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**DECLARATION OF CONDOMINIUM  
OF  
THE LYON COMMERCIAL CONDOMINIUM**

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**A Condominium**

**TABLE OF CONTENTS**

<b><u>DEFINITIONS</u></b> .....	1
<b>THE CONDOMINIUM ACT</b> .....	2
<b>NAME</b> .....	3
<b>CONDOMINIUM PLAT</b> .....	3
<b>APPORTIONMENT OF COMMON ELEMENTS, SURPLUS, AND EXPENSES</b> .....	3
<b>COMMON ELEMENTS</b> .....	3
<b>LIMITED COMMON ELEMENTS</b> .....	4
<b>ASSOCIATION</b> .....	4
<b>VOTING RIGHTS</b> .....	5
<b>COMMON EXPENSES</b> .....	5
<b>MAINTENANCE, REPAIRS, AND REPLACEMENTS</b> .....	6
<b>CASUALTY INSURANCE, DESTRUCTION, AND RECONSTRUCTION</b> .....	7
<b>LIABILITY INSURANCE</b> .....	9
<b>RESTRICTIONS UPON USE</b> .....	9
<b>SALE, TRANSFER, LEASE, OR OCCUPATION OF UNIT</b> .....	11
<b>ASSESSMENTS AND LIENS</b> .....	11
<b>RIGHTS OF INSTITUTIONAL FIRST MORTGAGEES</b> .....	12
<b>RIGHTS OF DEVELOPER</b> .....	12
<b>EASEMENTS</b> .....	12
<b>SUBDIVIDING OF UNITS</b> .....	14
<b>REMEDIES</b> .....	14
<b>WARRANTIES</b> .....	15
<b>AMENDMENTS</b> .....	16
<b>TERMINATION</b> .....	16
<b>DEVELOPER'S GUARANTEE</b> .....	16
<b>BINDING EFFECT</b> .....	17
<b>SEVERABILITY</b> .....	17

**DECLARATION OF CONDOMINIUM  
OF  
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THIS DECLARATION is made and executed this 3<sup>rd</sup> day of March, 2005 by THE OLD CITY, L.C., a Florida limited liability company, hereinafter called "Developer".

Developer does hereby submit to condominium ownership pursuant to Chapter 718, Florida Statutes, the following described land and improvements thereon and all improvements hereafter erected thereon, situate, lying and being in the County of St. Johns, State of Florida, to-wit:

All that property described as THE LYON COMMERCIAL CONDOMINIUM, on the condominium plat attached hereto as Exhibit A and by this reference made a part hereof.

1. **DEFINITIONS.** Unless prohibited by the context in which they are used, the following words and phrases, when used in this Declaration, shall have the following meanings.

A. "Act" shall mean Chapter 718, Florida Statutes, known as the "Condominium Act."

B. "Articles" shall mean the articles of incorporation of the Association, a copy of which is attached to this Declaration as Exhibit B.

C. "Association" shall mean The Lyon Commercial Condominium Association, Inc., a Florida corporation not for profit.

D. "Board" shall mean the board of directors of the Association.

E. "Building" shall mean The Lyon Commercial Condominium building, within which all the units are contained, with the relevant areas thereof containing the Units being generally depicted on the Plat and contained within the Building of The Lyon Condominium, a residential condominium, as per Declaration of Condominium recorded in Official Records Book 2104, Page 360, Public Records of St. Johns County.

F. "Bylaws" shall mean the bylaws of the Association, a copy of which is attached to this Declaration as Exhibit C.

G. "Common Elements" shall mean the portions of the Condominium Property described in Paragraph 6 and all other portions of the Condominium Property not included in the Units.

H. "Common Expenses" shall have the meaning set forth in Paragraph 10.

I. "Common Surplus" shall mean the excess of all receipts of the Association collected on

behalf of the Condominium over the Common Expenses.

J. "Condominium" shall mean the condominium created by this Declaration and known as The Lyon Commercial Condominium.

K. "Condominium Property" shall mean the real and personal property subjected to condominium ownership by the terms of this Declaration, all improvements thereon, and all easements and rights appurtenant thereto intended for use in connection with the Condominium.

L. "Declaration" shall mean this Declaration of The Lyon Commercial Condominium.

M. "Developer" shall mean Old City,L.C., a Florida limited liability company.

N. "Institutional Mortgages" shall mean all savings and loan associations, banks, credit unions, mortgage bankers, mortgage brokers, insurance companies, pension funds having assets in excess of \$25 million, agencies of any state government, and agencies of the United States Government (including the Veterans Administration, the Federal Housing Administration, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation), and their subsidiaries, affiliates, successors and assigns, holding first mortgages upon any of the Units.

O. "Limited Common Elements" shall mean those Common elements, if any, which are reserved for the use of a certain Unit or Units to the exclusion of other Units pursuant to the provisions of this Declaration.

P. "Plat" shall mean the condominium plat of the Condominium, a copy of which is attached to this Declaration as Exhibit "A-I" and as will be recorded in the Official Records Book of the Public Records of St. Johns County, Florida. This term, whenever used herein, shall also include any subsequent amendments made to the Plat as provided for herein.

Q. "Public Records" shall mean the Public Records of St. Johns County, Florida.

R. "Real Property" shall mean all the real property described Exhibit "A".

S. "Trustee" shall have the meaning set forth in Paragraph 12.

T. "Unit" shall mean a unit in the Condominium, as defined and described in Paragraph 4.

U. "Unit Owner" shall mean all persons or entities having a vested present ownership interest in the title to a Unit, as evidenced by a proper instrument duly recorded in the Public Records.

V. The Developer has made no provisions for the parking of vehicles by Unit Owners.

2. **THE CONDOMINIUM ACT.** This Act is incorporated herein by reference, and all provisions

thereof shall apply to the Condominium, provided that the terms and provisions of this Declaration shall control to the extent the Act authorizes a variance by the terms of a Declaration of condominium or other condominium documents.

3. **NAME.** The name by which this condominium shall be known and identified is THE LYON COMMERCIAL CONDOMINIUM.

4. **CONDOMINIUM PLAT.** A Plat contains a survey of the Real Property and a plot plan locating the improvements thereon and identifying each Unit and the Common Elements and their relative locations and approximate dimensions as described on Exhibit "A-I". The locations, dimensions, descriptions, identification, and numbering or lettering of the respective Units shall be as described in the Plat. A Unit shall consist of the space defined in the Plat. In the event the actual physical location of any Unit at any time does not precisely coincide with the Plat, the actual physical locations shall control over the locations, dimensions, and descriptions contained in the Plat. In the event of a total or substantial destruction of the Building, the locations, dimensions, and descriptions of the respective Units as contained in the Plat will control.

5. **APPORTIONMENT OF COMMON ELEMENTS, SURPLUS, AND EXPENSES.**  
Each Unit's undivided ownership interest in the Common Elements and Common Surplus and share of Common Expenses shall be as designated in Exhibit C-1.

6. **COMMON ELEMENTS.** Any right, title or interest in a Unit shall automatically carry with it as an appurtenance and without the necessity of specific reference thereto, its respective undivided share of the Common Elements as set forth in Paragraph 5 and a right to use the Common Elements in conjunction with the other Unit Owners. The Common Elements shall include, but not be limited to, the following:

(a) all parts of the Condominium Property that are not included within the boundaries of the respective Units.

(b) all utility installations and facilities serving more than one Unit or the Common elements, including easements through the Units necessary to provide such services, provided, however, Developer reserves the use and ownership of all main utility lines and equipment that are installed by Developer within the boundaries of the Condominium and the right to convey the same to the Association or such utility companies as Developer reasonably may deem appropriate.

(c) all electrical apparatus and wiring, plumbing pipes and apparatus, and other ducts, conduits, cables, wire, or pipe within that Common Elements and up to the exterior surface of the Unit wall, to the extent the same are not owned by utility companies or Developer.

(d) all structural beams, columns, and members within a Unit and an easement of support in any portion of a Unit which contributes to the support of the Building, if applicable.

(e) landscaping and irrigation systems which might be installed from time to time within the Common Elements.

(f) all alterations, additions, and further improvements to the Common elements.

The Unit owners in the aggregate shall be entitled to equal and full use and enjoyment of the Common elements (except Limited Common Elements), except as they may be restricted by the provisions hereof or by reasonable and uniform regulations duly adopted by the Board, which usage shall always be in recognition of the mutual rights and responsibilities of each of the Unit Owners.

The following common elements described in the First Floor Plan shall be owned by the Unit Owners of the Lyon Commercial Condominium. However, the use that shall be shared with the Owners of the Lyon Condominium and each shall provide for all maintenance thereof at 75% to the Lyon Condominium and 25% to the Lyon Commercial Condominium: Fire Pump Station, mechanical and maintenance station. Each condominium association shall provide a line item in its budget for the expenses of maintenance of these shared elements and assessments thereunder shall be enforced by each association accordingly.

7. **LIMITED COMMON ELEMENTS.** Use of the Limited Common Elements will be limited to those Units to whom such use is assigned by or pursuant to the terms of this Declaration or the Plat. The Limited Common Elements will be designated in accordance with the following provisions.

(a) Heating and Air Conditioning Equipment. If any heating or air conditioning equipment serving only one Unit is located outside the boundaries of the Unit, such equipment shall constitute Limited Common Elements for the exclusive use of the unit.

(b) Utility Lines. all electrical lines between a Unit and the Unit's individual service panel or meter shall, to the extent such lines serve only the Unit constitute Limited Common Elements for the exclusive use of the Unit. All water supply lines between a Unit and the main distribution lines and all sewerage waste lines between a Unit and the main collection lines shall to the extent such lines serve only the Unit, constitute Limited Common Elements for the exclusive use of the unit.

(c) Appurtenances. A Unit's Limited Common Elements shall be appurtenant to the Unit and may be encumbered or conveyed thereafter as an appurtenance to the Unit without necessity of specific reference thereto. Except as otherwise provided by Paragraph 7(a), a Unit's Limited Common Elements may not be separately assigned except as an appurtenance to the Unit to which they relate.

8. **ASSOCIATION.** Except as may be otherwise provided by the terms hereof, responsibility for the operation, management, and maintenance of the Condominium shall be vested in the Association. The primary purpose of the Association shall be to maintain the Common Elements, enforce the provisions of this Declaration wherever applicable and appropriate, and perform such other duties as may be assigned to it under the terms hereof or under the Articles and Bylaws. All persons or entities having a vested present ownership interest in the title to any of the Units, which interest is evidenced by a proper instrument duly

recorded in the Public Records, shall automatically be members of the Association, and their respective memberships shall terminate as their vested present ownership interest in the title terminates. All of the affairs and property of the Condominium and the Association shall be controlled by the Board. A copy of the Articles which has been filed with and certified by the Secretary of State of Florida is attached hereto as Exhibit B. A copy of the Bylaws governing the operation of the Condominium and of the Association is attached hereto as Exhibit C. The Association shall have all of the rights and powers provided by the Act, the Florida limited partnership statutes, the Articles, the Bylaws, and this Declaration.

9. **VOTING RIGHTS.** Each Unit shall be entitled to one vote. The vote to which a Unit is entitled shall be cast in accordance with the provisions of the Articles and Bylaws.

10. **COMMON EXPENSES.** All costs and expenses that may be properly incurred by the Association through the Board from time to time in operating, maintaining, improving, protecting, managing, and conserving the Common Elements and the property of the Association and in carrying out its duties and responsibilities as provided by the Act, this Declaration, the Articles, and the Bylaws shall constitute "Common Expenses" of the Association. Funds for the payment of the Common Expenses shall be collected by the Association through assessments against the Units in accordance with the provisions of Paragraph 16. By way of illustration and not as a limitation, the Common Expenses shall include:

A. Costs of operation, maintenance, repair, and replacement of the Common Elements, exclusive of Limited Common Elements that are to be maintained by unit Owners pursuant to Paragraph 11.

B. Costs of management of the Condominium and administrative costs of the Association, including professional fees and expenses.

C. Costs of water and sewerage service, electricity, and other utilities furnished to the Condominium that are not metered separately to the individual Units. It is intended that the Units will be sub-metered for water and sewer, with payments being made directly to Association, and Association shall have lien rights for these obligations of the Unit owners.

D. Labor, materials, and supplies used in conjunction with janitorial services, if any, furnished by the Association to each Unit.

E. Labor, material, and supplies used in conjunction with the Common elements.

F. Damages to the Condominium Property in excess of insurance coverage.

G. Costs of maintaining and operating irrigation systems serving the Common Elements.

H. Premium costs of fire, windstorm, flood and other property insurance and liability insurance procured by the Association pursuant to the terms hereof.

I. Costs incurred by the Association upon approval by a majority of Unit owners, for the installation of additions, alterations, or improvements to the Common Elements, or for the purchase of additional lands, leaseholds, or other possessory or use rights in lands or facilities purchased for the benefit of all the Unit Owners.

J. Other costs incurred by the Association in fulfilling its maintenance obligations under the terms of Paragraph 11(a)(1) - (3).

11. **MAINTENANCE, REPAIRS, AND REPLACEMENTS.** The respective obligations of the Association and the Unit Owners to maintain, repair, and replace the Condominium Property and other property serving the Unit Owners shall be as follows:

A. By the Association. The Association shall maintain, repair, and replace as part of the Common Expenses all the Common Elements, except those portions of the Common Elements which are to be maintained, repaired, and replaced by the Unit Owners provided elsewhere within this Declaration.

The Association shall have the right of access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair, improvement, or replacement of the Common Elements therein or accessible therefrom or during any hours for performing such emergency repairs or procedures therein as may be necessary to prevent damage to the Common elements or to another Unit. If the Board determines that any maintenance, repair, or replacement required to be made by the Association was necessitated by the carelessness, negligence, or intentional act of a Unit Owner, his lessees, invitees, or guests, the cost of such maintenance, repair, or replacement shall be assessed against the Unit Owner and shall be payable by such Unit Owner within 30 days after delivery of written notice of the assessment. Neither the Association nor any Unit Owner shall be liable for any damage to the property or person of any other Unit Owner or occupant caused by water intrusion into a Unit through the Common Elements or from another Unit resulting from rain leakage, pipe leakage, overflow, or bursting, or other similar source, unless the Association or Unit Owner is guilty of gross negligence or willful and wanton misconduct.

B. By the Unit Owners. Each Unit Owner shall maintain, repair, and replace the following.

(1) Everything within the confines of the Unit which is not part of the Common Elements, including but not limited to:

(a) Paint, wallpaper, finishes, coverings, and decorations of all interior walls and floors.

(b) All built-in shelves, cabinets, counters, storage areas, and closets.

(c) All electrical, plumbing, telephone and television fixtures, apparatus, equipment, outlets, switches, wires, pipes, and conduits serving only the Unit.



- (d) All mechanical, ventilating, heating, and air conditioning equipment.
- (e) All doors, screens, walls, partitions, and room dividers.
- (f) All furniture, furnishings, and personal property contained within the Unit.
- (g) All finished ceiling materials and coverings.

(2) Those parts of the heating and air conditioning system serving the Unit located outside the boundaries of the Unit and designated as Limited Common Elements by the terms of Paragraph 7.

(3) Those electrical lines serving the Unit located outside the boundaries of the Unit and designated as Limited Common Elements by the terms of Paragraph 7.

(4) Those water supply and sewerage waste lines serving the Unit located outside the boundaries of the Unit and designated as Limited Common Elements by the terms of Paragraph 7.

C. Failure to Maintain. In the event a Unit Owner fails to fulfill his obligations as set forth above, the Association, at the discretion of the Board, may undertake such maintenance and make such repairs as the Board may deem necessary. The cost thereof shall be assessed against such defaulting Unit Owner and shall be payable within 30 days after delivery of written notice of the assessment.

## 12. **CASUALTY INSURANCE, DESTRUCTION, AND RECONSTRUCTION.**

Except as otherwise provided herein, the Association, as agent for and on behalf of the Unit Owners and their respective mortgagees, shall to the extent applicable and prudent obtain and maintain fire and extended coverage insurance with a responsible insurance company upon all of the insurable improvements of the Condominium, including the Common elements and the respective Units and the personal property of the Association, for the full replacement or insurable value thereof. The Association shall maintain flood insurance in at least the amount required by Institutional Mortgagees. The premiums for all insurance shall be paid by the Association and shall be included in the assessment for Common Expenses. The Association shall have full authority as agent for the insureds to compromise and settle all claims against its insurance carrier and may institute legal proceedings for the collection thereof. The original policy of insurance shall be held by the Association, and Institutional Mortgagees shall be furnished, upon request, mortgagee endorsements covering their respective interests. Each Unit Owner shall be responsible for insuring: (a) his own personal property within the Unit; (b) any alterations or additions to the Unit made by him or by any of his predecessors in title other than Developer, (c) all paint, wallpaper, finishings, coverings, and decoration of the interior surfaces of all walls, floors, ceilings, and doors bounding, or contained within, the Unit; and (d) any Limited Common Elements that the Unit Owner is obligated to maintain pursuant to Paragraph 11. Notwithstanding the foregoing, any insurance otherwise required to be maintained by the Unit Owners by the terms hereof may be included in the insurance coverage purchased by the Association and paid for as part of the Common Expenses, if so authorized by the Board.

In the event of a destruction or casualty loss to any of the improvements of the Condominium, all insurance proceeds payable under the Association's policies shall be collected by the Association. The proceeds shall be held by the Association and used for the immediate repair and reconstruction of the damaged improvements under the supervision and control of the Board. The insurance carrier shall not be responsible to ensure that the proceeds are properly applied as provided herein. The Association shall disburse the proceeds held by it as reconstruction progresses. Any surplus of insurance proceeds shall be added to the Common Surplus. In the event the proceeds are not sufficient to pay the cost of the reconstruction, the Association shall supply sufficient additional funds as a part of the Common Expenses of the Association. The Association's insurance carrier shall not have a right of subrogation against any Unit Owner, but if it is determined by the Board that the damage was proximately caused by the gross negligence or willful and wanton misconduct or intentional acts of a Unit Owner, such Unit Owner may be assessed a sum sufficient to reimburse the Association for any deficiency in insurance proceeds, which sum shall be payable by such Unit Owner within 30 days after delivery of written notice of the assessment.

If all or substantially all of the improvements of the Condominium are destroyed, such improvements shall be restored as above provided unless Unit Owners holding at least two-thirds of the total voting rights of the units, vote to terminate the Condominium. Except for the consent of Institutional Mortgagees and Developer pursuant to Paragraphs 17 and 18, no further consent from any other person or entity shall be necessary to effectuate a termination of the Condominium in the manner above described. In the event the Condominium is to be terminated, then all Unit Owners shall immediately convey all their right, title, and interest in and to their respective Units to a banking corporation having trust powers selected by the Board (the "Trustee"), to be held by the Trustee in trust. The recording of each such conveyance to the Trustee in the Public Records will have the immediate effect of releasing all liens upon the respective Unit and shall cause their instantaneous transfer to that Unit's share of the funds to be subsequently distributed by the Trustee as provided herein. Upon recording an instrument evidencing the termination of the Condominium, the proportional share of each Unit in the Condominium Property and, to the extent allowed by law, in all funds distributed by the Trustee as herein provided, shall be established in accordance with the respective values of the Units prior to the destruction as such values are determined by three experienced real estate appraisers selected by the Board. If the appraisers cannot agree on such values, such values shall be established by averaging the values respectively determined by the appraisers.

If the Condominium is to be terminated pursuant to the foregoing provisions of this Paragraph 12, the Association shall pay over to the Trustee all insurance proceeds payable as a result of the destruction, and the Association shall convey to the Trustee all its right, title, and interest in and to all assets of the Association which may remain after the Association pays its liabilities. The Trustee then shall effect a public or private sale of the Condominium Property, by whatever means the Board shall deem best, for the highest and best price, for cash or terms, as soon as practicable consistent with local real estate market conditions.

The Trustee may make partial distributions of each unit's share of the funds collected by the Trustee at such times and in such aggregate amounts as the Trustee and the Board may deem appropriate.

In determining the amount of any partial distribution, the Trustee and the Board shall ensure that sufficient funds are retained by the Trustee to cover unpaid or anticipated costs, fees, or other liabilities of the Association. When the Trustee has collected all insurance proceeds and all proceeds from the sale of the Condominium Property and, to the extent applicable, the assets of the Association and has paid all applicable Association liabilities and reasonable Trustee's fees, appraiser's fees, and other costs reasonably incurred, the Trustee shall make a final distribution of each Unit's share of the remaining funds held by the Trustee.

Any distribution, whether partial or final, of a Unit's share of the funds held by the Trustee shall be made jointly to the record title owner of the Unit and the record owners of any mortgages or other liens encumbering the Unit at the time of the recording of the conveyance to the Trustee by the Unit Owner. All mortgages and other liens upon the respective Units shall be fully released and discharged as provided herein even though the share of a particular Unit in the funds distributed by the Trustee is insufficient to pay all liens in full; in such event the lienholders who had priority against the title to the Unit shall have priority of payment of the Unit's share of such funds. Nothing herein provided shall in any way relieve the Unit Owner of his personal liability for any deficiency which may remain upon any liens which encumbered his Unit at the time of its conveyance to the Trustee.

Mortgagees and other lienholders shall be deemed to have consented to the foregoing provisions of this Paragraph 12 by the acceptance of their mortgages or perfection of their liens. The provisions of this Paragraph 12 may be enforced by injunction, suit for specific performance, or by other appropriate remedy upon suit filed by the Association or Developer in a court of competent jurisdiction.

13. **LIABILITY INSURANCE.** The Association shall obtain and maintain public liability insurance covering all the Common Elements and insuring the Association, Developer, and the Unit Owners as their interests may appear in such amount as the Board may deem appropriate. The premiums for such insurance coverage shall be a part of the Common Expenses. The Board shall have authority to compromise and settle all claims against the Association or upon insurance policies held by the Association. The Unit Owners shall have no personal liability upon any such claims, except as may be otherwise provided by law, and nothing herein contained shall in any way be construed as imposing upon the Association a duty to assess Unit Owners for the purpose of raising sufficient funds to discharge any liability in excess of insurance coverage. Each Unit Owner will be responsible for procuring and maintaining public liability insurance, as the Unit Owner may deem appropriate, covering losses which may occur in and about the Unit Owner's particular Unit.

14. **RESTRICTIONS UPON USE.** No owner, tenant, or other occupant of a Unit shall:

A. Do any of the following without the prior written consent of Association: paint or otherwise change the appearance of any exterior wall, door, window, screen, or any exterior surface; tint, color, or otherwise treat or apply anything to any window which will adversely affect the uniform exterior appearance of the Building in the opinion of Association; plant any planting outside of the Unit; erect any exterior lights or place or affix any sign or symbol outside of any Unit, except for business signage which is commercially reasonable, which shall be subject to Association approval as to size, color, style, and design;

erect or attach any structures or fixtures within the Common Elements; erect or attach any structures or fixtures outside the Unit; make any structural additions or alterations (except the erection or removal of non-support carrying interior partitions wholly within the Unit) to any Unit or to the Common Elements; or fasten any objects to the exterior walls or ceiling of the Unit unless they may be removed without substantial damage to the wall or ceiling structure;

B. Cause or permit loud or objectionable noises or obnoxious odors to emanate from the unit which may cause a nuisance to other Unit Owners in the sole opinion of the Board.

C. Make any use of a Unit which violates any laws, ordinances, or regulations of any governmental body;

D. Fail to conform to and abide by the provisions of this Declaration, the Articles, the Bylaws, or such uniform rules and regulations in regard to the use of the Units and the Common elements as may be adopted from time to time by the Board, or fail to allow the Board or Developer, or their designated agents, to enter the unit at any reasonable time to determine compliance with the Act, this Declaration, the Articles, the Bylaws, or the regulations of the Association;

E. Erect, construct, or maintain any wire, antennas, satellite dish, garbage or refuse receptacles, or other equipment or structures on the exterior of the Building or within any of the Common elements, except with the written consent of Association;

F. Cause or permit anything to be done or kept in a Unit or within the Common Elements which will cause damage to, or increase insurance rates on, the Condominium Property;

G. Commit or permit any public or private nuisance or illegal act in a Unit or within the Common Elements;

H. Divide or subdivide a unit or combine Units for the purpose of sale or lease except in compliance with the terms of Paragraph 20;

I. Obstruct the common way of ingress or egress to the other Units or to the Common Elements;

J. Place anything within the Common elements which would be unsightly, unsanitary, or hazardous;

K. Allow any rubbish, refuse, garbage, or trash to accumulate in places other than the receptacles provided therefore, or fail to keep the Unit in a clean and sanitary condition at all times.

L. Allow any fire or health hazard to exits;

M. Interfere with the use of any other Unit by the unit Owner, occupant, or person entitled to the use thereof or make use of the Common Elements in such a manner as to abridge the equal rights of other Unit Owners to their use and enjoyment;

N. Fair to dispose of medical or toxic wastes except in accordance with applicable governmental regulations;

O. Discharge any chemicals into any street, easement, surface water drain, or portion of the Common elements so as harmfully to affect any landscaping or plants or pollute the surface water drainage system; or

P. Operate a video game parlor, offer for sale, rental or use any pornographic materials or objects, as determined in the sole judgment of the Board, or use or occupy the Unit for any purpose other than retail use, professional and business offices, financial institutions, medical and dental clinics, and other uses which are compatible with these uses and permitted by applicable zoning regulations.

15. **SALE, TRANSFER, LEASE, OR OCCUPATION OF UNIT.** Upon the transfer of title to any Unit, the Unit Owner acquiring title shall provide to the Association written notice reciting such Unit Owner's name, address, and telephone number. Upon the lease of a Unit, the Unit Owner shall provide to the Association written notice reciting the name, address, and telephone number of the tenant.

16. **ASSESSMENTS AND LIENS.** The Common Expenses of the Association shall be payable by annual and special assessments levied by the Board against each Unit. The Board shall approve annual budgets of anticipated income and Common Expenses for each fiscal year and thereupon shall levy an annual assessment against each unit.

All annual and special assessments levied by the Board for the Payment of Common Expenses shall be allocated to and payable by the unit in accordance with the allocation of Common Expenses as set forth in Paragraph 5.

Any assessment, including assessments made pursuant to the provisions of Paragraphs 11 and 12, which is not paid when due shall be subject to a late charge of 10 percent, or such other late charge as may be established by resolution of the Board, and shall bear interest from the due date until paid at the rate of 13 percent per annum or at such other rate as may be established by resolution of the Board up to the maximum rate allowed by law. If any assessment is payable in installments and a Unit Owner defaults in the payment of an installment, the remaining installments of such assessment may be accelerated by the Association to maturity by giving the defaulting unit owner 10 days notice of intent to accelerate unless all delinquent sums are paid within that time.

Every assessment levied by the Board shall be the personal obligation of the unit Owner of the respective Unit against which the assessment is levied, ownership being determined as of the date of such levy. If any such assessment is not paid within 30 days after the same is due, then the Association may bring suit against the Unit Owner on such personal obligation, and there shall be added to the amount

of such assessment the aforementioned late charge and interest and all costs and reasonable attorneys' fees incurred by the Association in preparation for and in bringing such action, including reasonable attorneys' fees for appellate proceedings.

The Association shall have the remedies and liens provided by the Act with respect to unpaid assessments, including assessments made pursuant to the provisions of Paragraphs 11 and 12, which shall include accrued interest and reasonable attorneys' fees incurred by the Association incident to the collection of such assessment or other indebtedness or enforcement of such lien, including attorneys' fees for appellate proceedings.

The Board may require each Unit Owner who acquires his Unit directly from Developer to pay a one-time contribution (in an amount determined by the Board, but not to exceed one-half of the then applicable annual assessment against the Unit) to be used by the Association solely for the payment of the Common Expenses.

17. **RIGHTS OF INSTITUTIONAL FIRST MORTGAGEES.** The termination of the Condominium and any amendments to the provisions of this Declaration materially affecting the rights of Institutional Mortgagees shall require the written consent of Institutional Mortgagees holding at least 51 percent of all first mortgages held by Institutional Mortgagees. Such consent shall not be unreasonably withheld. Amendments under the terms of Paragraph 20 do not require such consent, but only the consent of lienholders as set forth therein. Except as otherwise provided by the Act, any Institutional Mortgage that acquires title to a Unit through mortgage foreclosure or acceptance of a deed in lieu of foreclosure shall not be liable for any assessments levied against such unit which became due prior to the acquisition of such title unless a claim of lien for such assessments was recorded prior to the recording of the mortgage.

18. **RIGHTS OF DEVELOPER.** The rights of Developer with regard to the appointment and election of directors of the Association are set forth in the Articles and the Bylaws. If at the time of recording this Declaration construction of all the Units and improvements has not been completed, Developer shall have all rights and easements necessary or desirable with respect to the Condominium Property to complete such construction and to effect the sale or lease of all the units. As long as Developer holds Units for sale or lease in the ordinary course of business, Developer shall have the right to exhibit such signs and sales paraphernalia as may be desirable to effect such sales or leases and may use one or more of the Units and the Common Elements for offices, models, and other uses appropriate for the promotion of sales or leases and for the development and management of the Condominium. Developer reserves the right to use the name "The Lyon Commercial" or any similar name in connection with future developments. Developer may from time to time assign any or all of its rights, title, interest, easements, powers, duties, obligations and privileges reserved hereunder to the Association or to any other person.

19. **EASEMENTS.** The respective rights and obligations of the Unit Owners, the Association, Developer, and others concerning easements affecting the Condominium Property shall include the following:

A. Reserved by Developer. Developer hereby reserves for the benefit of itself, its successors and assigns, perpetual nonexclusive easements in gross for ingress and egress and for the installation, construction, repair, maintenance, and replacement of lines, pipes, wells, drains, conduits, catch basins, cables, equipment, apparatus, structures, roads, driveways, and other improvements for private or public utility services of all kinds, including without limitation, water, sewer, drainage, irrigation, fire protection, electricity, telephone, cable television, and trash disposal, over, under, through, and across the Common elements. Developer may assign any of the foregoing easements to such persons or entities as Developer may deem appropriate for the use of such persons or groups of persons as may be designated and upon such terms as may be established by Developer.

B. Granted to Unit Owners. Each Unit Owner and his guests and invitees are hereby granted a nonexclusive perpetual easement for ingress and egress to and from his respective Unit through the Common Elements. Each Unit owner shall have a perpetual easement for encroachments of his Unit that may now or in the future exist by inaccuracies in construction or settlement or movement of the Building, or otherwise, which encroachments shall be allowed to remain undisturbed until they no longer exist.

C. Granted to Utilities. There is hereby granted to all public and private utility companies furnishing utility services to the Condominium as of the time of recording of this Declaration a nonexclusive perpetual easement for the construction, installation, maintenance, repair, and replacement of the equipment, structures, and other improvements by which such utility services are respectively provided over, under, across, and through such portion of the Common Elements as may be reasonable necessary therefore.

D. Granted to and by the Association. There is hereby granted to the Association a nonexclusive perpetual easement: (1) through each Unit for the purpose of maintaining the Common Elements, or upon reasonable notice for access to common elements of The Lyon Condominium; and (2) of support in any portion of a Unit which contributes to the support of the Building; and (3) for all existing or necessary pipes, wiring conduits, utility lines or chases (collectively the "utility lines") and access to the utility lines that run across the ceilings of the unit which serve areas of the Building outside the unit. A unit owner shall not alter, disturb or relocate the utility lines without prior written consent of the Board of Directors. The Association shall have the right to grant easements under, over, across, and through the Common Elements to such persons or entities and for such purposes as the Board may deem appropriate by recording the Public Records as instrument duly executed by the President or Vice President of the Association.

The use of any easement granted under the provisions of this Paragraph 19 shall not include the right to disturb the Building or any structure on the Common Elements, and any damage caused to same shall be repaired at the expense of the party causing such damage. In the event a party's use of an easement granted pursuant to the terms hereof causes a disturbance of the surface of the land; the driveways, grass, landscaping, and other improvements which are disturbed shall be restored promptly by such party as nearly as possible to their prior condition.

20. **SUBDIVIDING OF UNITS.** This is a nonresidential condominium consisting of seven (7) units within the Building, which also houses The Lyon Condominium, a residential condominium. To assure some level of certainty as to physical layout, there shall not be allowed any subdividing of Units within this Condominium.

21. **REMEDIES.** Subject to any limitations otherwise imposed by the Act, the rights and obligations of the Unit Owners, the Association, and Developer with respect to the enforcement of the provisions of this Declaration shall include the following:

A. **Compliance.** Each Unit Owner shall comply, and shall cause the Unit Owner's guests, tenants, and invitees to comply, with the restrictions and covenants set forth in this Declaration, the Articles, the Bylaws, and such rules and regulations as may be adopted from time to time by the Board.

B. **Enforcement.** Upon failure of a Unit Owner to comply with the provisions of Paragraph 21(a), either Developer or the Association shall be entitled to exercise all rights and remedies provided by the terms of this Declaration and, in addition, to commence an action against the Unit Owner for any relief allowed by law, including, without limitation, money damages, injunctive relief, or any combination thereof. If any such action in which Developer or the Association is the prevailing party, Developer or the Association shall be entitled to recover its costs and reasonable attorney's fees, including costs and attorney's fees for appellate proceedings.

C. **Fines.** Upon failure of a Unit Owner to comply with the provisions of Paragraph 21(a), the Association may, in the sole discretion of the Board and in addition to all other remedies to which the Association may be entitled pursuant to Paragraph 21(b), impose a fine upon the Unit Owner pursuant to the following provisions:

(1) **Notice.** The Association shall afford an opportunity for hearing to the Unit Owner, after notice of not less than: (i) three days in the event of an emergency or if the Unit Owner's actions constitute: (a) a threat to the health or safety of other Unit Owners; or (b) a violation of any governmental laws and regulations applicable to the Condominium; or (ii) 14 days, in all other cases. The notice shall include a statement of the date, time, and place of the hearing and a statement of the matters allegedly constituting a violation of Paragraph 21(a).

(2) **Hearing.** The hearing shall be conducted by the Board or by such other panel as may be required by law. At the hearing, the Unit Owner shall have the opportunity to review, challenge, and respond to any material considered by the Board or hearing panel; to present evidence; and to provide written and oral argument on all issues involved.

(3) **Amount.** The Association may impose a fine not in excess of \$100 per day from the date of the Unit Owner's violation until such violation ceases.

(4) **Liens.** Unless prohibited by law, each fine levied by the Association against a Unit owner shall be secured by a lien in favor of the Association against



his Unit and shall be evidenced and enforced in the same manner as liens for unpaid assessments.

(5) Application of Fines. All proceeds received by the Association from fines shall be applied to the payment of the Common Expenses.

(6) Nonexclusive Remedy. Fines shall not be construed as an exclusive remedy and shall exist in addition to all other rights and remedies to which the Association may be legally entitled; however, any find paid by a Unit Owner shall be deducted or offset against any damages that the Association may otherwise be entitled to recover from such Unit Owner.

D. Discontinuance of utility Service. During the continuance of a Unit Owner's failure to comply with the provisions of Paragraph 21(a), the Association by action of the Board may: (1) deny to the Unit Owner use of the Common Elements; and (2) discontinue the supply of any utility services to his Unit that are paid by the Association as part of the Common Expenses. Upon the correction of such failure and the payment by the Unit Owner of the expense of the discontinuance and restoration of such services, they shall be promptly restored.

E. Waiver. Failure of Developer or the Association to insist upon strict performance of any provision of this Declaration with respect to any Unit Owner or Unit shall not be deemed to be a waiver of such provision as to such unit Owner or Unit unless Developer or the Association has executed in writing a waiver thereof. Any such written waiver of any provision of this Declaration by Developer or the Association with respect to any unit Owner or Unit shall not constitute a waiver of such provision as to any other Unit Owner or Unit.

F. Arbitration of Disputes. Any dispute or controversy between the Unit Owners with The Lyon Commercial Condominium and the residential condominium The Lyon Condominium, concerning their respective rights or obligations under this Declaration and The Lyon Condominium Declaration of Condominium or within the Association shall be subject to and decided by binding arbitration. Such arbitration shall be conducted in accordance with the Florida Arbitration code. Demand for arbitration shall be filed in writing with the other party and with the Board. The Board shall act as arbitrator of the dispute or controversy or shall appoint an independent third party to act as arbitrator. Such appointment, if any, shall be made within 30 days after the Board's receipt of the demand for arbitration. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

22. **WARRANTIES.** Except as Developer may otherwise expressly provide by written contract, and except as otherwise provided by the Act: (a) THE CONSTRUCTION, DEVELOPMENT, AND SALE BY DEVELOPER OF ANY UNIT ARE WITHOUT WARRANTY, AND NOT WARRANTIES OF FITNESS, HABITABILITY, OR MERCHANTABILITY AS TO ANY PORTION OF THE CONDOMINIUM PROPERTY SHALL BE IMPLIED; (b) DEVELOPER HEREBY EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY COMMON LAW IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, HABITABILITY, AND CONFORMITY OF ANY IMPROVEMENTS WITH

PLANS AND SPECIFICATION FILED WITH ANY GOVERNMENTAL AUTHORITY; (c) DEVELOPER MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EXISTENCE OR LEVELS OF RADON, RADON PROGENY, OR ANY OTHER POLLUTANT WITHIN THE CONDOMINIUM PROPERTY; and (d) NEITHER DEVELOPER NOR THE ASSOCIATION SHALL IN ANY MANNER BE CONSIDERED INSURERS OR GUARANTORS OF ANY PERSON'S SAFETY ON THE CONDOMINIUM PROPERTY, NOR SHALL DEVELOPER OR THE ASSOCIATION HAVE ANY LIABILITY TO ANY PERSONS FOR INJURY OR LOSS RESULTING FROM THE ACTIONS OF ANY THIRD PARTY.

23. **AMENDMENTS.** The provisions of this Declaration may be amended at any time by affirmative vote of the Unit Owners holding at least two-thirds of all voting rights of the Association membership, except that provisions relating to percentage of ownership of the Common Elements and Common Surplus, sharing of Common Expenses, rights of Developer, rights of Institutional Mortgagees, voting rights of the Unit Owners, and termination of the Condominium may be amended only with the written consent of all persons or entities adversely affected thereby. Amendments to the Articles and Bylaws may be made in the manner provided therein and shall not be subject to the requirements set forth herein for amendments to the provisions of this Declaration

Except for amendments by Developer as herein provided, no amendment shall be effective unless it be in writing, executed by the president or vice president of the Association with the formalities required for a conveyance of real property in the State of Florida, and recorded in the Public Records. Any amendment so executed and recorded shall be prima facie evidence that the amendment was duly adopted in accordance with the requirements of this Declaration, the Articles, and the Bylaws. It shall not be necessary for the individual Unit Owners or holders of recorded liens thereon to join in or consent to the execution of any amendment, except as specifically provided herein. For as long as Developer hold title to any Unit, no amendment to this Declaration, the Articles, or the Bylaws shall be effective without Developer's written consent.

All amendments shall reasonably conform to the general purposes of the covenants and restrictions set forth herein and shall take effect immediately upon recordation in the Public Records.

24. **TERMINATION.** The Condominium Property may be removed from the provisions of this Declaration and the Condominium terminated at any time by affirmative vote of Unit Owners holding at least 75 percent of all voting rights of the Association membership, provided such termination shall have the written consent of Institutional Mortgagees as provided in Paragraph 17 and, until such time as Developer no longer hold title to any Unit, the written consent of Developer. The termination shall be effected by an instrument in writing signed by the president or vice president of the Association with the formalities of a deed and duly recorded in the Public Records.

25. **DEVELOPER'S GUARANTEE.** So long as the Developer owns a Condominium Unit which is offered for sale, Developer shall be excused from the payment of assessments against these unsold units for the period of time the Developer has guaranteed all purchasers or other unit owners in the Condominium that the monthly assessments for each unit will not exceed the amount indicated on Exhibit

C-II attached hereto, and that Developer will pay any common expenses that exceed that amount. This guarantee begins on the date of recording of the Declaration of Condominium and shall end two (2) years from that date and may be extended for two (2) additional six (6) month periods.

26. **BINDING EFFECT.** All provisions of this Declaration shall: (a) be enforceable as equitable servitudes, run with the title to and bind all the Condominium Property, and be in full force and effect, until duly amended or upon termination of the Condominium; and (b) inure to the benefit of, and be enforceable by, Developer, the Association, each Unit Owner, and their respective legal representatives, heirs, successors, and assigns. Any gender used herein shall include all genders and legal entities; the plural number shall include the singular and the singular shall include the plural. The obligations of Developer arising under this Declaration or under any other instrument are corporate obligations and do not extend to the employees, officers, directors, and shareholders of Developer. Such employees, officers, directors, and shareholders shall have no individual liability in any action brought, or for any claim asserted, by the Association or by any Unit Owner in connection with the construction, development, or sale of any unit or other property or improvements in connection with the Condominium.

27. **SEVERABILITY.** If any provision of this Declaration, the Plat, the Articles, or the Bylaws, or any section, sentence, clause, phrase, or work thereof, or the application thereof in any circumstance, is held invalid by a court of competent jurisdiction, the validity of the remainder of such instruments and of the application thereof in other circumstances shall not be affected thereby.

IN WITNESS WHEREOF, Developer has caused this Declaration to be executed in its name this 3<sup>rd</sup> day of March 2005.

Witnesses:

[Signature]  
Signature  
GREG ROBINSON  
Print Name

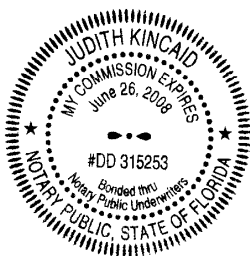
[Signature]  
Signature  
Kathleen Love  
Print Name

OLD CITY, L.C.,  
A Florida limited  
liability company  
By: [Signature]  
William Harkins

STATE OF FLORIDA  
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this 3 day of MARCH 2005 by William Harkins, as President of Old City, L.C., a Florida limited liability company, on behalf of the corporation. The above named person is personally known to me ~~or has produced~~ as identification. If no type of identification is indicated, the above is personally known to me.

(Notary Seal)



[Signature]  
Signature of Notary Public  
Print: JUDITH KINCAID  
My commission expires: 6-26-08

JOINDER OF ASSOCIATION

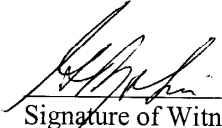
The Lyon Commercial Condominium Association, Inc., a Florida corporation, hereby joins in and consents to the foregoing Declaration of condominium and hereby agrees to the provisions thereof and the obligations imposed upon The Lyon Condominium therein.

IN WITNESS WHEREOF, the Association has caused this joinder to be executed by its name by its duly authorized officer and caused its corporate seal to be hereunto affixed this 3rd day of March 2005.

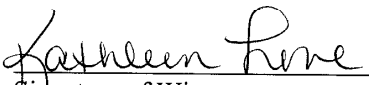
Signed, sealed and delivered

THE LYON COMMERCIAL CONDOMINIUM  
ASSOCIATION, INC., A Florida not for profit  
corporation

By:   
William Harkins, President

  
Signature of Witness

GREG ROBINSON  
Print Name of Witness

  
Signature of Witness

Kathleen Love  
Print Name of Witness

STATE OF FLORIDA  
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this 3 day of MARCH 2005, by William Harkins, as President of The Lyon Commercial Condominium Association, Inc., a Florida corporation, not for profit, on behalf of the corporation. He is personally known to me ~~or has produced~~ as identification and did not take an oath. If no type of identification is indicated, the above-named person is personally known to me.

(Notary Seal)



Judith Kincaid  
Signature of Notary Public  
Print: JUDITH KINCAID  
My commission expires: 6-26-08

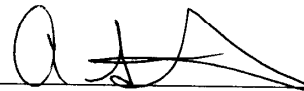
**CONSENT OF MORTGAGE**

The undersigned is the owner and holder of a mortgage lien upon the premises described in the Declaration of Condominium of The Lyon Commercial Condominium. The undersigned hereby joins in and consents to the submission of said lands to condominium ownership in accordance with the terms and provisions of said Declaration of Condominium.

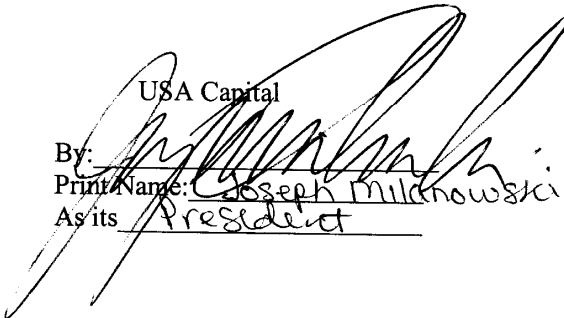
Witness:

  
\_\_\_\_\_  
Signature of Witness

Thomas Rondeau  
\_\_\_\_\_  
Print Name of Witness

  
\_\_\_\_\_  
Signature of Witness

Amanda Stevens  
\_\_\_\_\_  
Print Name of Witness

USA Capital  
By:   
\_\_\_\_\_  
Print Name: Joseph Milachowski  
As its President

STATE OF NEVADA  
COUNTY OF CLARK

The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of March 2005, by Joseph Milanowski, as President, of USA Capital a Nevada corporation, on behalf of the corporation. ~~The above named person is personally known to me or has~~ produced \_\_\_\_\_ as identification. If no type of identification is indicated, the above-named person is personally known to me.



(Notary Seal)

Lynda Stewart  
Signature of Notary Public  
Print: Lynda Stewart  
My commission expires: 2/4/07



**EXHIBITS TO  
THE DECLARATION OF CONDOMINIUM  
OF  
THE LYON COMMERCIAL CONDOMINIUM**

- A. Legal Description
  - A-I. Survey
  - Plot Plan
  - Site Plan
  - Floor Plans
- B. Articles of Incorporation of the Association
- C. By-Laws of Association
  - C-I. Exhibit of Percentage of Common Elements and Surplus
  - C-II Exhibit of Monthly Assessments

EXHIBIT A  
LEGAL DESCRIPTION

**LEGAL DESCRIPTION**

THE LEGAL DESCRIPTION FOR THIS CONDOMINIUM IS A PORTION OF THE PARCEL OF LAND (EXHIBIT "A") DESCRIBED AS IN THE CITY OF ST. AUGUSTINE, FLORIDA, BEGINNING AT THE SOUTHWEST CORNER OF ST. GEORGE AND KING STREETS IN SAID CITY, RUN WESTERLY ALONG THE SOUTH LINE OF KING STREET, 60 FEET 6 INCHES, THENCE SOUTHERLY ALONG THE DIVIDING LINE BETWEEN THE LOT FORMERLY OF BRAINARD AND THIS LOT, 150 FEET 3 INCHES, MORE OR LESS, THENCE RUNNING EASTERLY ALONG THE SOUTH LINE OF THE LOT FORMERLY KNOWN AS THE "PERAULT LOT", 70 FEET MORE OR LESS TO ST. GEORGE STREET, THENCE NORTHERLY ALONG THE WEST SIDE OF ST. GEORGE STREET TO THE PLACE OF BEGINNING BEING DESIGNATED UPON THE OFFICIAL MAP OF SAID CITY APPROVED JANUARY 1, 1905, AS LOT 14 OF BLOCK 36.

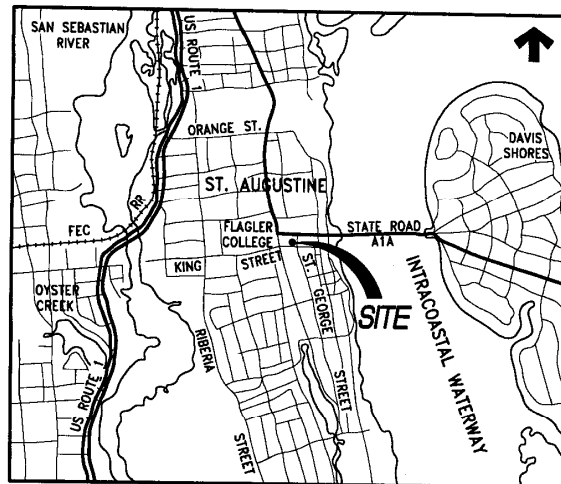
# THE LYON CONDOMINIUM

SITUATED IN ST. AUGUSTINE, FLORIDA

COMMERCIAL UNITS #1 THROUGH #7

## SCHEDULE

SHEET NUMBER	CONTENTS
1.	SCHEDULE/VICINITY MAP/CERTIFICATION
2.	NOTES, LEGEND/ABBREVIATIONS
3.	OVERALL SITE BOUNDARY SURVEY
4.	LEGAL DESCRIPTION
5.	COMMERCIAL UNITS OVERALL FLOORPLAN
6.	UNIT FLOORPLAN #1
7.	UNIT FLOORPLAN #2 & #3
8.	UNIT FLOORPLAN #4
9.	UNIT FLOORPLAN #5
10.	UNIT FLOORPLAN #6
11.	UNIT FLOORPLAN #7



VICINITY MAP - NOT TO SCALE



LB #2232

## TOMOKA ENGINEERING

CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
DAYTONA BEACH FLAGLER/PALM COAST

Main Office: 1410 LPGA Blvd. Suite 148, Daytona Beach, FL 32117

Phone: 386-274-1600

email: tomoka@tomoka-eng.com

Fax: 386-274-1602

website: www.tomoka-eng.com

## CERTIFICATE OF SURVEYOR

I HEREBY CERTIFY THAT THE ATTACHED SHEETS 1 THROUGH xx, INCLUSIVE, WHICH COMPRISE THIS EXHIBIT, IS A CORRECT REPRESENTATION OF THE IMPROVEMENTS DESCRIBED HEREIN INCLUDING THE COMMON ELEMENTS AND THE COMMERCIAL CONDOMINIUM UNITS 1 THROUGH 7, AND THAT THE CONSTRUCTION OF SAID IMPROVEMENTS IS SUBSTANTIALLY COMPLETE SO THAT THE MATERIAL, TOGETHER WITH THE PROVISIONS OF THE DECLARATION OF CONDOMINIUM FOR "THE LYON 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 LIMITED COMMON ELEMENTS OF EACH UNIT WITHIN THE CONDOMINIUM CAN BE DETERMINED FROM THESE MATERIALS.

I HEREBY CERTIFY THAT THIS SPECIFIC PURPOSE CONDOMINIUM AS-BUILT SURVEY HAS BEEN PREPARED IN ACCORDANCE WITH THE MINIMUM TECHNICAL STANDARDS AS SET FORTH IN FLORIDA ADMINISTRATIVE CODE, PURSUANT TO CHAPTER 718.104(e), FLORIDA STATUTES, AND FIND THAT THERE ARE NO EASEMENTS, ENCROACHMENTS, OR USES AFFECTING THIS PROPERTY, THAT I HAVE KNOWLEDGE OF OTHER THAN THOSE SHOWN AND DEPICTED THEREON.

TOMOKA ENGINEERING

PETER G. JOHNSON,

FLA. PROFESSIONAL SURVEYOR, MAPPER #5913

DATE ISSUED: 02/25/2005

JOB # T3069OLD-C-A

SHEET 1 OF 11 SHEETS

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**NOTES:****UNIT BOUNDARIES**

EACH UNIT SHALL INCLUDE THAT PART OF THE BUILDING CONTAINING THE UNIT THAT LIES WITHIN THE BOUNDARIES OF THE UNIT, WHICH BOUNDARIES ARE AS FOLLOWS:

**UPPER UNIT BOUNDARY** - THE NON-VERTICAL PLANES OF THE UNDECORATED FINISHED CEILING EXTENDED TO INTERSECTIONS WITH EACH OTHER AND, IN THE CASE OF HORIZONTAL CEILINGS, THE HORIZONTAL PLANE OF THE HIGHEST POINT ON THE UNDECORATED FINISHED CEILING.

**LOWER UNIT BOUNDARIES** - THE NON-VERTICAL PLANES OF THE UNDECORATED FINISHED FLOOR EXTENDED TO INTERSECTIONS WITH EACH OTHER AND IN THE CASE OF HORIZONTAL FLOORS, THE HORIZONTAL PLANE OF THE LOWEST POINT ON THE UNDECORATED FINISHED FLOOR.





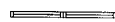
**PERIMETRICAL BOUNDARIES** - THE PERIMETRICAL BOUNDARIES OF THE UNIT SHALL BE THE VERTICAL PLANES OF THE UNDECORATED FINISHED INTERIOR OF THE WALLS BOUNDING THE UNIT EXTENDED TO INTERSECTIONS WITH EACH OTHER AND WITH THE UPPER AND LOWER BOUNDARIES.

**COMMON ELEMENT** - SHALL INCLUDE: (a) THE CONDOMINIUM PROPERTY NOT INCLUDED IN THE UNITS; (b) TANGIBLE PERSONAL PROPERTY REQUIRED FOR THE MAINTENANCE AND OPERATION OF THE COMMON ELEMENTS; AND (c) ALL THOSE ITEMS STATED IN THE CONDOMINIUM ACT.

**LIMITED COMMON ELEMENT** - MEANS THOSE COMMON ELEMENTS WHICH ARE RESERVED FOR THE USE OF A CERTAIN UNIT OR UNITS TO THE EXCLUSION OF OTHER UNITS, OR WHICH BY THEIR NATURE OR LOCATION ARE INTENDED TO SERVE EXCLUSIVELY A UNIT OR UNITS TO THE EXCLUSION OF OTHER UNITS.

USE IS COMMERCIAL

**LEGEND AND ABBREVIATIONS:**

	STRUCTURAL COLUMN - C.E.
	MASONRY WALL - C.E.
	NON-STRUCTURAL WALL
	DOOR & WINDOW AREAS
	
C.E. =	INDICATES COMMON ELEMENT

**FLOOR ELEVATIONS:**

FIRST FLOOR ELEV. = 9.00

**THE LYON CONDOMINIUM**

SITUATED IN ST. AUGUSTINE, FLORIDA

COMMERCIAL UNITS #1 THROUGH #7

**NOTES, LEGEND/ABBREVIATIONS**

LB #2232

**TOMOKA ENGINEERING**

CIVIL ENGINEERING & LAND SURVEYING SINCE 1976

DAYTONA BEACH FLAGLER/PALM COAST

Main Office: 1410 LPCA Blvd Suite 148, Daytona Beach, FL 32117

Phone: 386-274-1600 Fax: 386-274-1602

email: tomoka@tomoka-eng.com website: www.tomoka-eng.com

DATE ISSUED: 02/25/2005

JOB # T3069OLDLC-A

SHEET 2 OF 11 SHEETS

M:\land projects T2003\T3069OLDLC-A\DWG\T3069A-sh 2 Notes, Leg & Abb.dwg 2/24/2005 1:47:50 PM EST

EXHIBIT "A"

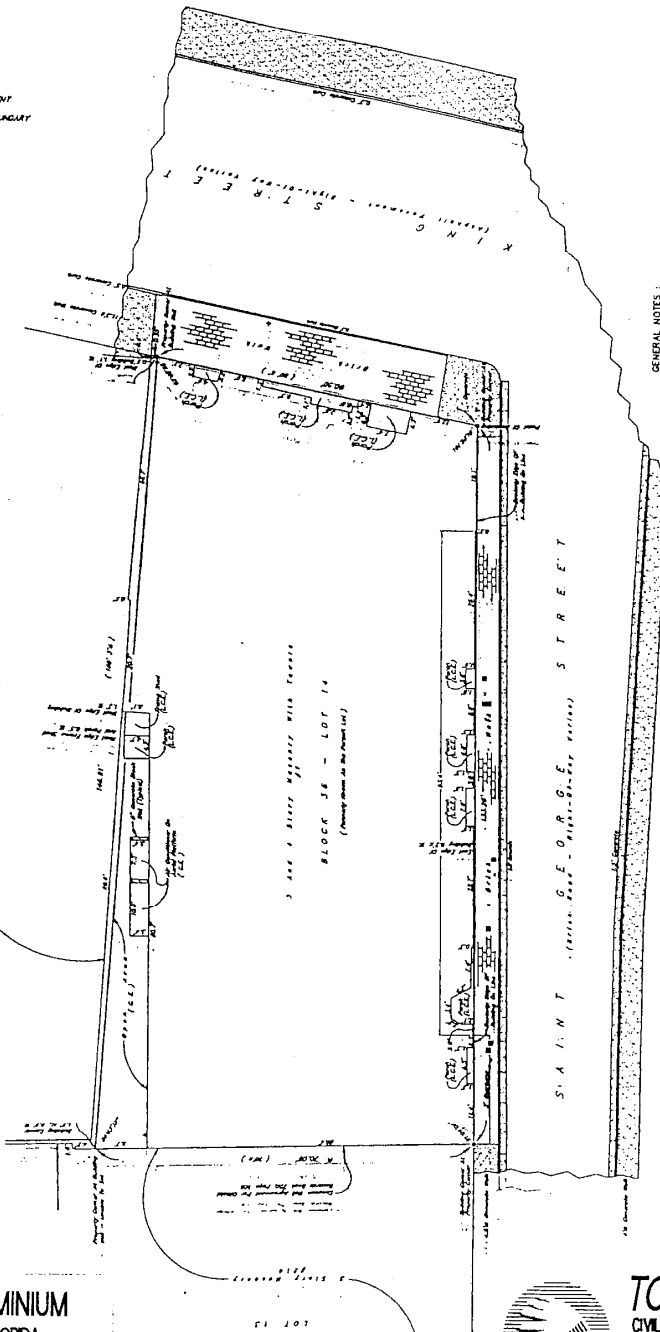
OVERALL BOUNDARY AND CONDOMINIUM BOUNDARY DESCRIPTION

IN THE CITY OF ST. AUGUSTINE, FLORIDA, BEGINNING AT THE SOUTHWEST CORNER OF ST. GEORGE AND KING STREETS IN SAID CITY, RUN WESTERLY ALONG THE SOUTH LINE OF KING STREET, 80 FEET 4 INCHES, THENCE SOUTHERLY ALONG THE DIVIDING LINE BETWEEN THE LOT FORMERLY OF BRANFORD AND THIS LOT, 180 FEET 3 INCHES, MORE OR LESS, THENCE RUNNING EASTERLY ALONG THE SOUTH LINE OF THE LOT FORMERLY KNOWN AS THE "PERALTY LOT", 70 FEET MORE OR LESS TO ST. GEORGE STREET, THENCE NORTHERLY ALONG THE WEST SIDE OF ST. GEORGE STREET TO THE PLACE OF BEGINNING, BEING DESIGNATED UPON THE OFFICIAL MAP OF SAID CITY APPROVED JANUARY 1, 1905, AS LOT 14 OF BLOCK 38.

Description furnished by Charnick, Branstetter and Esery, P.A., and taken from a previous survey and plot by Jones and Packer, Inc., Civil Engineers and Land Surveyors, being project number 88-110, dated 9-08-98.

The property described herein is in zone "AE" per the Flood Insurance Rate Map, Community Panel Number 125143-0003 D, dated 18 June, 1992. Base Flood Elevation for said zone "AE" is 9' National Mean Sea Level Datum per said map.

LEGEND  
 CC - COMMON EASEMENT  
 LCE - LIMITED COMMON EASEMENT  
 - CONDOMINIUM BOUNDARY



GENERAL NOTES:  
 1. No easement or underground system shown except as noted.  
 2. All dimensions are shown in parentheses - field measurements are not.  
 3. Boundary lines shown herein, depicted as monumented, accepted and previously established by others.  
 4. This survey and plot are not valid without the signature and the original related deed of a Florida Licensed Surveyor and Mapper.  
 5. There may be additional restrictions and/or other matters not shown herein that may be found in the public records of St. Augustine.  
 Project Area = 1078.86072 Acres less 0.2504175 Acres

SYMBOLS:  
 \* - Street Light  
 P - "Protection Traffic" Signal Post  
 A - Railroad Bar

THE LYON CONDOMINIUM  
 SAINT JOHNS COUNTY, FLORIDA

THE LYON CONDOMINIUM  
 SITUATED IN ST. AUGUSTINE, FLORIDA  
 COMMERCIAL UNITS #1 THROUGH #7  
 OVERALL SITE  
 BOUNDARY SURVEY



**TOMOKA ENGINEERING**  
 CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
 DAYTONA BEACH FLAGLER/PALM COAST  
 Main Office: 1410 LPGA Blvd. Suite 148, Daytona Beach, FL 32117  
 Phone: 386-274-1600 Fax: 386-274-1602  
 email: tomoka@tomoka-eng.com website: www.tomoka-eng.com

SHEET 1

J. B. FRILES AND ASSOCIATES, INC.  
 Professional Surveyor and Mapper  
 State of Florida License No. 12500  
 Survey No. 88-110  
 Project No. 88-110

CERTIFICATE:  
 This is to certify that the map delineated herein is a copy of the original map and is a true and correct copy of the original map as filed in the public records of St. Augustine, Florida, in volume 125143-0003 D of the Florida Statutes.  
 12 June, 2000  
 (Notarized Seal)

DATE: 02/25/2005

DATE ISSUED: 02/25/2005

JOB # T30690LDC-A

SHEET 3 OF 11 SHEETS

### LEGAL DESCRIPTION

THE LEGAL DESCRIPTION FOR THIS CONDOMINIUM IS A PORTION OF THE PARCEL OF LAND (EXHIBIT "A") DESCRIBED AS IN THE CITY OF ST. AUGUSTINE, FLORIDA, BEGINNING AT THE SOUTHWEST CORNER OF ST. GEORGE AND KING STREETS IN SAID CITY, RUN WESTERLY ALONG THE SOUTH LINE OF KING STREET, 60 FEET 6 INCHES, THENCE SOUTHERLY ALONG THE DIVIDING LINE BETWEEN THE LOT FORMERLY OF BRAINARD AND THIS LOT, 150 FEET 3 INCHES, MORE OR LESS, THENCE RUNNING EASTERLY ALONG THE SOUTH LINE OF THE LOT FORMERLY KNOWN AS THE "PERAULT LOT". 70 FEET MORE OR LESS TO ST. GEORGE STREET, THENCE NORTHERLY ALONG THE WEST SIDE OF ST. GEORGE STREET TO THE PLACE OF BEGINNING BEING DESIGNATED UPON THE OFFICIAL MAP OF SAID CITY APPROVED JANUARY 1, 1905, AS LOT 14 OF BLOCK 36.

**THE LYON CONDOMINIUM**  
SITUATED IN ST. AUGUSTINE, FLORIDA  
COMMERCIAL UNITS #1 THROUGH #7

### LEGAL DESCRIPTION

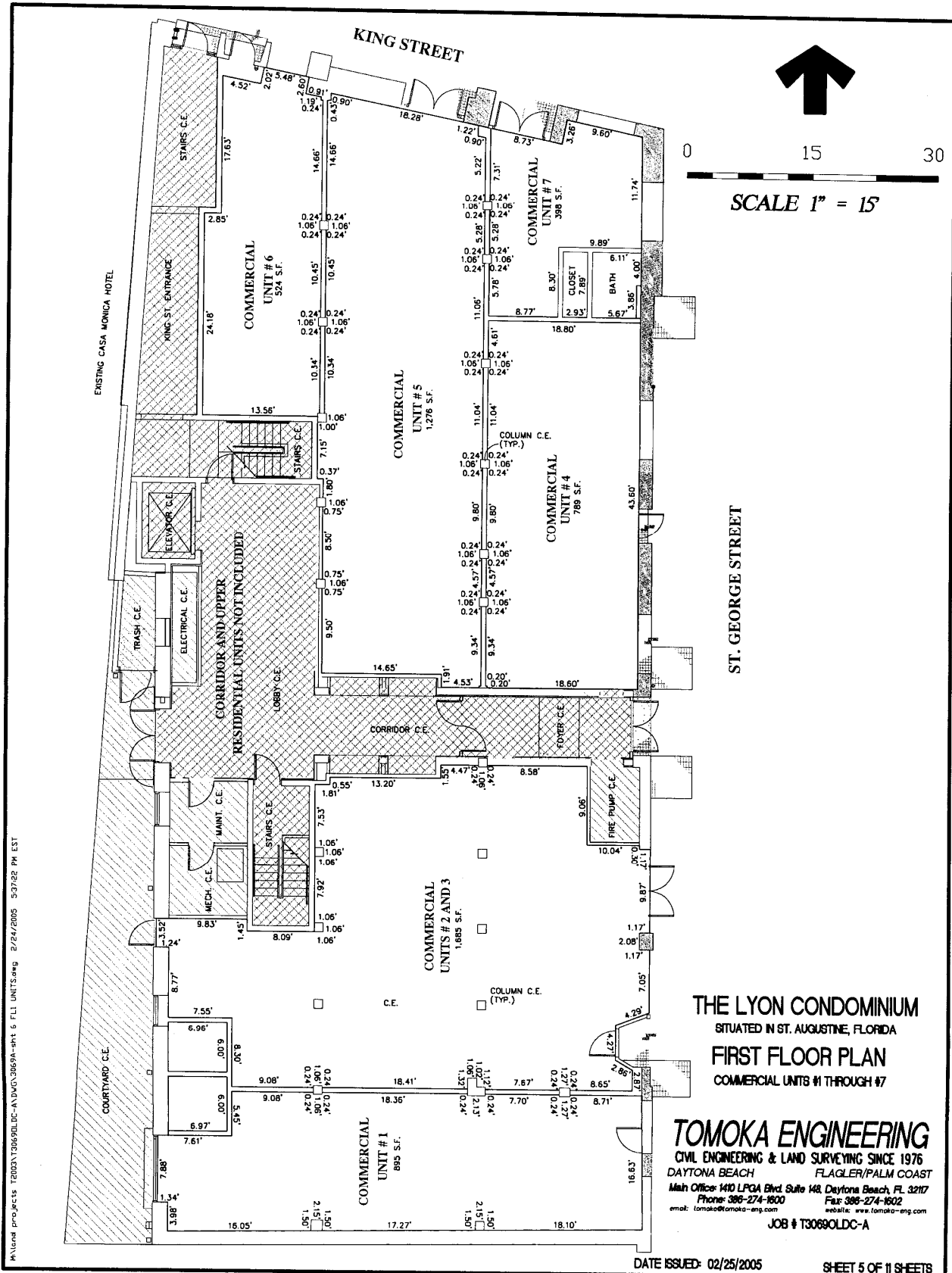


**TOMOKA ENGINEERING**  
CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
DAYTONA BEACH      FLAGLER/PALM COAST  
Main Office: 1410 LPGA Blvd. Suite 148, Daytona Beach, FL 32117  
Phone: 386-274-1600      Fax: 386-274-1602  
email: tomoka@tomoka-eng.com      website: www.tomoka-eng.com

DATE ISSUED: 02/25/2005

JOB # T3069OLDC-A

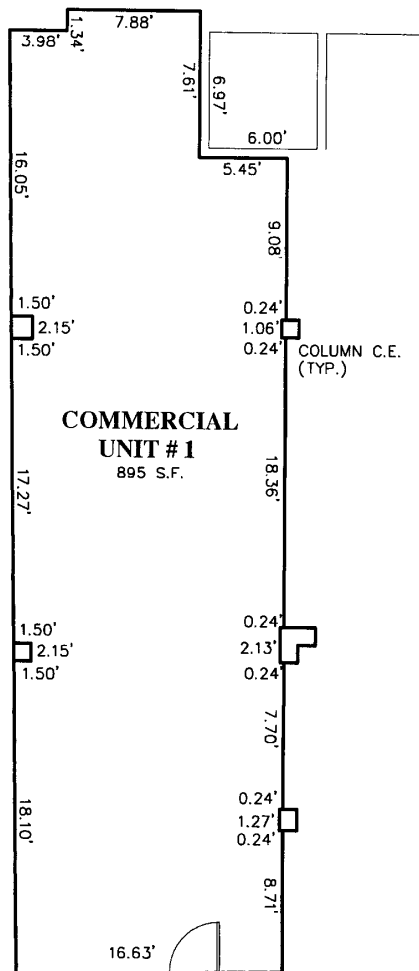
SHEET 4 OF 11 SHEETS





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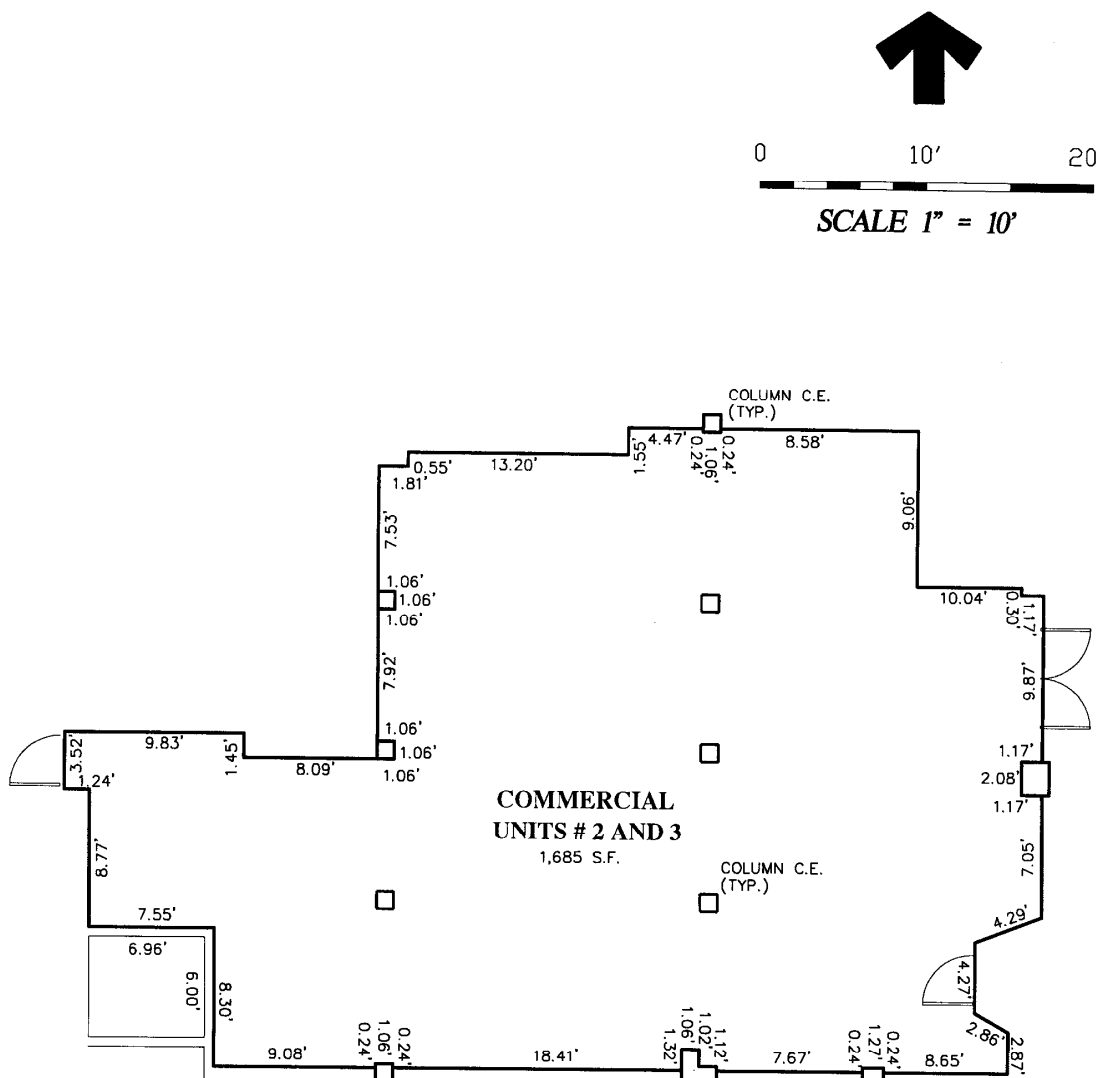
THE LYON CONDOMINIUM  
SITUATED IN ST. AUGUSTINE, FLORIDA  
COMMERCIAL UNIT #1

**TOMOKA ENGINEERING**  
CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
DAYTONA BEACH FLAGLER/PALM COAST  
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Phone: 386-274-1600 Fax: 386-274-1602  
email: tomoka@tomoka-eng.com website: www.tomoka-eng.com  
JOB # T3069OLD-C-A

DATE ISSUED: 02/25/2005

SHEET 6 OF 11 SHEETS





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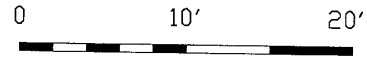
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THE LYON CONDOMINIUM  
SITUATED IN ST. AUGUSTINE, FLORIDA  
COMMERCIAL UNIT #2 and #3

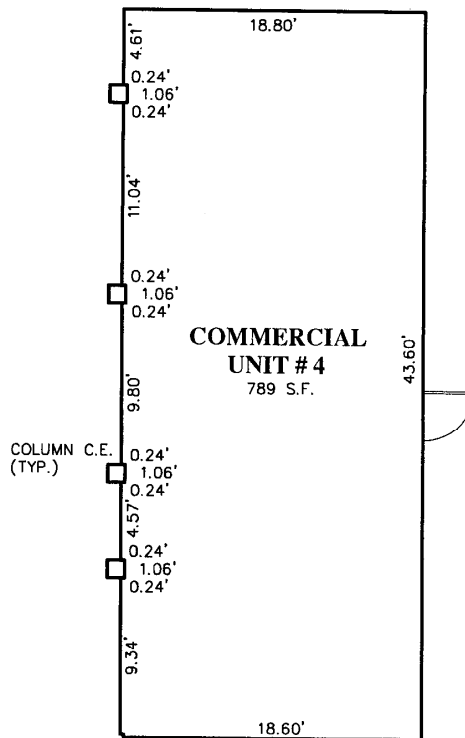
**TOMOKA ENGINEERING**  
CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
DAYTONA BEACH FLAGLER/PALM COAST  
Main Office: 1410 LPGA Blvd. Suite 148, Daytona Beach, FL 32117  
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email: tomoka@tomoka-eng.com website: www.tomoka-eng.com  
JOB # T3069OLD-C-A

DATE ISSUED: 02/25/2005

SHEET 7 OF 11 SHEETS



SCALE 1" = 10'



THE LYON CONDOMINIUM  
SITUATED IN ST. AUGUSTINE, FLORIDA  
COMMERCIAL UNIT #4

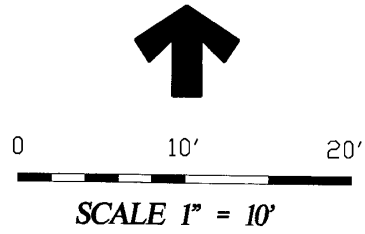
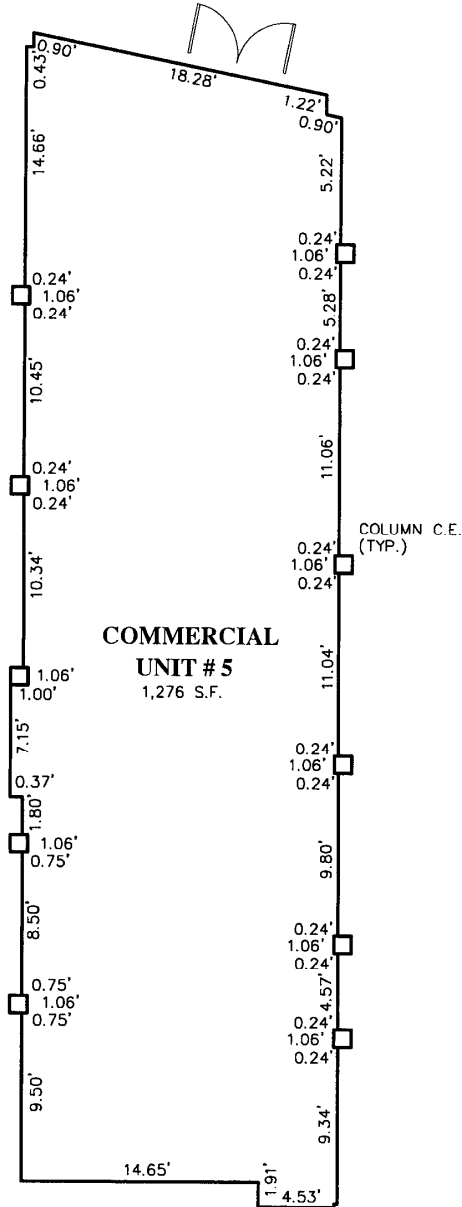
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CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
DAYTONA BEACH FLAGLER/PALM COAST  
Main Office: 1410 LPGA Blvd. Suite 148, Daytona Beach, FL 32117  
Phone: 386-274-1800 Fax: 386-274-1802  
email: tomoka@tomoka-eng.com website: www.tomoka-eng.com  
JOB # T3069OLDLC-A

DATE ISSUED: 02/25/2005

SHEET 8 OF 11 SHEETS

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KING STREET



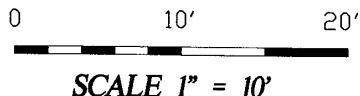
THE LYON CONDOMINIUM  
SITUATED IN ST. AUGUSTINE, FLORIDA  
COMMERCIAL UNIT #5

**TOMOKA ENGINEERING**  
CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
DAYTONA BEACH FLAGLER/PALM COAST  
Main Office: 1410 LPGA Blvd. Suite 148, Daytona Beach, FL 32117  
Phone: 386-274-1600 Fax: 386-274-1602  
email: tomoka@tomoka-eng.com website: www.tomoka-eng.com  
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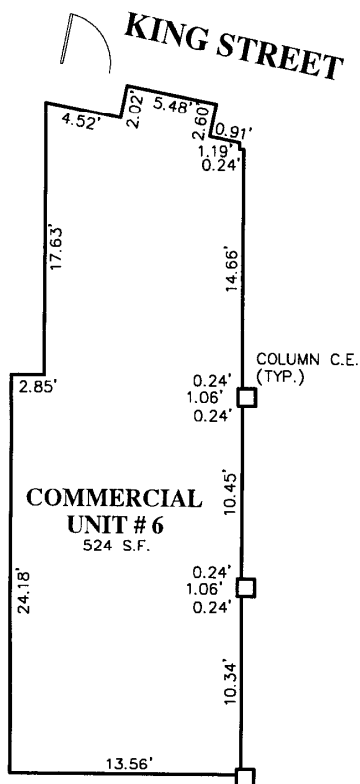
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SHEET 9 OF 11 SHEETS

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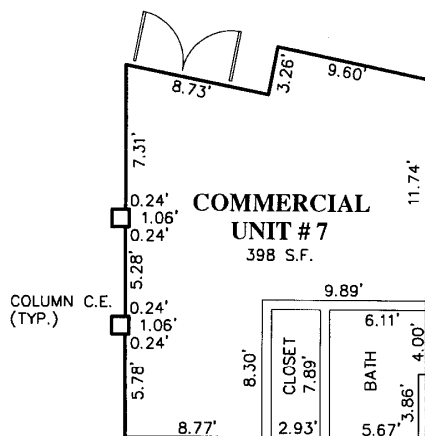
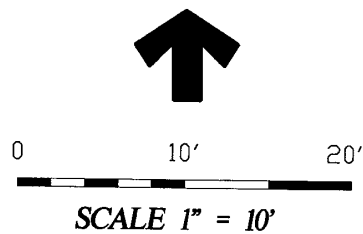
**THE LYON CONDOMINIUM**  
SITUATED IN ST. AUGUSTINE, FLORIDA  
**COMMERCIAL UNIT #6**

**TOMOKA ENGINEERING**  
CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
DAYTONA BEACH FLAGLER/PALM COAST  
Main Office: 1410 LPGA Blvd. Suite 148, Daytona Beach, FL 32117  
Phone: 386-274-1600 Fax: 386-274-1602  
email: tomoka@tomoka-eng.com website: www.tomoka-eng.com  
JOB # T3069OLD-C-A

DATE ISSUED: 02/25/2005

SHEET 10 OF 11 SHEETS

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THE LYON CONDOMINIUM  
SITUATED IN ST. AUGUSTINE, FLORIDA  
COMMERCIAL UNIT #7

**TOMOKA ENGINEERING**  
CIVIL ENGINEERING & LAND SURVEYING SINCE 1976  
DAYTONA BEACH FLAGLER/PALM COAST  
Main Office: 1410 LPGA Blvd. Suite 148, Daytona Beach, FL 32117  
Phone: 386-274-1800 Fax: 386-274-1802  
email: tomoka@tomoka-eng.com website: www.tomoka-eng.com  
JOB # T30690LDC-A

DATE ISSUED: 02/25/2005

SHEET 11 OF 11 SHEETS

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# State of Florida



## Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of THE LYON COMMERCIAL CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on July 22, 2003, as shown by the records of this office.

The document number of this corporation is N03000006432.



CR2EO22 (2-03)

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capitol, this the  
Twenty-eighth day of July, 2003

*Glenda E. Hood*

Glenda E. Hood  
Secretary of State

FILED  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA  
03 JUL 22 PM 4:06

**ARTICLES OF INCORPORATION  
OF  
THE LYON COMMERCIAL CONDOMINIUM ASSOCIATION, INC.  
(A Florida Corporation Not For Profit)**

In order to form a corporation not for profit under and in accordance with Chapters 617 and 718 of the Florida Statutes, the undersigned hereby associate into a corporation for the purpose and with the powers hereinafter set forth, and to that end, do, by these Articles of Incorporation, certify and set forth the following:

**EXPLANATION OF TERMINOLOGY**

A. The terms contained in these Articles of Incorporation which are contained in the Condominium Act, Chapter 718, Florida Statutes, as amended prior to the date of execution of these Articles, shall have the meaning of such terms set forth in such Act. All terms which are defined in the Declarations of Condominium for those condominiums administered by Association (the "Declarations") shall be used herein with the same meanings as defined in said Declarations.

B. "Association" as used herein shall mean The Lyon Commercial Condominium Association, Inc., a Florida corporation not for profit, the corporation formed by these Articles, its successors or assigns.

**ARTICLE I  
NAME**

The name of this Association shall be THE LYON COMMERCIAL CONDOMINIUM ASSOCIATION, INC., whose present address is 4 King Street, St. Augustine, Florida 32084

**ARTICLE II  
PURPOSE OF ASSOCIATION**

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act"), as it exists on the date hereof, for the operation of one condominium (the "Condominium"). It is intended that the maximum number of Condominium Units that may ultimately be operated by the Association is seven (7).

**ARTICLE III  
POWERS**

The Association shall have the following powers which shall be governed by the following provisions:

1. The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of the condominium documents or the Act.

2. The Association shall have all of the powers of a condominium association under the Act and shall have all of the powers reasonably necessary to implement the purposes of the Association, including, but not limited to, the following:

(a) to make, establish and enforce reasonable rules and regulations governing the use of Condominium Units, Common Elements and each Condominium Property;

(b) to make, levy, collect and enforce Assessments against Condominium Unit Owners to provide funds to pay for the expenses of the Association, the maintenance, operation and management of each Condominium, in the manner provided in the condominium documents and the Act and to use and expend the proceeds of such Assessments in the exercise of the powers and duties of the Association;

(c) to collect the Common Expenses of each Condominium administered by the Association;

(d) to collect each Condominium's share of Operating Expenses of the Master Owner's Association;

(e) to maintain, repair, replace and operate each Condominium Property in accordance with the condominium documents and the Act;

(f) to reconstruct improvements of each Condominium Property in the event of casualty or other loss;

(g) to enforce by legal means the provisions of the condominium documents;

(h) to employ personnel, retain independent contractors and professional personnel, and enter into service contracts to provide for the maintenance, operation and management of each Condominium Property and to enter into any other agreements consistent with the purposes of the Association;

(i) to acquire, own, mortgage, and convey real and personal property and to take such other reasonable actions in that regard; and

(j) to carry out its duties and obligations under the condominium documents.

3. All funds and the titles to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members in accordance with the provisions of the Declarations, these Articles and the By-Laws.



4. The Association shall make no distribution of income to its members, Directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency, except in the event of a termination of all Condominiums.

5. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declarations, the By-Laws and the Act.

#### **ARTICLE IV MEMBERS**

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

1. Until such time as the Condominium in The Lyon Commercial Condominium or other condominium is submitted to condominium ownership by the recordation of a Declaration in the Public Records of St. Johns County, Florida, the members of this Association shall be comprised solely of Declarant of that condominium.

2. After the Condominium shall be submitted to the condominium form of ownership by the recordation of a Declaration, the Condominium Unit Owners, which in the first instance shall mean Declarant as the owner of all the Condominium Units, shall be entitled to exercise all of the rights and privileges of members.

3. Except as to Declarant, who shall be a member as long as it shall own a Unit, membership in the Association shall be established by the acquisition of ownership of fee title to a Condominium Unit in a Condominium administered by this association as evidenced by the recording of an instrument of conveyance in the Public Records of St. Johns County, whereupon, the membership in the Association of the prior owner thereof, if any, shall terminate as to that Condominium Unit. New members shall deliver a true copy of the recorded deed or other instrument of acquisition of title to the Association.

4. No member may assign, hypothecate or transfer in any manner his membership in the Association or his share in the funds and assets of the Association except as an appurtenance to his Condominium Unit.

5. Each Condominium Unit shall be entitled to one (1) vote, which vote shall be exercised and cast in accordance with the Declaration and the By-Laws.

6. The following provisions shall govern the right of each member to vote and the manner of exercising such right:

(a) If there is more than one (1) Condominium Unit Owner with respect to a Condominium Unit as a result of the fee interest in such Condominium Unit being held by more than one (1) person, such Condominium Unit Owners, collectively, shall be entitled to only one (1) vote determined in the manner set forth by the Declaration;

(b) The members shall elect the Board of Directors in the manner provided in Article IX of these Articles;

#### **ARTICLE V TERM**

The term for which this Association is to exist shall be perpetual.

#### **ARTICLE VI INCORPORATOR**

The Incorporator of the Association is William Harkins, whose address is 41 Kings Street, St. Augustine, Florida 32084.

#### **ARTICLE VII OFFICERS**

A. The affairs of the Association shall be managed by a President, one (1) or more Vice Presidents, a Secretary and a Treasurer and, if elected by the Board of Directors, an Assistant Secretary and an Assistant Treasurer, which officers shall be subject to the directions of the Board of Directors.

B. The Board of Directors shall elect the President, a Vice President, the Secretary, the Treasurer and as many other Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors shall from time to time determine appropriate. Such officers shall be elected annually by the Board of Directors at the first meeting of the Board of Directors; provided, however, such officers may be removed by such Board of Directors, and other persons may be elected by the Board of Directors as such officers in the manner provided in the By-Laws. The President shall be a Director of the Association, but no other officer need be a Director. The same person may hold two (2) offices; provided, however, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary, Assistant Secretary, or Treasurer.

#### **ARTICLE VIII FIRST OFFICERS**

The names of the officers who are to serve until the first election of officers by the Board of Directors are as follows:

President	-	William Harkins
Vice President	-	Greg Robinson
Secretary/Treasurer	-	Judy Kincaid

### ARTICLE IX BOARD OF DIRECTORS

A. The number of Directors on the first Board of Directors of Directors (the "First Board") and the "Initial Elected Board" (as hereinafter defined) shall initially be three (3). After the "Majority Election Meeting" (as that term is hereinafter defined), the Board of Directors shall have the right to increase the number of Directors to seven (7).

B. The names and addresses of the persons who are to serve as the First Board are as follows:

<u>William Harkins</u>	<u>21 Old Kings Rd., Suite B101, Palm Coast, FL. 32137</u>
<u>Greg Robinson</u>	<u>21 Old Kings Rd., Suite B101, Palm Coast, FL. 32137</u>
<u>Judy Kincaid</u>	<u>21 Old Kings Rd., Suite B101, Palm Coast, FL. 32137</u>

Declarant reserves the right to designate successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided.

C. Within seventy-five (75) days after Condominium Unit Owners in each condominium other than Declarant ("Purchaser Members") shall own fifteen percent (15%) or more of the Condominium Units ultimately intended to be operated by the Association, the Purchaser Members shall be entitled to elect one-third (1/3) of the Board of Directors, which election shall take place at a special meeting (the "Initial Election Meeting") to be called by the Board of Directors, notice of which shall be given not less than sixty (60) days after the conveyance to Purchaser Members of fifteen percent (15%) of the Condominium Units ultimately intended to be operated by the Association. Declarant shall designate the remaining Directors on the Board of Directors. The Director to be so elected by the Purchaser Members and the Directors to be designated by Declarant are hereinafter collectively referred to as the "Initial Elected Board". The Initial Elected Board shall succeed the First Board upon their election and designation. Subject to the provisions of Paragraph

D herein, the Initial Elected Board shall serve until the next annual members' meeting, at which time one-third (1/3) of the Board shall be elected by the Purchaser Members and the remaining Directors shall be designated by Declarant. Directors shall continue to be so elected and designated at each subsequent annual members' meeting until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors. Declarant reserves the right, until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors, to designate successor Directors to fill any vacancies caused by the resignation or removal of Directors designated by Declarant pursuant to this Paragraph C.

D. Purchaser Members shall be entitled to elect not less than a majority of the Board of Directors in the event of any of the following, whichever shall first occur (the "Majority Election Event"):

1. Three (3) years after fifty percent (50%) of the Condominium Units ultimately intended to be operated by the Association have been conveyed to Purchaser Members as evidenced by the recording of instruments of conveyance amongst the Public Records of the County; or
2. Three (3) months after ninety percent (90%) of the Condominium Units ultimately intended to be operated by the Association have been conveyed to Purchaser Members as evidenced by the recording of instruments of conveyance amongst the Public Records of the County; or
3. After all of the Condominium Units ultimately intended to be operated by the Association have been sold and none of the others are being offered for sale by Declarant in the ordinary course of business; or
4. After some of the Condominium Units ultimately intended to be operated by the Association have been conveyed and none of the others are being constructed by Declarant in the ordinary course of business; or
5. Seven (7) years after the Declaration of Condominium has been recorded with the Public Records of the County; or, seven (7) years in the case of a phase condominium being operated by an association created pursuant to §718.403 after recordation creating the initial phase.
6. When Declarant, as Declarant has the right to do at any time, upon written notice to the Association, relinquishes its right to designate a majority of the Board of Directors.

E. The election of not less than a majority of Directors by the Purchaser Members shall occur at a special meeting (the "Majority Election Meeting") to be called by the Board of Directors, notice of which shall be given within sixty (60) days of the Majority Election Event.

F. The Initial Election Meeting and Majority Election Meeting shall be called by the Board of Directors by written notice given to all members in accordance with the By-Laws; provided, however, that the members shall be given at least thirty (30) but not more than forty (40) days notice of such meeting. The notice shall also specify the number of Directors which shall be elected by the Purchaser Members and the number of Directors to be designated by Declarant.

G. Declarant shall cause all of its designated Directors to resign ("Declarant's Resignation Event") when Declarant no longer holds for sale five percent (5%) of the Total Condominium Units ultimately intended to be operated by the Association. If Declarant's Resignation Event shall occur after the Majority Election Meeting, then upon the occurrence of the Declarant's Resignation Event, the Directors elected by Purchaser Members shall appoint a successor Director to fill the vacancy caused by the resignation or removal of Declarant's designated Director. Such successor Director shall serve until the next annual members' meeting, at which time the members shall elect his successor. If, upon the occurrence of the Declarant's Resignation Event, the Majority Election Meeting has not occurred, the remaining Purchaser Director shall call the Majority Election Meeting in accordance with the By-Laws and the Act at which all of the Directors shall be elected by the Purchaser Members.

H. At each annual members' meeting held subsequent to the Declarant's Resignation Event, the Directors shall be elected by the members.

I. Upon the resignation of a Director who has been elected or designated by Declarant or the resignation of an officer of the Association who has been elected by the First Board or the Initial Elected Board, the Association shall be deemed to have remised, released, acquitted, satisfied and forever discharged such officer or Director of and from all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which the Association or Purchaser Members had, now have, or which any personal representative, successor, heir or assign of the Association or Purchaser Members hereafter can, shall or may have against said officer or Director for, upon, or by reason of any matter, cause or thing whatsoever, relating to his actions as such officer or Director, excepting only willful misconduct or gross negligence, from the beginning of the world to the day of such resignation. Members of the Board of Directors designated by the Declarant do not have to be members of the Association.

## ARTICLE X INDEMNIFICATION

Every Director and every officer of the Association (and the Directors and officers as a group) shall be indemnified by the Association against all expenses and liabilities, including counsel fees (at all trial and appellate levels or if no litigation or proceeding has been instituted) reasonably incurred by or imposed upon him or them in connection with any proceeding, litigation, claim or settlement to which he may be made a party by reason of his being or having been a Director or officer of the Association; provided that in the event of a settlement, the indemnification herein shall

apply only when the Board of Directors approves such settlement and reimbursement. The foregoing provisions for indemnification shall apply whether or not he is a Director or officer at the time such expenses and liabilities are incurred. If in such litigation, proceeding, claim, or settlement a Director or officer admits or is adjudged guilty of willful misfeasance or malfeasance or gross negligence in the performance of his duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all right of indemnification to which a Director or officer may be entitled whether by statute or common law.

#### **ARTICLE XI BY-LAWS**

The By-Laws of the Association shall be adopted by the First Board of Directors, and thereafter may be altered, amended or rescinded in the manner provided for in the By-Laws and the Act.

#### **ARTICLE XII AMENDMENTS**

A. Prior to recording the Declaration of The Lyon Commercial Condominium among the Public Records of the County, these Articles may be amended only by an instrument in writing signed by all of the Directors and filed in the Office of the Secretary of State of Florida. The instrument amending these Articles shall identify the particular Article or Articles being amended and give the exact language of such amendment, and a certified copy of each such amendment shall always be attached to any certified copy of these Articles and shall be an exhibit to the first Declaration in The Lyon Commercial Condominium upon the recording of such Declaration.

B. After recording the Declaration in The Lyon Commercial Condominium among the Public Records of the County, these Articles may be amended by any of the following methods:

1. The proposed amendment shall be adopted by the affirmative vote of a majority of the votes of all members at an annual members meeting or special meeting of the members. Any number of amendments may be submitted to the members and voted upon by them at one meeting; or
2. An amendment may be adopted by a written statement signed by a majority of all members setting forth their consent to the amendment.

C. No amendment may be made to these Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in a Declaration.

D. A copy of each amendment shall be certified by the Secretary of State of Florida and recorded among the Public Records of the County.

E. No amendment may be made to these Articles which shall abridge, amend or alter the rights of Declarant, including the right to designate and select the Directors as provided in Article IX hereof, or the provisions of this Article XII, without the prior written consent of Declarant.

F. Notwithstanding the foregoing provisions of this Article XII, the Board of Directors may amend these Articles without a vote of the members to correct a scrivener's error therein.

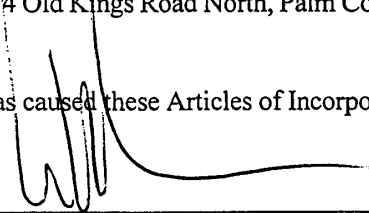
### ARTICLE XIII CONFLICT

In the event of any conflict between the provisions of these Articles and the provisions of the Declarations the provisions of the Declarations shall prevail. In the event of any conflict between the provisions of these Articles and the provisions of the By-Laws, the provisions of these Articles shall prevail.

### ARTICLE XIV REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 21 Old Kings Road, Palm Coast, Florida 32137 and the initial registered agent of the Association shall be Michael D. Chiumento whose address is Chiumento & Associates, 4 Old Kings Road North, Palm Coast, Florida 32137.

IN WITNESS WHEREOF, the Incorporator has caused these Articles of Incorporation to be executed this 16 day of July, 2002<sup>3</sup>

  
\_\_\_\_\_  
William Harkins, Incorporator

The undersigned hereby accepts the designation of Registered Agent of The Lyon Commercial Condominium Association Inc., as set forth in Article XIV of these Articles.

  
\_\_\_\_\_  
MICHAEL D. CHIUMENTO

STATE OF FLORIDA )  
COUNTY OF St. Johns )

I HEREBY CERTIFY that on this 16 day of July, 2002, before me, a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared William Harkins the Incorporator of The Lyon Commercial Condominium Association, Inc., and who executed the foregoing Articles of Incorporation; and she acknowledged before me that she executed the same for the purposes therein expressed. William Harkins is known to me and did not take an oath.

Karolyn N. Sheekey  
NOTARY PUBLIC  
My Commission Expires:



STATE OF FLORIDA )  
COUNTY OF St. Johns )

I HEREBY CERTIFY that on this 16 day of July, 2002, before me, a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared MICHAEL D. CHIUMENTO, to me known to be the person described as Initial Registered Agent of The Lyon Commercial Condominium Association, Inc., and who executed the foregoing acceptance; and he acknowledged before me that he executed the same for the purposes therein expressed.

Karolyn N. Sheekey  
NOTARY PUBLIC  
My Commission Expires:



FILED  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA  
03 JUL 22 PM 4:06

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**BY-LAWS OF  
THE LYON COMMERCIAL CONDOMINIUM ASSOCIATION, INC.  
(A Florida Corporation Not For Profit)**

**Section 1.     Identification of Association**

These are the By-Laws of The Lyon Commercial Condominium Association, Inc., hereinafter referred to as the "Association", as duly adopted by its Board of Directors. The Association is a corporation not for profit, organized pursuant to and under Chapters 617 and 718 of the Florida Statutes for the purpose of administering a condominium located in St Johns County, Florida.

1.1     The present office of the Association shall be located at 41 King St., St. Augustine, Florida 32084, and thereafter may be located at any place in the County designated by the Board of Directors of the Association.

1.2     The fiscal year of the Association shall be the calendar year, or as otherwise determined by the Board of Directors.

1.3     The seal of the Association shall bear the name of the Association, the word "Florida", and the words "Corporation Not For Profit".

**Section 2.     Explanation of Terminology**

The terms defined in the Declaration of Condominium of each Condominium administered by the Association are incorporated herein by reference.

**Section 3.     Membership in the Association,  
Members' Meetings, Voting and Proxies**

3.1     The qualification of members, the manner of their admission to membership in the Association and the manner of the termination of such membership shall be as set forth in Article IV of the Articles.

3.2     The members shall meet annually at the office of the Association or such other place in the County on the 2<sup>nd</sup> Monday in December, commencing with the year 2005; provided, however, that said date may be changed by resolution of the Board of Directors so long as the annual members meeting for any year shall be held not later than thirteen (13) months after the last preceding annual members meeting. The purpose of the annual members meeting shall be to hear reports of the officers, elect members of the Board of Directors (subject to the provisions of Article IX of the Articles) and to transact any other business authorized to be transacted by the members.

3.3 Special meetings of the members shall be held at any place within the County, whenever called by the President, a Vice President or a majority of the Board of Directors. A special meeting must be called by the President or a Vice President upon receipt of a written request from one-third (1/3) of the members. Special meetings shall be called by the President or a Vice President upon receipt of written notice from the Association of a meeting of the members thereof.

3.4 Written notice of any meeting (whether an annual members meeting or a special meeting of the members) shall be mailed to each member entitled to vote at his last known address as it appears on the books of the Association. Written notice of an annual members meeting shall be mailed to each member (in the manner required by the Act and any amendments thereto in effect at the time of mailing) not less than fourteen (14) days nor more than forty (40) days prior to the date of the annual members meeting. Written notice of a special meeting of the members shall be mailed not less than ten (10) days nor more than forty (40) days prior to the date of such special meeting. Proof of mailing shall be given by the affidavit of the person giving the notice. The notice shall state the time and place of such meeting and the object for which the meeting is called and shall be signed by the Secretary or acting Secretary of the Association. Notice of the annual members meeting shall be posted at a conspicuous place on each Condominium Property at least fourteen (14) continuous days prior to an annual members meeting. If a meeting of the members, whether a special meeting or an annual members meeting, is one which, by express provision of the Act or Condominium Documents, there is permitted or required a greater or lesser amount of time for the mailing or posting of notice than is required or permitted by the provisions of this Section 3.4, then the aforesaid express provision shall govern. Notice of any special meeting shall set forth the purpose of such special meeting. Notice of any meeting may be waived in writing by any member before, during or after a meeting.

3.5 The members may, at the discretion of the Board of Directors, act by written consent in lieu of a special meeting, provided written notice of the matter or matters to be voted upon is given to each member at the addresses and within the time periods set forth in Section 3.4 herein or duly waived in accordance with such Section. The decision of the majority of the members as to the matter or matters to be voted upon (as evidenced by written consent requested in the notice) shall be binding on the members. The notice shall set forth a time period during which time a response must be made by the members.

3.6 A quorum of the members shall consist of persons entitled to cast a majority of the votes of the entire membership and decisions shall be made by owners of a majority of the Condominium Units represented at a meeting at which a quorum is present. When a quorum is present at any meeting and the jurisdiction of such meeting is challenged, the holders of a majority of the vote present in person or by "Proxy", as hereinafter defined, shall decide the question. However, if the question is one which, by express provisions of the Act or the Condominium Documents, requires a vote other than the majority vote of a quorum, then such express provision shall govern and control the required vote on such question.

3.7 If a meeting of the members cannot be held because a quorum is not in attendance, the members who are present, either in person or by Proxy, may adjourn the meeting from time to time until a quorum is present. If a meeting is adjourned because of the lack of a quorum, the notice provisions for the adjournment shall, subject to the Act, be as determined by the Board of Directors.

3.8 Minutes of all meetings of the members shall be kept in a businesslike manner and be available for inspection by the members and Directors at all reasonable times and upon reasonable notice. The Association shall retain minutes for at least seven (7) years subsequent to the date of the meeting.

3.9 Voting rights of members shall be as stated in the Declaration and Articles. Such votes may be cast in person, by Proxy or by "Voting Certificate" (as defined in the Declaration). Proxy is defined to mean an instrument containing the appointment of a person who is substituted by a member to vote for him and in the members place and stead. Proxies shall be in writing and shall be valid only for the particular meeting designated therein and any adjournments thereof if so stated. A Proxy must set forth the name of the person voting by Proxy, his Condominium Unit number, the name of the person authorized to vote the Proxy for him, and the date the Proxy was given. A Proxy must be filed with the Secretary of the Association before the appointed time of the meeting in order to be effective. Any Proxy may be revoked prior to the time a vote is cast according to such Proxy.

3.10 At any time prior to a vote upon any matter at a meeting of the members any member may demand the use of a secret written ballot for voting on such matter. The Chairman of the meeting shall call for the nomination and election of Inspectors of Election to collect and tally written ballots upon the completion of balloting.

3.11 Cumulative voting shall not be permitted.

#### **Section 4. Board of Directors; Director's Meetings**

4.1 The Association shall be administered by a Board of not less than three (3) Directors, subject to the increase as set forth in Article IX of the Articles.

4.2 The provisions of the Articles setting forth the selection, election, designation and removal of Directors are hereby incorporated herein by reference.

4.3 Subject to Section 4.5 below and to Declarant's rights as set forth in the Articles and as set forth in Section 4.5(c) below, vacancies in the Board of Directors shall be filled by persons appointed by the remaining Directors. Any such person shall be a Director and have all of the rights, privileges, duties and obligations as a Director elected at an Annual members meeting and shall serve for the term prescribed in Section 4.4 of these By-Laws.

4.4 The term of each Director shall extend until the next annual members meeting at which his term expires as provided in Article IX of the Articles, and until his successor is duly elected and qualified, or until he is removed in the manner elsewhere provided herein.

4.5 (a) A Director elected by the Purchaser Members may be removed from office upon the affirmative vote or the agreement in writing of a majority of the Purchaser Members at a special meeting of the Purchaser Members with or without cause. A meeting of Purchaser Members to so remove a Director elected by them shall be held, subject to the notice provisions of Section 3.4 hereof, upon the written request of ten percent (10%) of the Purchaser Members. However, before any such Director is removed from office, he shall be notified in writing prior to the meeting at which a motion will be made to remove him that such a motion will be made, and such Director shall be given an opportunity to be heard at such meeting should he be present prior to the vote on his removal.

(b) Purchaser Members shall elect, at a special meeting of the members or at an annual members meeting, persons to fill vacancies on the Board of Directors caused by the removal of a Director elected by Purchaser Members in accordance with Section 4.5(a) above.

(c) A Director designated by Declarant, as provided in the Articles, may be removed only by Declarant in its sole discretion. Declarant shall have the right to name a successor for any Director removed by it or for any vacancy on the Board of Directors as to a Director designated by it and Declarant shall notify the Board of Directors of the name of the respective successor Director and the commencement date for the term of such successor Director.

4.6 The organizational meeting of the members of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. No further notice of the organizational meeting shall be necessary.

4.7 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 Directors. Special meetings of the Board of Directors may be called at the discretion of the President or, in his absence, the Vice President of the Association. Special meetings must be called by the Secretary at the written request of one-third (1/3) of the Directors.

4.8 Notice of the time and place of regular and special meetings of the Board of Directors, or adjournments thereof, shall be given to each Director in person, telephone or telegraph at least three (3) business days prior to the day named for such meeting, or in the event notice is given by mail, five (5) business days prior to the day named for such meeting. Notice of a Board of Directors meeting shall be posted conspicuously on each Condominium Property forty-eight (48) continuous hours in advance of said meeting. Notice of any meeting where "Assessments" (as such term is hereinafter defined) are to be considered shall state that Assessments will be considered and the

nature of such Assessments. Directors may waive notice of a meeting before, during or after a meeting, and such waiver shall be deemed equivalent to the receipt of notice by such Director.

4.9 A quorum of the Board of Directors shall consist of a majority of the Directors. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board of Directors, except as specifically otherwise provided in the Declarations, Articles or elsewhere herein. If at any meeting of the Board of Directors there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present.

4.10 The presiding officer at Board meetings shall be the President.

4.11 Directors shall not receive any compensation for their services as Directors.

4.12 Minutes of all meetings of the Board of Directors shall be kept in a businesslike manner and be available for inspection by members and Directors at all reasonable times and upon reasonable notice. The minutes shall be retained by the Association for at least seven (7) years subsequent to the date of the meeting the minutes reflect.

4.13 The Board of Directors shall have the power to appoint an executive committee of the Board of Directors consisting of not less than a majority of the Directors, which shall have and exercise such powers of the Board of Directors as may be delegated to such executive committee by the Board of Directors. All acts of the executive committee shall be affirmed at the next meeting of the Board of Directors.

4.14 Meetings of the Board of Directors shall be open to all members as shall be determined by the Board of Directors in respect to each meeting in its sole discretion except as otherwise expressly provided herein. Unless a member serves as a Director or unless he has been specifically invited by the Directors to participate in a meeting of the Board of Directors, such member shall not participate in the meeting, but shall only be entitled to act as an observer. If a member not serving as a Director or not otherwise invited by the Directors to participate in a meeting attempts to become more than an observer at such meeting or conducts himself in a manner detrimental to the carrying on of such meeting, then any Director may expel said member from the meeting by any reasonable means which may be necessary to accomplish such an expulsion. Any Director shall have the right to exclude from any meeting of the Board of Directors any person who is not able to provide sufficient proof that he is a member, unless said person was specifically invited by the Directors to participate in such meeting.

#### **Section 5. Powers and Duties of the Board of Directors**

The Board of Directors shall have the powers and duties necessary for the management and administration of the affairs of the condominiums. All powers and duties of the Association,

including those existing under the Act and the Condominium Documents, shall be exercised by the Board of Directors, unless otherwise specifically delegated therein to the members. Such powers and duties of the Board of Directors shall be exercised in accordance with the provisions of the Act and the Condominium Documents and shall include, but not be limited to, the following:

5.1 Making and collecting against members to pay the Common Expenses of the Condominiums and Association. These Assessments shall be collected by the Association through payments made directly to it by the members as set forth in the Declaration.

5.2 Collecting the members' portion of Operating Expenses of the Master Owner's Association.

5.3 Using the proceeds of Assessments in the exercise of the powers and duties of the Association and the Board of Directors.

5.4 Maintaining, repairing and operating the Common Elements of each Condominium and other property owned by the Association.

5.5 Reconstructing improvements after casualties and losses and making further authorized improvements of each Condominium Property.

5.6 Making and amending rules and regulations with respect to the operation and use of the Condominium Property of each Condominium and any property owned by the Association.

5.7 Approving or disapproving subject to payment of any deposit and fee which may be imposed pursuant to 718.112(2)(i) of the Act with respect to any proposed sales or leases or lease renewals in accordance with the provisions set forth in the Declarations.

5.8 Enforcing by legal means the provisions of the Condominium Documents including the Declaration, the Articles, these By-Laws, and any rules and regulations adopted by the Association and the applicable provisions of the Act.

5.9 To contract for the management and maintenance of the Condominium Property of each Condominium or other property owned by 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 any rules and regulations and maintenance, repair and replacement of Common Elements and other services with funds that shall be made available by the Association for such purposes and to terminate such contracts and authorizations. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Documents and the Act including, but not limited to, the making of Assessments, promulgation of rules and regulations and execution of contracts on behalf of the Association.

5.10 Paying taxes and assessments which are or may become liens against the Common Elements and Condominium Units owned by the Association, if any, and assessing the same against Condominium Units which are or may become subject to such liens.

5.11 Purchasing and carrying insurance for the protection of Condominium Unit Owners and the Association against casualty and liability for the Condominium Property of each Condominium and other property owned by the Association.

5.12 Paying costs of all power, water, sewer and other utility services rendered to the Condominium and not billed to owners of Condominium Units.

5.13 Hiring and retaining such employees as it shall deem appropriate in its discretion to administer and carry out the services required for the proper administration of the affairs of the Association, including the hiring of resident managers and paying all salaries therefor.

5.14 Performing all of the covenants, conditions and obligations set forth in the Master Documents or required thereby.

5.15 To acquire, own, mortgage and convey real and personal property and take such other reasonable actions in that regard.

5.16 Electing, designating, and removing officers in accordance with the terms and provisions of the Condominium Documents.

5.17 Maintaining bank accounts on behalf of the Association and designating signatories required therefore.

#### **Section 6. Officers of the Association**

6.1 The officers of the Association shall be a President, who shall be a Director, one (1) or several Vice Presidents, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of Directors. Any officer may be removed without cause from office by a vote of the Directors at any meeting of the Board of Directors. The Board of Directors shall, from time to time, appoint such other officers and assistant officers and designate their powers and duties.

6.2 The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of the President of a condominium association, including, but not limited to, the power to appoint such committees at such times from among the members as he may, in his discretion, determine appropriate to assist in conducting the affairs of the Association. The President shall preside at all meetings of the Board of Directors. The

President shall also be the Voting Member of the Association or appoint by written proxy a person to be the Voting Member of the Association at meetings of the Owners' Association.

6.3 In the absence or disability of the President, the Vice President shall exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board of Directors. In the event there shall be more than one (1) Vice President elected by the Board of Directors, then they shall be designated "First", "Second", etc., and shall exercise the powers and perform the duties of the Presidency in such order and shall perform such other duties as shall be prescribed by the President and the Board of Directors.

6.4 The Secretary shall cause to be kept the minutes of all meetings of the Board of Directors and the members, which minutes shall be kept in a businesslike manner and shall be available for inspection by members and Directors at all reasonable times and upon reasonable notice. He shall have custody of the seal of the Association and shall affix the same to instruments requiring such seal when duly authorized and directed by the Board of Directors to do so. He shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of a condominium association as may be required by the Board of Directors or the President. The Assistant Secretary, if any, shall perform the duties of the Secretary when the Secretary is absent and shall assist the Secretary and perform such other duties as shall be prescribed by the President or the Board of Directors.

6.5 The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness. He shall keep the assessment rolls and accounts of the members, keep the books of the Association in accordance with good accounting practices and shall perform all of the duties incident to the office of a Treasurer. The Assistant Treasurer, if any, shall perform the duties of the Treasurer whenever the Treasurer is absent and shall assist the Treasurer and perform such other duties as shall be prescribed by the President or the Board of Directors.

6.6 The compensation, if any, of employees of the Association shall be fixed by the Board of Directors. Officers shall not be compensated for their services as officers. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association nor contracting with a Director for the management of the Condominium Property of any of the Condominiums or any other property owned by the Association.

## **Section 7. Accounting Records; Fiscal Management**

7.1 The Association shall maintain accounting records in accordance with generally accepted accounting practices and on an accrual basis. The accounting records shall be open to inspection by members or their authorized representatives who shall be accountants at reasonable times and upon reasonable notice. Such authorization as a representative of a member must be in



writing and be signed by the member giving such authorization and dated within sixty (60) days of the date of any such request. Written financial reports or statements of the Association shall be supplied at least annually, as set forth more fully in Section 7.2(f) below, to the members. The accounting records shall include (a) a record of all receipts and expenditures, including, as applicable, and not limited to, costs for security, professional management, taxes, refuse collection and utility services, lawn care, building maintenance and repair, insurance, administrative and salary expenses, and general, maintenance, and depreciation reserves; (b) an account for each Condominium Unit which shall designate the name and address of the Condominium Unit Owner, the amount of each Assessment charged to the Condominium Unit, the amounts and due dates for each Assessment, the amounts paid upon such account and the balance due for each Condominium Unit; (c) an account indicating the Common Expenses allocated under the Condominium budget and the Common Expenses actually incurred during the course of the fiscal year; and (d) a separate account for Operating Expenses charged by the Master Owner's Association against the Association as a whole and against each Condominium Unit.

7.2 (a) The Board of Directors shall adopt a budget of the Common Expenses of the Association and each Condominium (the "Budget") for each fiscal year at a regular or special meeting of the Board of Directors ("Budget Meeting") called for that purpose not later than November 15 of the prior year. In the event a Budget is not adopted by such date, it shall not abrogate or affect Condominium Unit Owners' obligations to pay Common Expenses. Prior to the Budget Meeting, a proposed Budget shall include, where applicable, but not be limited to, the following items of expense:

1. Expenses for the Association and Condominium
  - (i) Administration of the Association
  - (ii) Management Fees
  - (iii) Maintenance
  - (iv) Taxes upon Association Property
  - (v) Insurance
  - (vi) Other Expenses
  - (vii) Security Provisions
  - (viii) Operating Capital
  - (ix) Reserves
  - (x) Fees Payable to the Division of Florida Land Sales, Condominiums and Mobile Homes
  - (xi) Association's Share of Taxes, Insurance and other Operating Expenses
  - (xii) Deficiencies from Prior Year.
2. Expenses for a Unit Owner
  - (i) Rent for the unit, if subject to a lease.

Copies of the proposed Budget and notice of the exact time and place of the Budget Meeting shall be mailed to each member at the member's last known address, as reflected on the books and records of the Association, not less than fourteen (14) days prior to said Budget Meeting, and the Budget Meeting shall be open to the members. Failure to timely adopt a Budget shall not affect or abrogate the obligation to pay Common Expenses.

(b) The Board of Directors shall state in the Budget the Operating Expenses charged against the members of the Association by the Master Owner's Association, notwithstanding that such Operating Expenses are not Common Expenses and are not part of the Budget.

(c) The Board of Directors may also include in the proposed Budget an amount as a Common Expense Assessment for the making of betterments to the Condominium Property of each Condominium and other property owned by the Association for anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis or for the establishment of reserves for repair or replacement of the Condominium Property of each Condominium and other property owned by the Association either annually or from time to time as the Board of Directors shall determine the same to be necessary. Such amount may be levied upon the members by the Board of Directors as a Special Assessment and shall be considered an "Excluded Expense" under Section 7.3(a) hereof. In addition, the Board of Directors shall include, on an annual basis, the establishment of reserve accounts for capital expenditures and deferred maintenance of the Condominium Property of each Condominium and other property owned by the Association. The reserve accounts shall include, but not be limited to, roof repair and replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item. This amount shall also be considered an Excluded Expense under Section 7.3(a) hereof. The members may by a majority vote at a duly called meeting of the association determine for a particular fiscal year to budget no reserves or reserves in a lesser amount than required herein.

(d) In administering the finances of the Association, the following procedures shall govern: (i) there shall be apportioned between calendar years on a pro rata basis any expenses which are prepaid in any one calendar year for Common Expenses which cover more than such calendar year; (ii) Assessments shall be made monthly, unless otherwise determined by the Board of Directors, in amounts no less than are required to provide funds in advance for payment of all of the anticipated expenses and for all unpaid expenses previously incurred; and (iii) Common Expenses incurred in a calendar year shall be charged against income for the same calendar year regardless of when the bill for such Common Expenses is received. Assessments shall be sufficient to provide adequate and available funds to meet all budgeted expenses and anticipated cash needs in any calendar year.

(e) The depository of the Association shall be such bank or banks as shall be designated from time to time by the Board of Directors in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be by checks signed only by such

persons as are authorized by the Board of Directors; provided, however, that at least two (2) authorized signatures shall be on any check.

(f) A financial report for each year, including a statement of revenues and expenses of the Association shall be prepared by a Certified Public Accountant designated by the Board of Directors. Either a copy of such report or a complete set of financial statements shall be furnished to each member no later than the first day of April of the year following the year for which the report is made. The report or statements shall be deemed to be furnished to the member upon its delivery in person or mailing by prepaid, first-class mail to the member at his last known address shown on the books and records of the Association.

7.3 Until the provisions of Section 718.112 (2)(e) of the Act relative to the members' approval of a Budget requiring Common Expense Assessments against the members in excess of one hundred fifteen percent (115%) of such Common Expense Assessments for the members in the preceding year are declared invalid by the Courts, or until amended by the Florida Legislature (however, if such amendment merely substitutes another amount for one hundred fifteen percent [115%], then such new amount shall be substituted for one hundred fifteen percent [115%] each time it is used in this Section 7.3), the following shall be applicable:

(a) Should the Budget adopted by the Board of Directors at the Budget Meeting require Common Expense Assessments against the members in any one Condominium or the Association as a whole of an amount not greater than one hundred fifteen percent (115%) of such Common Expense Assessments for the prior year, the Budget shall be deemed approved. If, however, the Common Expense Assessments required to meet the Budget exceed one hundred fifteen percent (115%) of such Common Expense Assessments against the members in any one Condominium or the Association as a whole for the preceding year (an "Excess Assessment"), then the provisions of Sections 7.3(b), (c) and (d) hereof shall be applicable; provided that in computing whether a Common Expense Assessment constitutes an Excess Assessment, there shall be excluded from such computation certain expenses (the "Excluded Expenses"), including the following:

(1) Reserves for repair or replacement of the Condominium Property of each Condominium and other property owned by the Association;

(2) Anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis; and

(3) Common Expense Assessments for betterments to the Condominium Property of each Condominium and other property owned by the Association.

(b) Prior to the Majority Election Meeting: Should an Excess Assessment be adopted by the Board of Directors while Declarant is in control of the Board of Directors, then a special meeting of the members in the affected Condominium, or the Association, as the case may

be, shall be called by the Board of Directors which shall be held not less than ten (10) days subsequent to the sending of written notice to each member, but within twenty (20) days after the Budget Meeting. At said special meeting, the Excess Assessment shall be presented to the members in the affected Condominium, or the Association, as the case may be. If at said special meeting a majority of the members in the affected Condominium, or the Association, as the case may be, shall approve the Excess Assessment, then the Budget adopted by the Board of Directors shall be the final Budget. If, at said special meeting of the members a majority of the members in the affected Condominium, or the Association, as the case may be, shall not approve the Excess Assessment, then the Board of Directors shall reconvene at a special meeting for the purpose of reducing the items of anticipated expense in the Budget in an amount necessary so that the Budget adopted by the Board of Directors will not result in an Excess Assessment against the members.

(c) After the Majority Election Meeting: Should an Excess Assessment be adopted by the Board of Directors after the Board of Directors is no longer controlled by Declarant, then upon written application requesting a special meeting signed by ten percent (10%) or more of the members in the affected Condominium, or the Association, as the case may be, and delivered to the Board of Directors within twenty (20) days after the Budget Meeting, the Board of Directors shall call a special meeting to be held not less than ten (10) days subsequent to the sending of written notice to each member, but within thirty (30) days of the delivery of such application and shall enact a revision of the Budget. The enactment of a revision of the Budget shall require approval of not less than two-thirds (2/3) of the members in the affected Condominium, or the Association, as the case may be. If such a revised Budget is enacted at said special meeting, then the revised Budget shall be the final Budget, or if a revised Budget is not enacted at such special meeting, or if no quorum is attained at such special meeting, then the Budget originally adopted by the Board of Directors shall be the final Budget. If no written application is delivered, as provided herein, then the Budget originally adopted by the Board of Directors shall be the final Budget.

(d) The term "Majority Election Meeting" shall have the same meaning as set forth in the Articles.

(e) The Board of Directors shall not have the authority or power to reduce the Association's share of Operating Expenses assessed by the Master Owner's Association pursuant to the Master Documents or the Condominium Documents. This statement is for explanation purposes only and a deletion or amendment hereof shall not grant or convey such authority or power.

(f) The Board of Directors shall not anticipate revenues from Assessments or expend funds to pay for Common Expenses not included in the Budget or which shall exceed budgeted items and the Board of Directors shall not engage in deficit spending. Should there exist any deficiency which results from there being greater Common Expenses than revenues from Assessments, then such deficits shall be carried into the next succeeding year's Budget as a deficiency or shall be the subject of a Special Assessment to be levied by the Board of Directors as provided in the Declaration.

7.4 (a) The Budget constitutes an estimate of the expenses of the Association and for the Condominiums. Subsequent to the "Interim Assessment Period" (as described in the Declaration), this estimate of the expenses of the Association and the Condominiums shall be multiplied by the share in Common Expenses assigned to each Condominium Unit and the resultant product shall constitute the Annual Assessment for such Condominium Unit.

(b) A Condominium Unit Owner shall also be liable for any Special Assessment levied against his Condominium Unit by the Board of Directors as provided in the Declaration or assessments for Operating Expenses or Special Assessments by the Owners' Association as provided in the Master Documents.

7.5 The Association shall collect Annual Assessments and Special Assessments, and assessments for Operating Expenses of the Owners' Association from the Condominium Unit Owners in the manner set forth in the Declarations and the other Condominium Documents.

7.6 If a Condominium Unit Owner shall be in default in the payment of an installment of the Annual Assessment, the Board of Directors or its agent may accelerate the remaining installments of the Annual Assessment.

#### **Section 8. Rules**

The Board of Directors may adopt rules or amend or rescind existing rules for the operation and use of the Condominium Property and each Condominium Unit. Copies of rules promulgated, amended or rescinded shall be mailed to all Condominium Unit Owners at their last known address as shown on the books and records of the Association and shall not take effect until forty-eight (48) hours after such mailing.

#### **Section 9. Enforcement Procedures**

(a) Enforcement Committee. The Association shall have the right to assess reasonable fines against an Owner in the manner provided herein. Each Board of Directors (the "Appointing Board") shall have the power to create an "Enforcement Committee" to be comprised of three (3) members, one (1) of whom shall be a Director, and one (1) of whom shall be designated as the Chairperson thereof. The Enforcement Committee shall serve a term consistent with the term of its Appointing Board. Members of the Enforcement Committee may be replaced with or without cause by majority vote of the Appointing Board.

(b) Conduct of Enforcement Hearing. The alleged non-complying member shall be given reasonable opportunity to be heard.

(c) Powers of the Enforcement Committee. The Enforcement Committee shall have the power to:

(i) Adopt rules for the conduct of its hearings to be approved by the Board of Directors;

(ii) Effectuate the provisions set forth in this provision;

(iii) Issue orders consistent with this provision; and

(iv) Order non-complying members to pay a fine not to exceed Fifty (\$50.00) Dollars, or such greater amount as may be permitted by the Act.

(d) Notice to Alleged Non-Complying members. Alleged non-complying members shall be given reasonable notice at least seven (7) days in advance of said hearing. No alleged non-complying member shall be given notice of hearing before the Enforcement Committee unless said alleged non-complying member has first been given reasonable opportunity to rectify the alleged non-complying condition.

#### **Section 10. Internal Dispute Resolution**

As provided in Section 718.112(2)(1) of the Act, internal disputes arising from the operation of the Condominium among Unit Owners, the Association, their agents, and assigns shall be subject to mandatory non-binding arbitration of disputes upon the consent of the parties to such dispute.

The Association shall have no responsibility to settle disputes between members or intervene on behalf of any member regarding a dispute with another member.

#### **Section 11. Parliamentary Rules**

The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of the Association; provided, however, if such Rules are in conflict with the Articles, these By-Laws, the Declarations, or the Act, then the Articles, By-Laws, Declarations, or the Act, as the case may be, shall govern in the following order of priority: Act, Declarations, Articles, By-Laws.

#### **Section 12. Amendment of the By-Laws**

12.1 These By-Laws may be amended by the affirmative vote of not less than a majority of the members present at an annual members meeting or a special meeting of the members. A copy of the proposed amendment shall be sent to each member along with the notice of the special meeting of the members or annual members meeting.

12.2 Amendments to these By-Laws shall be made in accordance with the requirements of the Act and amendments thereto in effect at the time of amendment.

12.3 No modification or amendment to these By-Laws shall be adopted which would affect or impair the priority of any "Eligible Mortgagee", as defined in the Declaration, the validity of the mortgage held by any such Eligible Mortgagee or any of the rights of Declarant.

12.4 No amendment to these By-Laws shall be valid unless recorded with identification on the first page thereof of the book and page of the public records where the Declaration is recorded.

**EXHIBIT C-I TO DECLARATION OF CONDOMINIUM  
FOR THE LYON COMMERCIAL CONDOMINIUM**

UNIT NUMBER	Sq. Ft.	SHARE IN COMMON ELEMENTS& SURPLUS
C-1	895	.034605421
C-2 & C-3	1685	.065150988
C-4	789	.030506902
C-5	1276	.049336891
C-6	524	.020260604
C-7	398	.015388779



**EXHIBIT C-II**  
**THE LYON COMMERCIAL CONDOMINIUM**  
**MONTHLY ASSESSMENTS**

UNIT NUMBER	Sq. Ft.	MONTHLY ASSESSMENT
C-1	895	\$492
C-2 & C-3	1685	\$884
C-4	789	\$405
C-5	1276	\$660
C-6	524	\$265
C-7	398	\$224