior to the annual members' meeting. The committee shall nominate one person for each director then serving. Nominations for additional directorships created at the meeting shall be made from the floor and other nominations may be made from the floor.

(c) The election shall be by written ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his votes for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

(d) Except as to vacancies provided by removal of directors by members, vacancies in the board of directors occurring between annual meetings of members shall be filled by the remaining directors.

(e) Any director may be removed by concurrence of two-thirds of the votes of the entire membership of the Association at a special meeting of the members called for that purpose. The vacancy in the board of directors so created shall be filled by the members of the Association at the same meeting.

3.3 Term. The term of each director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

3.4 Organizational Meeting. The organizational meeting of a newly elected board of directors shall be held within 10 days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected and no further notice of the organizational meeting shall be necessary.

3.5 Regular Meetings. Regular meetings of the board of directors may be held at such time and place as shall be determined from time to time by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by regular mail, telephone, or telegraph, and shall be given at least 3 days prior to the meeting. A notice of regular meetings shall be posted in a conspicuous place in the Condominium at least 48 hours in advance for the attention of members of the Association. If mailed, the notice shall be deemed given when deposited in the United States mail, with the proper postage thereon prepaid.

3.6 Special Meetings. Special meetings of the directors may be called by the president at any time and must be called by the secretary at the written request of one-third of the directors. Notice of the meeting shall be given to each director personally or by regular mail, telephone, or telegraph, which notice shall state the time, place, and purpose of the meeting and shall be given not less than 3 days prior to the meeting. Notice of a special meeting shall be posted in a conspicuous place in the Condominium at least 48 hours in advance for the attention of members of the Association, except in an emergency. If mailed, the notice shall be deemed given when deposited in the United States mail, with the proper postage thereon prepaid.

3.7 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

3.8 Quorum. A quorum at directors' meetings shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the board of directors, except when approval by a greater number of directors is required by the Declaration, the Articles, or these By-Laws.

3.9 Adjourned Meetings. If at any meeting of the board of directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

3.10 Chairman and Secretary. At all directors' meetings, the president of the Association shall preside as chairman of the meeting, or in his absence, the directors present shall designate one of their number to preside. Similarly, at all directors' meetings, the vice-president of the Association shall serve as secretary of the meeting, or in his absence, the directors present shall designate one of their number to preside.

3.11 Order of Business. The order of business at directors' meetings shall be:

- (a) Calling of roll.
- (b) Proof of due notice of meeting.
- (c) Reading and disposal of any unapproved minutes.
- (d) Reports of officers and committees.
- (e) Election of officers.
- (f) Unfinished business.
- (g) New business.
- (h) Adjournment.

3.12 Joinder in Meeting by Approval of Minutes. The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of that director for the purpose of determining a quorum.

3.13 Compensation. Any fees or compensation for directors shall be determined by the members of the Association.

4. Powers and Duties of the Board of Directors. All of the powers and duties of the Association existing under the Act, Declaration, Articles, and these By-Laws shall be exercised exclusively by the board of directors, its agents, contractors, or employees, subject only to approval by Unit Owners when that is specifically required.

#### 5. Officers.

5.1 Executive Officers. The executive officers of the Association shall be a president, who shall be a director, a vice-president, who shall be a director, a treasurer, a secretary, and an assistant secretary, all of whom shall be elected annually by the board of directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the directors. A person may hold more than one office, except that the president may not also be the secretary or assistant secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The board of directors from time to time shall elect such other officers and designate their powers and duties as the board shall find to be required to manage the affairs of the Association.

5.2 President. The president shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of a corporation, including, but not limited to, the power to appoint committees from among the members from time to time to assist in the conduct of the affairs of the Association as he, in his discretion, may determine appropriate and necessary.

5.3 Vice-President. The vice-president shall exercise the powers and perform the duties of the president in the event of the absence or disability of the president. He also shall assist the president and exercise such other powers and perform such other duties as shall be prescribed by the directors.

5.4 Secretary. The secretary shall keep the minutes of all proceedings of the directors and the members. He shall be responsible for the serving of all notices to members and directors as well as all other notices required by law. He shall have custody of the seal of the Association and shall affix it 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 and as may be required by the directors or the president.

5.5 Assistant Secretary. The assistant secretary shall exercise the powers and perform the duties of the secretary in the event of the absence or disability of the secretary.

5.6 Treasurer. The treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which books of account, together with substantiating papers, shall be made available to the board of directors for examination at reasonable times. He shall submit a treasurer's report to the board of directors at reasonable intervals and shall perform all other duties incident to the office of treasurer of a corporation, and as may be required by the directors or the president.

5.7 Compensation. The compensation of all officers and employees of the Association shall be fixed by the directors. The provision that directors' fees shall be determined by members shall not preclude the board of directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the Condominium.

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

6.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be Common Expenses as such term is defined and utilized in the Declaration:

(a) Current expense, which shall include all receipts and expenditures to be made within the year for which the budget is prepared, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to capital surplus or to additional improvements. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.

(b) Capital surplus for:

(1) Deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.

(2) Replacements, which shall include funds for repair or replacement required because of damage, depreciation, or obsolescence.



(3) Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the Common Elements.

6.2 Budget. The board of directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray the Common Expense and to provide and maintain funds for the foregoing accounts according to good accounting practices as follows:

(a) Current expense, the amount for which shall not exceed 115% of the budget for this account for the immediately preceding year.

(b) Deferred maintenance, the amount for which shall not exceed 115% of the budget for this account for the immediately preceding year.

(c) Replacements, the amount for which shall not exceed 115% of the budget for this account for the immediately preceding year.

(d) Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by members entitled to cast not less than 75% of the votes of the entire membership of the Association.

(e) It is further contemplated, understood and agreed that until Midland Advisory Co. of Florida, Inc., a Florida corporation, or its successors, grantees or assigns (hereinafter sometimes referred to as the "Developer"), has completed all of the contemplated improvements and closed the sales of all Units of the Condominium, or until January 1, 1978, or until the Developer elects to pay its pro rata share of assessments for Common Expenses attributable to unsold Units, whichever shall first occur, there will be no formal budget for the Condominium. Instead, the owners of Units that have been sold by the Developer will be assessed for Common Expenses at rates no greater than the maximum rates stated in the Declaration and the Developer will be assessed for the amounts by which the Common Expenses exceed the amounts assessed against the owners of Units sold by the Developer. During this period, no provisions will be made for capital surplus or any other expenses, other than current expenses, as such term is defined in §6.1(a), supra.

(f) When applicable, copies of a proposed budget and proposed assessments shall be personally delivered or mailed to each member not less than 30 days prior to the meeting of the board of directors at which the proposed budget will be considered for adoption, together with a notice of that meeting and the fact that it is open to all Unit Owners. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

6.3 Assessments. Assessments against the Unit Owners for their shares of the items of the budget, when applicable, shall be made by the board of directors for the calendar year annually in advance on or before December 20 preceding the year for which the assessments are made. The amount required from each Unit Owner to meet the annual budget shall be divided

into 4 equal assessments; one of which shall be due on the first day of each calendar quarter of the year for which the assessments are made, or 30 days after the mailing to the Unit Owners concerned of a statement for the assessment coming due, whichever date shall last occur. If assessments are not made annually as required, quarterly assessments shall be presumed to have been made in the amount of the last prior quarterly assessment, and assessments in this amount shall be due on the first day of each calendar quarter until changed by an amended assessment. In the event a quarterly assessment shall be insufficient in the judgment of the board of directors to provide funds for the anticipated current expense for the ensuing quarter and for all of the unpaid operating expenses previously incurred, the board of directors shall amend the budget and shall make amended quarterly assessments for the balance of the year in sufficient amount to meet these expenses for the year; provided, however, that any account of the amended budget that exceeds the limitation upon increases for that year imposed by §6.2, *supra*, shall be subject to the approval of the membership of the Association as set forth in §6.2(d), *supra*.

6.4 Assessments for Charges. Charges by the Association against members for other than Common Expense shall be payable in advance. Those charges may be collected by assessment in the same manner as Common Expenses, and when circumstances permit, those charges shall be added to the assessments for Common Expense. Charges for other than Common Expense may be made only after approval of a member and may include, but shall not be limited to, charges for the use of Condominium property when such usage and charges are authorized by the Declaration, maintenance services furnished at the expense of a member and other services furnished for the benefit of a member.

6.5 Assessments for Emergencies. Assessments for Common Expenses of emergencies that cannot be paid from the annual assessments for Common Expenses shall be due only after 30 days notice is given to the Unit Owners concerned and shall be paid in such manner as the board of directors of the Association may require in the notice of assessment.

6.6 Written Summary. A written summary of the accounts of the Association shall be made annually by the treasurer and a copy of the written summary shall be furnished to each member not later than April 1 of the year following the year for which the written summary is made.

6.7 Bonds. Fidelity bonds may, at its discretion, be required by the board of directors from all persons handling or responsible for Association funds. The amount of those bonds and the sureties shall be determined by the directors. The premiums on the bonds shall be paid by the Association.

6.8 Access to Records And Policies. All members, and their authorized representatives where appropriate and allowed by the Act, shall have full access to all accounting records and insurance policies of the Association, as authorized and allowed by the Act.

6.9 Notice of Excess Liability. In any legal action, in which the Association may be exposed to liability in excess of insurance coverage protecting it and the Unit Owners, the Association shall give notice of the exposure within a reasonable time to all Unit Owners who may be exposed to the liability and they shall have the right to intervene and defend.

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32204

7. - Committees.

7.1 Committees of Directors. The board of directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of 2 or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the board of directors in the management of the Association; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the board of directors or any individual director of any responsibility imposed upon it or him by the Act or any other applicable statute, rule, or regulation.

7.2 Other Committees. Other committees not having and exercising the authority of the board of directors in the management of the Association may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Association and the president of the Association shall appoint the members thereof.

7.3 Term of Office. Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee by the person or persons authorized to appoint such member, or unless such member shall cease to qualify as a member thereof.

7.4 Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

7.5 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

7.6 Quorum. Unless otherwise provided in the resolution of the board of directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7.7 Rules. Each committee may adopt rules for its own government not inconsistent with these By-Laws or with any rules adopted by the board of directors.

8. Contracts, Checks, Gifts, And Additional Common Elements.

8.1 Contracts. The board of directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

8.2 Checks, Drafts, etc. All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association, and in such manner as shall from time to time be determined

by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer, and countersigned by the president or a vice-president of the Association.

8.3 Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the board of directors may select.

8.4 Gifts. The board of directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

8.5 Additional Common Elements. Subject to the approval of the board of directors, the Association may acquire personal property for usage in the discharge of its duties with reference to the Condominium, provided the expenditure for such is in accordance with these By-Laws, without the need for the prior approval of the owners of not less than 75% of the Units as imposed by §5.2(b) of the Declaration.

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

10. Amendments. Except as elsewhere provided otherwise, these By-Laws may be amended in the following manner:

10.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

10.2 Method. A resolution adopting a proposed amendment may be proposed by either the board of directors of the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing that approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, the approvals must be either by:

(a) not less than 75% of the entire membership of the board of directors and by not less than 75% of the votes of the entire membership of the Association; or

(b) by not less than 80% of the votes of the entire membership of the Association.

10.3 Proviso. Provided, however, that no amendment shall discriminate against any member nor against any Unit or class or group of Units unless the members so affected shall consent. No amendment shall be made that is in conflict with the Articles or the Declaration.

10.4 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and By-Laws, which certificate shall be executed by the officers of the Association with the formalities required of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of St. Johns County, Florida.

The foregoing were adopted as the By-Laws of St. Augustine Beach And Tennis Club Condominium Association, Inc., a Florida nonprofit corporation, at the first meeting of the board of directors on April 29, 1976.

s/ Keith H. Kuhlman  
Secretary

APPROVED:

s/ Randall E. Gentry  
President

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

MAY 29 12 10 PM '76

*Walter L. Smith*  
CLERK OF COURT

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