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DECLARATION OF CONDOMINIUM OF
SEAWATCH OF VILANO, A CONDOMINIUM

KNOW ALL MEN BY THESE PRESENTS, THAT:

SEAWATCH OF VILANO DEVELOPERS, a Florida general partnership (the "Developer") hereby submits to condominium ownership pursuant to Chapter 718, Florida Statutes as amended (the "Condominium Act"), the land and all improvements now existing or hereafter erected thereon and all equipment, furnishings, and fixtures now or hereafter located hereon (herein the "Property"), located in St. Johns County, Florida, and more particularly described as follows:

Surfside Subdivision Lots 4, 5, 6, 7 and 8, Block "X", Lots 4, 5, 6, 7 and 8, Block "XX", and all that part of Ocean Boulevard now vacated, lying between said lots, all being in Surfside, Unit "A", according to plat thereof recorded in Map Book 4, page 32, Public Records of St. Johns County, Florida.

THIS INSTRUMENT PREPARED BY:
ROBERT A. HEENIN, Attorney
2003 INDEPENDENT SQUARE
JACKSONVILLE, FLORIDA 32202

The Property shall hereafter be subject to provisions, restrictions, reservations, covenants, conditions and easements hereinafter set forth, all of which shall constitute covenants running with the land, binding upon owners and lessees of any part of the Property, and their heirs, successors, administrators and assigns.

ARTICLE I - DEFINITIONS

1. Unit. Unit means a condominium unit as defined by the Condominium Act subject to the boundary description in Article II of this Declaration.

2. Condominium Parcel. Condominium Parcel means a Unit in this Condominium together with the undivided interest in the Common Elements appurtenant thereto and an undivided share in the Common Surplus, and includes an obligation to bear a portion of the Common Expenses.

3. Owner. Owner means the person or entity owning in fee simple a Condominium Parcel.

4. Condominium Property. Condominium Property means all of the property subjected to condominium ownership.

5. Common Elements. Common Elements means all of the Condominium Property except the Units, and shall include but

not be limited to:

- (a) All improvements and parts of the Condominium Property not included within the Unit, which do not serve a particular Unit;
- (b) Easements through the Unit for conduits, ducts, plumbing, wiring and other facilities for furnishing utility services to the various Units and to the Common Elements;
- (c) All structural beams, posts and members within a Unit and an easement of support in every portion of a Unit which contributes to the support of the building;
- (d) All utility areas and installations and all utility services which are available to more than one Unit or available to the Common Elements;
- (e) All parking areas and all driveways, sidewalks and entrance ways and all other means of egress and ingress within and across the Condominium Property;
- (f) All electrical appliances, apparatus and wiring, plumbing pipes and apparatus, telephone wires, and all other ducts, conduits, cables, wires or pipes (except television cables) which are outside of the boundaries of the Units; and
- (g) All tangible personal property required for the maintenance and operation of this Condominium and for the common use and enjoyment of the Owners.

6. Common Expenses. Common Expenses means:

- (a) Expenses of administration, insurance, maintenance, operation, repair and replacement of the Common Elements and of the portions of the Units to be maintained by the Association, and the costs of carrying out the powers and duties of the Association, including professional fees and expenses.
- (b) Expenses declared Common Expenses by provisions of this Declaration or the By-Laws of the Association.
- (c) Any valid charge against the Condominium Property as a whole.

7. Common Surplus. Common Surplus means all amounts held by the Association in excess of estimated current operating expenses

and common reserve funds.

8. Association. The Association means Seawatch of Vilano Condominium Association, Inc., a non-profit corporation organized to manage this condominium.

9. Board of Directors. The Board of Directors means the Board of Directors of the Association.

ARTICLE II

DESCRIPTION OF CONDOMINIUM

1. Name. The name of this Condominium shall be Seawatch of Vilano, a Condominium.

2. Description of Condominium Property. Attached hereto as composite Exhibit A are a survey and legal description of the Property, site plan of improvements, and floor plans of Units. The Property is located in the 500 block of Coastal Highway (State Road A-1-A North), Vilano Beach, St. Johns County, Florida.

3. Description of Improvements. The Condominium will include one three-story residential building containing twenty-seven (27) Units, as described in Article IV, Paragraph 1 and depicted on the site plan and floor plans at Exhibit A, together with the swimming pool, tennis court, parking areas and other commonly used facilities shown on the site plan.

4. Time-share Estates. No time-share estates will or may be created with respect to Units in any phase of the Condominium.

5. Documents Governing Condominium. The documents which shall govern the Condominium (the "Condominium Documents") are as follows:

(a) The Declaration of Condominium (the "Declaration"), which sets forth the nature of the property rights of the various owners of property in the Condominium and the covenants running with the land which affect such rights. All Condominium Documents shall be subject to the provisions of the Declaration;

(b) Exhibits to the Declaration which are as follows:

i. Composite Exhibit A - Survey and legal description of the land hereby submitted to condominium ownership, site plan, and floor plans of all Units.

ii. Exhibit B - Articles of Incorporation of Seawatch of Vilano Condominium Association, Inc.

iii. Exhibit C - By-Laws of Seawatch of Vilano Condominium Association, Inc.

ARTICLE III

OWNERSHIP OF UNITS AND BOUNDARIES

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

The boundaries of each Unit shall be determined as follows:

1. The upper horizontal boundary shall be the lower surface of the unfinished ceiling.

2. The lower horizontal boundary shall be the plane of the upper surface of the unfinished floor.

3. The vertical boundaries shall be:

(a) Exterior Building Walls - the unfinished inside wall surface of the Unit building, except that where there is attached to the building a balcony, patio, screened porch, stairway, or other portion of the building serving only the Unit being bounded, the boundary shall be deemed to include all of such structure.

(b) Interior Building Walls - the unfinished inside wall surface of the Unit.

ARTICLE IV

UNITS AND APPURTENANCES

The Units are identified below by number. Each Unit shall include the following as appurtenances, whether or not separately described, which shall pass with that Unit whenever it is conveyed:

1. Common Elements, Common Surplus and Common Expenses.

(a) Each Condominium Parcel shall include an undivided interest in the Common Elements and the Common Surplus as provided below

and shall bear the same proportion of the Common Elements as its ownership interest in the Common Elements and Common Surplus:

UNIT	SHARE OF COMMON ELEMENTS, COMMON SURPLUS and COMMON EXPENSES
1A	1/27
2A	1/27
3A	1/27
4A	1/27
5A	1/27
6A	1/27
7A	1/27
8A	1/27
9A	1/27
1B	1/27
2B	1/27
3B	1/27
4B	1/27
5B	1/27
6B	1/27
7B	1/27
8B	1/27
9B	1/27
1C	1/27
2C	1/27
3C	1/27
4C	1/27
5C	1/27
6C	1/27
7C	1/27
8C	1/27
9C	1/27

(b) The percentage share of Common Elements, Surplus and Expenses appurtenant to each Unit has been apportioned by the Developer taking into consideration the size of the Units, their location and their initial sales prices. Although such percentage shares have been allocated upon such basis, the shares do not exactly reflect a mathematical ratio of respective square footage among Units or respective sales prices among Units.

(c) Each Owner, the Developer and the Association may use the Common Elements for the purposes for which they are maintained but no such use shall hinder or encroach upon the lawful rights of other owners. The Common Elements shall remain undivided and no Owner or any other person shall bring any action for partition or division of the whole or any part thereof so long as the Unit buildings or any one of them may exist in useful condition upon

the land. Shares of Owners in the Common Elements as stated in this Declaration may be altered only by amendment of the Declaration executed by all the Owners of Units in the condominium. No such change shall materially affect the lien of a prior recorded mortgage without the consent of the mortgagee.

2. Membership in the Association. Ownership of a Unit shall entitle the Owner to membership in the Association and an interest in the funds and assets of that corporation. Each Owner's interest in the Association shall be equal to his percentage interest in the Common Elements.

3. Easements. Each Unit shall have and is hereby granted as an appurtenance, the following easements:

(a) An exclusive easement for the use of the air space occupied by the Unit as it exists at any particular time and as the Unit may be altered or reconstructed from time to time, which easement shall be terminated automatically in any air space which is vacated from time to time.

(b) Easements through or over all Common Elements for ingress, egress, recreational or other use as permitted by this Declaration, maintenance, repair and replacement.

(c) Easements through Units for maintenance, repair and replacement of the Unit and Common Elements, and for other necessary purposes; provided that access to any Unit shall be permitted under this easement only during reasonable hours except in case of emergency.

(d) An exclusive easement for the use of one assigned parking space, as shown on the site plan at Exhibit A, together with a non-exclusive easement for the use of all other non-assigned parking spaces on a first-come, first-served basis, and a non-exclusive easement for access to and from such parking spaces.

ARTICLE V

DEVELOPER'S UNITS AND PRIVILEGES

1. Right to Own and Sell. Notwithstanding anything herein to the contrary, the Developer is irrevocably empowered to sell, lease or rent Units to any person approved by it. The Developer shall

have the right to transact on the Condominium Property any business necessary to consummate the sale, lease or rental of Units, including but not limited to the right to maintain models, have signs, maintain an office and employees on the Property and use the Common Elements to show Units. A sales and rental office, signs and all items pertaining to sales and rentals shall not be considered Common Elements and shall remain the property of the Developer.

2. Assessments Against Unsold Units. The Developer may elect to guarantee to purchasers of Units that assessments for Common Expenses during any stated period of time shall not exceed a specified dollar amount and that Developer shall pay any Common Expenses in excess of the guaranteed level. If Developer so elects, this guarantee shall be made a part of the documents provided to purchasers prior to closing as required by Florida law, or may be made by separate agreement between the Developer and not less than a majority of Unit Owners other than the Developer. Should the Developer elect to make such a guarantee to Unit owners, the Developer shall be exempted during the period of the guarantee from liability for Common Expenses attributable to Units owned by the Developer.

If the Developer elects not to make such a guarantee, then it shall nonetheless be exempt from payment of any Common Expenses attributable to Units owned by the Developer for a period of time terminating no later than the first day of the fourth calendar month following the month in which the closing of the sale of the first Unit occurs. However, while the Developer is so exempt, the Developer must pay the portion of the Common Expenses incurred during the exempt period which exceed the amount assessed against other Unit Owners.

3. Right to Change, Divide or Combine Units. The Developer may elect to change the interior design and arrangement of, and to divide or combine one or more Units or portions thereof prior to the sale of such Units by the Developer, provided an amendment to this Declaration is first approved, executed and recorded in the manner described in Section 718.110(4), Florida Statutes. In that event,

the amended Declaration shall also provide that the share of the Common Elements, Expenses and Surplus applicable to such Unit shall be increased or decreased so that the resulting Unit or Units have shares allocated in the same manner as shares are allocated to all other Units herein.

4. Easements. The Developer expressly reserves a perpetual easement for ingress and egress and for all utility installation and maintenance over, across and under all the roadways and parking areas as shown on Exhibit A.

5. Developer's Right to Manage the Association: The Developer hereby reserves unto itself the right to name all of the directors and officers of the Association so long as the Developer owns more than 85% of the Units.

Unit Owners shall be entitled to elect directors of the Association in the following proportions and at the following times, in the manner provided in the Association By-Laws (with the Developer appointing all remaining Directors):

(a) Unit Owners other than the Developer shall be entitled to elect one-third of the Board of Directors when Unit Owners other than the Developer own record title to 15% or more of the Units.

(b) Unit Owners other than the Developer shall be entitled to elect a majority of the Board of Directors upon the first occurrence of any of the following events:

i. Three years after the Developer has closed the sale of 50% of the Units; or

ii. Three months after the Developer has closed the sale of 90% of the Units; or

iii. Upon completion of all Units, conveyance of at least one to a purchaser other than the Developer, and failure of the Developer to offer any remaining units for sale in the ordinary course of business; or

iv. Upon conveyance of at least one Unit to a purchaser other than the Developer, and failure of the Developer to construct the other Units or offer them for sale in the ordinary course of business.

Notwithstanding the above, the Developer shall be entitled to appoint at least one member of the Board (other than the members elected by the Owners as provided above) so long as the Developer owns record title to at least 5% of the Units and holds those Units for sale in the ordinary course of business.

Within sixty (60) days after the Unit Owners become entitled to elect any members of the Board of Directors, or at any earlier time if Developer so elects, the Developer shall call a meeting of the association for the election of directors. The Unit Owners shall be given at least thirty (30) but not more than forty (40) days' notice of the meeting, furnished in the manner provided in the By-Laws of the Association. At the meeting the Owners shall elect directors who shall replace those named by the Developer and who shall serve until the next regularly scheduled annual meeting of the Association when their successors shall be elected as provided in the By-Laws.

6. Prohibited Actions. So long as the Developer is the owner of record title to any Unit, and holds that Unit for sale in the ordinary course of business, none of the following actions may be taken without approval in writing from the Developer:

(a) Assessment of the Developer as a Unit Owner for capital improvements;

(b) Any action that would be detrimental to the sale of Units by the Developer; provided, however, that a uniform increase in assessments for common expenses without discrimination against the Developer shall not be deemed detrimental.

ARTICLE VI

MANAGEMENT OF THE CONDOMINIUM

1. The Association. The Association shall administer this Condominium and manage, maintain and repair the Condominium Property (except for the portions of Units to be managed, maintained and repaired by Owners). All persons owning a vested present interest of record in the fee title to any Condominium Parcel shall automatically be members of the Association and their respective membership shall terminate as their vested interest in the fee title to the Condominium Parcel terminates. Membership in the Association cannot

be transferred, assigned or pledged in any manner except as an appurtenance to the respective Unit. The Association has all of the rights and powers available to a non-profit corporation under the laws of the State of Florida, and in addition, the rights, powers and duties accorded to it by this Declaration. All expenses of the Association shall be assessed as Common Expenses of the Owners, as provided in its By-Laws.

2. Voting Rights in the Association. Each Owner shall be entitled to one vote in the Association for each Condominium Parcel owned by him, which shall be exercised only by that Owner or his proxy. If a person owns more than one Unit, he shall be entitled to one vote for each Unit owned. In the event a Unit is owned by more than one person or by a corporation, trust or other entity, the individual entitled to cast the vote for that Unit shall be designated by a certificate filed with the Secretary of the Association and signed by all joint owners of the Unit or by an authorized agent of the corporation or other entity.

3. Rights of Owners and Mortgagees. The Association shall at all times maintain a register setting forth the names of the Owners. In the event of the sale or transfer of any Condominium Parcel to a third party, the purchaser or transferee shall notify the Association in writing of his interest in the Condominium Parcel together with the recording information for the instrument by which such purchaser or transferee has acquired his interest. (See Article XI of this Declaration for restrictions on Unit transfer). The Owner shall notify the Association of any mortgages encumbering any Condominium Parcel, stating the amount of such mortgage or mortgages and the recording information. The holder of any mortgage encumbering any Condominium Parcel may notify the Association of the existence of any mortgage held by such party and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to it.

ARTICLE VII

MAINTENANCE, ALTERATION AND REPAIR

The responsibility for the maintenance and repair of the Condominium Property shall be as follows:

1. Association. The Association shall maintain, repair and replace:

(a) All Common Elements, including but not limited to all boundary walls of the Units except interior surfaces, all portions of the Unit contributing to the support of the building, the outside walls of buildings, floor and ceiling slabs, load bearing walls, floor slabs of patios, balconies, balcony rails, all fixtures on the exterior, and all parking spaces and access drives.

(b) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services to the Units, except those facilities which are the responsibility of the Owners to maintain, and all facilities contained within a Unit that service part of the condominium other than Units in which they are contained.

(c) All other items which the Board of Directors of the Association determines shall be maintained, repaired or replaced by the Association, in accordance with uniform policies, consistently applied.

The Association shall have such access to each Unit during reasonable hours as may be necessary for repair or maintenance of any Common Elements located therein or accessible therefrom and shall have such rights of access in emergencies as are necessary to prevent damage to a Unit or to the Common Elements.

2. Owner. The Owner shall:

(a) Maintain, repair and replace all portions of each Unit except the portions to be repaired and replaced by the Association. The areas to be maintained by the Owners shall include but not be limited to:

i. Heating and air-conditioning equipment within the Unit, and the ducts, pipes, wirings, controls, and other apparatus serving only that Unit, even though located outside the Unit

boundary.

ii. All kitchen and bathroom fixtures, apparatus and equipment.

iii. All electrical, plumbing, telephone and television fixtures, apparatus, equipment outlets, switches, wires, pipes and conduits within the unfinished surfaces of the boundary walls of the Unit, and any such items serving only one Unit, even though located outside the Unit boundary.

iv. All doors within the Unit, including those which open to the Unit from an entranceway or the outside, interior walls and partitions, wall decorations and built-in furniture, windows and window apparatus and glass, screens and screen supports.

(b) Not install any mechanical equipment which causes annoyance to the occupants of other Units.

(c) Not paint or otherwise decorate or change any portion of the exterior of the Unit building.

(d) Promptly report to the Association any defects or need for repairs for which the Association is responsible.

If any Owner shall fail to commence and diligently pursue the maintenance and repair required by this paragraph within ten (10) days after receiving written notice of his failure to do so from the Association, the Association shall have the right to make such repairs, maintenance or replacement at the expense of the Owner. If the Owner fails to reimburse the Association for such expenses upon demand, the Association shall have a lien for such expenses upon that Owner's Condominium Parcel.

3. Alteration and Improvements. Neither an Owner nor the Association nor any other party (except the Developer as specifically set forth herein) shall make any alteration, addition or removal of any portions of a Unit that are to be maintained by the Association, or do anything that will jeopardize the safety or soundness of the building or impair any easements without first obtaining unanimous approval in writing of Owners and mortgagees of record of all Units in which such work is to be done and of the Board of Directors of

the Association. A copy of plans for any such work which is to exceed \$5,000.00 in cost shall be prepared by an architect licensed to practice in Florida and shall be filed with the Association prior to the start of any such work.

4. Reconstruction or Repair After Casualty.

(a) Determination to reconstruct or repair. If any part of the Condominium Property shall be damaged by casualty, the Board of Directors of the Association shall determine as to each Unit whether or not it is tenantable after the casualty. If units to which 50% or more of the Common Elements are appurtenant are found to be tenantable, the damaged property shall be reconstructed or repaired as provided herein. If Units to which less than 50% of the Common Elements are appurtenant are found to be tenantable, the Board of Directors shall:

i. Obtain reliable and detailed estimates of the costs to pay such costs.

ii. Give all Owners notice of the casualty specifying the above information and calling a meeting of Owners to be held within thirty (30) days from the date of the notice.

At the meeting, the Owners shall consider whether to repair or replace the damage or to terminate the Condominium. If Owners of 66 2/3% of the votes of the Association vote to repair or replace the damaged property, it shall be repaired or replaced. Otherwise, the Condominium shall be terminated without agreement as provided in Article XIII, paragraph 1.

(b) Responsibility. The responsibility for reconstruction and repair after casualty shall be the same as for maintenance and repair of the Condominium Property, and the Association shall have the same rights as therein provided (Article VII, paragraph 2) to make repairs which are the responsibility of an Owner if that Owner fails to do so.

(c) Proceeds. If the damage is to be repaired, the Association shall make available the proceeds of insurance for such work. If the proceeds of insurance are not sufficient to reconstruct and repair the damaged property, assessments shall be made against the Owners

responsible for the repair in sufficient amounts to provide funds for payment of such costs. Assessments for repair of a particular Unit shall be made against the Owner of that Unit. Assessments for repair of Common Elements shall be made against Owners in proportion to each Owner's share in the common Elements.

(d) Disbursement of Funds. If the amount of the estimated costs of reconstruction and repair is less than \$10,000 and does not involve damage to structural parts of a building, the Board of Directors shall disburse funds for repair (insurance proceeds plus assessments) immediately upon their receipt. If the amount is \$10,000 or more, or involves damage to structural parts of a building, funds shall be disbursed by the Board of Directors: (i) only after the Board of Directors has approved the contractor to perform the repair work and the terms of the repair contract; and (ii) only to the extent that work is, in the judgment of the Board of Directors, satisfactorily completed.

Funds to repair damages for which the individual Owner is responsible shall be disbursed directly to that Owner unless there is a mortgagee endorsement as to any part of the insurance proceeds, in which event such insurance proceeds shall be disbursed jointly to the Owner and the mortgagee. All such disbursements shall be received in trust for use in the repair or replacement of the damaged Unit. All funds to repair damage for which the Association is responsible shall be disbursed directly by the Association for such repairs or replacements.

It shall be presumed that the first money disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If funds remain after payment of all costs of the reconstruction and repair, they shall be distributed to the beneficial owners, except that distributions of insurance proceeds to Owners whose mortgagees have a mortgagee endorsement as to the insurance proceeds shall be made payable jointly to the Owner and the mortgagee.

(e) Eminent Domain. The taking of a portion of a Unit or of the Common Elements by eminent domain shall be deemed to be a casualty. All awards payable due to such taking shall be paid to the Association and deemed to be proceeds from insurance on account of the casualty. If the casualty of eminent domain causes the Condominium to be terminated pursuant to paragraph 4(a) of this Article, then all awards shall be distributed as provided therein. If the casualty does not cause the Condominium to be terminated, all such awards shall be used as follows:

i. If the taking reduces the size of a Unit and in the judgment of the Board of Directors the remainder can be made tenantable, the award attributable to the taking of the Unit shall be used to make the Unit tenantable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the Unit Owner. If the award exceeds the costs, the balance shall be paid to the Unit Owner or if a mortgagee is shown on the mortgagee roster, jointly to the Owner and the mortgagee.

ii. If the taking destroys or so reduces the size of a Unit that in the judgment of the Board of Directors it cannot be made tenantable, the award attributable to that Unit shall be paid entirely to the Unit Owner, or if a mortgagee is shown on the mortgagee roster, jointly to the Owner and the mortgagee. Upon payment of such proceeds, the Owner shall convey his entire interest in that parcel to the remaining Unit Owners in undivided shares in proportion to the ownership interests of those Owners in the Common Elements and, if the condemnation award paid with regard to such taking is less than the fair market value of the Unit, then the remaining Unit Owners shall pay the conveying Owner the difference between the fair market value of the Unit and the amount of the condemnation award, sharing such payments in proportion to their respective ownership interests in the Common Elements. Thereupon, the remaining portion of the Unit shall become a part of the Common Elements and shall be placed in condition for use by all of the remaining Owners in a manner approved by the Board of Directors, the cost of such

work being a Common Expense. The shares in the Common Elements appurtenant to the remaining Units of the Condominium shall be equitably adjusted to distribute the ownership of the Common Elements among the reduced number of Owners on the same basis as such ownership is established in this Declaration.

The changes in Units, in the Common Elements and in the ownership of Common Elements which result from or are necessitated by eminent domain shall be evidenced by an amendment of this Declaration, which shall be approved only by majority of all directors of the Association. The amendment shall be recorded at the expense of the Association in the Public Records of the County where the Property is located.

iii. If part of the Common Elements are taken, all awards attributable to such taking shall be distributed to the Association, which shall use such awards to repair or replace the Common Elements to the extent possible. If the award exceeds the cost of repair or replacement, the excess shall be retained by the Association and become a part of the Common Surplus.

ARTICLE VIII

INSURANCE

The insurance, other than title insurance, which shall be carried on the Condominium Property and the property of the Unit Owners shall be governed by the following provisions:

1. Authority to Purchase. Insurance policies upon the Condominium Property shall be purchased by the Association, and provision shall be made for the issuance of certificates of mortgagee endorsements to mortgagees of Units. The master policies and copies of all endorsements shall be held by the Association. At their own expense, Owners may obtain such additional insurance coverage as they desire upon their Condominium Parcels or their own personal property, for the contents and portions of the Units for which they are responsible, and for their personal liability and living expense.

2. Coverage. The Association shall obtain casualty insurance upon all buildings and improvements upon the Property and all personal property included in the Common Elements in an amount equal to

its maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors, but subject to such deductible clauses as are required in order to obtain coverage at reasonable costs. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement and such other risks including, without limitation, vandalism and malicious mischief, as from time to time shall be customarily covered with respect to buildings similar in construction, location and use. The Board of Directors shall obtain such other insurance coverage for the Association as it deems desirable or required by law including, without limitation, workers' compensation and public liability insurance.

3. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that any increase in premiums occasioned by use of a Unit other than as a residence, or by misuse, occupancy or abandonment of a Unit or of the Common Elements shall be assessed against the responsible Owner. If requested to do so, the Association shall furnish evidence of payment of premiums to each mortgagee listed in the register of mortgagees.

4. Proceeds. All proceeds of insurance policies purchased by the Association shall be payable to the Association. The Association shall hold such proceeds in trust, to be distributed as provided herein.

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

6. Notice of Actions. If any action shall be brought against the Association which might result in a judgment for an amount greater than the insurance coverage carried by the Association, then the Unit Owners shall be given prompt notice of the action and shall have the right to intervene and defend their interests.

ARTICLE IX
ASSESSMENTS AND LIENS

1. Budgets. The members of the Association, by majority vote of all Unit Owners, shall approve annual budgets of projected expenses for each fiscal year and assess each Owner for his proportionate share of such expenses, as provided in the By-Laws.

2. Liability for Assessments. A Unit Owner, regardless of how title is acquired, including a purchaser at a judicial sale, shall be liable for all assessments coming due while he is the Unit Owner. Whenever a Unit is conveyed in a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments up to the time of the conveyance, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee.

When the mortgagee of a first mortgage of record or other purchaser of a Unit obtains title as a result of foreclosure of the first mortgage, or as a result of a deed given in lieu of foreclosure, such acquirer of title and his successors and assigns shall not be liable for the share of Common Expenses or assessments by the Association pertaining to the Unit or chargeable to the former Owner which became due prior to such acquisition of title unless the share is secured by a claim of lien for assessments that is recorded prior to the recording of the foreclosed mortgage. The unpaid assessments are Common Expenses collectible from all of the Unit Owners, including such acquirer and his successors and assigns. However, such acquirer of title is not excused from liability for assessments against such Unit which come due after acquisition of title to the Unit.

3. Payment of Assessments; Lien for Unpaid Assessments. Each Unit Owner's assessment for his Condominium Parcel shall be due and payable to the Association in twelve (12) equal monthly installments in advance unless some other payment schedule is adopted by the Board of Directors. If necessary to cover unanticipated expenditures which may be incurred during the fiscal year, the Board of Directors may, as provided in the By-Laws, levy special assessments against

Unit Owners in proportion to their share of the Common Expenses and may require Owners to maintain a minimum balance on deposit for working capital and other contingent expenses. In addition, the Board of Directors may assess Owners for certain expenses attributable solely to their Unit. Such assessments may be for costs specifically provided herein (such as reconstruction or repair after casualty) or may be in the discretion of the Board of Directors.

Any assessments provided for in this Declaration which are not paid when due shall bear interest from the due date until paid at the maximum rate allowed by law or such lower rate as the Board of Directors shall determine, shall be subject to a late charge as may be set and uniformly applied by the Board of Directors and shall entitle the Association to an attorney's fee in the collection thereof. The Association shall have a lien on each Condominium Parcel for any assessment, interest, late charge, expenses, and attorneys fees provided for in this Declaration. Such liens shall not attach until a notice of lien is recorded in the public records of the County in which the Property is located, and a copy thereof is furnished to the record Owner of the Condominium Parcel. In addition, the Association shall have all other rights and remedies provided by this Declaration, the By-Laws, the Condominium Act and other applicable laws for the collection of the above, or the enforcement of its liens.

ARTICLE X

USE RESTRICTIONS

The use of the Condominium Property shall be in accordance with the following provisions so long as the condominium and the condominium buildings exist in a useful condition on the Property:

1. Single-Family Residences. The Condominium Property shall be used only for single-family residences and for the furnishing of related recreational facilities for the enjoyment of such residents. Accordingly, each of the Units shall be occupied by a single family only, and their guests, as a residence and for no other purpose. Except as reserved to the Developer before sale, no Unit may be divided or subdivided into a smaller Unit, nor shall any portion

whereof be sold or otherwise transferred, without first properly amending this Declaration to show the resulting changes in the Units. 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 Owners and occupants of the Units.

2. Lawful Use; Nuisances. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction over the Condominium Property shall be observed by all Owners and occupants. No nuisances shall be allowed upon the Condominium Property, nor any use or practice which annoys or interferes with residents. No loud or objectionable noises or odors which may disturb adjacent Units shall be permitted. All parts of the Condominium Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate, nor any fire hazard allowed to exist. No Owner shall make or permit any use of his Condominium Parcel which will increase the rate of insurance upon the Condominium Property.

3. Regulations. Reasonable regulations concerning the use of the Condominium Property may be made and amended from time to time by the Board of Directors of the Association, provided that they do not conflict with this Declaration or the By-Laws of the Association. Copies of such regulations shall be furnished by the Association to all Owners and residents of the Condominium upon request. By acceptance of title to or possession of their Units, all Owners and residents agree to abide by the regulations and By-Laws of the Association. The Board of Directors or its designated agent shall have the right, without a breach of the peace, to enter any Unit after reasonable advance notice at any reasonable time to determine compliance with the Condominium Act, this Declaration, the By-Laws and the regulations of the Association.

4. Signs. No signs shall be displayed from a Unit or on the Common Elements except those which have advance written approval from the Association.

ARTICLE XI

TRANSFER OF UNITS

In order to preserve the value of the Condominium and to main-

tain a community of congenial residents, the transfer of the Units shall be subject to the following paragraphs so long as the buildings in useful condition exist upon the land. Each Owner, by acceptance of his Unit, covenants to observe such restrictions:

1. Transfers Subject to Approval. All transfers of a Condominium Parcel or any interest therein (including without limitation sales, assignments or other transfers, but excluding leases and rentals) shall be subject to the approval of the Association, which shall act through the Board of Directors, except the following:

- (a) Transfer of a Condominium Parcel or interest therein by gift without consideration; and
- (b) Transfer of a Condominium Parcel or interest therein by devise or intestate succession.

2. Notice. Each Owner desiring to transfer his Condominium Parcel in a manner subject to this Article (the Transferring Owner) shall first give the Board of Directors written notice of the proposed transfer specifying the name and address of the intended transferee, his business or occupation, financial and character references, the terms of the proposed transfer including copies of contracts providing for the transfer, and such other information as the Board of Directors may reasonably request (all such information is herein called the "Notice").

3. Options of Association. The Board of Directors shall have fifteen (15) days from receipt of the Notice to approve or disapprove the transfer. If approved, the Board shall furnish a certificate of approval to the Transferring Owner as provided herein. If the Board elects to disapprove the transfer, the Association shall have the following options:

- (a) If the proposed transfer is a sale, the Association shall have the option to purchase the Transferring Owner's interest in the Parcel upon the same terms as provided in the Notice.
- (b) If the proposed transfer is an assignment or other transfer (other than a sale), the Association shall have the option to acquire the Transferring Owner's interest on the same terms as stated in the Notice, or to require that the transfer not be made.

4. Exercise of Options. Upon receipt of the Notice, the President of the Association shall call a meeting of the Board of Directors to consider the proposed transfer. At that meeting:

(a) If the transfer is approved by a majority of Directors, the Board shall furnish a certificate of approval to the Transferring Owner, authorizing him to proceed with the transfer. If not approved by a majority of the Directors, the proposed transfer shall be deemed disapproved.

(b) If a proposed sale is disapproved, the Board shall promptly give written notice to the Transferring Owner stating its disapproval, and electing to exercise the Association's option to acquire the Parcel on the same terms as stated in the Notice. The transfer to the Association or its assignee shall be closed within thirty (30) days thereafter upon the same terms as stated in the Notice. The Board of Directors shall have authority to make mortgage or other financing arrangements, to make assessments proportionately upon the Owners and to do other things as may be deemed necessary to close and consummate the transfer of the Condominium Parcel to the Association.

(c) If a transfer other than a sale is disapproved, the Board shall consider whether to exercise the Association's option to acquire the Parcel on the same terms as stated in the Notice, or to require the Transferring Owner not to make the proposed transfer. If the Acquisition of the Parcel is approved by a majority of Directors, the Transferring Owner shall be furnished written notice of the Association's election to acquire the Parcel and the acquisition by the Association or its assignee shall be closed within thirty (30) days thereafter on the same terms as provided in the Notice. If the acquisition of the Parcel fails to be approved by a majority of Directors, the Board shall be deemed to have elected to require the Transferring Owner not to make the proposed transfer. The Transferring Owner shall be promptly informed of this election by the Board and shall not make the proposed transfer.

(d) If the Board of Directors fails to give the Transferring

Owner any notice of its elections within fifteen (15) days after receipt of the Notice, the Transferring Owner may proceed to close the proposed transfer with the named transferee only, at any time within the next ninety (90) days at the price and on the terms stated in the Notice. The Board shall within a reasonable time after the transfer furnish to the transferee a certificate of approval of the transfer which he may record in the public records of the county in which the property is located, at his expense. If the Transferring Owner fails to close the transaction within the ninety (90) day period, upon the terms stated in the Notice, his Condominium Parcel shall again become subject to the Association's right of approval as herein provided.

5. Form of Documents; Association Expenses. No Owner shall enter into any contract or other document providing for transfer of any interest in a Unit unless such document specifically provides that the transfer is subject to the rights of the Association contained in this Article, and further provides that the contracting parties shall indemnify the Association against any costs or expenses, including reasonable attorney's fees at trial or upon appeal, incurred by the Association and arising out of such documents, disputes relating thereto or the enforcement of the Association's rights granted in this Declaration. If any Owner fails to include such provisions in any contract or other document, that Owner shall so indemnify the Association, and the Association shall have a lien upon that Owner's Unit for its costs and expenses, including reasonable attorney's fees at trial or upon appeal.

All deeds or other instruments by which any interest in a Condominium Parcel is transferred in a transaction subject to this Article shall expressly provide that the transferee shall comply with all the rules and regulations of the Association and the terms of this Declaration so long as he owns any interest in the Condominium Parcel, and that he shall not sell or otherwise transfer his interest in the Condominium Parcel without first granting to the Association the same rights as are contained herein.

6. Costs. The By-Laws of the Association may establish a uniform fee to be charged in connection with approval or disapproval of any transfer of a Unit.

7. Unauthorized Transactions. If any Owner shall attempt to transfer any interest in his Condominium Parcel without complying with the foregoing provisions, the Association shall have all the remedies provided herein or under the laws of the State of Florida, including without limitation, the right to specific performance of the right of first refusal, and the right to injunctive relief preventing the proposed transfer. The Association shall also have the right to purchase or acquire the transferred interest from the new Owner, upon the same terms and conditions as those by which the new Owner acquired such interest. If the Association elects to exercise this right, it may require the purchaser or transferee to convey his interest in the Condominium Parcel to the Association or its duly selected assignee, upon the terms and conditions herein set forth.

8. Transfer by the Association. If the Association acquires an interest in any Condominium Parcel, the Board of Directors shall have the authority at any time thereafter to sell, lease or otherwise transfer such interest in the Condominium Parcel on behalf of the Association upon such terms as the Board of Directors shall deem advisable, without the necessity of complying with the foregoing provisions relating to the Association's right of first refusal, and all net proceeds or deficits therefrom shall be distributed to, or assessed to, the Owners in accordance with their ownership interest in the Common Elements.

9. Exceptions. The foregoing provisions of this Article shall not apply to a transfer to or purchase by a mortgagee of record which acquires its title as the result of foreclosure of a mortgage, whether the title is acquired by deed from the mortgagor, his successor or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by that mortgagee. In addition, the foregoing provisions shall not require approval of a purchaser who acquires title to a Condominium Parcel at a duly

advertised public sale with open bidding which is provided by law, including but not limited to execution sale, foreclosure sale, judicial sale or tax sale.

ARTICLE XII

AMENDMENTS TO DECLARATION

Article V and any other article in this Declaration affecting the rights of the Developer shall not be subject to amendment without the consent of the Developer. Article XIII entitled "Termination" may not be amended without the consent of all Owners and mortgagees of record. Except as provided in Article V, paragraph 2, no amendment shall change any Unit or its appurtenant share in the Common Elements unless the Owner and all mortgagees of record shall join in the execution of the amendment. No amendment may change Article VIII entitled "Insurance" nor Article VII, paragraph 4, entitled "Reconstruction or Repair After Casualty," unless all mortgagees of record shall join in the execution of the amendment.

Except as provided above, the consent of the Owners of at least 67 percent of the Units and the approval of mortgagees of at least 51 percent of the Units shall be required to add or amend any material provisions of the Condominium Documents which establish, provide for, govern or regulate any of the following:

- a. Voting;
- b. Assessments, assessment liens or subordination of such liens;
- c. Reserves for maintenance, repair and replacement of the Common Elements or Units;
- d. Rights to use of the Common Elements;
- e. Responsibility for maintenance and repair of the several portions of the Condominium Property;
- f. Expansion or contraction of the Condominium Property or the addition, annexation or withdrawal of property to or from the Condominium, except as described in Article II.
- g. Imposition of any further right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit;

n. Any provisions which are for the express benefit of mortgage holders or insurers or guarantors of first mortgages on Units.

Subject to the above provisions, this Declaration of Condominium may be amended as follows:

1. Until the election of a majority of the Board of Directors by the Owners as provided in Article V, this Declaration may be amended by vote of all the Directors.

2. After the election of a majority of the Board of Directors by the Owners, this Declaration may be amended at a meeting of the members of the Association. Amendments may be proposed by the Board of Directors or by individual members of the Association. Proposals shall be submitted in writing to the President of the Association who, upon receipt, shall call a meeting of the Association to consider the proposed amendment. The meeting shall be held within thirty (30) days after receipt by the President of the proposed amendment. Notice of the meeting specifying the proposed amendment shall be furnished in accordance with the By-Laws of the Association. At the meeting, the proposed amendment shall be adopted if approved by not less than two-thirds of the votes of the entire membership of the Association.

After adoption of any amendment pursuant to this Article, the President and Secretary of the Association shall execute and record, in the public records of the county in which the Property is located, a certificate certifying that the amendment was duly adopted. The amendment shall be effective when the certificate and a copy of the amendment are duly recorded.

ARTICLE XIII

TERMINATION

The Condominium may be terminated in the following ways:

1. Destruction. In the event it is determined pursuant to Article VII, paragraph 4(a) that the condominium buildings shall not

be reconstructed after damage, the Condominium will be thereby terminated without agreement.

2. Agreement. The Condominium may be terminated by the approval in writing of all the Owners and mortgagees of record.

3. Termination by Purchase of Dissenting Owner's Units. If members holding a majority of votes in the Association desire termination, they may make a written request to the President of the Association for a meeting of the members to consider termination. Notice of the meeting shall be furnished as provided in the By-Laws. If the termination is approved at the meeting by a vote of not less than two-thirds of the votes of the Owners, and if the consent of all mortgagees of record is obtained in writing not later than sixty (60) days from the date of the meeting, then the approving Owners shall have an option to buy all (but not less than all) of the Condominium Parcels of the non-approving Owners for the period ending on the sixtieth day from the date of the meeting. Approval of termination by an Owner at such a meeting shall be irrevocable until the expiration of the option, and if the option is exercised, the approval shall be permanently irrevocable.

The above option shall be exercised by delivery of the following instruments in person or by registered mail to each Owner of the Condominium Parcels to be purchased:

(a) A certificate executed by the President and Secretary of the Association certifying that the option to purchase has been exercised as to all Condominium Parcels owned by non-approving Owners. The certificate shall state the names of the Owners exercising the option, the Parcels owned by them and the Parcels being purchased by each of them.

(b) An agreement to purchase upon the terms herein stated, the Condominium Parcel of the Owner receiving the notice, which agreement shall be signed by the purchasing Owner.

The price for each Condominium Parcel purchased pursuant to this Article shall be its fair market value determined by agreement between the seller and purchaser within thirty (30) days from the

delivery or mailing of the items specified above. In the absence of agreement as to price, it shall be determined by arbitration in accordance with Article XIV below, and the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association. If the appraisers cannot reach agreement upon the market value of the Condominium Parcel, then the market value shall be the average of the values reached by the two appraisers. A judgment of specific performance of the purchase based upon the determination of the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid equally by the purchaser and seller. The sale price shall be paid in cash, or upon terms approved by the seller and the Association and the sale shall be closed within twenty (20) days following the determination of the sale price. The closing of the purchase of all the Condominium Parcels subject to the above option shall effect a termination of the Condominium without further act except the filing of the certificate hereafter required.

4. Certificate. The termination of the Condominium in any of the foregoing ways shall be evidenced by a certificate of the Association executed by the President and Secretary certifying as to facts effecting the termination, which certificate shall become effective upon being recorded in the public records of the County in which the Property is located.

5. Shares of Owners After Termination. After termination of the Condominium, the Owners shall own the Condominium Property and all assets of the Association, including the right to insurance proceeds, if any, 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 Owners. Such undivided shares of the Owners shall be the same as the undivided shares in Common Elements appurtenant to the Owners' Units prior to the termination. Following termination, any Owner may request distribution to him of his proportionate share in all liquid assets of

the Association, but Owners shall not have the right to partition the Property and by their acceptance of this Declaration shall be deemed to have waived such right to partition.

ARTICLE XIV

ARBITRATION

1. When Used. The process of arbitration as herein set forth shall be used to determine the fair market value of a Unit for purposes of sale pursuant to Article XIII and when any controversy arises as to the construction of or compliance with any provision of this Declaration.

2. Procedure. Any party to a controversy subject to arbitration hereunder may institute proceedings upon written notice delivered to the other parties in person or by certified mail, which shall reasonably identify the subject of controversy. Within fifteen (15) days from receipt of such notice, each party shall name and appoint one arbitrator. If any party fails to appoint an arbitrator within the above period, the party having made his appointment shall appoint a second arbitrator. The two appointed arbitrators shall then appoint a third. Upon their failure to appoint a third arbitrator within a reasonable time, application may be made by either party to the Circuit Court of the County in which the Property is located for such appointment.

The arbitrators shall select the time and place for hearing on the controversy, and shall notify the parties of the time and place by written notice delivered in person or by registered mail at least five (5) days prior to the hearing. The hearing shall be conducted by all of the arbitrators, but a majority may determine any question and render a final decision and award. The arbitration shall be conducted according to the rules of the American Arbitration Association except where they specifically override or contradict the laws of the State of Florida.

The decision and award of the arbitrators shall be in writing signed by all of the arbitrators and delivered to the parties in person or by certified mail within a reasonable time after the

final hearing day. Such decision shall be binding on all parties and shall be specifically enforceable in any court of competent jurisdiction. The fees of the arbitrators and the costs and expenses incurred in the arbitration shall be paid equally by the parties. Each party shall be responsible for paying the fee of his own counsel.

ARTICLE XV

SEVERABILITY

The invalidity in whole or in part of any covenant or restriction, or any article, paragraph, section, subsection, sentence, clause, phrase or word, or other provision of this Declaration, the Articles of Incorporation, By-Laws or Regulations of the Association or any other document governing the Condominium shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, the Developer has executed this Declaration this 31st day of May, 1984.

Signed, sealed and delivered in the presence of:

Samuel A. Larkin
Kayla K. Douglas

SEAWATCH OF VILANO DEVELOPERS
a Florida general partnership,
by its partner,
FRANK DOUGLAS & ASSOCIATES, a
Florida general partnership,
by its partner,
FRANKAYLA, INC., a Florida
corporation

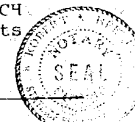
By: Kayla K. Douglas
Kayla K. Douglas, President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing Declaration was acknowledged before me this 31st day of May, 1984, by Kayla K. Douglas, President of Frankayla, Inc., a general partner of SEAWATCH OF VILANO DEVELOPERS, a Florida general partnership, on its behalf.

Samuel A. Larkin
Notary Public

My commission expires:



SURVEYOR'S CERTIFICATE

STATE OF FLORIDA)
COUNTY OF DUVAL)

The undersigned, Jose A. Hill, a registered land surveyor authorized to practice in the State of Florida, hereby certifies with respect to Seawatch of Vilano, A Condominium, that the construction of the improvements is substantially complete so that the material (Exhibit A, Pages 1 through 5) together with the provisions of the Declaration describing the condominium property, is an accurate representation of the location and dimensions of the improvements, and that the identification, location and dimensions of the common elements and of each unit can be determined from these materials.

Jose A. Hill
Registered Surveyor #2361, Florida

Sworn to and subscribed before
me this 28th day of MARCH,
1984.

Rayne M. Hall
Notary Public, State of Florida at Large
Notary Public, State of Florida
My Commission Expires: Nov. 27, 1985
Bosch Time Test - Talmadge, Inc.

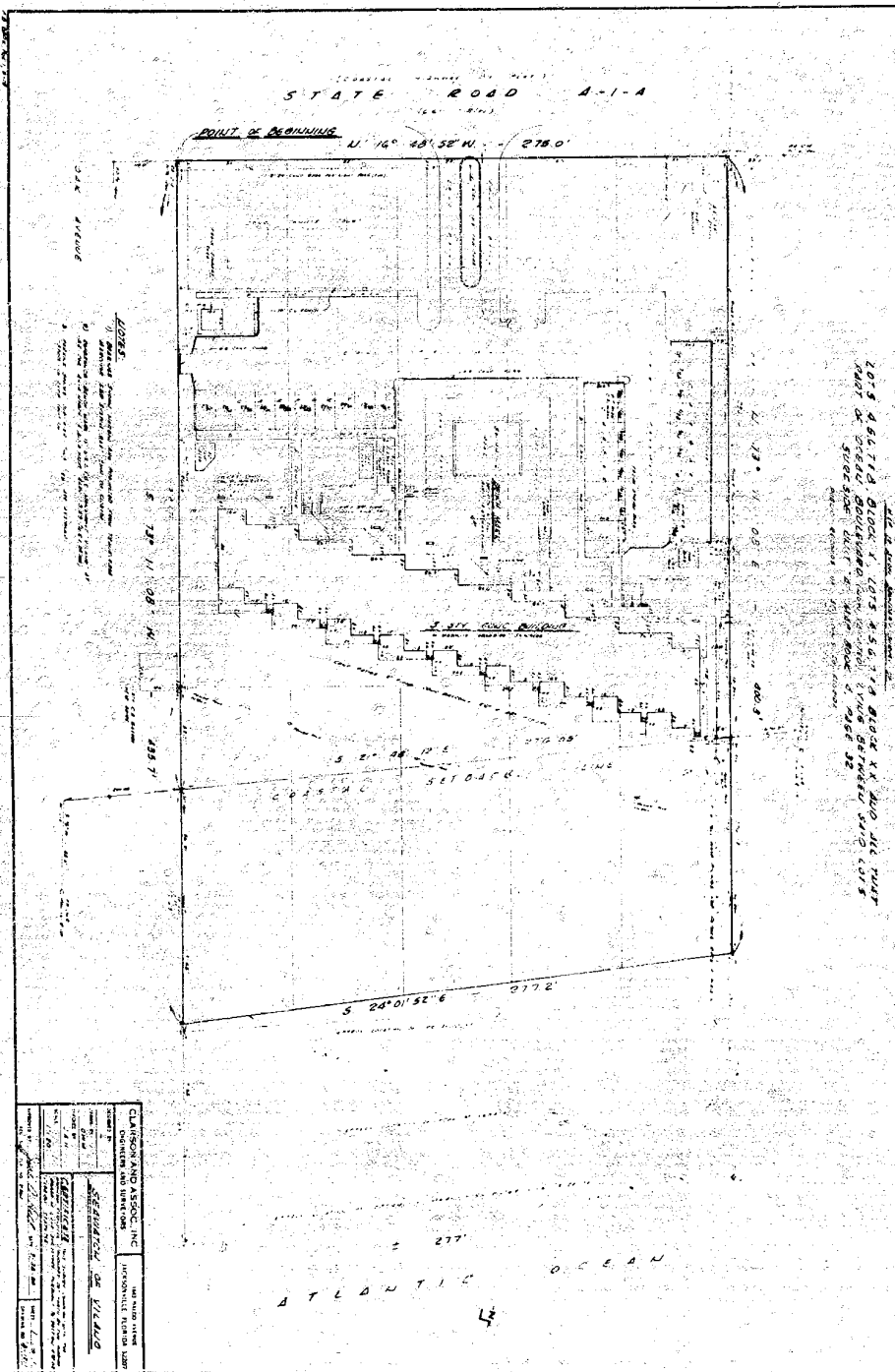


EXHIBIT A
 PAGE 1 OF 5

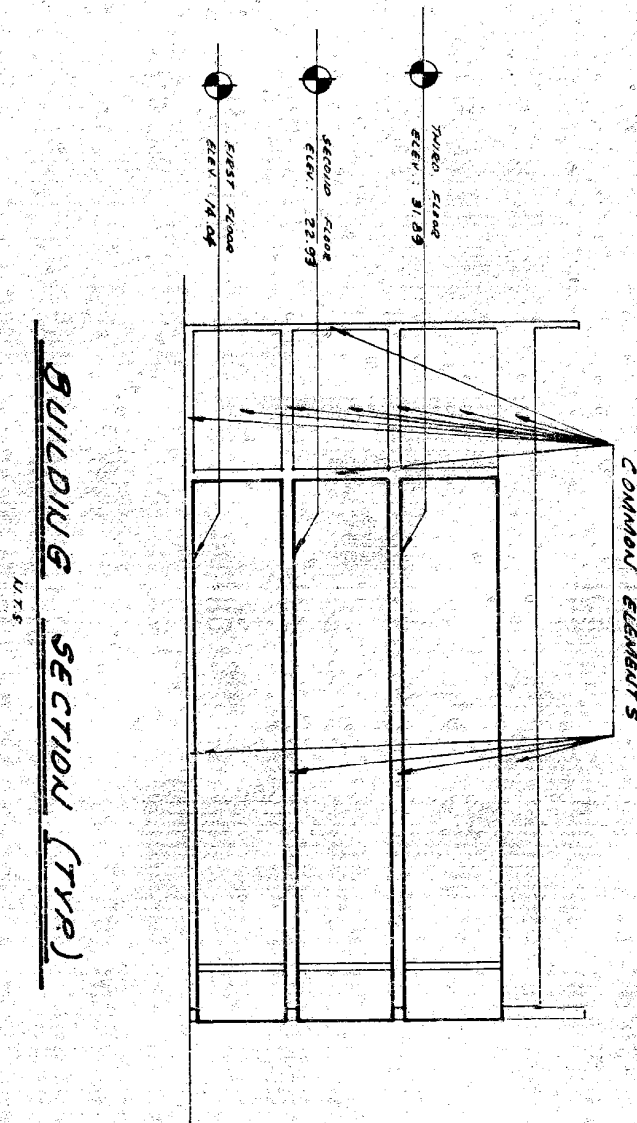
EAST ELEVATION
UNIT NUMBERING PLAN
(VIEW FROM OCEAN)

9C	8C	7C	6C	5C	4C	3C	2C	1C
9B	8B	7B	6B	5B	4B	3B	2B	1B
9A	8A	7A	6A	5A	4A	3A	2A	1A

SEAWATCH OF VILANO, A CONDOMINIUM

EXHIBIT A

PAGE 2 OF 5

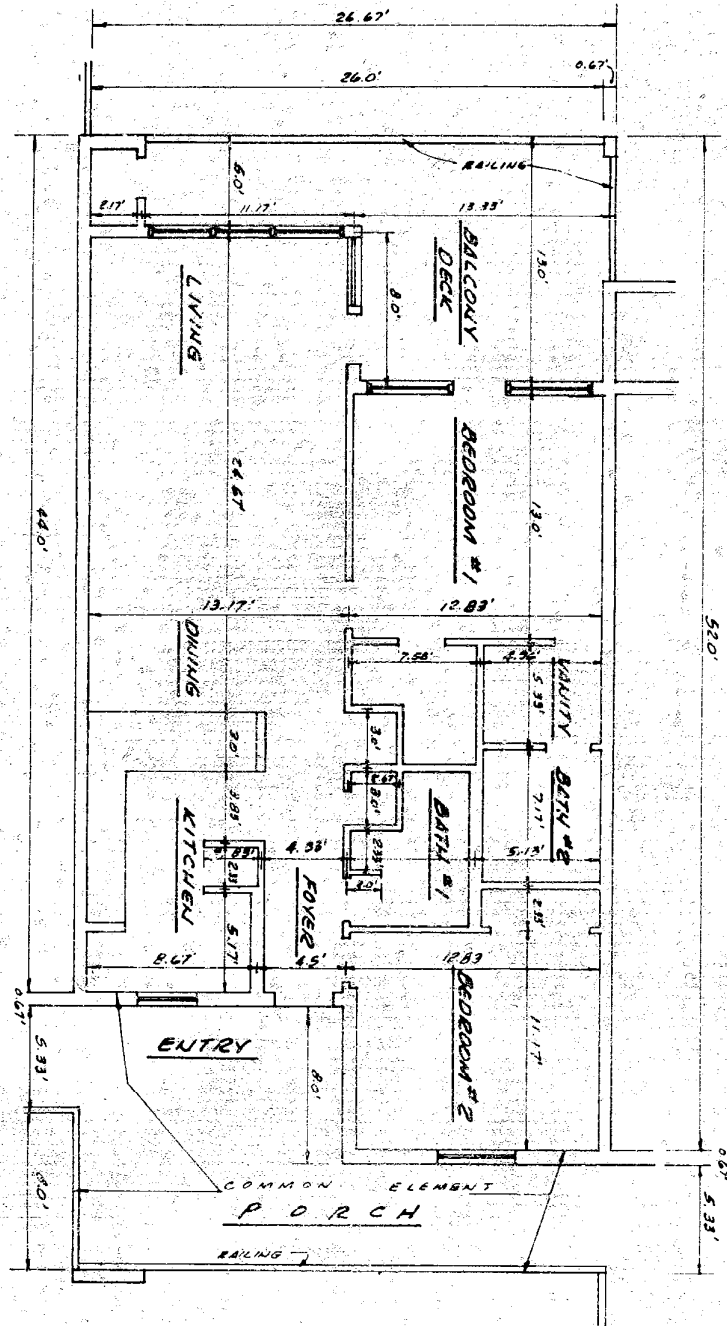


SEAWATCH OF VILANO, A-CONDOMINIUM

EXHIBIT A

PAGE 3 OF 5

TYPICAL UNIT
2 BEDROOMS 2 BATHS
417.9



NOTE: DIMENSIONS SHOWN HEREIN MAY VARY 0.25' FROM UNIT TO UNIT

SEAWATCH OF VILANO, A CONDOMINIUM

EXHIBIT A

PAGE 4 OF 5

SEAWATCH OF VILANO, A CONDOMINIUM
Assignment of Parking Spaces

<u>PARKING SPACE</u>	<u>UNIT NUMBER</u>
1	2B
2	2A
3	2C
4	3B
5	3A
6	3C
7	1B
8	1A
9	1C
10	4B
11	4A
12	4C
13	5B
14	5A
15	5C
16	6B
17	6A
18	6C
19	7B
20	7A
21	7C
22	8B
23	8A
24	8C
25	9B
26	9A
27	9C

EXHIBIT A
PAGE 5 OF 5

ARTICLES OF INCORPORATION
OF
SEAWATCH OF VILANO CONDOMINIUM
ASSOCIATION, INC.

(A corporation not for profit)

We, the undersigned, being desirous of forming a corporation not for profit under the provisions of Chapter 617, Florida Statutes, do hereby agree to the following Articles of Incorporation:

ARTICLE I. Name

The name of this corporation is Seawatch of Vilano Condominium Association, Inc. (herein referred to as the "Association").

ARTICLE II. Purposes

The purposes and objects of the Association shall be to administer the operation and management of Seawatch of Vilano, a Condominium, (the "Condominium"), established pursuant to Chapter 718, Florida Statutes (the "Condominium Act"), on the real property in St. Johns County, Florida and described in the Declaration of Condominium of Seawatch of Vilano, a Condominium (the "Declaration") and to undertake and perform all acts and duties incident to the administration, operation and management of the Condominium in accordance with the terms, provisions, conditions and authorizations contained herein and in the Declaration; and to own, operate, lease, sell, manage and otherwise deal with such real and personal property as may be necessary or convenient for the administration of the Condominium. The Association shall be conducted as a non-profit organization for the benefit of its members.

ARTICLE III. Powers

The Association shall have all of the powers and privileges granted to a corporation not for profit under the laws of Florida

EXHIBIT B

pursuant to which this Association is chartered, all of the powers and duties set forth in the Condominium Act and the Declaration of Condominium, and all other powers reasonably necessary to effectuate the purposes of the Association set out herein, together with, but not limited to, the following powers:

1. To make and establish rules and regulations governing the use and activities of the Condominium.
2. To levy and collect assessments against members of the Association in accordance with the terms of the Declaration of Condominium and such By-Laws of this Association as may be adopted, including the right to use the proceeds of assessments to operate and manage the Condominium and for other purposes set forth in the Declaration of Condominium.
3. To make contracts and incur liabilities, borrow or lend money at such rates of interest as the Association may determine, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage and pledge of all or any of its property, franchises or income.
4. To purchase, lease, take by gift, devise or bequest or otherwise acquire, own, hold, improve, use or otherwise deal in and with real or personal property, or any interest therein.
5. To maintain, repair, replace, operate and manage the Condominium, and the real and personal property comprising it including the right to reconstruct improvements and replace personal property after damage by casualty and to make further improvement of the condominium property and to purchase replacements and additional property and improvements.
6. To enter into contracts for management, operation, insurance coverage, and maintenance of the Condominium Property.
7. To delegate all of the powers and duties of the Association except those the delegation of which may be prohibited by the Declaration of Condominium, the Condominium Act or any administrative rules or regulations erected pursuant thereto.

8. To employ personnel to perform the services required for the operation of the Condominium.

9. To enforce the provisions of the Declaration of Condominium, these Articles of Incorporation, the By-Laws of the Association which may be hereafter adopted, and the rules and regulations governing the use of the Condominium as may be hereafter established.

10. To exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Association pursuant to the Declaration of Condominium.

ARTICLE IV. Qualification of Members

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

1. Members of the Association shall consist of all of the owners of condominium dwelling units in the Condominium, and no other persons or entities shall be entitled to membership.

2. A person shall become a member by the acquisition of a fee ownership interest in a dwelling unit in the Condominium, whether by conveyance, devise, judicial decree or otherwise. The membership of any person shall be automatically terminated upon his being divested of his title to or interest in the dwelling unit. Transfer of membership shall be recognized by the Association upon its being provided with a certified copy of the recorded deed conveying title to a dwelling unit to the new member. If a corporation is the recorded owner of a dwelling unit, the corporation shall designate one officer or director as the member.

3. Except as an appurtenance to his dwelling unit, no member can assign, hypothecate or transfer in any manner, his membership in the Association or his interest in the funds and assets of the Association. The funds and assets of the Association shall belong solely to the Association subject to the limitation that the same be expended, held or used for the benefit of the membership and

for the purposes authorized herein, in the Declaration of Condominium, and in the By-Laws which may be hereafter adopted.

4. On all matters on which the membership shall be entitled to vote, there shall be only one vote for each condominium parcel in the Condominium. A vote may be exercised or cast by the owner or owners of each condominium parcel in such manner as may be provided in the By-Laws hereafter adopted by the Association.

ARTICLE V. Term of Existence

This Association is to exist perpetually.

ARTICLE VI. Officers

1. The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers, including a General Manager, as may be deemed desirable or necessary by the Board of Directors.

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

<u>OFFICERS</u>	<u>NAME</u>
President	<u>Kayla K. Douglas</u>
Vice President	<u>Michael A. Akel</u>
Secretary	<u>Richard Walker</u>
Treasurer	<u>Kayla K. Douglas</u>

3. The officers shall be elected by the Board of Directors at their annual meeting as provided in the By-Laws. Any vacancies in any office shall be filled by the Board of Directors at any meeting duly held.

ARTICLE VII. Board of Directors

1. The business affairs of this Association shall be managed by the Board of Directors. This Association shall have three (3) directors initially. The number of directors may be increased or decreased from time to time as provided by the By-Laws but shall never be less than three (3) nor greater than seven (7).

2. Except for those directors appointed by the Developer of the Condominium pursuant to the Declaration, each director shall be a member of the Association; provided, however, that until the first meeting of the membership of the Association as provided in the By-Laws, directors need not be members of the Association.

3. Subject to the Declaration of Condominium, the Board of Directors shall be elected by the members of the Association from among the membership at the annual membership meeting as provided in the By-Laws. Vacancies on the Board may be filled by the remaining directors at any duly called meeting.

4. The names and addresses of the persons who are to serve as directors until their successors are chosen are:

NAME	ADDRESS
<u>Michael A. Akel</u>	<u>110 Riverside Avenue</u> <u>Jacksonville, FL 32202</u>
<u>Kayla K. Douglas</u>	<u>912 Anastasia Boulevard</u> <u>At Augustine, FL 32084</u>
<u>Richard Walker</u>	<u>PO Box 1259</u> <u>Hilliard, FL 32046</u>

ARTICLE VIII. By-Laws

1. The Board of Directors of this Association may provide such By-Laws for the conduct of its business and the carrying out of its purposes as it may deem necessary from time to time.

2. The By-Laws may be amended, altered or rescinded upon the proposal of a majority of the Board of Directors and approval in person or in writing of the members of the Association holding a majority of votes present at a regular or special meeting of the members, the notice of which shall state that such proposal is to be voted upon at the meeting.

ARTICLE IX. Amendments

These Articles of Incorporation may be amended as follows:

1. Amendments shall be proposed by the Board of Directors of the Association acting upon a vote of a majority of the directors.

2. Such proposed amendments shall become effective when approved by an affirmative vote of members owning at least 75% of

votes. The membership shall vote on the proposed amendments at any regular or specially called meeting for such purpose, the notice of which shall describe the amendment or amendments being proposed. Votes may be in person or by written proxy.

ARTICLE X. Location

The location of this Association shall be at 912 Anastasia Boulevard, City of St. Augustine, St. Johns County, Florida, or at such other place or places as the Board of Directors may designate.

ARTICLE XI. Non-profit Status

1. No part of the net earnings of the Association shall inure to the benefit of any individual or member.
2. The Association shall not carry on propaganda, or otherwise act to influence legislation.

ARTICLE XII. Indemnity

Every director and every other officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged by a court of competent jurisdiction to be guilty of willful misfeasance or malfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE XIII. Subscribers

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

<u>NAME</u>	<u>ADDRESS</u>
<u>Robert A. Heskin</u>	<u>2000 Independent Square</u> <u>Jacksonville, Fl. 32202</u>
<u>Wanda B. Anderson</u>	<u>2000 Independent Square</u> <u>Jacksonville, Fl. 32202</u>
<u>Kathy S. Metlika</u>	<u>2000 Independent Square</u> <u>Jacksonville, Fl. 32202</u>

IN WITNESS WHEREOF, we the undersigned subscribing incorporators have hereunto set our hands and seals this 30th day of May, 1984, for the purpose of forming this corporation not for profit under the laws of the State of Florida.

Robert A. Heekin (SEAL)
Wanda B. Anderson (SEAL)
Kathy S. Metlika (SEAL)

STATE OF FLORIDA
COUNTY OF DUVAL

Before me, a Notary Public duly authorized in the State and County named above to take acknowledgements, personally appeared Robert A. Heekin, Wanda B. Anderson and Kathy S. Metlika, to me known to be the persons described as subscribers in and who executed the foregoing Articles of Incorporation, and they acknowledged before me that they executed and subscribed to these Articles of Incorporation.

WITNESS my hand and official seal in the County and State named above this 30th day of May, 1984

Kathy S. Metlika
Notary Public, State of Florida at
Large

My commission expires: 4-5-88

BY-LAWS OF
SEAWATCH OF VILANO CONDOMINIUM
ASSOCIATION, INC.

ARTICLE I.

Members

Section 1. The members of Seawatch of Vilano Condominium Association, Inc. (the "Association"), a corporation not for profit organized under the laws of the State of Florida, shall consist of the respective owners of condominium parcels ("units") of Seawatch of Vilano, a Condominium (the "condominium") located in St. Johns County, Florida. The interest of each member in the Association's funds and assets shall be equal to that member's ownership in the common elements of the condominium which are appurtenant to his unit.

Section 2. The membership of each unit owner shall terminate when he ceases to be a unit owner, and upon the sale, transfer or other disposition of his ownership interest in a unit, membership in the Association shall automatically be transferred to the new unit owner succeeding to such ownership interest. The Association may issue certificates evidencing membership therein.

Section 3. Each unit shall be entitled to one vote at Association meetings, which shall be exercised by the unit owner. A majority of votes shall decide all questions at Association meetings, unless specified otherwise in these By-Laws, the Articles of Incorporation, or the Declaration of Condominium of Seawatch of Vilano, a Condominium (the "Declaration"). If a person owns more than one unit, he shall be entitled to one vote for each unit owned. In the event that a unit is owned by more than one person, or by a corporation, trust or other entity, the person entitled to cast the vote for that unit shall be designated by a certificate filed with the Association and signed by all joint owners or an authorized agent of the corporation or other entity.

Section 4. A quorum at membership meetings shall consist

EXHIBIT C

of attendance in person or by proxy of members entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purposes of determining a quorum.

Section 5. Votes may be cast in person or by proxy. Proxies shall be in writing, shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

ARTICLE II.

Meetings of Membership

Section 1. The meetings of the membership shall be held in accordance with the provisions of the Declaration and subject to that Declaration, in accordance with these By-Laws.

Section 2. The annual meeting of the membership of the Association shall be held at the offices of the Association or at such other place in the State of Florida as shall be designated by the Board of Directors or the President of the Association. The annual meeting shall be held in March of each year unless otherwise determined by the Board of Directors.

Section 3. Unless specifically provided otherwise herein, special meetings of the membership shall be held when directed by the President or the Board of Directors or when requested in writing by ten (10) percent of the members having the right to vote at such meeting. A meeting requested by the membership shall be called for a date not less than fourteen or more than sixty days after the request is made. The call for the meeting shall be issued by the Secretary.

Section 4. Notice of all members' meetings, regular or special, shall be given by the President, Vice President or Secretary of the Association to each member unless waived in writing. Such notices shall be written or printed, shall state the time, place and purpose for the meeting, and shall be mailed or personally delivered to each member as follows:

- (a) For annual meetings, not less than fourteen nor more than sixty days prior to the date set for the meeting;
- (b) For any meetings, annual or special, at which the budget of common expenses will be considered, not less than thirty nor more than sixty days prior to the date of the meeting;
- (c) For special meetings called by the membership pursuant to Section 3 above [including any special meeting for recall of Board members pursuant to Florida Statutes, §718.112(2)(g)], not less than ten nor more than sixty days prior to the meeting; and
- (d) For any other special meetings, not less than forty-eight (48) hours prior to the date of the meeting, unless the Board determines an emergency, in which event the Board shall give such notice as is reasonable under the circumstances.

All notices may be sent to members by regular mail.

In addition, except in an emergency, when such notice requirement shall be waived, written notice shall be posted at a conspicuous place on the condominium property not less than forty-eight (48) hours prior to any special meeting and not less than fourteen (14) days prior to the annual meeting.

Section 5. Any unit owner may waive notice of a meeting or consent to the holding of a meeting without notice or consent to action taken without a meeting, by execution of a waiver or consent in writing. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Association action to which the waiver or consent relates.

ARTICLE III.

Board of Directors

Section 1. The Board of Directors of the Association shall consist of not less than three nor more than seven persons, who shall be originally appointed as provided in the Declaration. Thereafter, subject to the provisions of the Declaration, the directors shall be elected at the annual membership meeting, and shall hold office for a term of one year and until their successors shall be elected and qualified. At each election for directors, each member shall be entitled to vote for as many persons as there are directors to be elected. No cumulative voting shall be permitted. The candidates receiving the highest number of votes shall be declared elected.

The candidates receiving the highest number of votes shall be declared elected.

Section 2. After the first election of all directors by the membership, each director shall be a unit owner or the spouse of a unit owner (or, if a unit owner is a corporation, partnership, or trust, a director may be an officer, partner or beneficiary of such unit owner). If a director shall cease to meet such qualifications during his term, he shall thereupon cease to be a director and his place on the Board shall be deemed vacant.

Section 3. Any vacancy occurring in the Board may be filled by a majority vote of the remaining members thereof.

Section 4. An annual meeting of the Board shall be held immediately following the annual meeting of the membership and at the same place. Special meetings of the Board shall be held upon call by the President or a majority of the Board on not less than forty-eight (48) hours notice in writing to each director, unless the Board determines an emergency to exist, in which event the Board shall give such notice as is reasonable under the circumstances. All meetings of the Board of Directors shall be open to unit owners and, except in an emergency as provided above, notices of all meetings shall be posted in a conspicuous place on the condominium property at least 48 hours prior to the meeting. However, unit owners shall not be entitled to vote or participate in any other way at the meeting.

Section 5. Any director or unit owner may waive notice of a meeting or consent to the holding of a meeting without notice or consent to any action of the Board without a meeting. Such waiver or consent may be executed prior to, at, or subsequent to the meeting or Board action to which the waiver or consent relates.

Section 6. A quorum for the transaction of business shall consist of a majority of the directors. However, less than a quorum may adjourn a meeting from time to time. A majority of directors who are present at any meeting where a quorum is present shall decide any question before the meeting.

Section 7. Any director may be removed from office, with or without cause, by at least a majority vote of all unit owners,

at a duly called meeting of unit owners. Notwithstanding any other provisions herein, a special meeting of unit owners to remove a director or directors from office may be called by 10% of all unit owners giving notice to all owners of the meeting, which notice shall state the purpose of the meeting and shall be given to all unit owners in writing as provided in Article II, Section 4.

Section 8. Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the unit owners.

Section 9. The Board shall have the following powers and duties:

- (a) To elect the officers of the Association as hereinafter provided;
- (b) To administer the affairs of the Association and the condominium and formulate policies for such purposes;
- (c) To adopt administrative rules and regulations governing the administration, management, operation and use of the condominium and to amend such rules and regulations from time to time;
- (d) To provide for the maintenance, repair and replacement of the common elements;
- (e) To provide for the designation, hiring and removal of employees and other personnel or service companies, to engage or contract for the services of others, to make purchases for the maintenance, repair, replacement, administration, management and operation of the condominium and the condominium property and to delegate any such powers to the employees or agents of the Association;
- (f) To estimate the amount of the annual budget, to provide the manner of assessing and collecting from the unit owners their respective shares of such estimated expenses as hereinafter provided and to assess any supplemental assessment as the Board shall deem necessary;

(g) Unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of the unit owners as expressed in a resolution duly adopted at any annual or special meeting of the unit owners;

(h) To exercise all other powers and duties of the Board provided for in the Declaration, the Certificate of Incorporation of the Association and Chapter 718, Florida Statutes, the Condominium Act of the State of Florida, as amended from time to time.

ARTICLE IV.

Officers

Section 1. Subject to the provisions of the Declaration, at each annual meeting of the Board, the Board shall elect from the membership of the Association the following officers of the Association:

(a) A President, who shall be a director, shall preside over the meetings of the Board and of the unit owners and shall be the chief executive officer of the Association. In the recess of the Board of Directors, the President shall have general control and management of the business and affairs of this Association;

(b) One or more Vice Presidents, who shall in the absence or disability of the President, perform the duties and exercise the powers of the President;

(c) A Secretary, who shall keep the minutes of all meetings of the Board and of the membership and who shall perform all the duties generally incident to the office of Secretary;

(d) A Treasurer, who shall cause to be kept the financial records and books of account of the Association; and

(e) Such additional officers as the Board shall see fit to elect.

Section 2. The respective officers shall have the general powers usually vested in such officers of a not-for-profit corporation, provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may deem necessary.

Section 3. Each officer shall hold office for the term of one year and until his successor shall have been elected and qualified.

Section 4. Vacancies in any office shall be filled by the Board at special meetings thereof. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board.

Section 5. Officers shall receive no compensation for their services, unless expressly provided for in a resolution duly adopted by the unit owners.

ARTICLE V.

Assessments

Section 1. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated common expenses and cash requirements for the year, including salaries, wages, payroll, taxes, supplies, materials, parts, services, utilities, maintenance, repairs, replacements, landscaping, insurance, fuel, power and other common expenses (as distinguished from individual mortgage payments, real estate taxes and telephone, electricity and other utility expenses billed or charged to the unit owners on an individual rather than a common basis). The annual budget shall also take into account the estimated net available cash income for the year and a reserve for replacements in reasonable amounts as determined by the Board. To the extent that the assessments and other cash income collected from the unit owners during the preceding year shall be more or less than the expenditures for such preceding year, such surplus or deficit shall also be taken into account.

Section 2. The estimated annual budget for each fiscal year as prepared by the Board shall be approved by a majority of all unit owners. A copy of the proposed annual budget shall be mailed

to unit owners not less than thirty (30) days prior to the meeting at which the budget is to be considered, together with notice of the meeting specifying the time and place at which it will be held.

Section 3. On or before the first day of the first month and of each succeeding month of the year covered by the annual budget, each unit owner shall pay as his respective monthly assessment for the common expenses, one-twelfth (1/12) of his proportionate share of the common expenses for such year as shown by the annual budget, unless some other periodic method of payment is designated by the Board of Directors. Such proportionate share for each unit owner shall be in accordance with his respective ownership interest in the common elements as set forth in the Declaration. The Board may send to each unit owner on or before the first day of each assessment period a statement of the assessment of such unit owner for such period, but the failure to receive such statement shall not relieve any unit owner of his obligation to pay his assessment on or before the first day of each assessment period. In the event that the Association shall not approve an estimated annual budget or shall fail to determine new periodic assessments for any year, or shall be delayed in doing so, each unit owner shall continue to pay the amount of his respective periodic assessment as last determined. Each unit owner shall pay his assessment on or before the first day of each assessment period to the Treasurer of the Association or as may be otherwise directed by the Board. No unit owner shall be relieved of his obligation to pay his assessments for common expenses by abandoning or not using his condominium parcel or the common elements.

Section 4. In the event that during the course of fiscal year, it shall appear to the Board that the assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for

the remainder of such year, furnish copies to each unit owner, and make a supplemental assessment to each unit owner for his proportionate share of such supplemental budget; provided however, that supplemental budget shall require assessment of unit owners greater than 115% of their prior assessments, without approval of a majority of all unit owners. If the Board determines that a supplemental budget is required which will exceed the above limitations, it shall call a meeting of unit owners to consider such budget, giving notice of such meeting as required in these By-Laws for any meeting at which a budget is to be considered.

Section 5. The Board may require each unit owner to deposit with the Association a reasonable deposit for working capital or contingent expenses to be the same proportion of the total deposit as his percentage ownership in the common elements.

Section 6. If any fiscal year of the Association shall be less than a full calendar year, then the periodic assessments for each unit owner shall be proportionate to the number of days in the period covered by such budget. A unit owner shall pay his assessment commencing with the date of purchase of his condominium parcel, which assessment shall be in proportion to his respective ownership interest in the common elements and the number of days remaining in the assessment period covered by the current annual budget.

Section 7. The Board shall maintain accounting records according to approved accounting practices, which records shall be open to inspection by unit owners at reasonable times and upon reasonable notice. These accounting records shall include a record of receipts and expenditures and a separate account for each unit owner showing the assessments charged to and paid by such owner. Within ninety (90) days after the end of each year covered by an annual budget, or as soon thereafter as shall be practicable, the Board shall cause to be furnished to each unit owner a statement for such year so ended, showing the receipts and expenditures and such other information as the Board may deem desirable.

Upon reasonable notice to the Board, any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from him.

Section 8. Without the approval of the unit owners holding at least 75% of the votes of the Association, the Board shall not approve any capital expenditures in excess of five thousand dollars (\$5,000.00) other than rebuilding, repairing or replacing damaged property and exercising the Association's right of first refusal to purchase units.

Section 9. Every unit owner shall pay, in the manner herein provided, his proportionate share of the common expenses, and any special assessments assessed against his condominium parcel in the same ratio as his percentage of ownership in the common elements as set forth in the Declaration. If any unit owner shall fail or refuse to make any such payment of the common expenses or any special assessments when due, the amount thereof shall constitute a lien on the interest of such unit owner in his unit and its appurtenances. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Condominium Act, the Declaration or these By-Laws or otherwise available at law or in equity, for the collection of all unpaid assessments.

Section 10. The Board shall cause to be kept detailed and accurate records of the receipts and expenditures of the Association, specifying and itemizing the common expenses incurred, and such records and vouchers for payments of the common expenses shall be available for examination by the unit owners during normal business hours.

Section 11. The Board of Directors may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the common elements of the condominium. When less than all the unit owners are responsible for the existence of any

such lien, the unit owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses (including attorney's fees) incurred by reason of such lien.

Section 12. The Board of Directors may levy special assessments against one or more of the condominium parcels to pay for improvements, repairs or replacements which are attributable only to those condominium parcels in accordance with the terms of the Declaration. Special assessments shall be due and payable within fifteen (15) days after notice thereof is given unless the notice shall specify a longer period.

ARTICLE VI.

Use and Occupancy Restrictions

Section 1. No part of the condominium shall be used for other than housing and the related common purposes for which the condominium was designed. Each occupant, whether owner or tenant, shall comply with all the restrictions upon use set out in the Declaration.

Section 2. Uniform Rules and Regulations governing the use of the condominium and the conduct of persons entitled to so use the condominium property shall be promulgated from time to time by the Board of Directors. All unit owners shall obey the Rules and Regulations as promulgated by the Board.

ARTICLE VII.

Fidelity Bonds

The Association shall maintain a blanket fidelity bond for all officers, directors and employees of the Association and all other persons handling or responsible for the funds of the Association or which are administered by the Association. The bond shall name the Association as obligee, and shall be in an amount not less than three (3) months' aggregate assessments on all units plus accrued

647 439

reserve funds, or the estimated maximum of funds in the Association's custody at any time during the term of the bond, or \$10,000, whichever sum is greatest. The bond shall not be cancellable without ten (10) days' prior written notice to the Association, and the premium therefor shall be a common expense of the Condominium.

ARTICLE VIII

Transfer Fees

The Association shall collect a fee of \$50.00 from each unit owner who proposes to transfer or sell his unit in those instances when the Association's approval is called for by Article XI of the Declaration.

ARTICLE IX

Arbitration

Internal disputes arising from the operation of the condominium among unit owners, the Association, their agents and assigns shall be submitted to arbitration in the manner provided in Article XIV of the Declaration.

ARTICLE X

Amendment

These By-Laws may be amended, altered or rescinded upon approval in person or in writing of the members of the Association holding a majority of the votes of the Association at a regular or special meeting of the members, notice of which shall state that such proposed amendment is to be voted upon at the meeting. All amendments of these By-Laws shall be duly recorded as an Exhibit to the Declaration, in the public records of the county in which the condominium property is located.

FILED

JUN 5 PM 3:13

7328
RETURN TO: CHEMICAL FINANCIAL
CONTROL DOCUMENTS
250 WEST HURON
CLEVELAND, OH 44113

Recorded in Public Records St. Johns County, FL
Clerk# 96003258 O.R. 1152 PG 475 11:15AM 01/30/96
Recording \$41.00 Surcharge \$5.50 Doc Stamps \$183.75 Int Tax \$105.00

This instrument was prepared by:

CHEMICAL BANK N. A.
C/O CHEMICAL FINANCIAL SERVICES CORPORATION
DOCUMENT CONTROL UNIT
M.K. FERGUSON PLAZA
1500 WEST THIRD STREET
CLEVELAND, OH 44113-1406
App/Loan # 8400134154

MORTGAGE

THIS MORTGAGE is made this 23rd day of JANUARY, 1996, between the Mortgagor,
WALTER R WINGO AND JACQUELYN E WINGO, HIS WIFE

, whose address is
3885 HASTINGS BLVD. HASTINGS, FL 32145

CHEMICAL BANK, N. A.

(herein "Borrower"), and the Mortgagee,

, a corporation organized and

existing under the laws of THE UNITED STATES OF AMERICA

whose address is C/O CHEMICAL FINANCIAL MANAGEMENT CORPORATION, P.O. BOX 93716,
CLEVELAND, OH 44101

(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$52,500.00 which
indebtedness is evidenced by Borrower's note dated JANUARY 23 1996 and extensions and renewals
thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not
sooner paid, due and payable on JANUARY 22 2011 ;

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other
sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the
covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following
described property located in the County of ST. JOHNS
State of Florida:

Property described on attached schedule "A" which by reference hereto is made
a part hereof:

which has the address of 8885 HASTINGS BLVD.

[Street]

HASTINGS ,
[City]

Florida

32145

(herein "Property Address");

[ZIP Code]

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and
rights, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together
with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

FLORIDA - SECOND MORTGAGE - 1/80 - FNMA/FHLMC UNIFORM INSTRUMENT

76(FL) (9/80)

Form 312
Amended 5/93

VMP MORTGAGE FORMS - (000521-7)

Page 1 of 4

Initials: *[Signature]*



Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is: unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note and late charges as provided in the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

If Borrower pays Funds to Lender, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

4. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and household payments or ground rents, if any.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

6. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

7. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

12. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

13. **Governing Law; Severability.** The state and local law applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

15. **Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

16. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

17. **Acceleration; Remedies.** Except as provided in paragraph 16 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, court costs, and costs of documentary evidence, abstracts and title reports.

18. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees and court costs; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those

past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

20. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

21. Attorney's Fees. As used in this Mortgage and in the Note, "attorneys' fees" shall include attorneys' fees, if any, which may be awarded by an appellate court.

**REQUEST FOR NOTICE OF DEFAULT
AND FORECLOSURE UNDER SUPERIOR
MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

NOTICE TO BORROWER

Do not sign this Mortgage if it contains blank spaces. All spaces should be completed before you sign.

Signed, sealed and delivered in the presence of:

Pamella B. Gesell
Pamella B. Gesell

Shelley S. Hull
Shelley S. Hull

Walter R. Wingo (Seal)
WALTER R. WINGO - Borrower

Jacquelyn E. Wingo (Seal)
JACQUELYN E. WINGO - Borrower

(Seal)
- Borrower

(Seal)
- Borrower

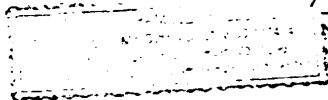
(Sign Original Only)

STATE OF FLORIDA,

St. Johns County ss:

The foregoing instrument was acknowledged before me this January 25, 1996 by
Walter R. Wingo and Jacquelyn E. Wingo, his wife
who is personally known to me or who has produced Drivers Licenses as identification and who did
take an oath.

Pamella B. Gesell
Notary Public



CHEMICAL BANK N. A.
C/O CHEMICAL FINANCIAL SERVICES CORPORATION
DOCUMENT CONTROL UNIT
M.K. FERGUSON PLAZA
1500 WEST THIRD STREET
CLEVELAND, OH 44113-1406
App/Loan # 8400134154

FLORIDA - SECOND MORTGAGE

RIDER TO MORTGAGE

This is a Rider to the Mortgage dated JANUARY 23, 1996 between
WALTER R WINGO AND JACQUELYN E WINGO

and CHEMICAL BANK N. A.

Borrower and Lender further covenant and agree as follows:

22. EFFECT OF THIS RIDER

Borrower understands that this Rider is a part of this Mortgage, and that it may change or add to any promises or agreements contained in this Mortgage or any other Rider to this Mortgage. Whenever the terms, conditions and promises contained in the printed portion of, or any other Rider to, this Mortgage differ or are in conflict with this Rider, the provisions of this Rider will control.

23. SUMS SECURED

The "indebtedness" and "sums" referred to in the third unnumbered paragraph of this Mortgage and referred to elsewhere in this Mortgage shall be defined as "Sums Secured" and shall further include all sums payable under any of the provisions of this Mortgage.

24. BORROWER'S RIGHT TO MORTGAGE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY

The fifth unnumbered paragraph of this Mortgage is deleted and replaced with the following:

Borrower covenants that Borrower is the lawful owner of the Property and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record and that the Mortgage constitutes a valid lien on the Property, subject only to the prior mortgage identified in Covenant 42 hereof. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

25. FUNDS FOR TAXES AND INSURANCE

The following subparagraph is added to Covenant 2 of this Mortgage:

Lender hereby waives the requirements of Covenant 2 of this Mortgage. Lender, however, specifically reserves to itself and to its successors and assigns the right to unilaterally cancel this waiver at any time and thereupon reinstate and enforce the said requirements of Covenant 2 of this Mortgage.

26. APPLICATION OF PAYMENTS

The text of Covenant 3 of this Mortgage is deleted and replaced with the following:

Unless the law requires otherwise, Lender will apply each of Borrower's payments under the Note and under this Mortgage in the following order and for the following purposes:

First, to amounts payable under Covenant 2
Next, to payments made by Lender to protect its lien under this Mortgage;
Next, to pay interest due;
Next, to pay principal due;
Next, to pay late charge due under the Note; and
Last, to pay any other amount due under the Note and this Mortgage.

However, Lender has the right to change the order in which Borrower's payments are applied, if it so elects.

18-1292048

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ELECTRONIC LASER FORMS, INC. - (800) 222-4545

2644 FL 0490

27. **BORROWER'S OBLIGATIONS TO DELIVER RECEIPTS TO LENDER; LENDER'S RIGHT TO MAKE PAYMENTS**

The following subparagraph is added to Covenant 4 of this Mortgage:

Borrower will deliver to Lender any receipts Borrower receives for the payment of all taxes, assessments, water rate and sewer rents within ten (10) days after Lender requests these receipts. If Borrower does not deliver these receipts after Lender's request, Lender may make these necessary payments as provided in Covenant 7 of this Mortgage.

28. **HAZARD OR PROPERTY INSURANCE**

The third and fourth unnumbered subparagraphs of Covenant 5 of this Mortgage are deleted and replaced with the following:

If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with Covenant 7. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

The amount paid by the insurance company is called "proceeds." Lender may, at its option and on Borrower's behalf (i) make proof of loss to the insurance company, (ii) adjust and compromise any claims under the insurance, (iii) give releases or acquittances to the insurance company in connection with a settlement of any claim for insurance proceeds, and (iv) collect and receive the insurance proceeds. Borrower appoints Lender as its attorney-in-fact to do the things described in the last sentence, which appointment Borrower understands cannot be revoked by Borrower until the Sums Secured by this Mortgage have been fully paid. Borrower further understands that Lender's appointment as Borrower's attorney-in-fact is irrevocable and coupled with an interest, with full power of substitution, and shall not be affected by Borrower's subsequent disability or incompetence. Lender, at its option may use the proceeds to reduce the Sums Secured by this Mortgage (whether or not repairs have been made by Borrower), or Lender may release the proceeds (or any part of the proceeds) to Borrower to pay for the repair or restoration of the damaged property. Each insurance company concerned is hereby authorized and directed to pay such proceeds directly to Lender instead of jointly to Borrower and Lender.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in Covenant 1 or change the amount of the payments. If under Covenant 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the Sums Secured by this Mortgage immediately prior to the acquisition.

Borrower will not allow any condition to exist on the Property which would, in any way, invalidate the insurance on the Property.

29. **PROTECTION OF LENDER'S RIGHTS IN THE PROPERTY**

The text of Covenant 7 of this Mortgage is deleted and replaced with the following:

If Borrower fails to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding that may significantly affect Lender's rights in the property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this Covenant 7, Lender does not have to do so.

Any amounts disbursed by Lender under this Covenant 7 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

30. **CONDEMNATION**

The following subparagraph is added to Covenant 9 of this Mortgage:

The right to such proceeds and the use of such proceeds shall be governed by, and applied in accordance with, the provisions of Covenant 28 of this Rider as if such proceeds were hazard or property insurance proceeds.

31. **NO CONFORMED COPY**

Covenant 14 of this Mortgage is deleted.

32. **DUE ON FURTHER ENCUMBRANCE**

The text of Covenant 16 of this Mortgage is deleted and replaced with the following:

If Borrower sells, transfers or further encumbers all or any part of the Property or an interest therein, or allows an interest therein to be obtained by a third party, without Lender's prior written consent, Lender may declare all of the sums secured by this Mortgage to be immediately due and payable.

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Page 2 of 5

244 PL 0480

33. **LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS**

The text of Covenant 17 of this Mortgage is deleted and replaced with the following:

Upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any Sums Secured by this Mortgage, or any simultaneous or subsequent agreement between Borrower and Lender relating to this transaction, Lender, at Lender's option, may declare all of the Sums Secured by this Mortgage to be immediately due and payable without notice or demand ("Immediate Payment In Full").

If Lender requires Immediate Payment In Full, Lender may invoke the remedies permitted by applicable law, such as bringing a lawsuit to take away all of Borrower's remaining rights in the Property and to have the Property sold. At the sale, Lender or another person may acquire the Property. This is known as "foreclosure and sale." In pursuing the remedies provided in this Covenant 17, including a lawsuit for foreclosure and sale, Lender will have the right to collect all costs allowed by law, including, but not limited to, reasonable attorneys' fees, court costs, and cost of documentary evidence, abstracts and title reports.

If there is a foreclosure and sale, Borrower agrees that the property may be sold in one or more parcels.

34. **DISCONTINUANCE OF ENFORCEMENT**

The opening phrase of the text of Covenant 18 of this Mortgage (from "Notwithstanding" to "if:") is deleted and replaced with the following:

Notwithstanding Lender's acceleration of the Sums Secured by this Mortgage due to Borrower's breach, Lender, at its sole option, may discontinue any proceedings begun by Lender to enforce this Mortgage, at any time prior to entry of a judgment enforcing this Mortgage if:

35. **ASSIGNMENT OF RENTS**

The text of Covenant 19 of this Mortgage is deleted and replaced with the following:

As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to default hereunder have the right to collect and retain such rents as they become due and payable.

Upon default hereunder, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and/or to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the Sums Secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received. Borrower gives Lender the right to have a receiver appointed, whether or not the value of the Property is worth more than the amount Borrower owes on this Mortgage.

36. **RELEASE**

The text of Covenant 20 of this Mortgage is deleted and replaced with the following:

Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage. Borrower shall pay all costs of recordation, if any.

37. **LEGISLATION AFFECTING LENDER'S RIGHTS**

If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Mortgage unenforceable according to its terms, Lender, at its option, may require Immediate Payment in Full of all Sums Secured by this Mortgage and may invoke any remedies permitted by Covenant 17.

38. **DEFENSE OF LENDER'S RIGHTS**

If Lender has to defend its rights under the Note and this Mortgage (including foreclosure and sale), then any money Lender has to pay to defend its rights shall be added to the amount Borrower owes Lender. Borrower understands that Lender may ask an attorney to foreclose this Mortgage, to collect money Borrower owes under the Note and this Mortgage, or to enforce any of the promises Borrower has made, and that his fees and costs are included in the money plus interest Borrower will have to pay under the terms of this Covenant. Borrower shall pay this money promptly, at Lender's request.

39. **ADDITIONAL CHARGES**

Borrower agrees to pay all reasonable charges in connection with the servicing of this loan including, but not limited to, obtaining tax searches and bills in processing insurance loss payments, ownership transfers, releases, easements, corrections, extensions, modifications, special agreements, assignments, reduction certificates and satisfaction of mortgage.

40. **SALE OF NOTE; CHANGE OF LOAN SERVICER**

The Note or a partial interest in the Note (together with this Mortgage) may be sold one or more times without notice to Borrower. If there is a change of the Loan Servicer, Borrower will be given written notice of the change. If this Mortgage is assigned by the Lender, all or any portion of this Rider may, at the option of the Lender or the assignee, be deemed null and void.

41. **HAZARDOUS SUBSTANCES**

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property. As used in this Covenant 41 "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that related to health, safety or environmental protection.

42. **DESCRIPTION OF PRIOR MORTGAGE; NO FUTURE ADVANCES**

The mortgaged property is subject to an existing Mortgage, dated _____, from the Borrower as mortgagor, to M/A _____, as mortgagee (the "Existing Mortgage"), recorded in Official Records Book _____, at Page _____ of the Public Records of _____ County, Florida (the "First Mortgage"), which First Mortgage secures a promissory note in the original principal amount of \$ _____. This mortgage is subject to the First Mortgage to the extent that the First Mortgage constitutes a valid and prior lien on the mortgaged property as of the date hereof. The Borrower agrees that it will not request or accept any future advances or loans from the Existing Mortgagee, its successors or assigns which would be secured by the lien of the First Mortgage and the request for or acceptance of any such future advances or loans shall constitute an event of default under this mortgage.

43. **NO WAIVER; CONFORMITY TO LAW**

No waiver by Lender of any covenant in this Mortgage or in the Note secured hereby shall at any time hereafter be held to be a waiver of any of the other terms hereof or of the Note secured hereby, or future waiver of the same covenant.

It is agreed that nothing herein contained nor any transaction related thereto shall be construed or so operate as to require the Mortgagor to pay interest at a rate greater than it is now lawful in such case to contract for, or to make any payment or to do any act contrary to law; that should any provision of this deed be found to violate the laws or court decisions of the State of Florida or the United States, such provision shall be deemed to be amended to comply with and conform to such laws and decisions.

44. **CHANGING THIS MORTGAGE**

Except as provided in Covenant 40 above, this Mortgage may be changed only if Lender and Borrower both give their written consent.

This Rider is a part of the attached Mortgage and, by signing below, Borrower agrees to all of the above.

Signed, sealed and delivered in the presence of:

_____	<u>Walter R Wingo</u> (Seal)
_____	WALTER R WINGO -Borrower
_____	<u>Jacquelyn E Wingo</u> (Seal)
_____	JACQUELYN E WINGO -Borrower
_____	_____ (Seal)
_____	_____ -Borrower
_____	_____ (Seal)
_____	_____ -Borrower

(Sign Original Only)

STATE OF FLORIDA,

St. Johns

County ss:

I hereby certify that on this day, before me, an officer duly authorized in the state aforesaid and in the county aforesaid to take acknowledgments, personally appeared

Walter R. Wingo and Jacquelyn E. Wingo, his wife

, to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged before me that they executed the same for the purposes therein expressed.

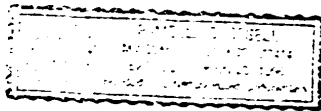
WITNESS my hand and official seal in the county and state aforesaid this 23rd day of January, 1996

My Commission expires: 2/23/96

Himelia B. Givelle

Notary Public

(Seal)



(Space Below This Line Reserved For Lender and Recorder)

SCHEDULE "A"

Lot 16, unrecorded subdivision of HASTINGS INTERNATIONAL AIRPORT:

A parcel of land in the Northwest Quarter of the Southwest Quarter of Section 29, Township 9 South, Range 28 East, St. Johns County, Florida, and being more fully described as follows:

Commencing at the Northeast corner of the Southwest Quarter of the Northwest Quarter of Section 29; thence north 83 degrees 07 minutes 30 seconds West, on the North line of said Southwest Quarter of the Northwest Quarter, 35 feet to a point on the West right of way line of a county road; thence South 00 degrees 45 minutes West, on said West right of way line 80 feet; thence continuing South 00 degrees 45 minutes West, on said West right of way line, 1,882.40 feet to the point of beginning at the Northeast corner of the herein described parcel of land; thence continuing South 00 degrees 45 minutes West, on said West right of way line, 120 feet; thence North 89 degrees 19 minutes West, 900 feet; thence North 00 degrees 45 minutes East, 120 feet; thence South 89 degrees 19 minutes East, 900 feet to the point of beginning.

AMENDMENT TO THE BYLAWS
OF
SEAWATCH OF VILANO CONDOMINIUM
ASSOCIATION, INC.

THIS AMENDMENT TO THE BYLAWS OF SEAWATCH OF VILANO
CONDOMINIUM ASSOCIATION, INC., is made this 14th day of
December 1996 by Seawatch of Vilano Condominium Association, Inc.
("the Association").

WHEREAS, the Association has heretofore executed the Bylaws of Seawatch
of Vilano as an Exhibit to the Condominium Declaration recorded June 5, 1984
in Official Records Book 647, Pages 384-420, Public Records of St. Johns County,
Florida; and

WHEREAS, the Association is desirous of modifying certain provisions of the
Bylaws;

WHEREAS, pursuant to Article X, Section 1, the Association has the power to
amend the Bylaws;

NOW, THEREFORE, the Association hereby amends the Bylaws in Article IX
as follows and authorizes the President of the Association to execute said
amendment:

In fld. Seawatch of Vilano
PO Box 325
St. Aug 32085

ARTICLE IX.

Arbitration

The determination of the fair market value of a unit for purposes of a sale pursuant to Article XIII of the Declaration and disputes arising as to the construction or compliance of any provision of the Declaration shall be submitted to arbitration in the manner provided in Article XIV of the Declaration.

Internal Disputes arising from the operation of the condominium among unit owners, the Association, their agents and assigns shall be submitted to mandatory non-binding arbitration in the manner provided in Article XIV of the Declaration below.

Section 1. As used in this article, the term "dispute" means any disagreement between two or more parties that involves:

(a) The authority of the Board of Directors, under Florida Statutes, Chapter 718, or Association document to:

1. Require any owner to take any action, or not to take any action, involving that owner's unit or the appurtenances thereto.

2. Alter or add to a common area or element.

(b) The failure of a governing body, when required by Chapter 718, Florida Statutes, or an Association document, to:

1. Properly conduct elections.

2. Give adequate notice of meetings or other actions.

3. Properly conduct meetings.

4. Allow inspection of books and records.

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

Section 2. Prior to the institution of court litigation, the parties to a dispute shall petition the Division of Florida Land Sales, Condominiums and Mobile Homes of the Department of Business and Professional Regulations for nonbinding

arbitration. Arbitration shall be conducted according to rules promulgated by the Division. The filing of a petition for arbitration shall toll the applicable statute of limitations.

Section 3. At the request of any party to the arbitration, such arbitrator shall issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence and any party on whose behalf a subpoena is issued may apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable in the manner provided by the Florida Rules of Civil Procedure. Discovery may, in the discretion of the arbitrator, be permitted in the manner provided by the Florida Rules of Civil Procedure.

Section 4. The arbitration decision shall be presented to the parties in writing. An arbitration decision shall be final if a complaint for a trial de novo is not filed in a court of competent jurisdiction in which the condominium is located within 30 days. The right to file for a trial de novo entitles the parties to file a complaint in the appropriate trial court for a judicial resolution of the dispute. The prevailing party may be awarded the costs of the arbitration, reasonable attorney's fees, or both, in an amount determined in the discretion of the arbitrator.

Section 5. The party who files a complaint for a trial de novo shall be assessed the other party's arbitration costs, court costs, and other reasonable costs, including attorney's fees, investigation expenses, and expenses for expert or other testimony or evidence incurred after the arbitration hearing if the judgment upon the trial de novo is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorney's fees.

Section 6. Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a court of competent jurisdiction in which the

condominium is located. A petition may not be granted unless the time for appeal by the filing of a complaint for trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed. If the petition is granted, the petitioner may recover reasonable attorney's fees and costs incurred in enforcing the arbitration award.

IN WITNESS WHEREOF, the Association has caused these Amendments to be executed this 14th day of December, 1996.

Signed, sealed and delivered
in the presence of:

SEAWATCH OF VILANO
CONDOMINIUM ASSOCIATION, INC.

Charles R. House
CHARLES R. HOUSE

Print name:

Peggy O. Wood
PEGGY O. WOOD

Print name:

By: Michael Tierney
Its President

The foregoing instrument was acknowledged before me this 14th day of December, 1996, by Michael Tierney, the President of Seawatch of Vilano Condominium Association, Inc., a Florida corporation, on behalf of the corporation. He/she is personally known to me or has produced N/A as identification and ~~did~~ did not take an oath.



DIANA MCCORMICK
MY COMMISSION # CC418904 EXPIRES
November 6, 1998
BONDED THRU TROY FAIR INSURANCE, INC.

Diana McCormick
Signature of Notary

DIANA MCCORMICK
Name of Notary Typed
Commission Number CC 418904
My Commission Expires: 11-6-98