

DECLARATION OF CONDOMINIUM

OF

ISLAND SOUTH CONDOMINIUMS

DATE: January 19, 1984SPONSOR: EBD Associates, Ltd. a Florida
limited partnership, having an
address at 6601 Southpoint Drive, North
Jacksonville, Florida 32216DECLARATION

The Sponsor makes the following declarations:

1. The Condominium.

1.1 Submission of Real Property to Condominium Ownership. By this Declaration, the Sponsor submits the real property described in Exhibit "A" and owned by the Sponsor in fee simple absolute subject to the matters set forth therein to the condominium form of ownership in the manner provided in the Condominium Act.

1.2 Name and Address. The name of the Condominium is Island South Condominiums, and its address is 801 State Road A-1-A South, St. Augustine Beach, Florida 32084.

2. Definitions. Unless the context otherwise requires, the terms used in this Declaration of Condominium and its exhibits shall have the meaning stated in the Condominium Act or as defined in this paragraph. The definitions contained herein shall control in the event of any conflict between the definitions of the Condominium Act and this Declaration.

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

2.2 "Association" means the entity that is responsible for the operation of the Condominium, Island South Condominiums Association Inc., a non-profit Florida corporation, and its successors.

2.3 "By-Laws" means the by-laws for the government of the Association and the Condominium as they exist from time to time.

2.4 "Common Elements" shall include: (a) the Condominium Property not included in the Units; (b) tangible personal property owned by the Association and required or useful for the maintenance and operation of the Common Elements; (c) easements through Units for conduits, ducts plumbing, wiring and other facilities for the furnishing Utility Services to Units and the Common Elements; (d) an easement of support in every portion of a Unit which

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contributes to the support of a building; and (e) the property and installations required for the furnishing of utilities and other services to more than one Unit or to the Common Elements.

2.5 "Common Expenses" means the expenses for which the Unit Owners are liable to the Association including the expenses of the operation, maintenance, repair or replacement of the Common Elements the cost of carrying out the powers and duties of the Association and all expenses and assessments properly incurred by the Association for the Condominium and the Unit Owners.

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

2.7 "Condominium" means Island South Condominiums, as created by this Declaration, and all amendments to this Declaration.

2.8 "Condominium Act" means Chapter 718 of the Florida Statutes, 1981, as amended to the date hereof.

2.9 "Condominium Property" means all the property both real and personal submitted to the condominium form of ownership by this Declaration and any additional property submitted by amendments to this Declaration in accordance with the provisions of paragraph 22 hereof.

2.10 "Condominium Unit" means a Unit together with the undivided share in the Common Elements and Limited Common Elements, if any, which are appurtenant to the Unit.

2.11 "County" means St. Johns County, Florida.

2.12 "Declaration" means this Declaration of Condominium of Island South Condominiums, as the same may be amended from time to time.

2.13 "Future Phase" means the real property, more particularly described in Exhibit B attached hereto and by this reference incorporated herein, that Sponsor has reserved the right to submit to the condominium form of ownership as a part of this Condominium, pursuant to the provisions of paragraph 22 hereof.

2.14 "Institutional Mortgagee" means banks, savings and loan associations, insurance companies, credit unions, VA and FHA approved mortgage lenders and bankers, Massachusetts-type or Florida business trusts, the Federal National Mortgage Association, and governmental agencies that hold, insure or guaranty mortgage loans made by such lenders.

2.15 "Limited Common Elements" means and includes those Common Elements that are reserved for the use of a certain Unit or Units to the exclusion of other Units.

2.16 "Reasonable Attorney's Fees" means reasonable fees for the services of attorneys at law whether or not judicial or administrative proceedings are involved and if judicial or administrative proceedings are involved, then of all review of the same by appeal or otherwise.

2.17 "Sponsor" means EBD Associates, Ltd. a Florida limited partnership, having as its sole general partner, EBD, Inc. a corporation organized and existing under the laws of the State of Florida and having an address at

6601 Southpointe Drive, North, Jacksonville, Florida
32216.

2.18 "Unit" means a part of the Condominium Property that is to be subject to exclusive private ownership as defined in the Condominium Act, and as described in this Declaration.

2.19 "Unit Owner" or "Owner of Unit" means the owner of a Condominium Unit.

2.20 "Utility Services" as used in the Declaration and Bylaws and construed with reference to this Condominium shall mean all utility services typically provided to a Unit including but not be limited to electricity, telephone, water, gas, cable television and communication systems and garbage and sewage disposal.

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

3.1 Survey, Plot Plan and Graphic Description. A survey of the land described in Exhibit A and a plot plan and graphic description of the improvements in which Units are located are attached hereto as Exhibit B and by this reference incorporated herein, which together with the provisions of this Declaration are in sufficient detail to identify the Common Elements, Limited Common Elements and each Unit and their relative locations and approximate dimensions.

3.2 Certificate of Surveyor. Construction of the Condominium has been substantially completed. Attached hereto as Exhibit C is a certificate of a surveyor authorized to practice in the State of Florida, stating that the Exhibits referred to in subparagraph 3.1 together with the wording of Declaration are a correct representation of the improvements described, and that the construction of the improvements described has been substantially completed, or as to substantially completed buildings within the Condominium, that all planned improvements, including landscaping, Utility Services and access to Units, and Common Element facilities servicing such building have been substantially completed so that there can be determined therefrom the identification, location and dimensions of the Common Elements and Limited Common Elements, if any, and of each Unit.

3.3 Easements. Each of the following non-exclusive easements is reserved through the Condominium Property and is a covenant running with the land of the Condominium and, notwithstanding any of the other provisions of this Declaration, may not be amended or revoked and shall survive the termination of the Condominium and the exclusion of any of the Condominium Property from the Condominium:

(a) Utilities. An easement for Utility Services; provided, however, easements through a Unit shall be according to the plans and specifications for the building containing the Unit or as the building is actually constructed, unless approved in writing by the Unit Owner.

(b) Ingress and Egress. A non-exclusive easement for pedestrian traffic over, through and across sidewalks, patios, walks, lobbies, stairways, walkways and lanes, and like passageways that may from time to time exist upon the Common Elements; and a non-exclusive easement for the vehicular traffic over, through and across such portions of the Common Elements as may be from time to time paved and intended for such purposes, but this easement shall not give or create in any person the right to park upon any portion of the Condominium Property not designated as a parking area.

(c) Encroachments. In the event that any Unit shall encroach upon any of the Common Elements or upon any other Unit for any reason other than the intentional or negligent act of the Unit Owner, or in the event any Common Element shall encroach upon any Unit, then an easement shall exist to the extent of that encroachment for so long as the encroachment shall exist.

(d) Sponsor. Certain non-exclusive easements are reserved in the Sponsor until such time as Sponsor has completed all of the contemplated improvements, including any future phases contemplated by the provisions of this Declaration, sold all of the Units contained within the Condominium Property, including any contemplated future phases (whether or not unsold Units are being held for sale in the ordinary course of business), and Sponsor has terminated its rights to use unsold Units as a sales office or as model display units for the sale of Units in the Condominium. These easements include, but are not limited to easements for ingress and egress, the establishment, modification and use of new or existing right-of-ways and parking areas and the installation or modification of Utility Services, including the right to grant these utility easements to governmental authorities, or public or private utilities companies. These easements are hereby reserved and shall exist through and over the Condominium Property as may be required by the Sponsor for the completion of the contemplated improvements, including any contemplated future phases, the sale of the Units, and the use of said sales office and model display units for the purposes indicated. Neither the Unit Owners nor the Association, nor their use of the Condominium Property, shall interfere in any way with such completion, sale or use of any portion of the Common Elements or of a Unit owned by Sponsor.

(e) Oceanfront Easements. Sponsor reserves for itself, its nominees, designees, successors, assigns and licensees, and any subsequent owner or owners of the Future Parcel, perpetual non-exclusive easements in common with the Unit Owners of this Condominium, their successors and assigns, for the lateral traverse of and for the general use and benefit of the tide lands, dune areas and beaches included within the Condominium Property ("Oceanfront Easement Area"). The non-exclusive easements herein reserved shall include, but not be limited to, easements for ingress and egress to and from the oceanfront Easement Area over the driveways, walkways and other areas of the Condominium Property intended for such purposes, and easements for any and all normal and customary recreational activity associated with or related to beaches, dunes and similar oceanfront property as may be permitted under laws or regulations of any governmental

authorities having jurisdiction over such property; provided, however, any seating area, overlook, or other improvements being put on the property shall be for the exclusive use and benefit of the Unit Owners, their successors and assigns, including guests, tenants and invitees.

3.4 Unit Boundaries. Each Unit shall include that part of the building containing the Unit that lies within the boundaries of the Unit, as follows:

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

(1) Upper Boundary - the horizontal plane of the unfinished ceiling.

(2) Lower Boundary - the horizontal plane of the unfinished floor.

(b) Perimeter Boundaries. The perimeter boundaries of the Unit shall be the vertical planes of the unfinished interior of the walls bounding the Unit extended to the intersection with each other and with the upper and lower boundaries.

(c) HVAC Equipment. The heating, ventilation and air conditioning equipment of a Unit and the concrete pad on which it is mounted and the conduits, wires and pipes connecting it to the perimeter boundaries of the Unit and all replacements and additions to it shall be a part of the Unit to which it is appurtenant.

3.5 Limited Common Elements. The following structures, equipment and areas are designated as Limited Common Elements for the exclusive benefit of the particular Unit appurtenant to each such item:

(a) All balconies, patios and porches that serve only one Unit adjacent to such structure;

(b) Any structure attached to the exterior main walls of the building that serves only one Unit adjacent to such structure;

(c) All structures, equipment or areas designated as Limited Common Elements on Exhibit B.

3.6 Common Elements. The Common Elements include the land and all of the parts of the Condominium not within the Units as defined in Section 3.4 or the Limited Common Elements as defined in Section 3.5.

3.7 Amendment of Plans.

(a) Alteration of Unit Plans. Sponsor reserves the right to change the interior design and exterior style and arrangement of all Units, and to alter the boundaries between Units, so long as Sponsor owns the Units so altered. No such change, except as it may relate to the development of any future phases of this Condominium contemplated by the provisions of this Declaration, shall increase the number of Units nor alter the boundaries of the Common Elements (other than the interior of walls abutting Units owned by the Sponsor) without an

amendment of this Declaration approved by the Association, Unit Owners, and Institutional First Mortgagees in the manner elsewhere provided. If Sponsor shall make any changes in Units so authorized, such changes shall be reflected by an amendment to this Declaration. If more than one Unit is concerned, the Sponsor shall apportion between the Units the shares in the Common Elements that are appurtenant to the Units concerned.

(b) Amendment of Declaration. An amendment of this Declaration reflecting such alteration of Unit plans by Sponsor or the addition of the future phases, if any, contemplated by this Declaration, need be signed and acknowledged only by the Sponsor and need not be approved by the Association, other Unit Owners, or lienors or mortgagees of other Units or of the Condominium, whether or not such signatures are elsewhere required for an amendment; provided, however, the foregoing right shall not change the percentage of any Unit Owner's proportionate share of the Common Expenses or surplus or voting rights, except as the same may result from the development of any future phases contemplated by this Declaration, unless consented to in writing by such Unit Owner and any Institutional First Mortgagee holding a mortgage on said Unit.

4. Undivided Share of Common Elements and Common Expenses. The undivided shares in the Common Elements that are appurtenant to each Unit shall be as set forth in Exhibit D. The undivided share and manner of sharing Common Expenses and owning Common Surplus shall be as set forth in Exhibit D.

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

5.1 Common Elements.

(a) By the Association. The maintenance and operation of the Common Elements and the expenses associated therewith shall be designated a Common Expense.

(b) Alteration and Improvement. After the completion of the improvements including the Common Elements contemplated by this Declaration, there shall be no alteration or further improvement of the real property constituting the Common Elements without prior approval in writing by the owners of not less than seventy-five (75%) per cent of the Common Elements and by not less than seventy-five (75%) percent of the holders of Institutional Mortgages, except as provided by the By-Laws. Any such alteration of improvements shall not interfere with the rights of any Unit Owners without their consent. The cost of such work shall not be assessed against an Institutional Mortgagee that acquires its title as a result of owning a mortgage upon the Unit owned, unless such owner shall approve the alteration or improvement, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any cost not so assessed shall be assessed to other Unit Owners in the shares that their shares in the Common Elements bear to each other. There shall be no change in the shares and rights of Unit Owners in the Common Elements the Common Elements altered or

further improved, whether or not the Unit Owner contributes to the cost of such alteration or improvements.

5.2 Units.

(a) By Association. The Association shall maintain, repair and replace as a Common Expense:

(i) All portions of a Unit, contributing to the support of the apartment building, which portions shall include but not be limited to load-bearing columns and load-bearing walls, but shall not include interior surfaces of same.

(ii) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of a Unit maintained by the Association; and all such facilities contained within a Unit that service part or parts of the Condominium other than the Unit within which contained.

(iii) All incidental damages caused to a Unit by such work shall be promptly repaired by the Association.

(b) By the Unit Owner. It shall be the responsibility of the Unit Owner:

(i) To maintain, repair, and replace at his sole and personal expense, whether located inside or outside of the Owner's Unit, all doors, windows, glass, screens, electric panels, electric wiring, electric outlets and fixtures, doorbells and doorknockers, air-conditioners, heaters, fireplaces, chimney flues and related structures, hot water heaters, refrigerators, dishwashers, other appliances, drains, plumbing servicing his Unit only, plumbing fixtures and connections within the Unit, interior surfaces of all walls, floors and ceilings, and all other portions of his Unit or Limited Common Elements, if any, except the portions specifically to be maintained, repaired and replaced by the Association. Any maintenance involving the painting, alteration, replacement or repair of any item visible from the exterior of the Unit is subject to approval by the Association.

(ii) Not to enclose, paint, or otherwise decorate or change the appearance of the porches, patios, or balconies appurtenant to the Unit, or any portion of the exterior of the apartment building without the prior written approval of the Association.

(iii) To promptly report to the Association any defect or need for repairs which is the maintenance responsibility of the Association.

(c) Alteration and Improvement. Subject to the other provisions of 5.2 and which in all cases shall supersede and have priority over the provisions of this subsection when in conflict therewith, a Unit Owner may make such alteration or improvement to the Unit at his sole and personal cost as he may be advised, provided all work shall be done without disturbing the rights of other Unit Owners and further

provided that a Unit Owner shall make no changes or alterations to any interior boundary wall, exterior wall, balcony, porch or patio, screening, exterior door, windows, structural or load-bearing member, electrical service or plumbing service, without first obtaining approval in writing of owners of all other Units in such apartment building and the approval of the Board of Directors of the Association. All alterations and improvements must be in compliance with all existing building codes. No alteration may cause an increase in any insurance premium to be paid by the Association.

(d) Failure of Unit Owner to Repair. An agent of the Association may enter into any Unit upon reasonable notice and during reasonable hours to inspect the Unit and, if needed, to perform the maintenance, repair or replacement activities for which the Association is responsible, or for making emergency repairs or alterations necessary to prevent damage to the Common Elements or to another Unit or Units, or to perform those maintenance responsibilities of the Unit Owner which the Unit Owner, after reasonable notice, has failed to perform. All costs of such repairs or maintenance which are the responsibility of the Unit Owner shall be assessed against the Unit Owner as a special assessment and may be collected in the same manner as any other assessment reasonable notice, has failed to perform. All costs of such repairs or maintenance which are the responsibility of the Unit Owner shall be assessed against the Unit Owner as a special assessment and may be collected in the same manner as any other assessment herein provided for. The Association shall not, in exercising its rights hereunder, be liable to a Unit Owner for trespass or otherwise for entry into a Unit in accordance with this subsection.

6. Assessments. The making and collecting of assessments against Unit Owners for Common Expenses shall be pursuant to the By-Laws and subject to the following provisions:

6.1 Share of Common Expenses. Each Unit Owner shall be liable for a proportionate share of the Common Expenses and shall share in the Common Surplus, the same as set forth in Exhibit D, but the same shall not vest or create in any Unit Owner the right to withdraw or receive distribution of his share of the Common Surplus.

6.2 Payments. Assessments and installments thereon paid on or before ten (10) days after the day when the same shall become due shall not bear interest, but all sums not so paid on or before ten (10) days after the same are due shall bear interest until paid at the rate from time to time established by the Board of Directors, not to exceed the maximum lawful rate nor to be less than ten (10%) per cent per annum. All payments on account shall be first applied to interest and then to the assessment payment first due. If any installment of an assessment remains unpaid thirty (30) days after the same shall become due, the Board of Directors may declare the entire annual assessment as to that delinquent Unit Owner due and payable in full as if the entire amount was originally assessed. In addition, the Board of Directors may assess a late fee on a monthly basis on all unpaid assessments not to exceed ten percent (10%) of the amount due and owing, but which may be established at a minimum of Five Dollars (\$5.00).

6.3 Lien for Assessments. The Association shall have a lien on each Unit for any unpaid assessments with interest, which lien shall also secure reasonable attorneys' fees incurred by the Association incident to the collection of such assessment or enforcement of such liens. This lien shall be effective upon recording in the Official Public Records of the County, a claim of lien in compliance with the Florida Statutes which shall continue in effect until all sums secured by the lien have been fully paid. Such claims of lien shall be signed and verified by an officer of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of lien. Liens for assessment may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. In any such foreclosure the owner of the Unit shall be required to pay a reasonable rental for the Unit and the Association shall be entitled as a matter of law to the appointment of a receiver to collect the same. The Association may also sue to recover a money judgment for unpaid assessments without waiving the lien securing the same. Where an Institutional Mortgagee or other purchaser of a Unit obtains title to the Unit as a result of the foreclosure of the mortgage or as a result of a conveyance in lieu of foreclosure of the Institutional Mortgage, such acquirer of title, its successors and assigns, shall not be liable for the share of the Common Expenses or assessments pertaining to such Unit or chargeable to the former owner of such Unit which become due prior to acquisition of title in the manner above provided, unless such share is secured by a claim of lien for assessments that is recorded prior to the recording of said mortgage. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the Unit Owners including such acquirer, its successors and assigns.

6.4 Sponsor's Obligation to Pay Assessments. Except as provided for in Section 6.3 above and in this subsection, no Unit Owner may be excused from the payment of his proportionate share of the Common Expense unless all Unit Owners are likewise proportionately excused from such payment, except that the Sponsor or its successor in interest owning Condominium Units for sale shall be excused from the payment of its share of the Common Expenses for those Units and in all respects during the period of time that it shall have guaranteed that the assessment for Common Expenses of the Condominium imposed upon the Unit Owners other than the Sponsor shall not increase over a stated dollar amount per month per Unit, and shall have obligated itself to pay any amount of Common Expenses incurred during that period and not produced by the assessments at the guaranteed level receivable from other Unit Owners.

7. Association. The operation of the Condominium shall be by the Association, a corporation not for profit under the laws of the State of Florida, which shall fulfill its functions pursuant to the following provisions:

7.1 Articles of Incorporation. A copy of the Articles of Incorporation of the Association is attached as Exhibit E.

7.2 By-Laws. A copy of the By-Laws (the "By-laws") of the Association is attached as Exhibit F. See paragraph 2 of the By-laws for Unit Owner's membership and voting rights in the Association.

7.3 Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair parts of the Condominium Property, the Association shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

7.4 Leaseholds, Memberships and Other Use Interests. In addition to the powers of the Association set forth in the Articles of Incorporation and By-Laws, the Association is authorized to enter into agreements, to acquire leaseholds, memberships, or other possessory or use interests in lands or facilities, that are intended to provide enjoyment, recreation or other use or benefit to the Unit Owners. Such agreements are subject to the approval of a majority of the Unit Owners. Rentals, membership fees, maintenance fees, or other expenses incurred by the Association under such agreements shall be Common Expenses.

8. Insurance. Insurance, other than title insurance, which shall be carried upon the Condominium Property and the property of the Unit Owners shall be covered by the following provisions:

8.1 Authority of Association to Purchase. All insurance policies upon the Condominium Property shall be purchased by or for the Association for the benefit of the Association, and in case of insurance covering damage to the apartment buildings and its appurtenances, also for the benefit of Unit Owners and their mortgagees as their interests may appear. Provisions shall be made for the issuance of certificates of insurance to mortgagees and all insurance policies and endorsements thereon may, at the discretion of the Association, be deposited with the Insurance Trustee.

8.2 Authority of Individual Unit Owners to Purchase and Sponsor's Recommendation. It shall not be the responsibility or duty of the Association to obtain insurance coverage upon the personal liability, personal property or living expenses of any Unit Owner but the Unit Owner may obtain such insurance at his own expense provided such insurance may not be of a nature to affect policies purchased by the Association. Unit Owners shall furnish the Association with copies of all insurance policies obtained by them.

(a) **Unit Owners Insurance.** A Unit Owner (including the holder of any mortgage thereon) may obtain additional insurance (including a "condominium unit-owner's endorsement" for improvements and betterments to the Unit made or acquired at the expense of the owner) at his own expense. Such insurance shall be written by the same carrier as that purchased by the Board of Directors pursuant to this Article or shall provide that it shall be without contribution as against the same. The Sponsor recommends that each owner of a Condominium Unit in the project obtain, in addition to the insurance hereinabove provided to be obtained by the Board of Directors, a "Tenant's Homeowners Policy" or equivalent, to insure against loss or damage to personal property used or incidental to the occupancy of the Condominium Unit, additional living expense, plate glass damage, vandalism or malicious mischief, theft, personal liability and the like. Such policy should include a "condominium unit-owner's endorse-

ment" covering losses to improvements and betterments to the Unit made or acquired at the expense of the owner.

8.3 Coverage. The following insurance coverage shall be secured by the Association from companies rated B Plus 8 or better by A.M. Best's Company, or at the next highest available rating if the required coverage cannot reasonably be obtained from a company rated B Plus 8, through a licensed Florida insurance agent or broker.

(a) **Casualty.** All buildings and improvements upon the land including fixtures, installations or additions contained within Units, installed in accordance with original plans and specifications, or replacements thereof, and all personal property included in the Common Elements shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined by the Board of Directors of the Association. Such coverage shall afford protection against:

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

(2) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including but not limited to vandalism and malicious mischief, and flood and water damage, if the Condominium is at any time located in a designated flood plain area.

(b) **Public Liability Insurance.** In such amounts and such coverage as may be required by the Board of Directors of the Association and with cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner, and also with waiver of the insurer's right of subrogation, if reasonably available.

(c) **Workmen's Compensation Coverage Necessary.** To meet the requirements of law.

(d) **Other.** The Association may, at its option, purchase and maintain in force at all times demolition insurance in adequate amounts to cover demolition in the event of destruction and the decision not to rebuild. The premium therefor shall be paid for out of the Assessments levied against all the Unit Owners in accordance with this Declaration. Such policy, if purchased, shall contain a determinable demolition clause, or similar clause, to allow for coverage of the cost of demolition in the event of destruction and decision not to rebuild. The Association may also purchase and maintain fidelity bonds, insurance on commonly owned personal property, and such other insurance as it may deem necessary, the premiums thereon to be paid for out of the Assessments levied against all of the Unit Owners in accordance with the provisions of this Declaration.

8.4 Premiums. Premiums for insurance purchased by the Association shall be a Common Expense. Premiums shall be paid by the Association.

8.5 Insurance Trustee and Share of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear and shall provide that all proceeds covering property losses shall be paid to an Insurance Trustee, which shall be a bank with trust powers, doing business in the State of Florida, as may from time to time be designated by the Board of Directors of the Association, or in the absence of such designation, then the Board of Directors of the Association, acting as Insurance Trustee. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the same in trust for the purposes elsewhere stated herein and for the benefit of the Unit Owners and their mortgagees in the following shares but which shares need not be set forth on the records of the Insurance Trustee:

(a) Common Elements. Proceeds on account of damage to Common Elements shall be held in undivided shares for the Unit Owners of the Condominium, such shares being the same as the share upon termination as shown on Exhibit D attached hereto.

(b) Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(1) When the building is to be restored for the owners of damaged Units, in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Board of Directors of the Association.

(2) When the building is not to be restored for the owners of Units in such building, in undivided shares being the same as their respective shares upon termination as shown on Exhibit D.

(c) Mortgagees. In the event a mortgagee endorsement has been issued as to a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired except as provided in 9.1(b)(1) and (2).

8.6 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

(a) Expenses of Trustee. If the Insurance Trustee is other than the Board of Directors, then all expenses of the Insurance Trustee shall be first paid or provisions made therefor.

(b) Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to Unit Owners and mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

(c) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

(d) Certificate. In making distribution to Unit Owners and their mortgagees, the Insurance Trustee, if other than the Board of Directors, may rely upon a certificate of the Association made by its President and Secretary or by the Association's managing agent as to the names of Unit Owners and their respective shares of the distribution.

9. Reconstruction or Repair After Casualty.

9.1 Determination to Reconstruct or Repair. If any part of the Condominium Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

(a) Common Elements. If the damaged improvement is a Common Element, the same shall be reconstructed or repaired unless the damages to the building containing such Common Element extend to the Units, in which case the provisions of 9.1(b) shall apply.

(b) Building.

(1) Partial Destruction - If the damaged improvement is one of the buildings and less than ninety (90%) per cent of the amount of insurance applicable to such building is forthcoming by reason of such casualty, then the building shall be reconstructed and repaired unless seventh-five (75%) per cent of the Unit Owners of Units and all holding first mortgages upon Units contained within such building shall agree in writing that the same shall not be reconstructed or repaired.

(2) Total Destruction - If the damaged improvement is one of the buildings and ninety (90%) per cent or more of the amount of casualty insurance applicable to such building is forthcoming by reason of such casualty, the building shall not be reconstructed or repaired unless within sixty (60) days after casualty seventy-five (75%) per cent of the owners of the Units and all holding first mortgages upon Units contained within such building shall agree in writing that the same shall be reconstructed or repaired.

(c) Certificate. If other than the Board of Directors, the Insurance Trustee may rely upon a certificate of the Association made by its President and Secretary or managing agent to determine whether or not the Unit Owners, where so provided, have made a decision whether or not to reconstruct or repair.

9.2 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original building and improvements; or, if not, then according to plans and specifications approved by the Board of Directors of the

Association and if the damaged property is the building, by the owners of all damaged Units therein, which approvals shall not be unreasonably withheld.

9.3 Responsibility. If the damage is only to those parts of Units for which the responsibility of maintenance and repair is that of Unit Owners, then the Unit Owners shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

9.4 Estimate of Costs. When the Association shall have the responsibility of reconstruction or repair, prior to the commencement of reconstruction and repair the Association shall obtain reliable and detailed estimates of the cost to repair or rebuild.

9.5 Assessments for Reconstruction and Repair. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the cost of reconstruction and repair are insufficient, assessment shall be made against the Unit Owners who own the damaged Units, and against all Unit Owners in the case of damage to Common Elements in sufficient amounts to provide funds for the payment of such costs. Such assessments against Unit Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units. Such assessments on account of damage to Common Elements shall be in proportion to the owner's share in the Common Elements.

9.6 Construction Funds. The funds for the payment of costs for reconstruction and repair after casualty, which shall consist of the proceeds of insurance held by the Insurance Trustee and funds collected by the Association for assessments against Unit Owners shall be disbursed in payment of such costs in the following manner:

(a) **Association.** If the total assessments made by the Association in order to provide funds for the payment of reconstruction and repair which is the responsibility of the Association is more than \$15,000.00, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee. In all other cases the Association shall hold the sums paid upon such assessments and shall disburse the same in payment of the costs of reconstruction and repair.

(b) **Insurance Trustee.** The proceeds of insurance collected on account of a casualty and the sums deposited with the Insurance Trustee by the Association from collection of assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(1) **Unit Owner** - The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a Unit Owner shall be paid by the Insurance Trustee to the Unit Owner, or if there is a mortgagee endorsement as to such Unit, then to the Unit Owner and the mortgagee jointly, who shall use such proceeds to repair the Unit.

(2) Association - Lesser Damage - if the amount of the estimated cost of reconstruction and repair which is the responsibility of the Association is less than \$15,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association.

(3) Association - Major Damage - If the amount of the estimated costs of reconstruction and repair which is the responsibility of the Association is more than \$15,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association and upon approval of an architect qualified to practice in the state in which the condominium is located and employed by the Association to supervise the work.

(4) Surplus - It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial owners of the fund in the manner elsewhere stated; except, however, that the part of a distribution to a beneficial owner which is not in excess of assessments paid by such owner into the construction fund shall not be made payable to any mortgagee.

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

10. Use Restrictions. The use of the Condominium Property shall be in accordance with the following provisions as long as the Condominium exists and the buildings in useful condition exist upon the land:

10.1 Units. The Condominium Property shall be used only as a residential community. Each of the Units shall be occupied only by the individual owner or lessee of a Unit, members of their family, their servants and non-paying social guests.

10.2 Common Elements. The Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Units.

10.3 Leasing. Entire units may be rented provided the occupancy is only by the lessee and the members of his family, servants and non-paying social guests and subject to reasonable rules and regulations established by the Board of Directors of the Association. The Association is hereby authorized to require leases to be on forms approved by the Board of Directors. The Unit Owner will be jointly and severally liable with the tenant to the Association for any amount which is required by the Association to repair any damage to the Common Elements resulting from acts or omissions of tenants (as determined in the sole discretion of the Association) or to pay any claim for injury or damage to property caused by the negligence of the tenant and special assessments may be levied against the Unit therefor. The Board of Directors of the Association may waive the provisions of this subparagraph on one or more occurrences without being deemed to have waived the provisions of this subparagraph for all occurrences and without waiving its right to enforce the provisions of this subparagraph as to future occurrences. No rooms may be rented and no transients may be accommodated in a Unit. Any tenant lease shall be subordinate to any Association lien whether recorded before or after the tenant lease.

10.4 Regulations. Reasonable regulations concerning the use of the Condominium Property may be made and amended from time to time by the Association as provided by its Articles of Incorporation and By-Laws. Copies of such Regulations and amendments thereto shall be furnished by the Association to all Unit Owners and residents of the Condominium.

10.5 Proviso. The provisions of this paragraph 10 shall not apply to Sponsor and Sponsor expressly reserves the right to use Units owned by it as a sales office or as model display units for the sale of Units in this Condominium, including any future phases contemplated by the provisions of this Declaration.

11. Restrictions on Transfer of Unit. To maintain a community of congenial residents and thus protect the value of the Units and to assure the financial ability of each Unit Owner to pay assessments made against him, the transfer of Units by any owner other than the Sponsor shall be subject to the following provisions so long as the Condominium exists, which provisions each unit Owner covenants to observe:

11.1 Transfers Subject to Approval.

(a) Sale. No Unit Owner may dispose of a Unit or any interest therein by sale without approval of the Association.

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

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

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

(a) Notice to Association.

(1) Sale - A Unit Owner intending to make a bona fide sale of his Unit or any interest therein shall give to the Association not less than fifteen (15) days prior written notice, of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. Such notice at the Unit Owner's option may include a demand by the Unit Owner that the Association furnish a purchaser if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell.

(2) Gift; Devise or Inheritance; Other Transfers - A Unit Owner who has obtained his title by gift, devise or inheritance, or by other manner not heretofore considered, shall give to the Association notice, in writing, of the acquiring of his title, together with such information concerning the Unit Owner as the Association may reasonably require and a certified copy of the instrument evidencing the owner's title.

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

(b) Certificate of Approval.

(1) Sale - If the proposed transaction is a sale, then within fifteen (15) days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by the President and Secretary of the Association in recordable form, delivered to the Unit Owner and shall be recorded in the Official Public Records of the County.

(2) Gift; Devise or Inheritance; Other Transfers - If the Unit Owner giving notice has acquired his title by gift, devise or inheritance or in any other manner, then within thirty (30) days after receipt of such notice and information the Association must either approve or disapprove the continuance of the Unit Owner's ownership of the Unit. If approved, the approval shall be stated in a certificate executed by the President and Secretary of the Association and in recordable form delivered to the Unit Owner and shall be recorded in the Official Public Records of the County.

(3) Failure to Approve or Disapprove. If the Association fails to approve or disapprove any such transfer by delivering or mailing by certified mail return receipt requested, a response to the Unit Owner within fifteen (15) days of receipt by the Association of the Unit Owner's notice, then the transfer shall be deemed approved and the Association shall deliver a certificate of approval as elsewhere provided.

(c) Approval of Corporate Owner or Purchaser. Inasmuch as a Unit may be used only for residential purposes and a corporation cannot occupy a Unit for such use, if the Unit Owner or purchaser of a Unit is a corporation other than the Sponsor, the approval of ownership by the corporation may be conditioned by requiring that all persons occupying the Unit be also approved by the Association.

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

(a) Sale. If the proposed transaction is a sale and if the notice of sale given by the Unit Owner shall so demand, then within thirty (30) days after receipt of such notice and information the Association shall deliver or mail by certified or registered mail to the Unit Owner an agreement to purchase by a Purchaser, being either the Association or a person approved by the Association, who will purchase and to whom the Unit Owner must sell the Condominium Unit upon the following terms:

(1) The price to be paid by the Purchaser shall be that stated in the disapproved contract to sell.

(2) The purchase price shall be paid in the manner and subject to the conditions of such agreement; or shall be paid in cash at the election of the Purchaser.

(3) The sale shall be closed within thirty (30) days after the delivery or mailing of said agreement to purchase.

(4) If the Association shall fail to purchase or provide a Purchaser upon the demand of the Unit Owner in the manner provided, or if a Purchaser furnished by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been

approved and the Association shall furnish a certificate of approval as elsewhere provided.

(b) Gift; Devise or Inheritance; Other Transfers. If the Unit Owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after receipt from the Unit Owner of the required notice, the Association shall deliver or mail by certified or registered mail to the Unit Owner an agreement to purchase by a Purchaser, being either the Association or a person, approved by the Association, who will purchase and to whom the Unit Owner must sell the Condominium Unit upon the following terms:

(1) The sale price shall be the fair market value determined by agreement between the Unit Owner and Purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the Purchaser.

(2) The purchase price shall be paid in cash.

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

(4) If the Association shall fail to purchase or provide a Purchaser as herein required, or if a Purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval, such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided.

11.4 Mortgage. No Unit Owner may mortgage his Unit nor any interest therein without the approval of the Association except to an Institutional First Mortgagee, the Sponsor or the successors in title to the Sponsor. The approval of any other mortgagee may be upon conditions determined by the Association or may be arbitrarily withheld. Nothing herein shall prevent the owner of a Unit from receiving a purchase money mortgage as part of the consideration for the approved sale of his Unit.

11.5 Lease. Subject to the restrictions stated in Paragraph 10 hereof, no approval of the Association shall be required in connection with the lease of any Unit; provided however, upon the approval of seventy-five percent (75%) or more of the Unit Owners, the Association may establish reasonable limitations, including minimum lease terms, and require reasonable approval of leasing transactions, subject however to the exceptions stated in the next following subparagraph hereof. Before any such limitation or required approvals shall become enforceable, a Certificate of the Association describing the

limitations and required approvals shall be signed by the President and Secretary of the Association and recorded in the Public Records of the County.

11.6. Exceptions. The foregoing provisions of this Section 11 shall not apply to a transfer to or purchase by an Institutional First Mortgagee which acquired its title as the result of owning a mortgage upon the Unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor or his successor in title or through foreclosure proceedings; nor shall such provisions apply to a transfer, or sale by an Institutional First Mortgagee which so acquires its title; nor shall such provisions apply to a transfer to or a purchase or lease by the Sponsor; nor shall such provisions apply to a transfer, lease or sale by the Sponsor; nor shall such provisions require the approval of a Purchaser who acquires the title to a Unit at a duly advertised public sale with open bidding which is provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale. The transfer of a Unit Owner's title or any interest therein by gift, descent or devise to the children, spouse or parents of such Unit Owner shall not require the approval of the Association.

11.7 Separation of Interests. A sale of a Unit shall include all of its appurtenances including any parking or storage space assigned to that Unit, whether so stated or not, and appurtenances may not be sold separate from a Unit. A lease of a Unit shall include any parking or storage space assigned to it and no parking or storage space may be transferred or leased separate from the Unit to which it is assigned. No Unit may be partitioned or subdivided.

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

11.9 Fee for Approval - Limitation. No fee shall be charged by the Association in connection with a transfer or approval which is in excess of the expenditures reasonably required for a credit report and other reasonable expenses, and this fee shall not exceed the fee permitted under the Condominium Act.

12. Notice of Lien or Suit.

12.1 Notice of Lien. A Unit Owner shall give notice, in writing, to the Association of every lien upon his Unit other than for permitted mortgages, taxes and special assessments, within five (5) days after the attaching of the lien.

12.2 Notice of Suit. A Unit Owner shall give notice, in writing, to the Association of every suit or other proceeding which may affect the title to his Unit, such notice to be given within five (5) days after the Unit Owner obtains knowledge thereof.

12.3 Failure to Comply. Failure to comply with this sub-section concerning liens will not affect the validity of any judicial suit.

13. Purchase of Units by Association. The Association shall have the power to purchase Units, subject to the following provisions:

13.1 Decision. The decision of the Association to purchase a Unit shall be made by its Directors, without the approval of its membership except as elsewhere provided in this section.

13.2 Limitation. If at any one time the Association be the owner or agreed Purchaser of two (2) or more Units, it may not purchase any additional Units without the prior written approval of seventy-five (75%) percent of members eligible to vote thereon. A member whose Unit is the subject matter of the proposed purchase shall be ineligible to vote thereon. Provided, however, that the foregoing limitation shall not apply to Units to be purchased at public sale resulting from a foreclosure of the Association's lien for delinquent assessments where the bid of the Association does not exceed the amount found due the Association, or to be acquired by the Association in lieu of foreclosure of such lien if the consideration therefor does not exceed the cancellation of such lien.

14. Compliance and Default. Each Unit Owner shall be governed by and shall comply with the terms of this Declaration, the By-Laws and the Rules and Regulations adopted pursuant thereto, and said documents as they may be amended from time to time. Failure of the Unit Owner to comply therewith shall entitle the Association, or other Unit Owners to the following relief in addition to other remedies provided in this Declaration and the Condominium Act.

14.1 Enforcement. The Association is hereby empowered to enforce this Declaration, the By-Laws and Rules and Regulations of the Association, by such means as are provided by the laws of the State of Florida.

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

14.3 Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of a Unit Owner to comply with the terms of the Declaration, By-Laws, and Rules and Regulations adopted pursuant thereto, as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees as may be awarded by the Court, provided no attorneys' fees may be recovered against the Association in any action.

14.4 No Waiver of Rights. The failure of the Sponsor, the Association, or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the By-Laws, or the Rules and Regulations adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

15. Amendments. Subject to the other provisions of the Declaration relative to amendment, this Declaration and the Articles of Incorporation and By-Laws of the Association may be amended in the manner provided in the Condominium Act, as the same may from time to time be amended or modified.

15.1 Sponsor. As long as the Sponsor shall hold fee simple title to any Unit, the Sponsor may amend this Declaration, including, but not limited to, an amendment

that will combine two or more Units owned by Sponsor (without, however, changing the percentage of Common Elements appurtenant to such Units), or any amendment required by a government agency or an Institutional First Mortgagee willing to make or purchase permanent mortgage loans secured by a Unit, and such amendment shall be effective without the joinder of any record Owner of any Unit, or the joinder of any owner of any lien thereon; provided, however, that no such amendment shall adversely affect the lien or priority of any previously recorded Institutional First Mortgage as it affects a Unit, or change the size or dimensions of any Unit not owned by the Sponsor.

15.2 Proviso. Provided, however that no amendment shall discriminate against any Unit Owner nor against any Unit or class or group of Unit Owners or Units unless the Unit Owners so affected and such of their mortgagees which are Institutional First Mortgagees shall unanimously consent; and no amendment shall change the configuration or size of any Unit in any material fashion, materially alter or modify the appurtenances to the Unit or change the proportion or percentage by which the Unit Owner's share of the Common Expenses is determined, unless the record Owner of the Unit concerned and all Institutional First Mortgagees shall join in the execution of the amendment, except that if additional phases, if any, contemplated by this Declaration are added to the Condominium pursuant to the provisions hereof, then Sponsor may increase or decrease any Unit Owner's percentage share of the Common Elements, Common Expenses and Common Surplus by a maximum of ten percent (10%) of the figure listed on Exhibit D as the percentage share following the addition of the respective phase or phases. Neither shall an amendment of this Declaration make any change in Section 8 or 9 unless the record owners of all mortgages upon Units in the Condominium shall join in the execution of the amendment. Provided further, if this Declaration contemplates additional phases to be added to the Condominium any amendments adding such phases shall require only execution by the Sponsor and shall not require the execution of such amendments or the consent or approval thereof by Unit Owners, the Association or Institutional First Mortgagees.

16. Termination. The Condominium may be terminated the following manner:

16.1 Agreement. The Condominium may be terminated at any time by approval, in writing, of all of the owners of the Condominium and by all record owners of mortgages upon Units therein owned by Institutional First Mortgagees.

16.2 Total Destruction or Taking of the Apartment Buildings. If all of the apartment buildings, as a result of common casualty are damaged within the meaning of 9.1(b)(2) and it is decided as therein provided that such buildings shall not be reconstructed or repaired, or if taken by eminent domain, then the condominium form of ownership will thereby terminate without agreement and the following shall be effective: The owners of the Units shall thereupon be the owners, as tenants in common, of the Condominium Property, the insurance or eminent domain proceeds, and the assets of the Association. The shares of such tenants in common shall be as shown on Exhibit D attached hereto.

16.3 General Provisions. Upon termination of the Condominium, the mortgagee and lienor of a Unit Owner who

shall thereby become tenants in common, shall have a mortgage and lien solely and exclusively upon the undivided share of such tenancy in common in and to the lands and other properties and rights which he may receive by reason of such termination or exclusion. The termination of the Condominium shall be evidenced by a certificate of the Association executed by its President and Secretary certifying as to the facts affecting the termination, which certificate shall become effective upon being recorded in the Official Public Records of the County.

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

17. Additional Rights of Institutional First Mortgagees. In addition to any rights provided elsewhere in this Declaration, any Institutional First Mortgagee or the holder, insurer or guarantor of any first mortgage on a Unit who makes a request in writing to the Association for the items provided in this paragraph shall have the following rights:

17.1 Annual Financial Statements of Association. To be furnished with at least one copy of the Annual Financial Statement and Report of the Association, including a detailed statement of annual carrying charges, or income collected, and operating expenses; such Financial Statement and Report to be furnished within sixty (60) days following the end of each calendar year.

17.2 Notice of Meetings. To be given written notice by the Association of the call of a meeting of the Unit Owners to be held for the purpose of considering any proposed amendment to this Declaration of Condominium, or to the Articles of Incorporation or By-Laws of the Association, which notice shall state the nature of the Amendment being proposed.

17.3 Notice of Defaults. To be given written notice of any default by any owner of a Unit encumbered by mortgage in the performance of such mortgagor's obligations under the Declaration, Articles, By-Laws or Regulations which is not cured within sixty (60) days. Such notice to be given in writing and to be sent to the principal office of such Institutional First Mortgagee or other parties identified in this paragraph, or to the place which it or they may designate in writing to the Association from time to time.

17.4 Insurance Endorsements. To be given an endorsement of the policies covering the Common Elements and Limited Common Elements requiring that such Institutional First Mortgagee or other parties identified in this paragraph be given any notice of cancellation or material modification provided for in such policy.

17.5 Examination of Books and Records. Upon reasonable notice, to examine the books and records of the Association including a current copy of the Declaration of Condominium and the Articles of Incorporation and By-Laws of the Association during normal business hours.

17.6 Notice of Casualty or Condemnation Loss. To be given written notice by the Association of any casualty or condemnation loss that affects a material portion of the Condominium Property or any Unit encumbered by a mortgage its mortgage.

18. Severability. The invalidity in whole or in part of any covenant or restriction or any paragraph, subparagraph, sentence, clause, phrase or word or other provision of this Declaration, the Articles, the By-Laws, the Rules and Regulations of the Association, and any exhibits attached hereto, shall not affect the remaining portions thereof.

19. Intent. It is the intent of the Sponsor to create a condominium pursuant to Chapter 718, Florida Statutes, 1981, and pursuant to the common laws of the State of Florida as they may exist on the date this Declaration is filed. In the event that the Condominium herein created by this Declaration shall fail in any respect to comply with Chapter 718, Florida Statutes, 1981, then the common law as the same exists on the filing date of said Declaration shall control. Therefore, the condominium hereby created shall be governed in accordance with the several laws of the State of Florida, this Declaration, the By-Laws attached hereto as Exhibit F, and all other instruments and exhibits attached to or made a part of this Declaration of Condominium.

20. Covenants Running with the Land. All provisions of this Declaration of Condominium and all attachments thereto shall be construed to be covenants running with the land and with any part thereof or interest therein, including but not limited to every Unit Owner and claimant of the property or any part thereof or interest therein, and his heirs, executors, administrators, successors and assigns shall be bound thereby.

21. Eminent Domain. If all or any part of the Common Elements shall be taken, injured, or destroyed by eminent domain, each Unit Owner shall be entitled to notice of such taking and to participate through the Association in all condemnation and other proceedings. Any damages shall be collected by the Association and distributed by it among Unit Owners in proportion to their respective undivided interests in the Common Elements or Limited Common Elements so taken, injured, or destroyed, except that such funds as are deemed by the Board of Directors necessary or appropriate to be applied to the repair or restoration of property so injured or destroyed may be so applied.

22. Phased Development. The Sponsor reserves the right, but shall not have the obligation, to develop in one or more phases and hereafter to submit to the condominium form of ownership under the terms and conditions of this Declaration and the Condominium Act, the real property more particularly described in Exhibit B attached to this Declaration (the "Future Phase") and identified thereon as "Phase 2". Time-share estates shall not be created with respect to Units in any phase of the Condominium.

22.1 Procedure. The Future Phase shall become part of this Condominium upon the election of the Sponsor and the recordation of an amendment to this Declaration, executed only by Sponsor, extending the terms and conditions of this Declaration to one or more of the Future Phase.

22.2 Description. A plot plan and survey showing the location of the buildings to be located on the Future Phase is also set forth in Exhibit 4. The Sponsor shall have the right to change the interior and exterior style, design, the mix and number of bedrooms and bathrooms, and the arrangement of units in the Future Phase however, the plot plan graphically sets out the approximate location and general size of the buildings to be included in the Future Phase. The Future Phase, if constructed, will contain twenty-four (24) Units which will not vary by more than thirty percent (30%) from the size of the two

bedroom two bath Units contained in the first phase of the Condominium.

22.3 Impact. The impact of the completion of Future Phase upon the Condominium initially created by this Declaration (the "Initial Phase") will be to increase population density and vehicle traffic in the immediate area of the Condominium, to increase the number of members in the Association and thereby decrease proportionately a Unit Owner's percentage share of Common Elements, Common Surplus and Common Expenses, and to increase the amount of Common Expenses that the Association is like to incur by increasing the amount of Common Elements.

22.4 Undivided Share of Common Elements, Common Expenses and Common Surplus. The undivided share of Common Elements, Common Expenses and Common Surplus of the Units created in the Initial Phase is set forth on Exhibit D attached, and was determined for each Unit by allocating an equal fractional share to all Units regardless of size, location or purchase price. The approximate share of Common Elements, Common Expenses and Common Surplus of each Unit in a building that is hereafter added to this Condominium and the approximate share of each Initial Phase Unit, following such addition, is also set forth on Exhibit D. These shares were determined by allocating an equal fractional share to all Units in both the Initial Phase and the Future Phase regardless of size, location or purchase price.

22.5 Completion of Phases. The Future Phase must be added to this Condominium within fifteen (15) years of the date of recording of this Declaration. If the Future Phase have not been added to this Condominium within such period of time, the Sponsor thereafter will have no right to add the Future Parcel or Future Phase to this Condominium.

22.6 No Encumbrance. The provisions of this Declaration shall not constitute an encumbrance on or grant to the Association or a Unit Owner or any other party of any right, claim or interest in the Future Phase until, if the Sponsor so elects, the Future Phase is added to this Condominium in accordance with this Declaration, and then the encumbrance, right, claim or interest, if any, shall extend only to the Future Phase so added.

22.7 Recreational Facilities and Areas. The recreational areas and facilities and personal property included within the Initial Phase and which will be owned as Common Elements by all Unit Owners of the Initial Phase and the Future Phase if the same is constructed, is the boardwalk depicted on Exhibit B hereto and the personal property more fully described in the offering circular for the Initial Phase of the Condominium. If the Future Phase is constructed and added to this Condominium, Sponsor will construct one swimming pool and a patio area surrounding the swimming pool in the approximate size, shape and location depicted on Exhibit B hereto and will spend a minimum of Two Thousand Dollars (\$2,000) for personal property, all of which will be owned as Common Elements by all Unit Owners of the Initial Phase and the Future Phase. If the Future Phase is not added to this Condominium, the recreational areas and facilities and personal property described in the last preceding sentence will not be constructed or provided for use by Unit Owners of the Initial Phase.

22.8 Membership Vote and Ownership. As provided in the Articles of Incorporation of the Association, all of

the record owners of Units shall be members of the Association and shall be entitled to one vote for each Unit owned by them. If the Future Phase is added to the Condominium, all of the record owners of Units in the Future Phase shall become members of the Association, and together with all of the then existing members, shall be entitled to one vote for each Unit owned by them. If the Future Phase is not added to this Condominium, the total number of members and votes in the Association will remain unchanged.

IN WITNESS WHEREOF, the Sponsor has executed this Declaration of Condominium this 19th day of January, 1984.

Signed, sealed and delivered in the presence of:

EBD Associates, Ltd., a Florida limited partnership

Becky Remarz
Witness

By: EBD, Inc.,
sole general partner

Best Senior
Witness

By: Samuel Easton, Jr.
President

STATE OF FLORIDA
COUNTY OF DUVAL

19th The foregoing instrument was acknowledged before me this day of January, 1984, by SAMUEL EASTON, JR., the President of EBD, Inc., a Florida corporation, and the sole general partner of EBD Associates, Ltd., a Florida limited partnership on behalf of the partnership.

Best Senior
Notary Public, State and County aforesaid.

My Commission Expires:

3112A&B-1/17/84

EXHIBIT A

Initial Phase

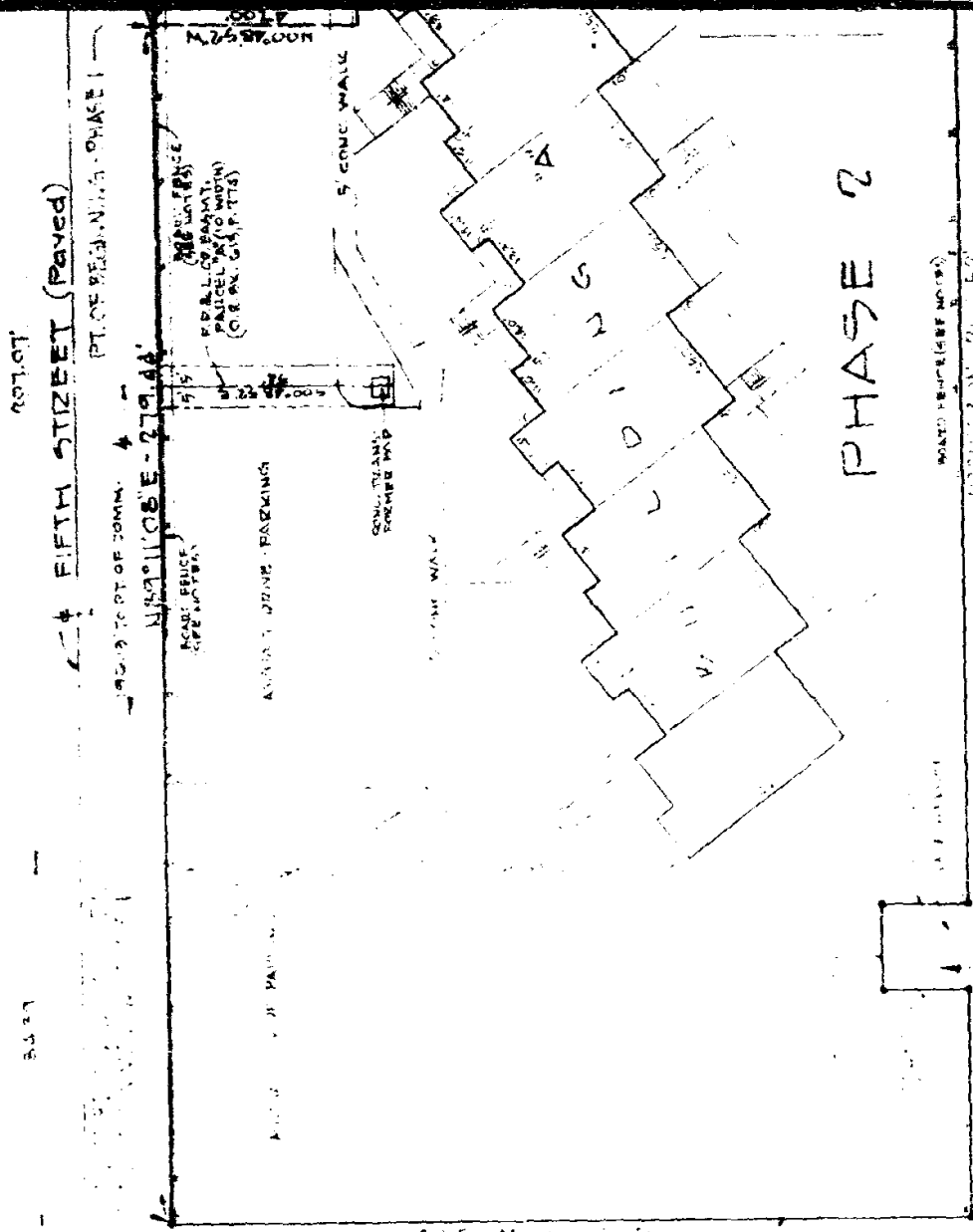
A parcel of land in St. Augustine Beach, a subdivision of Hotel Grounds Chataqua Beach, Anastasia Island, Florida, map of said St. Augustine Beach being recorded in Map Book 3, Page 140, Public Records of St. Johns County, Florida, and said parcel of land being more fully described as follows:

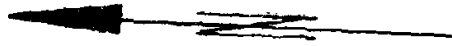
Commencing at the intersection of the south line of Fifth Street a publicly dedicated right-of-way of said subdivision with the east line of Ocean Avenue a publicly dedicated right-of-way of said subdivision; thence North $89^{\circ}11'08''$ East, on said South line of Fifth Street a publicly dedicated right-of-way, 279.44 feet to the point of beginning at the northwest corner of the herein described parcel of land; thence continuing north $89^{\circ}11'08''$ East, on said south line of Fifth Street a publicly dedicated right-of-way, 173.15 feet to the coastal construction setback line; thence continuing north $89^{\circ}11'08''$ East, on said south line of Fifth Street a publicly dedicated right-of-way and an easterly extension of that line, 175 feet more or less to the mean high water line Atlantic Ocean; thence meandering southerly, along said mean high water line 185 feet more or less; thence South $89^{\circ}11'08''$ West, on an easterly extension of the north line of Fourth Street a publicly dedicated right-of-way of said subdivision, 179. feet more or less to the coastal construction setback line; thence continuing South $89^{\circ}11'08''$ West, on said north line of Fourth Street a publicly dedicated right-of-way, 115.77 feet; thence North $00^{\circ}48'52''$ West 28.00 feet; thence North $38^{\circ}43'12''$ West 21.97 feet; thence North $00^{\circ}48'52''$ West 92.66 feet; thence South $89^{\circ}11'08''$ West 48.00 feet; thence North $00^{\circ}48'52''$ West 47.00 feet to the Point of Beginning.

Subject to:

1. Taxes and assessments for the year 1984 and subsequent years.
2. Mortgage and Security Agreement dated June 6, 1983 from EBD Associates, Ltd., a Florida Limited Partnership to Barnett Bank of Jacksonville, N.A. recorded June 6, 1983, at O. R. Volume 587, Page 480 of the Public Records of St. Johns County, Florida.
3. Riparian rights and right, title or interest, if any of the public to use as a public beach or recreational area any part of the land seaward of the most inland of any of the following:
 - a. the natural line of vegetation
 - b. the most extreme high water line
 - c. the bulkhead line
 - d. any other line which has been or which hereafter may be legally established as relating to such public use.
4. Utilities Easement granted to Florida Power and Light Company recorded on November 7, 1983 at O. R. Book 613, page 274 of the Public Records of St. Johns County, Florida.

11025 INE 56

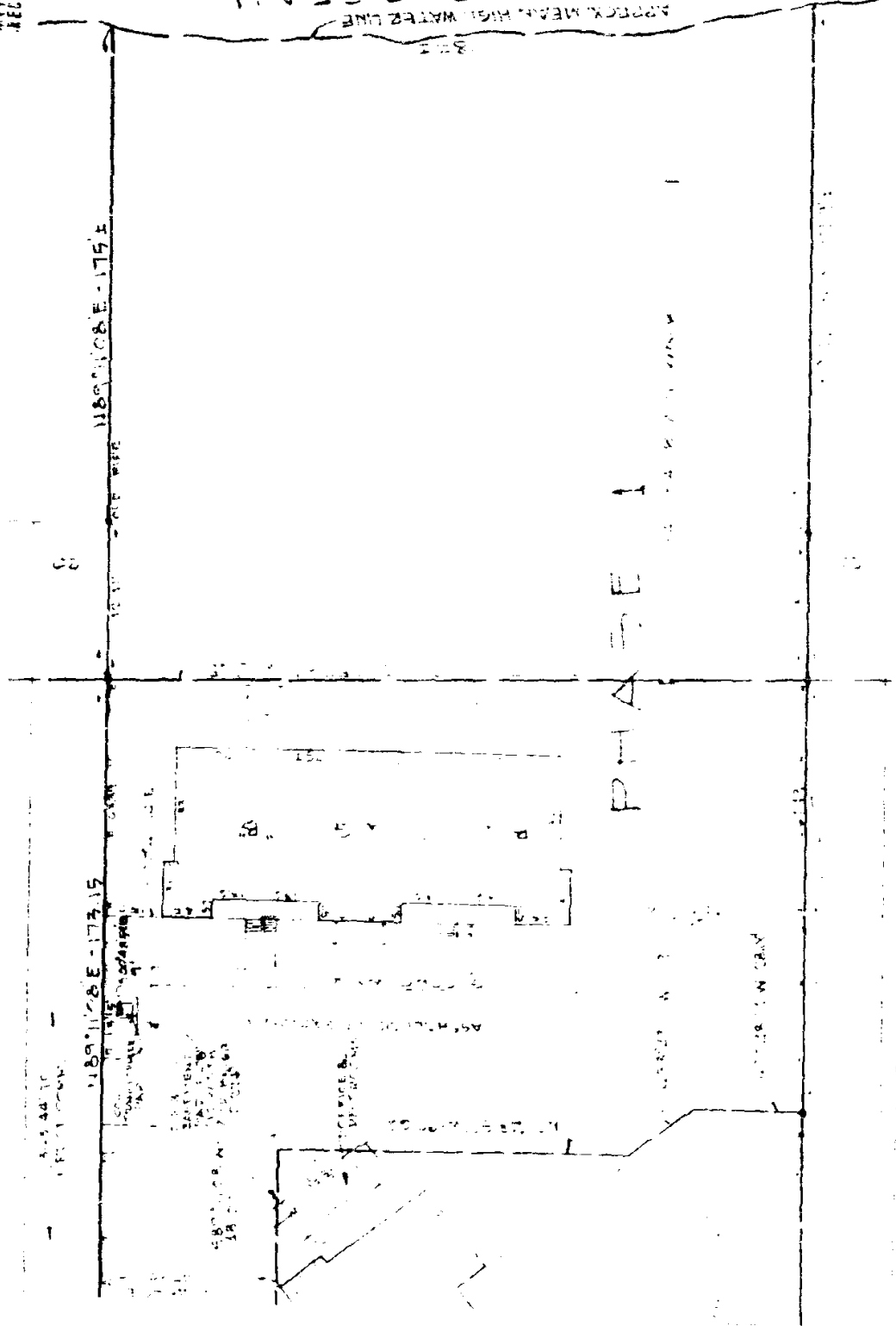




ATLANTIC OCEAN
APPROX. MEAN HIGH WATER LINE

188°11'08"E - 173.15'

PHASE I



PHASE 2

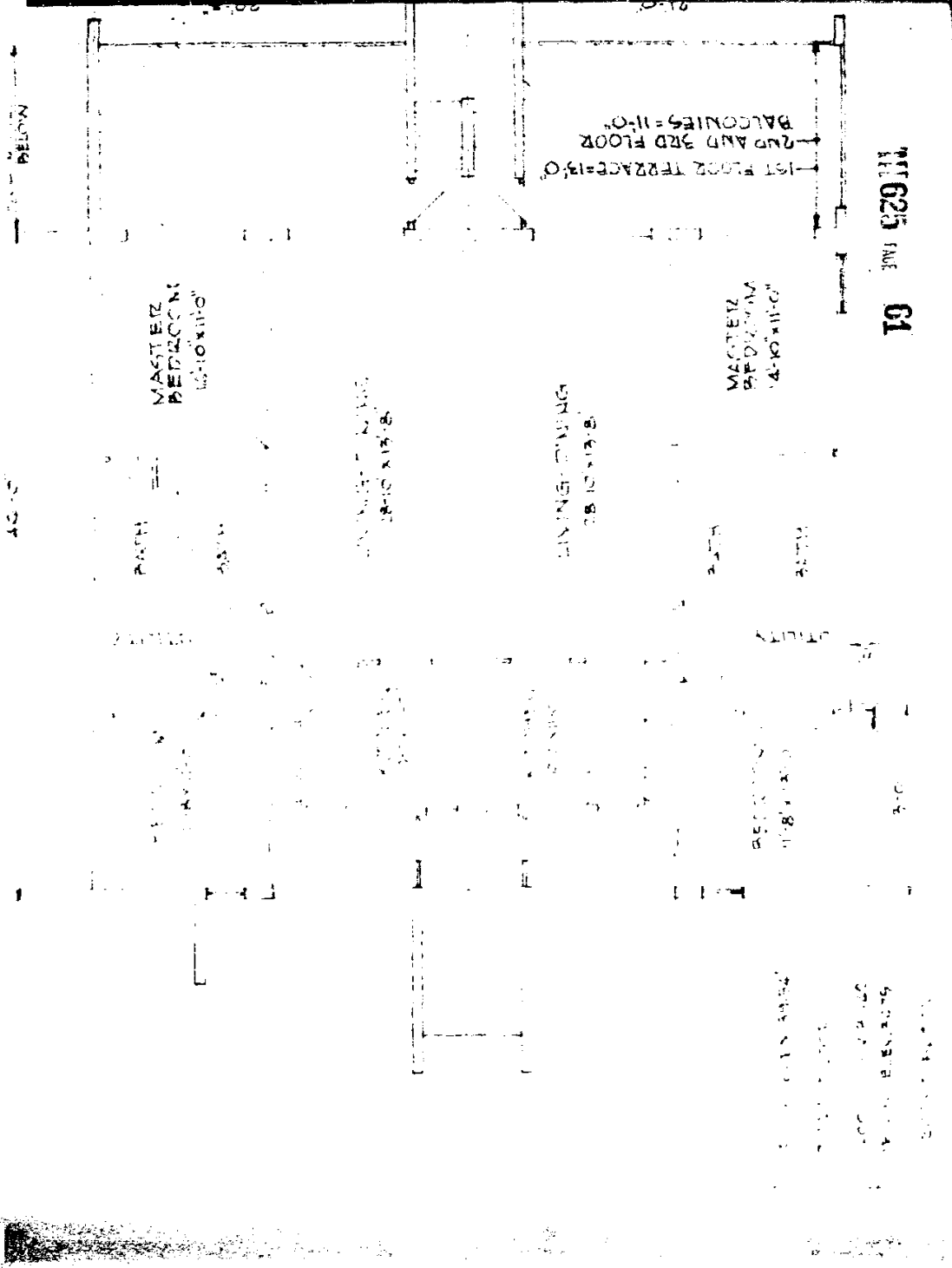
A PARCEL OF LAND IN ST. AUGUSTINE BEACH, FLORIDA, MAP 1 SAID ST. AUGUSTINE BEACH BEING RECORDED IN MAP BOOK 3, PAGE FLORIDA, AND SAID PARCEL OF LAND BEING

PHASE 2
A PARCEL OF LAND IN ST. AUGUSTINE BEACH, FLORIDA, MAP 1 SAID ST. AUGUSTINE BEACH BEING RECORDED IN MAP BOOK 3, PAGE FLORIDA, AND SAID PARCEL OF LAND BEING

BEGINNING AT THE INTERSECTION OF THE DEDICATED RIGHT OF WAY IN SAID AVENUE, A PUBLICLY DEDICATED RIGHT DEGREES 11 MINUTES 08 SECONDS EAST FEET; THENCE SOUTH 00 DEGREES 08 NORTH 89 DEGREES 11 MINUTES 08 SECONDS EAST 48 MINUTES 52 SECONDS EAST 21.97 FEET; THENCE SOUTH 89 DEGREES 11 MINUTES 08 SECONDS EAST 28.00 FEET; THENCE SOUTH 20.00 FEET; THENCE SOUTH 89 DEGREES 11 MINUTES 08 SECONDS WEST, 185.00 FEET TO THE POINT

BEGINNING AT THE INTERSECTION OF THE DEDICATED RIGHT OF WAY IN SAID AVENUE, A PUBLICLY DEDICATED RIGHT DEGREES 11 MINUTES 08 SECONDS EAST FEET; THENCE SOUTH 00 DEGREES 08 NORTH 89 DEGREES 11 MINUTES 08 SECONDS EAST 48 MINUTES 52 SECONDS EAST 21.97 FEET; THENCE SOUTH 89 DEGREES 11 MINUTES 08 SECONDS EAST 28.00 FEET; THENCE SOUTH 20.00 FEET; THENCE SOUTH 89 DEGREES 11 MINUTES 08 SECONDS WEST, 185.00 FEET TO THE POINT

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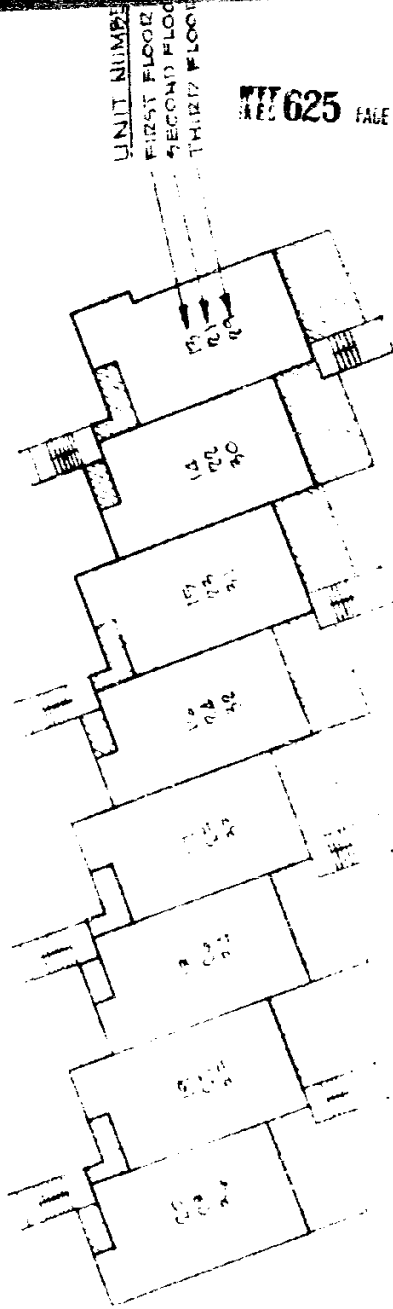


711625 INVE 01

TYPICAL UNIT PLAN - BLDG. "A"

REVISIONS
REV. NO. DATE BY
1 11/20/82 JES
2 12/15/82 JES
3 01/15/83 JES

PLAN - BUILDINGS "A" & "B"
1/2" SCALE

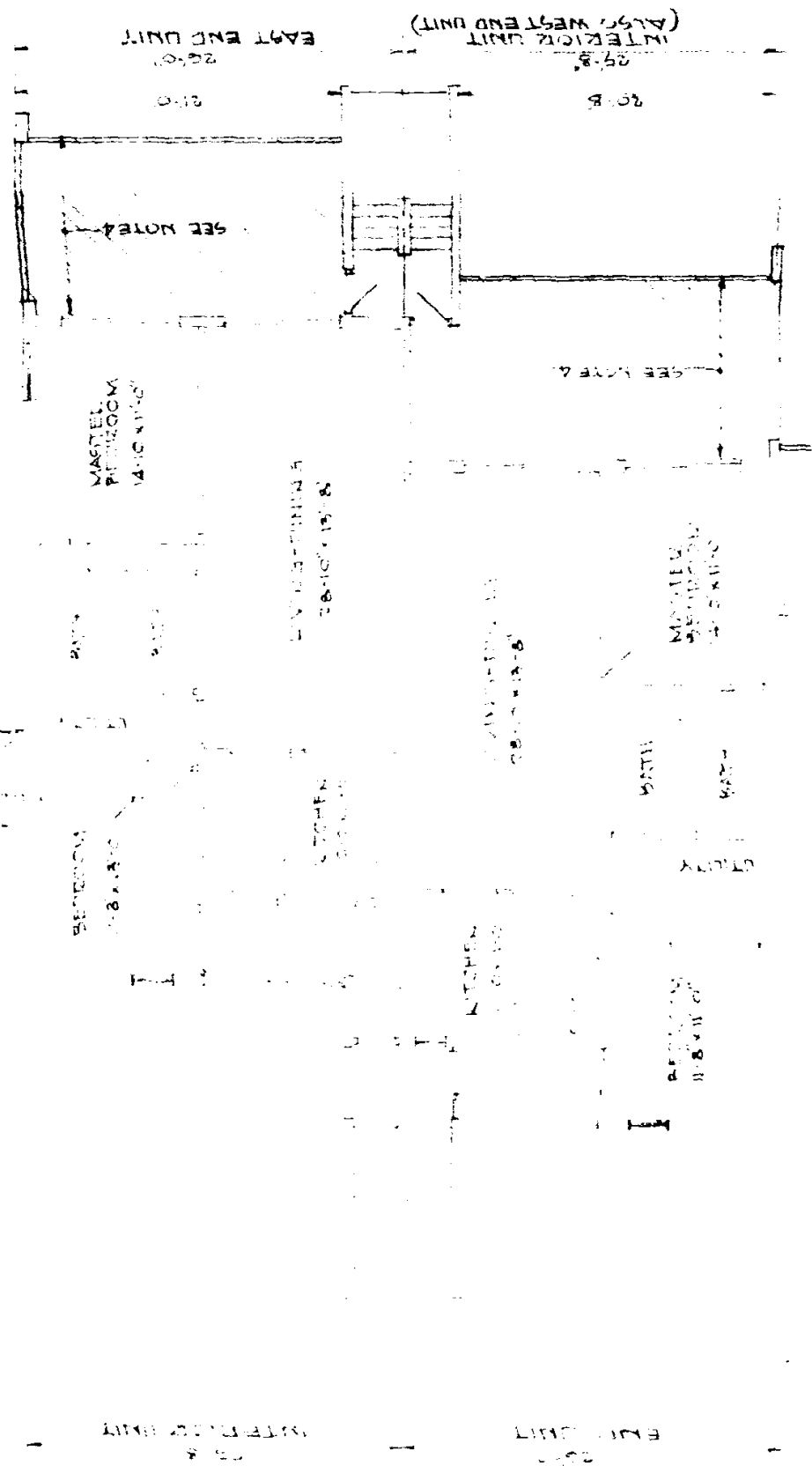


NET 625 PAGE 62

TYPICAL PLAN - ALL FLOORS
BUILDING "A"

10 0 10 20 30 40 50
GRAPHIC SCALE
INDICATED

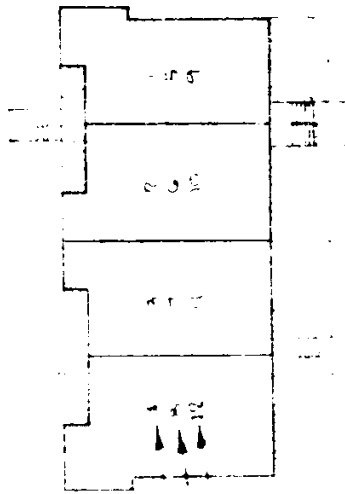
LOREN N. JONES, P.E.
P.O. BOX 1921
ST. AUGUSTINE, FL 32085-1921
PCA-824-G115
OCTOBER 29, 1982



TYPICAL UNIT PLAN - BLDG. "A"

EXPLANES LIMITED
ELEMENTS

- NOTES:
1. WALLS BETWEEN UNITS ARE EIGHT INCHES THICK AND ARE CONCRETE ELEMENTS.
 2. ALL WALLS AND PARTITIONS ARE INSIDE WALL TO INSIDE WALL AND ARE SUBJECT TO LIGHT VARIATIONS DUE TO NORMAL CONSTRUCTION PRACTICES.
 3. FINISH FLOOR OF BUILDINGS SHALL BE ELEVATION 14.0 FEET NATIONAL GEODETIC VERTICAL DATUM OF 1929.
 4. FLOOR FINISH DEPTHS ARE AS FOLLOWS:
 a. UNITS 1, 2, 18 AND 20 SHALL BE 13'-0".
 b. UNITS 3, 4, 15 AND 19 SHALL BE 11'-0".
 c. UNITS 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17 AND 21 (ALL UNITS BOTH UNITS).



TYPICAL FLOOR PLAN ALL FLOORS
BUILDING "B"

EXPLANES LIMITED
ELEMENTS

Exhibit B-2

TYPICAL FLOOR PLANS
ISLAND SOUTH CONDOMINIUMS
IN ST. AUGUSTINE BEACH, FLORIDA

Surveyor's Certificate

ISLAND SOUTH CONDOMINIUMS - Phase 1

I, Loren Jones, a land surveyor authorized to practice in the State of Florida, hereby certify with respect to ISLAND SOUTH CONDOMINIUMS - Phase 1 according to the Declaration of Condominium thereof recorded in the Public Records of St. Johns County, Florida, that the construction of the improvements is substantially complete so that the material contained in the survey and graphic description of the condominium together with the provisions of said Declaration of Condominium 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 that material.



 Florida Engineer's Reg. No. 9213
 Florida Surveyor's Reg. No. 874

EXHIBIT C

ISLAND SOUTH CONDOMINIUMS

FRACTIONAL UNDIVIDED OWNERSHIP OF COMMON ELEMENTS
AND SHARE OF COMMON EXPENSES

<u>Unit Number</u>	<u>Initial Phase</u>	<u>Projected if Future Parcel-A is Completed</u>
Initial Phase		
1	1/12	1/36
2	1/12	1/36
3	1/12	1/36
4	1/12	1/36
5	1/12	1/36
6	1/12	1/36
7	1/12	1/36
8	1/12	1/36
9	1/12	1/36
10	1/12	1/36
11	1/12	1/36
12	1/12	1/36
Future Parcel-A		
13	-	1/36
14	-	1/36
15	-	1/36
16	-	1/36
17	-	1/36
18	-	1/36
19	-	1/36
20	-	1/36
21	-	1/36
22	-	1/36
23	-	1/36
24	-	1/36
25	-	1/36
26	-	1/36
27	-	1/36
28	-	1/36
29	-	1/36
30	-	1/36
31	-	1/36
32	-	1/36
33	-	1/36
34	-	1/36
35	-	1/36
36	-	1/36

All Units have 2 bedrooms/2 baths

Exhibit D

State of Florida

DEED 625 PAGE 67



Department of State

I certify that the attached is a true and correct copy of the Articles
of Incorporation of ISLAND SOUTH CONDOMINIUMS ASSOCIATION, INC.

a corporation organized under the Laws of the State of Florida,
filed on December 6, 1982.

The charter number for this corporation is 766002.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
6th day of December, 1982.



CER 101

George Firestone
Secretary of State

rec. # 72-
2
Island South

AMENDMENT TO THE BY-LAWS
OF
ISLAND SOUTH CONDOMINIUMS ASSOCIATION, INC
A FLORIDA CORPORATION NOT FOR PROFIT

THIS AMENDMENT is made as of January 10, 2007, given to amend the By-Laws recorded in Official Records Book 625, page 75, et seq. of the public records of St. Johns County, Florida.

NOTE: Words with ~~strike-throughs~~ are being eliminated and words underlined are new and are being inserted.

1. Identity. These are the By-Laws of ISLAND SOUTH CONDOMINIUMS ASSOCIATION, INC., (the "Association") a non-profit Florida Corporation, established in accordance with Chapter 718, Florida Statutes, (the "Condominium Act") for the purpose of administering Island South Condominiums located at ~~801-A1A South~~, 620 A1A Beach Boulevard., St. Augustine, Florida ~~32084~~, 32080 and created pursuant to the provisions of the Condominium Act and the Declaration of Condominium of Island South Condominiums, (the "Declaration") when filed or thereafter amended in St. Johns County, Florida (the "County"):
- 2.4 Designation of Voting Representative. If a Unit is owned by one person, his right to vote shall be established by the record title to his Unit. If an Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit and filed with the Secretary of the Association, or Association Manager.
3. Members' Meetings.
- 3.5 Proxies. Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote and shall be valid only for the particular meeting designated therein and may be revoked at any time prior to the exercise thereof. The proxy must be filed with the Secretary, or Association Manager before the appointed time of the meeting or any adjournment thereof; provided, however, that no one person may be designated to hold the proxies of more than five (5) members.
4. Board of Directors.
- 4.1 Membership. The affairs of the Association shall be managed by a Board of no less than three (3) Directors, nor more than nine (9) Directors;

however, the Board shall consist of an odd number. Each Director shall be a person entitled to cast a vote in the Association. ~~except as provided in Section 4.2 (d) of these By-Laws.~~

4.2 ~~Election of Directors.~~

- (a) ~~Members of the Board of Directors shall be elected by a majority vote of the owners present at the annual meeting of the members of the Association, and entitled to vote.~~
- (b) ~~Except, as to vacancies created by removal of Directors by members, vacancies on the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.~~
- (c) ~~Any Director may be removed by concurrence of a majority of the members of the Association at a special meeting of the members called for that purpose by at least ten percent (10%) of the Unit Owners giving notice of the meeting in the manner provided for herein for special meetings. The vacancy on the Board of Directors so created shall be filled by the members of the Association at the same meeting.~~
- (d) ~~The sponsor shall be vested with the power to designate the initial Board of Directors. The members of the initial Board of Directors need not be Unit Owners in the Condominium. Unless the Sponsor has elected to transfer control of the Association to the owners at an earlier date, the Sponsor shall transfer control of the Association to the owners' board as provided in the following formula:~~
 - (1) ~~When Unit Owners other than the Sponsor own fifteen percent (15%) or more of the Units that will be operated ultimately by the Association, the Unit Owners other than the Sponsor shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors of the Association.~~
 - (2) ~~Unit Owners other than the Sponsor shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association:~~
 - (i) ~~three (3) years after sales have been closed by the Sponsor of fifty percent (50%) of the Units that will be operated ultimately by the Association; or~~
 - (ii) ~~three (3) months after sales have been closed by the Sponsor of ninety percent (90%) of the Units that will be operated ultimately by the Association;~~
 - (iii) ~~when all of the Units that will be operated ultimately by the Association have been completed and some of them have been sold and~~

~~non of the others are being offered for sale by the Sponsor in the ordinary course of business;~~

~~whichever shall first occur.~~

- ~~(3) The Sponsor shall be entitled to elect not less than one (1) member of the Board of Directors of the Association as long as the Sponsor holds for sale in the Units in the Condominium. Within sixty (60) days after Unit Owners other than the Sponsor are entitled to elect a member or members of the board, the Association shall call and give notice of not less than thirty (30) days nor more than forty (40) days of a meeting of the Unit Owners for this purpose. Such meeting may be called and the notice given by any Unit Owner if the Association fails to do so.~~
- ~~(e) Prior to or not more than sixty (60) days after the time that the Unit Owners other than the Sponsor elect a majority of the members of the Board or Directors of the Association, and the Unit Owners shall accept control and the Sponsor shall simultaneously deliver to the Association all property of the Unit Owners and of the Association held by or controlled by the Sponsor including but not limited to the following items, if applicable:~~
- ~~(1) The original, a certified copy or a photocopy of the recorded Declaration of Condominium; if a photocopy is provided, the same shall reflect the recording information and shall be certified by affidavit by the Sponsor or officer or agent of the Sponsor as being a true and complete copy of the actual recorded Declaration; a certified copy of the Association's Articles of Incorporation; a certified copy of the Association's Articles of Incorporation; a copy of the By-Laws; minute books and other corporate books and records of the Association, if any; the cooperative documents; and any house rules and regulations which may have been promulgated, and all amendments to the above.~~
- ~~(2) Resignations of officers and members of the Board of Directors who may be required to resign for reason of the requirement that the Sponsor relinquish control of the Association.~~
- ~~(3) The financial records, including financial statements of the Association, and source documents since the incorporation of the Association through the date of turnover. The records shall be reviewed by an independent Certified Public Accountant, who shall perform the review in accordance with generally accepted accounting standards as defined by rule by the Board of Accountancy. The accountant performing the review shall not prepare a certified audit but~~

shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices to determine if expenditures were for Association purposes and the billings, cash receipts, and related records to determine that the Sponsor was charged and paid the proper amounts of assessments.

- (4) Association funds or control thereof.
- (5) All tangible personal property that is represented by the Sponsor to be part of the Common Elements, or that is ostensibly part of the Common Elements, or that is property of the Association, and inventories of these properties.
- (6) A copy of the plans and specifications utilized in the construction of improvements and the supplying of equipment to the Condominium and for the construction and installation of all mechanical components serving the improvements and the site, with a certificate in affidavit form of the Sponsor or of his agent or of an architect or engineer authorized to practice in this state that such plans and specifications represent to the best of their knowledge and belief the actual plans and specifications utilized in and about the construction and improvement of the Condominium Property and for the construction and installation of the mechanical components serving the improvements; provided however, that if the Condominium Property has been declared a condominium more than three (3) years after the completion of construction of the improvements, the provisions of this paragraph shall not apply to any such improvements.
- (7) Insurance Policies.
- (8) Copies of any certificates of occupancy which may have been issued for the Condominium Property.
- (9) Any other permits issued by governmental bodies applicable to the condominium Property and which are currently in force or were issued within one (1) year prior to the date upon which the Unit Owners other than the Sponsor took control of the Association.
- (10) Written warranties of the contractor, subcontractors, suppliers and manufacturers as are still effective.
- (11) A roster of Unit Owners and their addresses, and telephone numbers, if known, as shown on Sponsor's records.
- (12) Leases of the Common Elements, or in which the Association is lessor or lessee.
- (13) Employment contracts in which the Association is one of the contracting parties.
- (14) Service contracts in which the Association is one of the contracting parties or service contracts in which the

~~Association or the Unit Owners have directly or indirectly an obligation or responsibility to pay some or all of the fee or charge of the person or persons performing the services.~~
(15) ~~Other contracts in which the Association is one of the contracting parties.~~

- 4.3 Terms. The term of each Director's service shall extend until ~~the next annual meeting of the members and thereafter until~~, his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided. Beginning with the Directors elected at the 2006 annual meeting of the members, Directors shall serve two-year terms, except two (2) of the Directors shall serve a one-year term in order to initiate a staggered-term board of directors. The three (3) 2006 Board members receiving the highest number of votes shall serve two year terms.
- 4.4 Organization Meeting. The organizational meeting of a newly elected Board of Directors shall be held ~~within twenty (20) days of their election at such place and time as shall be fixed by the Directors at the~~ immediately following the annual meeting at which they were elected, and no further notice of the organization meeting shall be necessary.
- 4.5 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, electronic mail, or telephone ~~or telegraph~~ at least three (3) days prior to the day named for such meeting.
- 4.11 Directors' Meetings. Meetings of the Board of Directors shall be open to all Unit Owners, and notices of such meetings shall be emailed and ~~posted~~ conspicuously forty-eight (48) hours in advance of such meetings for the attention of Unit Owners, except in an emergency. Notice of any meeting where assessments against Unit Owners are to be considered shall specifically contain a statement that assessments will be considered and the nature of such assessments.
- 4.12 Presiding Officer. The presiding officer of Directors' meetings shall be the President. In the absence of the President, the Vice President shall preside. In the absence of the President and the Vice President, the Directors present shall designate one of their number to preside.
- 4.13 ~~Directors Fees. Directors fees, if any, shall be determined by the members of the Association; provided, Directors designated by the Sponsor shall never under any circumstances be entitled to Directors' fees.~~
- 5.9 Management Contract. To contract for the maintenance and management of the Condominium Property and any property of the Association and to authorize a

management agent to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments, preparation of records, enforcement of rules, and maintenance, repair and replacement of Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the condominium documents and the Condominium Act, including but not limited to the making of assessments, promulgations of rules and execution of contracts on behalf of the Association. ~~Such contract for the maintenance, management, or operation of the Condominium Property shall be subject to cancellation at the time and on the conditions as follow:~~

~~If the Unit Owners other than the Sponsor have assumed control of the Association, or if the Unit Owners other than the Sponsor own not less than 75% of the Units in the Condominium, the cancellation shall be by concurrence of the owners of not less than 75% of the Units other than the Units owned by the Sponsor. If any such contract is cancelled under this provision and the Unit Owners other than the Sponsor have not assumed control of the Association, the Association shall make a new contract or otherwise provide for maintenance, management or operation in lieu of the cancelled obligation at the direction of the owners of not less than a majority of the Units in the condominium other than the Units owned by the Sponsor.~~

~~5.14 Record of Mortgagees of Units. To maintain a book or other written record of all holders of mortgages upon each Unit. The holder of each mortgage shall be designated as either an "Institutional First Mortgage" or not, as the case may be. Each Unit Owner must notify the Association of any mortgage on his Unit, and the name and address of the mortgagee, within 5 days after entering into a mortgage on his Unit. This record shall be open to inspection or for copying by all Institutional Mortgagees during normal business hours.~~

6. Officers.

6.1 Officers and Election. The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer, and a Secretary ~~and an Assistant Secretary~~, all of whom shall be elected annually by the Board of Directors and who may be preemptively removed by vote of the Directors at any meeting. ~~Any person may hold two or more offices except that the President shall not also be the Secretary.~~ The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find necessary to properly manage the affairs of the Association.

6.4 ~~Secretary and Assistant Secretary.~~ The Secretary shall keep the minutes of all proceedings of the Directors and the members.

He/she shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He/she shall keep the records of the Association and as may be required by the Directors or the President. ~~The Assistant Secretary, Another Director, other than the President,~~ shall perform duties of the Secretary when the Secretary is absent. ~~The duties of the Secretary may be fulfilled by a manager employed by the Association. A manager employed by the Association may fulfill the duties of the Secretary.~~

- 6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and provide for collection of assessments; and he shall perform all other duties incident to the office of Treasurer. ~~The duties of the Treasurer may be fulfilled by a manager employed by the Association. A manager employed by the Association may fulfill the duties of the Treasurer.~~
- 6.6 Compensation. The compensation, if any, of all officers shall be fixed by the members at their annual meeting. No officer who is a designee of the Sponsor, No Officer/Director shall receive any compensation for his services as such.
8. Parking Spaces. ~~At the time of the purchase of the member's Unit, no member was specifically assigned a parking space and a storage space. The Sponsor, however, retains the right to assign one parking space and a storage space per Unit purchased and such additional spaces, as it deems appropriate, which right shall continue until Sponsor sells the last Condominium Unit or delegates its rights hereunder to the Association. Thereafter the Association shall have the right to assign and control all unassigned parking spaces and storage spaces so long as the Association does not interfere with, alter or change the previously made Sponsor's assignments. Parking spaces and storage spaces may be transferred and swapped only among the various Unit Owners. Parking spaces and storage spaces, if assigned or transferred, must be assigned so that every Unit shall at all times have one parking space and storage space which is assigned to it exclusively, and the right to which is transferable at the time of the sale or transfer of the Unit. Maintenance of the parking area is declared to be a Common Expense, and the expenses incident to the same shall be divided among all of the Unit Owners as are other expenses. PARKING SPACES ARE FOR PASSENGER AUTOMOBILES AND VANS, PICK-UP TRUCKS OF ¾ TON CAPACITY OR LESS, MOTORCYCLES,~~

~~MOPEDS AND BICYCLES ONLY, AND NO BOATS, OTHER TRUCKS, TRAILERS, MOTORHOMES, CAMPERS OR OTHER VEHICLES OR OBJECTS THAT SHALL BE PLACED IN OR AROUND THE PARKING SPACES.~~ Each unit will have one designated parking space, assigned to it exclusively, and the right to which is transferable at the time of the sale or transfer of the unit. Maintenance of the parking area is declared to be a Common Expense, and the expenses incident to the same shall be divided among all of the members of the Association, as are other common expenses. Parking spaces are for passenger automobiles, vans, pick-up trucks of one-ton capacity or less, motorcycles, motorbikes, and mopeds only. NO BOATS, PERSONAL WATERCRAFT, LARGE TRUCKS, TRAILERS, MOTORHOMES, CAMPERS OR OTHER VEHICLES OR OBJECTS SHALL BE PLACED IN OR AROUND THE PARKING SPACES.

~~8.1 Assignment of Parking Spaces. The assignment of a parking space and storage space shall be made by describing the particular spaces by reference thereto in a document entitled "Assignment of Use of Parking Space and Storage Space" delivered at the same time as the Deed of Conveyance to the Unit. The Association shall maintain a book for the purpose of listing each assignee of each parking space and storage space and the transfers thereof (the "Book"). Upon assignment of such parking space and storage space, the Sponsor shall cause the Association to record its transfer in the Book. Upon conveyance of, or passing of, title to the Unit to which the said assignment of spaces has been made, the Owner of the Unit making the conveyance of title shall execute a notice of transfer to the Association who shall thereupon cause to be entitled "Assignment of Use of Parking space and Storage Space" and record the transfer in the Book. The same procedure shall be followed in the event of a trade of spaces and areas. Permitted vehicles may only be parked in marked parking spaces and only in a manner so as to not impede the use of other parking spaces, driveways, sidewalks and other passageways. No Owner or any other person may repair, or store, or place on blocks, or other wise maintain any motor vehicle (including permitted vehicles) on the Condominium Property without prior written approval of the Board of Directors. Permitted vehicles may be washed and waxed in the area designated by the Board of Directors.~~

~~10 Amendment. The By-laws may be amended in the manner set for in the Declaration. The By-Laws may be amended by 2/3 of voting interests. (F.S. 2003, Ch.718 4h)~~

EXCEPT AS EXPRESSLY HEREIN STATED, the By-Laws for Island South Condominium Association, Inc., have not been otherwise modified or amended. This

Amendment was approved by the owners of two-thirds of the voting interests of Island South Condominium Association, Inc. and dated as of January 10, 2007.

ISLAND SOUTH CONDOMINIUM ASSOCIATION, INC.

Helen W. Duker
Witness
Dominic M. Marlow
Witness

Harriett Maines
By: Harriett Maines, President

STATE OF FLORIDA
COUNTY OF UNION

The foregoing instrument was acknowledged before me this 12th day of April, 2007, by Harriett Maines, as President of the Board of Directors for Island South Condominium Association, Inc., a Florida Corporation.

Helen W. Duker
Notary Public State of Florida at Large
My commission expires: _____

Judy = 1/10/07

This instrument prepared by:
Judy Alligood
Association Manager, for
Island South Condominium Association, Inc.
620 A1A Beach Blvd.
St. Augustine, FL 32080



HELEN W. DUKES
My Commission # **CC386317**
Expires **January 13, 2009**
Bonded thru **Western Surety Co.**